Stock Code: 6170

統振股份有限公司

WELLDONE COMPANY

2022

Annual Report

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http://newmops.tse.com.tw/

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(I) Contact Information of the Spokesperson and Deputy Spokesperson

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Deputy Spokesperson:	Li, Po-Yang, Chief Financial Officer
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(II) Contact Information of the Headquarters, Branches and Plants

Headquarters

Address:	No. 181, Anmei St., Neihu Dist., Taipei City
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Branches	None

(III) Contact Information of the Stock Transfer Agency

Name:	Grand Fortune Securities
Address:	6F., No. 6, Sec. 1, Zhongxiao W. Rd., Zhongzheng Dist., Taipei City
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(IV) Contact Information of the CPAs for the Latest Financial Statements

CPAs:	Chiu, Yung-Ming, Liu, Shu-Lin
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(V) Name of the Offshore Stock Exchange and Method for Accessing Information on Offshore Securities:

None.

(VI) Company Website:

www.welldone.com.tw

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I. Letter to Shareholders

Welldone Company obtained its first license as a small amount remittance service for foreign migrant workers in October 2021. The company uses an app to provide convenient, reliable services in a timely manner. The number of members and remittances continue to grow and operational performance of the service has received positive recognition. The company also continues to strengthen information security, customer service, and marketing, as well as service efficiency to not only grasp the needs of the market but also to face market competition and challenges following the ease of regulation on small amount remittance services for foreign immigrant workers in Taiwan. The pandemic has also slowed since last year, and people's lives are gradually returning to normal. Therefore, the government has lifted the regulations restricting movements of foreign migrant workers to Taiwan. The overall operational performance of the prepaid SIM card business is therefore gaining in strength.

Regarding reinvestment, the company had transferred most of its equity to Ritdisplay Corporation to take control of the company. The company expects to utilize the existing resources of Ritdisplay Corporation to form a strategic alliance and create synergy in sales, supply chain management, and manufacturing to further improve the operational performance of WELLTECH ENERGY INC. The company holds 29.98% of the equity of WELLTECH ENERGY INC. following the equity transfer. The sales channel business, Life Link Co., Ltd. (formerly known as Taiwan Digi-Com Co., Ltd.) has been an agent of cosmetics products of Germany for five years. However, due to the impact of the pandemic, the global cosmetics market slumped and faced decline. However, due to pandemic prevention measures, the short-term demand for masks and rapid test kits increased greatly, allowing Life Link Co., Ltd. to make significant profit and revenue in 2022. Furthermore, after the company became a general agency of Duracell Battery in Taiwan, sales alongside another distributed battery brand, TOSHIBA Batteries & Cells, experienced significant growth. Moreover, the new distributed brand of the company in Germany, Doppelherz Healthcare Products, has started omni-channel deployment and distribution. The company expects that these new products and related business planning will bring good operational performance in the future.

(I) **Result of the implementation of the business plan**

A. Business Plan Implementation

The company's operating revenue in 2022 was NT$2.47 billion, a decrease of 17.07% compared to operating revenue of NT$2.98 billion in 2021, mainly due to the pandemic and the impact on telecommunication and makeup products sales, and because the revenue of WELLTECH ENERGY INC. had not been consolidated with the company's revenue since Q2 2022. The after-tax income of the company reached NT$238 million in 2022, which was an increase compared to NT$162 million in 2021. This increase is mainly due to the sales growth of the small amount remittance service and the disposition of the owner's equity of WELLTECH ENERGY INC. Sales income due to the short-term demand for masks and rapid test kits further contributed to this figure. The EPS of the company also increased from NT$1.86 to NT$2.73.

B. **Execution of the budget derivative of operating revenue and expenditure**

There is no publication of financial forecasts disclosed by the company.

C. Financial Revenue and Profitability Analysis

Financial revenue and expenditure and profitability analysis

Unit: NT$ Thousand

Item		2022	2021
Financial revenue and expenditure	Operating income	2,468,794	2,976,984
	Operating costs	608,570	631,613
	Net Income	237,876	162,124
Profitability	Return on Equity (%)	17.0%	12.4%
	Earnings per share (NT$)	2.73	1.86

D. Research and development

The primary task of research and development is the optimization and the development of small amount remittance system applications.

(II) Summary of the 2023 Business Plan

In 2023 the Company will further apply for remittance permission regarding the remittance services for migrant workers in accordance with the relevant regulations, including the Act Governing Electronic Payment Institutions. In the telecommunication business, the Company will continue strengthening sales of prepaid cards and improve physical channel services. In the channel business, the Company will develop and introduce other high-quality products from Europe and the United States.

A. Business guidelines

1. Strengthen remittance services for migrant workers and improve the number of members and usage count.
2. Develop new products and new services.

B. Expected sales volume

In accordance with the business guideline and objectives, the Company is targeting continual growth of small amount remittance and channels this year.

C. Important policies for production and sales

Strengthen talent cultivation and in-service training, and improve the Company's capabilities for business expansion and product development.

(III) Future Development Strategy

For the purpose of responding to market competition, the Company has drafted its future development strategy as follows:

A. Strengthen the expansion and service of businesses related to foreign migrant workers.

B. Expand relevant channel business development.

(IV) Impact of the external competitive environment, regulatory environment, and overall operation environment on the Company

For the migrant worker remittance business, the Company obtained its first license as a small amount remittance service for foreign migrant workers in October 2021. After the release of the Act Governing Electronic Payment Institutions, the market has become more transparent and popularized; the Company will continuously strengthen promotion of its services and adapt to the competition. The Company will also emphasize safety and efficiency to reinforce its competitive advantage. As for telecommunication business, the Company will continue to expand and focus on migrant worker groups and develop diversified services and commodities in consideration of the reduction of telecommunication charges and market competition as well as the decline of operating revenue and profits from prepaid cards year-on-year. This will be the sixth year for Taiwan Digi-Com Co., Ltd., a subsidiary of the Company, serving as an agent of cosmetics products of Germany. In the last two years, sales have declined due to the pandemic. The Company has also introduced healthcare food from Germany, and launched omni-channel deployment in the hope that market risks can be lowered through product diversity.

As a whole, the Company will profoundly stress customers and diversified product competitiveness, actively expand related fields, continually develop the "New Blue Sea" markets and fields, and strive to realize the goals of maintaining competition and making profits.

Chairman: Chen, Tun-Jen

II. Company Profile

(I) Date of Incorporation
August 19, 1977

(II) Company History

1977	The Company focused on the export trade when it first started. The company name was "Welldone Co., Ltd." upon incorporation, and the capital was NT$ 5,000,000.
1986	The Company obtained agent status for Toshiba disposable batteries, and formally become the eighth Toshiba agent in Taiwan.
1991	The Company won the grand championship of sales performance of Toshiba Batteries & Cells in overseas markets.
1992	The Company formally became the general agent of Toshiba Batteries & Cells in Taiwan's consumer market. The Toshiba eco-friendly battery was marketed. The Company ranked first place in overseas sales of Toshiba Batteries & Cells again, and obtained a certificate of gratitude. The capital of the Company was increased to NT$ 15,000,000.
1993	The Company served as an agent of Toshiba rechargeable batteries. The first issue of the professional battery periodical, Welldone Bimonthly, was published. The capital of the Company was increased to NT$ 25,000,000.
1995	The rechargeable battery assembly factory was established.
1996	The factory started to enter planned production stage. The Company launched a battery vending machine to expand a brand-new battery selling channel. The Company changed its organizational name to "Welldone Company". The Company completed the first stage of employee stock subscriptions. The capital of the Company was increased to NT$ 40,000,000.
1997	The Company relocated to a self-owned factory office building covering an area of approximately 600 pings. The capital of the Company was increased to NT$ 80,000,000.
1998	The Company created the brand "SAINTOP" to expand the local cellular phone battery and accessory market in Taiwan. The Company passed ISO9002 quality assurance verification. The Company obtained status as an agent of YUASADELTA nickel-metal hydride batteries in Taiwan's consumer market. SAINTOP cellular phone batteries were initially sold in 7-11 convenience stores. The capital of the Company was increased to NT$ 120,000,000.
1999	The company became an agent of Taiwan Mobile Co., Ltd. consumer channel OK prepaid cards/recharging cards in Taiwan. The company became an agent of MOBITAI Quick Card/Renewal Card consumer channels. The Company obtained status as a general agent of mass network prepaid card consumer channels. The capital of the Company was increased to NT$ 182,000,000.
2000	The company became an agent of ChungHwa Telecom international prepaid card consumer channels. The capital of the Company was increased to NT$ 202,880,000.

	The Company was approved by the Securities and Exchange Institute for public offering. The Company accepted guidance from relevant securities underwriters for TPEx listing.
2001	The company became an agent of various fixed line prepaid cards and relevant product consumer channels. The Company passed the new version of the ISO9001:2000 certification. The capital of the Company was increased to NT$ 249,000,000.
2002	The Company was approved by the Securities and Exchange Institute for TPEx listing. The Company was formally listed for trading on April 16. Welldone (Shanghai) Co., Ltd. was established. The capital of the Company was increased to NT$ 329,000,000.
2003	TEKWELLINC, an American subsidiary of the Company, was established. The company became an agent of ON-LINE GAME sales. A delivery center bonded warehouse was established.
2004	The capital of the Company was increased to NT$ 448,877,960. The Company passed ISO14001 certification and established a bonded factory. The Company invested in Tung Yung Technology Co., Ltd. The groundbreaking ceremony of the enterprise headquarters building of Welldone Group. The high-power rechargeable lithium battery project development plan of the Company through cooperation with the Industrial Technology Research Institute and Giant Manufacturing Co., Ltd. was reviewed and approved by the Ministry of Economic Affairs. The capital of the Company was increased to NT$ 533,593,470.
2005	The surplus was converted to increase capital to NT$ 592,289,820. China Chip Alliance was established. The ERP system was adopted. Tung Pang, an affiliated enterprise of the Company, was restructured to Digital Idea Multimedia Co., Ltd. and focused on the value-added service industry for digital content. The Company established a high-power business division to promote the R&D and marketing of high-power battery modules.
2006	The surplus was converted to increase capital to NT$ 659,425,460. The enterprise headquarters buildings in Neihu Districted relocated and each affiliated enterprise settled in new spaces. The Company established Shanghai Tongxin Trade Co., Ltd. to deploy new channels and the international trade business. The Company acquired an office building in Lujiazui, Pudong New Area, Shanghai as its operation center. The Company established GWA ENERGY, INC. through a joint venture with Gold Peak Industries and Amita Technologies to enter the global high-power battery market. The Company established Taiwan Digi-Com Co., Ltd. to expand 3C channels and the TV shopping business. Digital Idea Multimedia Co., Ltd., an affiliated enterprise of the Company, established Lehai Shengshi International Record Brokerage

	Co., Ltd. and DIGITALIDEA to enter the added-value service market of digital contents in mainland China.
2007	The surplus was converted to increase capital to NT$ 734,087,080. In response to demand for production capacity, the Company purchased land in Damaiwan Industrial Zone, Hangtou Town, Nanhui District, Shanghai, to construct a second factory and expand production capacity.
2008	The surplus was converted to increase capital to NT$ 816,245,790. The Company signed a "Power Management System Design Technology and Patent Authorization" contract with Material and Chemical Research Laboratories, the Industrial Technology Research Institute, and obtained a power management system technical patent. The Company invested in the establishment of WELLTECH ENERGY INC. to divide its electric energy business. WELLTECH ENERGY INC. was established, and August 1 was determined as the base day of division. The initial capital reached NT$ 360,000,000.
2009	The surplus was converted to increase capital to NT$ 897,870,370. To strengthen the integration of channel business of the Group, the Company sold Shanghai Tongxin Trade Co., Ltd. to its affiliated enterprise Taiwan Digi-Com Co., Ltd. in April 2009. The Company established a game operation department which launched the first proxy game called "Da Sia" in December 2009. The Company formally transformed its original game agency marketing business to a game agency operator business.
2010	To integrate overall resources, lower operating costs, expand business scale, and improve market competitiveness, Taiwan Digi-Com Co., Ltd., an affiliate enterprise in the channel business of the Company, merged with Tekwell International Co., Ltd. on June 30, 2010. After the merger, Taiwan Digi-Com Co., Ltd. became the official name of the company, while Tekwell International Co., Ltd. was eliminated.
2011	To strengthen the full-time labor division of the corporate organization and give play to industry division and segmentation, WELLTECH ENERGY INC., an affiliated enterprise in the Company's manufacturing business, transferred its electric vehicle battery module business division to TD HITECH ENERGY INC., a wholly-owned subsidiary of the Company, and was completed on January 1, 2011.
2012	To expand production capacity, WELLTECH ENERGY INC. acquired Changzhou Soaring Technology Co., Ltd.
2012	Corporate bonds were converted to shares and the share capital was increased to NT$ 899,239,640. The surplus was converted to increase capital to NT$ 949,520,380.
2013	Welldone established a strategic cooperation with major supermarkets and malls in Taiwan with its i-money service. In addition to cooperation with OK, Hi-Life, and FamilyMart, the Company launched a unified super channel system at the end of October, and a major business breakthrough was made in sales stores. A complete layout of supermarket and mall channels in Taiwan was finished, and the Company was prepared for the development of the "Third-party Payment" mechanism.
2014	The Company disposed of Evertop International (SAMOA) Co., Ltd.

The Company disposed of IME Production (M) SDN.BHD.

Taiwan Digi-Com Co., Ltd., an affiliated enterprise, disposed Welltech Group Co., (SAMOA) Ltd., Techcharm Trading Limited, and Shanghai Tongxin Trade Co., Ltd.

The Company repurchased and canceled treasury stock for capital decrease. The paid-in capital after capital decrease was NT$ 936,700,380.

2015 Digital Idea Multimedia Co., Ltd., an affiliated enterprise, disposed of Idea Music Entertainment Co., Ltd., and Beijing Lehai Shengshi International Music Culture Development Co., Ltd.

The Company repurchased and canceled treasury stock for capital decrease. The paid-in capital after capital decrease was NT$ 916,700,380.

2016 The Company repurchased and canceled treasury stock for capital decrease. The paid-in capital after capital decrease was NT$ 896,700,380.

The Company set up prepaid card sales shops in Kaohsiung Siaogang Airport and Taoyuan International Airport.

The Company cooperated with CMC for the development of and agent status of switched battery electric motor cars.

The Company established Green Easy Leasing Co., Ltd. to promote the electric motor leasing business.

2017 Welldone expanded the foreign migrant worker related business and increased international human resources intermediary service projects.

Taiwan Digi-Com Co., Ltd., an affiliated enterprise, developed the cosmetics agency business of international brands.

2019 The Financial Supervisory Commission approved Welldone to handle a FinTech innovative experiment concerning salary remittance for foreign migrant workers.

2020 To expand production capacity in response to order demand, TD HITECH ENERGY INC. was relocated to the Hukou Industrial Zone, Hsinchu County.

To strengthen its competitive advantage and based on the green energy sources of Darfon to create synergies, the Company sold 8,122,000 shares of TD HITECH ENERGY INC., resulting in a decrease of shareholding from 62.16% to 22.78%.

To strengthen capital structure and introduce a strategic partner, the Company waived the subscription of number of shares involved in the proposal for capital increase by cash of WELLTECH ENERGY INC. in 2020, resulting in a decrease of shareholding from 68.32% to 52.26%.

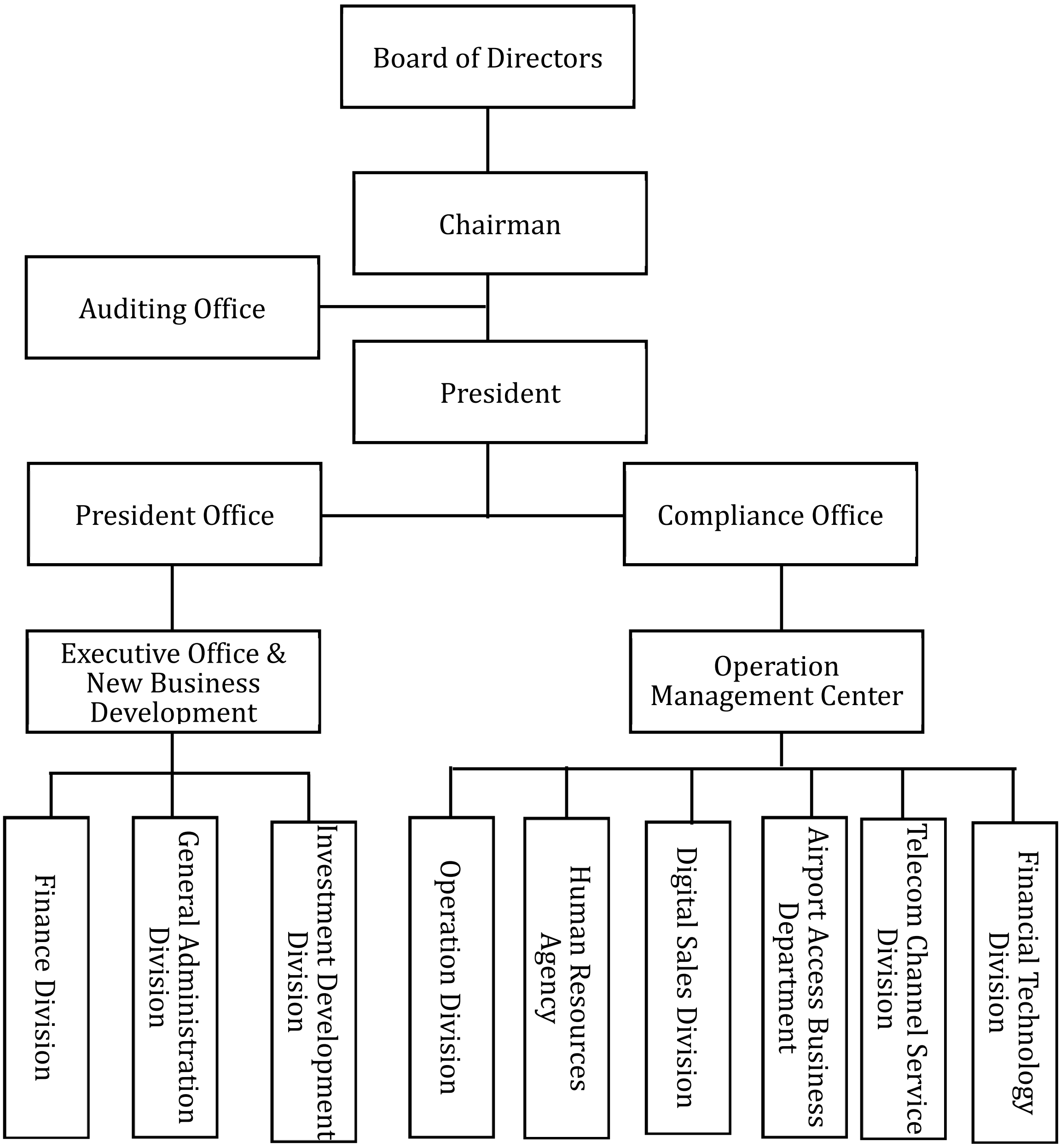
2021 The Company disposed of Digital Idea Multimedia Co., Ltd.

2022 To create operation synergies in the battery business of WELLTECH ENERGY INC., the Company transferred some shares of WELLTECH ENERGY INC. to Ritdisplay Corporation which then held the majority of equity, while the Company lost the control power.

III. Corporate Governance Report

(I) Organization

A. Organizational chart



B. Business activities of main divisions

Auditing Office	Check and evaluate the internal control system, execute auditing in each department, and investigate, evaluate, improve, and track auditing matters.
President Office	Draft plans and promote the implementation of projects assigned, and maintain public relations according to the general manager's instructions.
Compliance Office	Abide by relevant laws and regulations governing remittance to migrant workers and prevent money laundering.
Executive Office & New Business Development	Take charge of overall arrangement of administrative affairs of the group and planning of new businesses, as well as establish a Finance Division, General Administration Division, and Investment Development Division.
Finance Division	1. Take charge of planning capital management, preparing financial management statements, and providing supervisors' decision-making. 2. Plan and execute stock related work and capital increase projects. 3. Execute accounting treatment, and handle tax-related affairs.
General Administration Division	1. Take charge of establishing and promoting each management system of the Company. 2. Manage the network and computer information system. 3. Human resource management, plan and execute general administrative affairs, and building management affairs.
Investment Development Division	Investment management and evaluation, and new business development.
Operational management Center	Take charge of business operations of the Company, and make overall arrangements for the telecommunication product business, international human resources business, digital entertainment business, airport channel business, and fulfillment of operational performance of the FinTech business.
Operation Division	Take charge of and support the Operational management work of each business division, sales cycles, purchasing, and other relevant matters, as well as execute market planning and analysis.
Telecom Channel Service Division	1. Agent for sales of mobile phone prepaid cards 2. Take charge of market channel management of foreign migrant workers, customer communication, and marketing.
Human Resources Agency	1. Transnational human resources intermediary business development; Operational management. 2. Operational management of exchange settlement agent work for foreign migrant workers.
Digital Sales	1. Operation of various kinds of digital entertainment

Division	commodities and channels, such as game video products. 2. Operation of small amount payment virtual platforms.
Airport Access Business Department	Operational management of telecommunication shops in international markets.
Financial Technology Division	Operational management of the foreign migrant worker service platform

(II) Profile of the Company's directors, supervisors, president, vice-presidents, associate managers, and the heads of all Company divisions and branch units

A. Directors and supervisors

1. Profile of directors and supervisors

April 16, 2023

Title	Nationality / place of incorporation	Name	Gender Age	Date elected	Term (years)	Date first elected	Shareholding when elected		Current shareholding		Spouse & minor shareholding		Shareholding by nominee arrangement		Experience (education)	Other position	Executives, Directors or Supervisors who are spouses or within the second degree of kinship			Remarks
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Chairman	R.O.C.	Chen, Tun-Jen	Male 71~80	2020.06.16	3	2002.04.26	3,570,158	3.98%	3,570,158	3.98%	5,235,000	5.84%	0	0.00%	National Chengchi University EMBA Advanced Business Class Da-Yeh University EMBA National Association of Small & Medium Enterprises, R.O.C./Council member	Life Link Co., Ltd./ Chairman	Director	Xinlai Investment Co., Ltd.	The person in charge is the spouse	None
																	Vice-President	Chen, Alexander	Father-son	None
Director	R.O.C.	Ho, Ming-Che	Male 51~60	2020.06.16	3	2002.04.26	1,333,525	1.49%	1,333,525	1.49%	0	0.00%	1,453,000	1.62%	National Chengchi University EMBA Advanced Business Class National Yang Ming Chiao Tung University Department of Management Sciences XIAO MEI FOOD INDUSTRY CO., LTD./Assistant business manager	Welldone Company/President	None	None	None	None
Director	R.O.C.	Xinlai Investment Co., Ltd.	N/A	2020.06.16	3	2008.06.13	8,820,000	9.84%	8,958,000	9.99%	0	0.00%	0	0.00%	None	None	Chairman	Chen, Tun-Jen	Spouse of the person in charge	None
	R.O.C.	Chen, Alexander	Male 31~40			2014.06.12	0	0.00%	6,000,000	6.69%	0	0.00%	2,518,000	2.81%	Sophia University Fengyi Global Co., Ltd./ Chairman	Welldone Company/Executive Office & New Business Development Vice-President	Chairman	Chen, Tun-Jen	Father-son	None
Director	R.O.C.	Lo, Hsueh-Yu	Male 61~70	2020.06.16	3	2014.06.12	800,000	0.89%	500,000	0.56%	0	0.00%	0	0.00%	Master of Accounting and Information Technology of National Chung Cheng University Grand Fortune Securities Investment Consulting Co., Ltd. / President Grand Fortune Securities Investment Consulting Co., Ltd. / Chairman	HONG TAI ELECTRIC INDUSTRIAL CO., LTD./ Independent Director EVERFOCUS ELECTRONICS CORP./ Independent Director Tong Ying International Co., Ltd./ Chairman	None	None	None	None
Independent Director	R.O.C.	Lo, Li-Chu	Female 61~70	2020.06.16	3	2005.06.28	62,572	0.07%	34,572	0.04%	0	0.00%	0	0.00%	Ph.D., University of Massachusetts Medical & Pharmaceutical Industry Tech& Dev Center/President	ORMOSA PHARMACEUTICALS, INC./ Independent Director LYTONE ENTERPRISE, INC./ Independent Director XANTHO BIOTECHNOLOGY CO., LTD. /Consultant	None	None	None	None
Independent Director	R.O.C.	Wang, Shen-Huei	Male 61~70	2020.06.16	3	2020.06.16	0	0.00%	0	0.00%	0	0.00%	0	0.00%	Master of Science, EE, Virginia Polytechnic Institute & State University Coretronic Corporation/ President YMA Corporation/Supervisor	YMA Corporation/ Supervisor:	None	None	None	None
Independent Director	R.O.C.	Tsai, Yu-Ping	Male 61~70	2020.06.16	3	2020.06.16	0	0.00%	0	0.00%	0	0.00%	0	0.00%	Santa Clara University, School of Law Doctor of Law Baoli Wealth Management Co., Ltd./ Chairman Allianz Life Taiwan/President Uni-President Asset Management Corp./President	Baoli Wealth Management Co., Ltd./ Chairman Hydroionic Technologies Co., Ltd./ Director & President Cellmax Taiwan Co. Ltd./ Director Weikeng Industrial Co., Ltd,/ Independent Director Cipherlab Co., Ltd./ Independent Director Chinese Association of Valuation/Vice-president	None	None	None	None

2. Major shareholders of corporate shareholders

April 16, 2023

Name of corporate shareholder	Major shareholder of corporate shareholder
Xinlai Investment Co., Ltd.	Yu, Hui-Chin (59.71%)
	Chen, Alexander (40.29%)

3. Directors' professional knowledge and independence status:
(1) Professional qualifications and independence analysis of directors and supervisors

Condition / Name	Professional qualifications and experience	Independence status	Number of other public companies where the director holds a concurrent post of independent director
Chairman Chen, Tun-Jen	Executive MBA National Chengchi University; Da-Yeh University EMBA As the founder, Chen is in charge of Welldone Company and its subsidiaries.	(See the table below for details)	
Director Ho, Ming-Che	Department of Management Science, National Yang Ming Chiao Tung University National Chengchi University EMBA Advanced Business Class Ho served as assistant business manager of Xiao Mei Food Industry Co., Ltd., and Chairmanof Digital Idea Multimedia Co., Ltd. and has experience in business marketing and management. Ho currently serves as the president of Welldone Company.	(See the table below for details)	
Director Chen, Alexander	Chen was in charge of the marketing business of Life Link Co., Ltd., and currently serves as vice-president of the Executive Office & New Business Development of Welldone Company, and has experience in business marketing and management.	(See the table below for details)	
Director Lo, Hsueh-Yu	Lo served as Chairmanof Grand Fortune Securities Investment Consulting Co., Ltd. and president of Grand Fortune Securities Co., Ltd., and has experience in securities finance industry management.	(See the table below for details)	HONG TAI ELECTRIC INDUSTRIAL CO., LTD./ Independent Director EVERFOCUS ELECTRONICS CORP./ Independent Director

Independent Director/Audit Committee member Lo, Li-Chu	Lo served as director of Allianz Pharmascience Ltd., president of Orient Pharma Co., Ltd., and president of Medical & Pharmaceutical Industry Tech & Dev Center, and has experience and expertise in the field of biotechnology.	The director, his/her spouse, and relatives within the second degree of kinship have not served as director, supervisor, or employee of the Company or its affiliated companies; the director holds 34,572 shares of the Company (accounting for 0.04% of the total shares issued), while his/her spouse and relatives within the second degree of kinship do not hold any shares of the Company themselves (or in the name of others); the director has not served as director, supervisor, or employee of any other company that has a specific relation with the Company; the director has not provided the Company or its affiliated companies with commerce, legal affairs, finance, accounting and other relevant services within the last two years. (See the table below for details)	ORMOSA PHARMACEUTICALS, INC./ Independent Director LYTONE ENTERPRISE, INC./ Independent Director
Independent Director/Audit Committee member Wang, Shen-Huei	Wang served as president of Coretronic Corporation, and now serves as a supervisor of YMA Corporation, and has management experience in the science and technology industry.	The director, his/her spouse, and relatives within the second degree of kinship have not served as director, supervisor, or employee of the Company or its affiliated companies; the director, his/her spouse, and relatives within the second degree of kinship do not hold any shares of the Company themselves (or in the name of others); the director has not served as director, supervisor, or employee of any other company that has a specific relation with the Company; the director hasn't provided the Company or its affiliated companies with commerce, legal affairs, finance, accounting and other relevant services within the last two years. (See the table below for details)	

Independent Director/Audit Committee member Tsai, Yu-Ping	Holding a doctorate in law from the School of Law, Santa Clara University, Tsai served as president of Allianz Life Taiwan, president of Uni-President Asset Management Corp., etc., and is currently Chairmanof Baoli Wealth Management Co., Ltd., and has experience and expertise of management and law in the financial insurance field.	The director, his/her spouse, and relatives within the second degree of kinship have not served as director, supervisor, or employee of the Company or its affiliated companies; the director, his/her spouse, and relatives within the second degree of kinship do not hold any shares of the Company themselves (or in the name of others); the director hasn't served as director, supervisor, or employee of any other company that has a specific relation with the Company; the director has not provided the Company or its affiliated companies with commerce, legal affairs, finance, accounting and other relevant services within the last two years. (See the table below for details)	Weikeng Industrial Co., Ltd,/ Independent Director Cipherlab Co., Ltd./ Independent Director

Condition / Name	Does the director have more than five years' work experience and the following professional qualifications?			Independence status (Note)												Number of other public companies where the director holds a concurrent post of independent
	Title of lecturer or above of public or private college or university, majoring in subjects related to commerce, legal affairs, finance, accounting, or corporate business	Judge, procurator, lawyer, accountant, or other professional and technical personnel who have passed national exams and obtained certificates required for corporate business	Work experience needed for commerce, legal affairs, finance, accounting, and corporate business	1	2	3	4	5	6	7	8	9	10	11	12	
Chen, Tun-Jen			V	V					V	V	V	V		V	V	0
Ho, Ming-Che			V		V		V	V	V	V	V	V	V	V	V	0
Chen, Alexander			V		V				V	V	V	V		V	V	0
Lo, Hsueh-Yu			V	V	V	V	V	V	V	V	V	V	V	V	V	2
Lo, Li-Chu			V	V	V	V	V	V	V	V	V	V	V	V	V	2
Wang, Shen-Huei			V	V	V	V	V	V	V	V	V	V	V	V	V	0
Tsai, Yu-Ping		V	V	V	V	V	V	V	V	V	V	V	V	V	V	2

Note: If each director and supervisor complied with the following conditions two years before they were elected and during their tenure, please mark "√" in the blank below the code of each condition.

a. Not an employee of the Company or an affiliated company.
b. Not a director or supervisor of the Company or an affiliated company (however, it does not apply to the concurrent officeholding of an independent director in the Company and its parent company or subsidiary or subsidiaries belonging to the same parent company according to this law or other local laws and regulations).
c. Not an individual shareholder holding or with his/her spouse, underage children or others holding more than 1% of the total shares already issued by the Company or ranking in the top 10 in terms of shareholding ratio.
d. Not a manager listed in (1), or the spouse, a relative within second degree of kinship, or direct relative within third degree of kinship of the personnel listed in (2) and (3).
e. Not a director, supervisor or employee of a corporate shareholder directly holding more than 5% of the total shares issued by the Company, ranking in the top 5 in terms of shareholding ratio, or assigning a representative to serve as the director or supervisor of the Company according to Article 27-1 or Article 27-2 of the Company Act (however, it does not apply to concurrent officeholding of an independent director in the Company and its parent company or subsidiary or subsidiaries belonging to a same parent company according to this law or other local laws and regulations).
f. Not a director, supervisor, or employee of another company with more than half of the director seats of the Company or shares with voting rights controlled by a same person (however, it does not apply to the concurrent officeholding of an independent director in the Company and its parent company or subsidiary or subsidiaries belonging to a same parent company according to this law or other local laws and regulations).
g. Not a director (council member), supervisor or employee of another company or institution who is the same as or the spouse of the chair, president, or person with an equivalent position of the Company (however, it does not apply to the concurrent officeholding of an independent director in the Company and its parent company or subsidiary or subsidiaries belonging to a same parent company according to this law or other local laws and regulations).
h. Not a director (council member), supervisor or manager or shareholder with shareholding ratio above 5% of a specific company or institution that has financial or business contact with the Company (however, it does not apply to the situation in which the specific company or institution holds more than 20% but less than 50% of the total shares already issued by the company, and concurrently serving as an independent director in the Company and its parent company or subsidiary or subsidiaries belonging to a same parent company according to this law or other local laws and regulations).
i. Not a professional, or owner, partner, director (council member), supervisor, or manager of sole proprietorship, partnership, company, or institution providing auditing services for the Company or affiliated companies or relevant commercial, legal, financial, and accounting services with the accumulated compensation amount not exceeding NT$500,000 in the past two years, as well as their spouses. However, it does not apply to members of the remuneration committee, public acquisition deliberation committee. or the M&A special committee that performs its duties in accordance with relevant laws and regulations, including the Securities and Exchange Act or the Business Mergers and Acquisitions Act.
j. Not the spouse or a relative within the second degree of kinship to any other director.
k. Not having any of the circumstances stipulated in Article 30 of the Company Act.
l. Not elected as government, legal person, or its representative according to Article 27 of the Company Act.

(2) Diversity and Independence of the Board of Directors:

a. Diversity of the Board of Directors:

Diversity policy of the Board of Directors

To strengthen corporate governance and promote the sound development of the composition and structure of the Board of Directors, the members of the Board of Directors of the Company are selected and appointed following the principle of talent orientation with diversified complementary capabilities in cross-industry fields, including basic composition (e.g., age, gender, etc.). They must also have industrial experience and relevant skills in fields like manufacturing, technology, channel, biotechnology, and insurance finance, as well as operation judgment capabilities, leadership, and crisis handling capabilities, etc. to benefit the improvement of the overall performance of the Company. The diversity objectives of the Board of Directors and the fulfillment status are as follows:

(a) The current Board of Directors of the Company comprises seven members (including three independent directors) with operation judgment capabilities, leadership, decision-making capabilities, operational management capabilities, awareness of the international market, and crisis handling capabilities, etc. overall, and have industrial experience and professional competence; Chairman Chen, Tun-Jen has led and managed Welldone and its subsidiaries for many years; Directors Ho, Ming-Che and Chen, Alexander excel at channel marketing; Director Lo, Hsueh-Yu specializes in the securities finance industry; Independent Director Lo, Li-Chu is an expert in the field of biotechnology; Independent Director Wang, Shen-Huei has many years of experience in the technology industry; Independent Director Tsai, Yu-Ping is excels in the field of insurance finance and holds a doctorate in law.

(b) All board members are Taiwanese, and two directors are also employees of the Company. The age groups of board members are as follows: one director is aged 31-40; one director is aged 51-60; four directors are aged 61-70; and one director is aged 71-80. One board member is female (independent director). In the future, the Company will continue to focus on improving the ratio of female directors among the board members.

In the future, the Company will, in consideration of the operation, business type, and development demand of the Board of Directors, amend the diversity policy as appropriate, including, but not limited to, the standards in basic conditions and values, and professional knowledge and skills, to ensure that board members universally possess the knowledge, skills, and qualities required to execute their duties.

b. Independence of the Board of Directors:

The current Board of Directors of the Company comprises seven members, including three independent directors who account for 43% of the total director seats.

Except for Chairman Chen, Tun-Jen and Director Chen, Alexander, who have a second degree of kinship, all other directors, including independent directors, do not have any spousal relationship, or kinship with the second degree. Therefore, the directors are not involved in any of the situations stipulated in subparagraphs 3 and 4 of Article 26-3 of the Securities and Exchange Act.

B. Profile of directors, supervisors, and the management team

April 16, 2023

Title	Nationality	Name	Gender	Date elected	Shareholding		Spouse & minor shareholding		Shareholding by nominee arrangement		Experience (education)	Other position	Managers who are spouses or within two degrees of kinship			Remark
					Shares	%	Shares	%	Shares	%			Title	Name	Relation	
President	R.O.C.	Ho, Ming-Che	Male	2006.3	1,333,525	1.49%	0	0.00%	1,453,000	1.62%	National Yang Ming Chiao Tung University Department of Management Sciences XIAO MEI FOOD INDUSTRY CO., LTD./Business associate manager	None	None	None	None	None
Operational management Center President	R.O.C.	Li, Li-Hsiang	Female	2005.5	55,652	0.06%	0	0.00%	0	0.00%	Da-Yeh University EMAB EAGLE HOLDING CORPORATION/Chief of planning division	None	None	None	None	None
Executive Office & New Business Development Vice present	R.O.C.	Chen, Alexander	Male	2020.2	6,000,000	6.69%	0	0.00%	2,518,000	2.81%	Sophia University	None	None	None	None	None
Telecom Channel Service Division Business vice-president	R.O.C.	Chan, Shih-Jen	Male	2014.1	38,752	0.04%	678	0.00%	0	0.00%	Feng Chia University Department of Water Resources Engineering and Conservation	None	None	None	None	None
Financial Technology Division Senior associate manager	R.O.C.	Lu, Chi-Wei	Male	2014.1	25,853	0.03%	22,848	0.03%	0	0.00%	Feng Chia University Department of Business Administration Daodi International Co., Ltd./ Director DaChan Food (Asia) Limited/ Product marketing HUNYA FOODS CO., LTD./ Product marketing	None	None	None	None	None
Chief Financial Officer	R.O.C.	Li, Po-Yang	Male	2022.3	0	0.00%	0	0.00%	0	0.00%	MSc in Finance, Lancaster University, UK) Welldone Company/Financial manager	None	None	None	None	None

C. Remuneration of directors, supervisors, president, and vice-presidents

1. Remuneration of directors and independent directors

Unit: NT$ Thousand; Share(s) December 31, 2022

Title	Name	Base compensation (A)								Ratio of total remuneration (A+B+C+D) to net income (%) (Note 10)		Relevant remuneration received by directors who are also employees								Ratio of Total Remuneration (A+B+C+D+E+F+G) to net income (%) (Note 10)		Compensation paid to directors from an invested company other than the Company's subsidiaries or parent company (Note 11)
		Base compensation (A) (Note 2)		Severance pay (B)		Directors' compensation (C) (Note 3)		Allowance (D) (Note 4)				Salary, bonuses, and allowances (E) (Note 5)		Severance pay (F)		Employee compensation (G) (Note 6)						
		The Company	Companies in the consolidated financial statements (Note 7)	The Company	Companies in the consolidated financial statements (Note 7)	The Company	Companies in the consolidated financial statements (Note 7)	The Company	Companies in the consolidated financial statements (Note 7)	The Company	Companies in the consolidated financial statements (Note 7)	The Company	Companies in the consolidated financial statements (Note 7)	The Company	Companies in the consolidated financial statements (Note 7)	The Company		Companies in the consolidated financial statements (Note 7)		The Company	Companies in the consolidated financial statements	
																Cash	Stock	Cash	Stock			
Chairman	Chen, Tun-Jen	6,298	7,098	0	0	4,090	4,090	11	23	4.37%	4.71%	0	0	0	0	0	0	0	0	4.37%	4.71%	None
Director	Ho, Ming-Che	0	0	0	0	2,045	2,045	10	10	0.86%	0.86%	6,719	6,719	0	0	2,600	0	2,600	0	4.78%	4.78%	None

Director	Xinlai Investment Co., Ltd.	0	0	0	0	1,022	1.022	10	10	0.43%	0.43%	2,584	2,600	104	104	1,600	0	1,600	0	2.24%	2.24%	None
Director	Lo, Hsueh-Yu	0	0	0	0	1,022	1,022	251	251	0.54%	0.54%	0	0	0	0	0	0	0	0	0.54%	0.54%	None
Independent Director	Lo, Li-Chu	0	0	0	0	1,022	1,022	261	261	0.54%	0.54%	0	0	0	0	0	0	0	0	0.54%	0.54%	None
Independent Director	Wang, Shen-Huei	0	0	0	0	1,022	1,022	261	261	0.54%	0.54%	0	0	0	0	0	0	0	0	0.54%	0.54%	None
Independent Director	Tsai, Yu-Ping	0	0	0	0	1,022	1,022	261	261	0.54%	0.54%	0	0	0	0	0	0	0	0	0.54%	0.54%	None

(1) Please explain the remuneration payment policy, system, standard and structure for independent directors, as well as the relevancy of factors including responsibilities assumed, risks, and input time to the amount of remuneration paid:
The remuneration of directors of the Company is determined in accordance with the provisions of the Measures for the Payment of Remuneration to Directors and Supervisors.

(2) Except for information disclosed in the preceding table, remuneration received by directors of the Company in the most recent fiscal year for the provision of services to all companies in the financial statements (e.g., serving as consultant other than employee): None.

Table of Range of Remuneration

Range of remuneration	Name of directors			
	Total remuneration (A+B+C+D)		Total remuneration (A+B+C+D+E+F+G)	
	The Company (Note 8)	Companies in the consolidated financial statements (Note 9) H	The Company (Note 8)	Companies in the consolidated financial statements (Note 9) I
Under NT$1,000,000				
NT$1,000,000 (inclusive) ~ NT$2,000,000 (exclusive)	Lo, Hsueh-Yu; Lo, Li-Chu; Wang, Shen-Huei; Tsai, Yu-Ping; Xinlai Investment Co., Ltd.	Lo, Hsueh-Yu; Lo, Li-Chu; Wang, Shen-Huei; Tsai, Yu-Ping; Xinlai Investment Co., Ltd.	Lo, Hsueh-Yu; Lo, Li-Chu; Wang, Shen-Huei; Tsai, Yu-Ping	Lo, Hsueh-Yu; Lo, Li-Chu; Wang, Shen-Huei; Tsai, Yu-Ping
NT$2,000,000 (inclusive) ~ NT$3,500,000 (exclusive)	Ho, Ming-Che	Ho, Ming-Che		
NT$3,500,000 (inclusive) ~ NT$5,000,000 (exclusive)				
NT$5,000,000 (inclusive) ~ NT$10,000,000 (exclusive)			Xinlai Investment Co., Ltd.	Xinlai Investment Co., Ltd.
NT$10,000,000 (inclusive) ~ NT$15,000,000 (exclusive)	Chen, Tun-Jen	Chen, Tun-Jen	Chen, Tun-Jen; Ho, Ming-Che	Chen, Tun-Jen; Ho, Ming-Che
NT$15,000,000 (inclusive) ~ NT$30,000,000 (exclusive)				
NT$30,000,000 (inclusive) ~ NT$50,000,000 (exclusive)				
NT$50,000,000 (inclusive) ~ NT$100,000,000 (exclusive)				
Over NT$100,000,000				
Total				

Note 1 Directors' names shall be presented separately (the names of corporate shareholders and the names of their representative shall be presented separately). General directors and independent directors shall also be presented separately, and each amount paid to them shall be summarized and disclosed. If a director holds a concurrent post of president or vice-president, he/she shall fill out this table and the following Table (3-1) or Table (3-2-1).

Note 2 Refers to the salary paid to directors in the most recent fiscal year (including directors' remuneration, position bonus, severance pay, various bonuses and rewards, etc.).

Note 3 Refers to the amount of directors' compensation distributed in the most recent fiscal year with the approval of the Board of Directors.

Note 4 Refers to relevant business execution fees incurred by directors in the most recent fiscal year (including travel expenses, special disbursement, various allowances, dormitory expenses, car provisions, and other expenses in kind). If housing, cars, or other transport means or exclusive individual expenditure are provided, the nature and cost of the assets provided, the actual rent or rent calculated according to fair market price, gasoline expenses, and other payments shall be disclosed. If a driver is allocated, please note the relevant reward paid by the Company to the driver, but this shall not be included in the remuneration.

Note 5 Refers to payments received by directors as concurrent employees (including concurrent posts of president, vice-president, other manager, and employees), including salary, position bonus, severance pay, various bonuses and rewards, travel expenses, special disbursement, various subsidies, dormitories, car provisions, and other expenses in kind. If housing, cars, or other transport means or exclusive individual expenditure are provided, the nature and cost of the assets provided, the actual rent or rent calculated according to fair market price, gasoline expenses, and other payments shall be disclosed. If a driver is allocated, please note the relevant reward paid by the Company to the driver, but this shall not be included in remuneration.

Note 6 Refers to employee compensation (including stock and cash) received by directors as concurrent employees (including concurrent posts of president, vice-president, other manager, and employees). The amount of employee compensation distributed with the approval of the Board of Directors in the most recent fiscal year shall be disclosed. If this amount is impossible to predict, the amount proposed for distribution in the current year shall be proportionally calculated according to the actual amount distributed in the previous year. In this case, Schedule 1-3 shall be filled out separately.

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

Note 8 In the range of the total amount of remuneration paid by the Company to each director, the names of the directors shall be disclosed.

Note 9 The total amount of remuneration paid by all companies (including the Company) in the consolidated statements to the directors of the Company shall be disclosed, together with the names of directors in the corresponding Table of Range of Remuneration.

Note 10 Net income after tax refers to the net income after tax in the most recent fiscal year; if the IFRS has already been adopted, net income after tax refers to the net income after tax indicated in the individual or separate financial statements in the most recent fiscal year.

Note 11 a. The amount of relevant remuneration received by directors of the Company from invested companies beyond subsidiaries or the parent company shall be clearly filled out in this column.

b. The amount of relevant remuneration received by directors of the Company from invested companies beyond subsidiaries shall be incorporated in column J of the Table of Range of Remuneration, if any, and the name of the column shall be changed to "All invested companies".

c. Remuneration refers to salary and compensation (including compensation of employees, directors, and supervisors) and business execution fees as well as other relevant remuneration received by directors of the Company with the identity of director, supervisor, or manager of invested companies beyond subsidiaries.

2. Remuneration of president and vice-presidents

Unit: NT$ Thousand; Share(s) December 31, 2022

Title	Name	Salary (A) (Note 2)		Severance pay (B)		Bonuses and allowances (C) (Note 3)		Employee compensation (D) (Note 4)				Ratio of total compensation (A+B+C+D) to net income (%) (Note 9)		Amount of employee stock options acquired (Note 5)		Compensation paid to directors from an invested company or from the Company's subsidiary (Note 10)
		The Company	Companies in the consolidated financial statements (Note 6)	The Company	Companies in the consolidated financial statements (Note 6)	The Company	Companies in the consolidated financial statements (Note 6)	The Company		Companies in the consolidated financial statements (Note5)		The Company	Companies in the consolidated financial statements (Note 6)	The Company	Companies in the consolidated financial statements (Note 6)	
								Cash	Stock	Cash	Stock					
President	Ho, Ming-Che	11,847	11,847	319	319	5,320	5,336	8,617	0	8,617	0	10.97%	10.98%	0	0	None
Operational management Center President	Li, Li-Hsiang															
Executive Office & New Business Development Vice-President	Chen, Alexander															
Telecom Channel Service Division Business vice-president	Chan, Shih-Jen															

Table of Range of Remuneration

Range of remuneration paid to president and vice-presidents	Name of presidents and vice-presidents	
	The Company (Note 6)	Companies in the consolidated financial statements(Note 7) E
Under NT$1,000,000		
NT$1,000,000 (inclusive) ~ NT$2,000,000 (exclusive)		
NT$2,000,000 (inclusive) ~ NT$3,500,000 (exclusive)	Chen, Alexander; Chan, Shih-Jen	Chen, Alexander; Chan, Shih-Jen
NT$3,500,000 (inclusive) ~ NT$5,000,000 (exclusive)		
NT$5,000,000 (inclusive) ~ NT$10,000,000 (exclusive)	Ho, Ming-Che; Li, Li-Hsiang	Ho, Ming-Che; Li, Li-Hsiang
NT$10,000,000 (inclusive) ~ NT$15,000,000 (exclusive)		
NT$15,000,000 (inclusive) ~ NT$30,000,000 (exclusive)		
NT$30,000,000 (inclusive) ~ NT$50,000,000 (exclusive)		
NT$50,000,000(inclusive)~ NT$100,000,000 (exclusive)		
Over NT$100,000,000		
Total		

Note 1 The names of the president and vice-presidents shall be presented separately, and the amount paid shall be summarized and disclosed. If a director holds a concurrent post of president or vice-president, he/she shall fill out this table as well as Table (1-1) or Table (1-2) above.

Note 2 The salary, position bonus, and severance pay of the president and vice-presidents in the most recent fiscal year shall be filled out.

Note 3 Various bonuses, rewards, travel expenses, special disbursements, various subsidies, dormitory expenses, car provisions, and other expenses in kind as well as other rewards for the president and vice-presidents in the most recent fiscal year shall be filled out. If housing, cars, or other transport means or exclusive individual expenditures are provided, the nature and cost of the assets provided, the actual rent or rent calculated according to fair market price, gasoline expenses, and other payments shall be disclosed. If a driver is allocated, please note the relevant reward paid by the Company to the driver, but this shall not be included in remuneration. In addition, salary expenses recognized according to IFRS 2 "Share-based Payment", including employee stock options, new restricted employee shares, and participation in the share subscription by cash capital increase, shall also be included in remuneration.

Note 4 The amount of employee compensation distributed to the president and vice-presidents with the approval of the Board of Directors in the most recent fiscal year shall be filled out. If this amount is impossible to predict, the amount proposed for distribution in the current year shall be proportionally calculated according to the actual amount distributed last year. In this case, Schedule 1-3 shall be filled out separately. Net income after tax refers to the net income after tax in the most recent fiscal year; if the IFRS is already adopted, net income after tax refers to the net income after tax indicated in the individual or separate financial statements in the most recent fiscal year.

Note 5 The total amount of remuneration paid by all companies (including the Company) in the consolidated statements to the president and vice-presidents of the Company shall be disclosed.

Note 6 The total amount of remuneration paid by the Company to the president and vice-presidents shall be disclosed, together with the names of the president and vice-presidents in the corresponding Table of Range of Remuneration.

Note 7 The total amount of remuneration paid by all companies (including the Company) in the consolidated statements to the president and vice-presidents of the Company shall be disclosed, together with the names of the president and vice-presidents in the corresponding Table of Range of Remuneration.

Note 8 Net income after tax refers to the net income after tax in the most recent fiscal year; if the IFRS is already adopted, net income after tax refers to the net income after tax indicated in the individual or separate financial statements in the most recent fiscal year.

Note 9 a. The amount of relevant remuneration received by the president and vice-presidents of the Company from invested companies beyond subsidiaries shall be clearly filled out in this column.

b. The amount of relevant remuneration received by the president and vice-presidents of the Company from invested companies beyond subsidiaries shall be incorporated into column E of the Table of Range of Remuneration if any, and the name of the column shall be changed to "All invested companies".

c. Remuneration refers to salary and compensation (including compensation of employees, directors, and supervisors) and business execution fees as well as other relevant remuneration received by the president and vice-presidents of the Company with the identity of director, supervisor, or manager of invested companies beyond subsidiaries.

3. Remuneration of the management team

Unit: NT$ Thousand; Share(s) December 31, 2022

	Title	Name	Stock	Cash	Total	Ratio of total amount to net income (%)
Managerial officers	President	Ho, Ming-Che	0	9,700	9,700	4.08%
	Operational management Center President	Li, Li-Hsiang				
	Executive Office & New Business Development Vice-President	Chen, Alexander				
	Telecom Channel Service Division Business vice-president	Chan, Shih-Jen				
	Financial Technology Division Senior associate manager	Lu, Chi-Wei				
	Finance Division Senior manager	Li, Po-Yang				
	Finance Division Accounting manager	Chu, Chen-Ju				

Note 1 The amount of employee compensation (including stock and cash) distributed to managers with the approval of the Board of Directors in the most recent fiscal year shall be filled out. If this amount is impossible to predict, the amount proposed for distribution in the current year shall be proportionally calculated according to the actual amount distributed last year. Net income after tax refers to the net income after tax indicated in the individual or separate financial statements in the most recent fiscal year.

Note 2 The scope of application of managers is as follows in accordance with the provisions of Order Tai-Tsai-Cheng-San-Tzu No. 0920001301 issued by the Commission on March 27, 2003:

(1) President and officers of equivalent rank
(2) Vice-presidents and officers of equivalent rank
(3) Associate managers and officers of equivalent rank
(4) Head of the finance division
(5) Head of the accounting division
(6) Other personnel in charge of the managerial affairs of the Company with signing rights.

3-1) Remuneration paid to the top five executives with the highest remuneration in a TWSE/TPEx listed company (names and remuneration form disclosed individually) (Note 1)

Title	Name	Salary (A) (Note 2)		Severance pay (B)		Bonuses and allowances (C) (Note 3)		Employee compensation (D) (Note 4)				Ratio of total compensation (A+B+C+D) to net income (%) (Note 6)		Compensation paid to directors from an invested company or from the Company's subsidiary (Note 7)
		The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	The Company		Companies in the consolidated financial statements		The Company	Companies in the consolidated financial statements	
								Cash	Stock	Cash	Stock			
Manager	Executive A	4,800	4,800	0	0	1,919	1,919	2,600	0	2,600	0	3.92%	3.92%	None
Manager	Executive B	3,312	3,312	108	108	1,848	1,848	2,300	0	2,300	0	3.18%	3.18%	None
Manager	Executive C	1,875	1,875	108	108	1,589	1,589	1,300	0	1,300	0	2.05%	2.05%	None
Manager	Executive D	1,875	1,875	108	108	828	828	900	0	900	0	1.56%	1.56%	None
Manager	Executive E	1,860	1,860	103	103	724	740	1,600	0	1,600	0	1.80%	1.81%	None

Note 1 "The top five executives with the highest remuneration" refers to managers of the Company. The standards for recognition of managers shall align with the scope of application of "Managers" stipulated in Order Tai-Tsai-Cheng-San-Tzu No. 0920001301 issued by former Securities and Futures Commission, the Ministry of Finance on March 27, 2003. The principles of the calculation and recognition of "the top five executives with the highest remuneration" refers to the total amount of salary, severance pay and pension, bonus, and allowances, etc. received by managers of the Company from all companies in the consolidated financial statements as well as the amount of employee compensation (i.e., total of items A+B+C+D); the top five are then sorted and recognized based on said amount. If a director serves as a preceding executive, this table and the preceding Table (1-1) shall be filled out.

Note 2 The salary, position bonus, and severance pay of the top five executives with the highest remuneration in the most recent fiscal year shall be filled out.

Note 3 Various bonuses, rewards, travel expenses, allowances, various subsidies, dormitory expenses, car provisions, and other expenses in kind, as well as other rewards for the top five executives with the highest remuneration in the most recent fiscal year shall be filled out. If housing, cars, or other transport means or exclusive individual expenditure are provided, the nature and cost of the assets provided, the actual rent or rent calculated according to fair market price, gasoline expenses, and other payments shall be disclosed. If a driver is allocated, please note the relevant reward paid by the Company to the driver, but this shall not be included in remuneration. In addition, salary expenses recognized according to IFRS 2 "Share-based Payment", including employee stock options, new restricted employee shares, and participation in the share subscription by cash capital increase, shall also be included in remuneration.

Note 4 The amount of employee compensation distributed to the top five executives with the highest remuneration with the approval of the Board of Directors in the most recent fiscal year shall be filled out. If this amount is impossible to predict, the amount proposed for distribution in the current year shall be proportionally calculated according to the actual amount distributed last year. In this case, Schedule 1-3 shall be filled out separately.

Note 5 The total amount of remuneration paid by all companies (including the Company) in the consolidated statements to the top five executives with the highest remuneration of the Company shall be disclosed.

Note 6 Net income after tax refers to the net income after tax indicated in the individual or separate financial statements in the most recent fiscal year.

Note 7 a. The amount of relevant remuneration received by the top five executives with the highest remuneration of the Company from invested companies beyond subsidiaries or the parent company shall be clearly filled out in this column (please indicate "None" if not applicable).
b. Remuneration refers to salary and compensation (including compensation of employees, directors, and supervisors) and business execution fees as well as other relevant remuneration received by the top five executives with the highest remuneration of the Company with the identity of director, supervisor, or manager of invested companies beyond subsidiaries or the parent company.

*The content of the remuneration disclosed in this table is different from the income specified in the Income Tax Act, and therefore the purpose of this table is for information disclosure instead of taxation.

D. Ratio of total remuneration for president and vice-presidents of the Company and all the companies in the consolidated Financial Statements in net profit of the individual financial report after tax shall be illustrated, and remuneration payment policy, standard and combination, establishment procedure of remuneration, relevance between performance and future risk shall be stated.

1. Analysis of the ratio of the total amount of remuneration paid in net income after tax

Unit: NT$ Thousand

	2021		2022	
	The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements
Director	27,446	31,396	32,215	33,043
Supervisors	0	0	0	0
President and Vice-President	25,397	25,397	24,885	24,901
Ratio of the total amount in net income after tax	27.06%	29.50%	19.13%	19.47%

2. Remuneration payment policy, standard and combination:
   (1) The Company sets aside no more than 4% of the surplus distributed in the current year as compensation for directors and supervisors in accordance with the relevant provisions of the Articles of Association.
   (2) The remuneration of the president and vice-presidents is paid according to relevant measures of the Company for personnel remuneration and based on their seniority and rank. Bonuses and dividends are paid according to the annual operating performance and individual performance.
3. Remuneration procedure:
   (1) The compensation of directors and supervisors distributed from the surplus shall be paid based on the participation of directors and supervisors in corporate operations as well as the value contributed after deliberation of the Remuneration Committee, and submitted to the Board of Directors and relevant Shareholders' Meeting with relevant resolutions.
   (2) The remuneration of the president and heads of departments of the Company shall be established in accordance with the relevant measures of the Company for personnel remuneration, and based on their positions and responsibilities with reference to the remuneration level of the same positions in the industry. Remuneration is applied after deliberation of the Remuneration Committee, and verification and approval by the Board of Directors.
4. Relevancy to operating performance and future risks:
   (1) The compensation of directors and supervisors is a surplus distribution in nature, with the Company's operating position and financial performance already fully considered.
   (2) The remuneration of the president and vice-presidents is determined in

full consideration of their professional competency, as well as the corporate operation and financial position. The performance of these officers is evaluated according to the scores obtained in daily assessments and the fulfillment status of tracked key performance indicators continually. Furthermore, future possible risks have already been fully considered.

(III) Implementation of corporate governance

A. Operations of the Board of Directors

The Company re-elected its directors, and set up an Audit Committee in replacement of supervisors in the regular Shareholders' Meeting held on June 16, 2020. A total of 11 meetings (A) were held in the most recent fiscal year. The attendance records of directors are as follows:

Title	Name	Attendance in person(B)	By proxy	Attendance rate (%) 【B/A】	Remarks
Chairman	Chen, Tun-Jen	11	0	100%	
Director	Ho, Ming-Che	10	1	91%	
Director	Xinlai Investment Co., Ltd. Chen, Alexander	10	1	91%	
Director	Lo, Hsueh-Yu	11	0	100%	
Independent Director	Lo, Li-Chu	11	0	100%	
Independent Director	Chen, Peng-Yang	11	0	100%	
Independent Director	Wang, Shen-Huei	11	0	100%	
Independent Director	Tsai, Yu-Ping	11	0	100%	

Other mentionable items:

1. If any of the following circumstances occurs, the dates of the meetings, sessions, contents of proposals, all independent directors' opinions, and the Company's response to these opinions shall be described:
   (1) Matters referred to in Article 14-3 of the Securities and Exchange Act.
   (2) Matters involving objections or expressed reservations by independent directors mentioned in records or written statements, and requiring resolution by the Board of Directors in addition to the preceding matters:

   In the meetings of the Board of Directors held in 2022, no independent director raised any objection or reservation.
2. For the execution of the recusal of directors from relevant proposals due to conflicts of interest, the names of directors, contents of proposals, reason for recusal, and participation in voting shall be described: None.
3. Implementation status of evaluations of the Board of Directors and functional committees:

Frequency	Period	Scope	Method	Content
Once a year	January 1, 2022 to December 31, 2022	Performance of the Board of Directors, individual board members, and functional committees (Remuneration Committee; Audit Committee)	Self-evaluation by board members	The performance evaluation of the Board of Directors includes participation in the Company's operations, improvement in the Board of Directors' decision-making quality, composition and structure of the Board of Directors, election and continuing education of directors, and internal control. The performance evaluations of individual board members include understanding of the Company's goals and missions, understanding of the directors' responsibilities, participation in the Company's operations, management and communication of internal relations, expertise and continuing education of directors, and internal control. The performance evaluations of functional committees include participation in the Company's operations, understanding of the functional committees' responsibilities, improvement in the functional committees' decision-making quality, composition of the functional

				committees and election of members, election of members of the committees, and internal control.

4. Objectives for strengthening the functionality of the Board of Directors in the current year and the most recent fiscal year (e.g., establishment of the Audit Committee, and enhancement of information transparency), and evaluation of implementation status:
   The Company has arranged for directors and supervisors to participate in continuing education courses to encourage their continual professional development and for compliance with the provisions of the Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEx Listed Companies.

B. Operation of the Audit Committee or attendance of supervisors at Board Meetings

1. The Company set up an Audit Committee in replacement of supervisors in 2020. A total of eight meetings (A) were convened by the Board of Directors in the most recent fiscal year. The attendance of committee members is as follows:

Title	Name	Attendance in person(B)	By Proxy	Attendance rate (%) 【B/A】	Remarks
Independent Director	Lo, Li-Chu	8	0	100%	
Independent Director	Wang, Shen-Huei	8	0	100%	
Independent Director	Tsai, Yu-Ping	8	0	100%	

Other matters to be recorded:

1. If any of the following circumstances occurs, the dates of the meetings, sessions, contents of proposals, contents of suggestions or objections from independent directors, results of resolutions of the Audit Committee, and the Company's response to these opinions shall be described:
   (1) Matters listed in Article 14-5 of the Securities and Exchange Act.
   (2) Resolution matters not passed by the Audit Committee but approved by more than two thirds of all directors in addition to the preceding matters:
   No preceding matters have occurred in the most recent fiscal year.
2. For the implementation of recusal of independent directors from voting on relevant proposals due to conflicts of interest, the names of directors, contents of proposals, reason of recusal, and participation in voting shall be described: None.
3. Communication of independent directors with internal audit officers and CPAs (including major events, methods, results, etc. of communication regarding corporate finance and business conditions):
   CPAs communicate periodically and respectively with the internal audit officer and independent directors concerning financial auditing matters, and corporate finance and business conditions.

C. Corporate Governance implementation status and deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and reasons thereof

Item	Implementation status			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Yes	No	Description	
1. Has the Company established and does it disclose its Corporate Governance Best Practice Principles based on the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies?		✓	The Company has not yet established Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies, however it implements corporate governance following the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies in practice.	In line with the Corporate Governance Best Practice Principles.
2. Shareholding structure & shareholders' rights				
(1) Has the Company established internal operating procedures to deal with shareholders' suggestions, concerns, disputes and litigation, and does the Company implement such procedures in accordance with the procedures?		✓	(1) The Company has appointed a spokesperson and deputy spokesperson to handle related matters. The legal department handles any legal issues that arise.	(1) In line with the Corporate Governance Best Practice Principles.
(2) Does the Company keep a list of its major shareholders with controlling power as well as the ultimate owners of those major shareholders?	✓		(2) The Company keeps a list of its major shareholders as well as the ultimate owners of those major shareholders at any time, and discloses it periodically according to the provisions of relevant laws and regulations.	(2) In line with the Corporate Governance Best Practice Principles.
(3) Has the Company established and does it execute a risk management and firewall system within its affiliated companies?	✓		(3) The Company has established an appropriate risk control mechanism and firewall in accordance with the Regulations Governing Supervision Work of Subsidiaries, the Regulations Governing Transactions with Related Parties, the Procedures for Lending of Funds and Endorsement of Guarantees, and the Procedures for the Acquisition or Disposal of Assets.	(3) In line with the Corporate Governance Best Practice Principles.
(4) Has the Company established internal rules against insider trading and the use of undisclosed information in securities trading?	✓		(4) The Company has already established Procedures for the Prevention of Insider Trading to prohibit insiders from trading valuable securities using information not disclosed in the market.	(4) In line with the Corporate Governance Best Practice Principles.

Item	Implementation status			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Yes	No	Description	
3. Composition and responsibilities of the Board of Directors				
(1) Does the Board of Directors develop and implement a diversity policy for the composition of its members?	✓		(1) The Company has recruited people with different professional backgrounds to form the Board of Directors according to the existing business model and actual needs, and to make suggestions for the Company's decision-making as appropriate.	(1) In line with the Corporate Governance Best Practice Principles.
(2) In addition to the legally required Remuneration Committee and Audit Committee, has the Company voluntarily established other functional committees?		✓	(2) In addition to the legally established Remuneration Committee and Audit Committee, the Company has not established any other functional committees, but will evaluate and set up relevant committee(s) in the future as needed.	(2) In line with the Corporate Governance Best Practice Principles.
(3) Has the Company established standards and methods to evaluate the performance of the Board of Directors, conduct evaluations annually and regularly, report the evaluation results to the Board of Directors, and use them as a reference for individual directors' remuneration, nomination and renewal?	✓		(3) The Company has already established the Regulations Governing the Performance of the Board of Directors and Functional Committee to implement periodical performance evaluations and submit the results of performance evaluations to the Board of Directors. This regulation is subsequently applied as reference for the remuneration and nomination of individual board members.	(3) In line with the Corporate Governance Best Practice Principles.
(4) Does the Company regularly evaluate the independence of the CPAs?	✓		(4) The company has entrusted CPAs from a large accounting firm in Taiwan for certification who have no stake in the Company. CPAs also independently audit the Company's financials according to relevant laws and regulations.	(4) In line with the Corporate Governance Best Practice Principles.
4. Does the Company appoint adequate persons and a chief governance officer in charge of corporate governance matters (including, but not limited to, providing directors and supervisors with the required information for business execution, assisting directors and	✓		The Company has not yet appointed a corporate governance officer. However, the President's Office, Finance Division, General Administration Division, Auditing Office, and Compliance Office are jointly responsible for corporate governance related affairs.	In line with the Corporate Governance Best Practice Principles.

Item		Implementation status			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
		Yes	No	Description	
	supervisors in following laws and regulations, handling matters in relation to Board Meetings and Shareholders' Meetings and keep minutes at Board Meetings and Shareholders' Meetings as required by law)?			In addition, the Company has established the Standard Operating Procedures for Dealing with Directors' Requirements. The Finance Division is responsible for making overall arrangements and providing the data needed for the business execution of directors and independent directors, assisting directors in regulatory compliance, handling matters related to meetings of the Board of Directors and Shareholders' Meetings according to law, and taking minutes of Board of Directors and Shareholders' Meetings.	
5.	Has the Company established communication channels and build a dedicated section on its website for stakeholders (including, but not limited to, shareholders, employees, customers, and suppliers) to respond to material corporate social responsibility issues in a proper manner?	✓		The Company has appointed a spokesperson and deputy spokesperson, and announced relevant information on the MOPS as stipulated. The Company also announces information regarding its finances and stock affairs on its website and the MOPS to establish a good communication channel with stakeholders.	In line with the Corporate Governance Best Practice Principles.
6.	Does the Company appoint a professional shareholder service agency to deal with shareholder affairs?	✓		The Company has entrusted the Stock Agency Department of Grand Fortune Securities Co., Ltd. with the handling of affairs related to Shareholders' Meetings.	In line with the Corporate Governance Best Practice Principles.
7.	Information disclosure				
	(1) Does the Company have a corporate website to disclose both the Company's financial standing and corporate governance status?	✓		(1) The Company has already set up a website and periodically discloses information related to the Company's finances, business operations, and corporate governance.	(1) In line with the Corporate Governance Best Practice Principles.
	(2) Does the Company have other information disclosure channels (e.g., an English website, appointing designated people to handle information collection and disclosure, a spokesperson system, and webcasting investor conferences)?	✓		(2) The Company's website is www.welldone.com.tw. Special personnel are assigned to take charge of collecting and disclosing corporate information. The Company has also appointed a spokesperson and deputy spokesperson, and announces relevant	(2) In line with the Corporate Governance Best Practice Principles.

Item	Implementation status			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Yes	No	Description	
			information on the MOPS as stipulated. The Company also announces information regarding its finances and stock affairs on its website and the MOPS.	
(3) Does the Company announce and file annual financial reports within two months after the close of the given fiscal year and publicly announce and file the first, second, and third quarterly financial reports and the operation of each month ahead of the required deadline?	✓		(3) The Company's annual financial reports, financial reports of each quarter, and operation status each month are announced and declared by the finance and accounting division within the stipulated time limit according to relevant laws, regulations and the competent authority's specifications.	(3) In line with the Corporate Governance Best Practice Principles.
8. Is there any other important information to facilitate a better understanding of the Company's corporate governance practices (including, but not limited to, employee rights, employee wellness, investor relations, supplier relations, stakeholder rights, directors' and supervisors' training records, implementation of risk management policies and risk evaluation measures, implementation of customer policies, and participation in liability insurance by directors and supervisors)?	✓		(1) Employee rights: The Company has established personnel rules and regulations according to the relevant provisions of the Labor Standards Act to ensure employees' rights. (2) Employee wellness: The Company actively establishes and provides its employees with a safe and comfortable work environment, e.g., an employee dining hall, an Employee Welfare Committee, group insurance for employees, and education, training, and health checkups, etc. (3) Investor relations: The Company has appointed a spokesperson and deputy spokesperson to handle relevant matters. (4) Supplier relations: The Company has always maintained good relations with suppliers. (5) Stakeholder rights: Stakeholders may communicate with the Company, and provide suggestions to safeguard their legitimate rights and interests. (6) Directors' and supervisors' training records: The Company arranges for directors and independent directors to attend continuing	In line with the Corporate Governance Best Practice Principles.

Item	Implementation status			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Yes	No	Description	
			education courses with a good attendance rate. (7) Implementation of risk management policies and risk evaluation measures: The Company has legally established an internal control system and various internal regulations to control various risks. (8) Implementation of customer policies: The Company strictly follows contracts signed with customers as well as relevant regulations, and set up a customer complaint management system to ensure customers' rights and favorable relations. (9) Liability insurance for directors and independent directors: The Company purchases liability insurance for directors and independent directors every year.	
9. Please explain the improvements made in accordance with the Corporate Governance Evaluation results released by the Taiwan Stock Exchange's Corporate Governance Center, and provide the priorities and plans for improvement with items yet to be improved (not applicable for companies excluded from evaluation). The Company will continue to evaluate the feasibility of future improvements of parts not scored yet.				

D. Composition, duties and operations of the Remuneration Committee

1. Members of the Remuneration Committee: Independent Director Wang, Shen-Huei (convener), Independent Director Lo, Li-Chu (member), and Independent Director Tsai, Yu-Ping (member).
   Members of the Remuneration Committee comprise independent directors. For the relevant working seniority of each member of the Remuneration Committee, professional qualifications, and independent status, please refer to the relevant contents indicated in the schedule of information of directors and independent directors on page 10.
2. Status: The Board of Directors approved the establishment of the Rules of Organization of the Remuneration Committee, and elected members of the Remuneration Committee on December 15, 2011. The members of the fourth Remuneration Committee comprise three independent directors with tenure starting from June 16, 2020 and ending on June 15, 2023.
3. Responsibilities: The Remuneration Committee aims to assist the Board of Directors in executing and evaluating the Company's overall remuneration and welfare policies as well as the managers' remuneration.
4. Operational status of the Remuneration Committee
   The Remuneration Committee of the Company comprises three members.
   A total of two meetings (A) were held by the Remuneration Committee in the most recent fiscal year.
   The qualifications and attendance of committee members are as follows:

Title	Name	Attendance in person(B)	By Proxy	Attendance rate (%) (B /A)(Note)	Remarks
Convener	Wang, Shen-Huei	2	0	100%	
Committee member	Lo, Li-Chu	2	0	100%	
Committee member	Tsai, Yu-Ping	2	0	100%	
Other matters to be recorded: 1. If the Board of Directors does not adopt or correct the suggestions made by the Remuneration Committee, it shall explain date and session of meeting of the Board of Directors, content of proposal, resolution results of the Board of Directors as well as the Company's response to the opinions of the Remuneration Committee (if the remuneration passed by the Board of Directors is superior to that suggested by the Remuneration Committee, the deviation and reason shall be explained): None. 2. As for resolution matters of the Remuneration Committee, if any member raises an opposing or qualified opinion with a relevant written statement, the date and session of the Remuneration Committee as well as the content of the proposal, all members' opinions, and handling of these opinions shall be explained: None.					

Note:

(1) If any member of the Remuneration Committee resigns before the end of the year, the date of resignation shall be specified in the remarks column. The actual attendance (%) of this resigning member shall be calculated according to the number of meetings of the Remuneration Committee held in the tenure, and the actual attendance of this member.

(2) If the Remuneration Committee was re-elected before the end of the year, both the new and former members of the Remuneration Committee shall be indicated, and it shall be specified in the remarks column which members are formerly and newly appointed together with the date of re-appointment or re-election. The actual attendance (%) of this resigning member shall be calculated according to the number of meetings of the Remuneration Committee held in the tenure, and the actual attendance of this member.

E. Implementation status of promotion of sustainable development, deviations from Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and reasons thereof:

Evaluation item	Implementation status			Deviations from the Corporate Social Responsibility Best Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Yes	No	Description	
1. Has the Company established a governance structure to promote sustainable development and set up a full-time (or part-time) unit to promote sustainable development which is handled by senior management authorized by the Board of Directors and supervised and guided by the Board of Directors?	✓		The General Administration Division of the Company is in concurrent charge of the promotion of sustainable development, and each department involved shall also assist with the joint promotion of sustainable development related affairs, and report to the Board of Directors as needed.	In line with the Corporate Social Responsibility Best Practice Principles for TWSE/TPEx Listed Companies.
2. Has the Company implemented a risk evaluation of issues related to corporate operations, including environment, society and corporate governance, according to the materiality principle and established relevant risk management policies or strategies?		✓	The Company has not established relevant risk management policies or strategies regarding issues including the environment, society, and corporate governance related to corporate operations. However, the Company already promotes corporate governance in daily operating activities, strictly abides by laws and regulations, and legally established the internal control system and internal management rules and regulations to control each risk. The Company also actively implements environmental protection and energy conservation work, and participates in social welfare activities, etc.	In line with the Corporate Social Responsibility Best Practice Principles for TWSE/TPEx Listed Companies.
3. Environmental issues				
(1) Has the Company established an environmental management system suitable for the industry in which it operates?	✓		(1) The impact of the Company's operating activities on the environment mainly comes from the electric energy and water resources used in the workplace and waste generated. The Company has already reduced the environmental impact through resource reutilization, elevator energy conservation, channel lighting, and management of air-conditioning and water resources.	(1) In line with the Corporate Social Responsibility Best Practice Principles for TWSE/TPEx Listed Companies.
(2) Does the Company endeavor to utilize all resources more efficiently and use renewable materials that have a low impact on the environment?	✓		(2) The Company has already implemented relevant measures including repeated use of autotype paper, periodically recycling waste toner cartridge and old computers, and use of environmentally friendly bowls and chopsticks at the employees' dining hall.	(2) In line with the Corporate Social Responsibility Best Practice Principles for TWSE/TPEx Listed Companies.
(3) Does the Company evaluate the potential risks and opportunities in climate change with regard to the present and future of its business, and take	✓		(3) The General Administration Division of the Company is assigned to search and evaluate relevant information concerning the potential risks and opportunities	(3) In line with the Corporate Social Responsibility Best Practice Principles for TWSE/TPEx Listed

Evaluation item	Implementation status			Deviations from the Corporate Social Responsibility Best Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Yes	No	Description	
appropriate action to counter climate change issues?			brought by climate change to the present and future of the enterprise, provide such information to management as a reference for decision-making, and publicize measures taken by the Company to promote environmental protection and energy conservation to the employees through monthly meetings, posting announcements, and via email, etc.	Companies.
(4) Has the Company calculated greenhouse gas emissions, water consumption, and the total weight of waste in the last two years, and established policies on energy conservation and carbon reduction, greenhouse gas reduction, water reduction, or waste management?	✓		(4) The Company's premises have already established relevant energy conservation measures, including management of operational efficiency, temperature control on air-conditioning equipment, and efficiency and management of lighting equipment. The Company also advocates for employees to save water and power consumption, and implements waste classification and recovery in the hope that energy conservation and carbon emission reduction can be realized.	(4) In line with the Corporate Social Responsibility Best Practice Principles for TWSE/TPEx Listed Companies.
4. Social issues (1) Does the Company formulate appropriate management policies and procedures according to relevant regulations and the International Bill of Human Rights?	✓		(1) The Company follows relevant labor regulations, safeguards employees' legitimate rights and interests, and establishes appropriate management methods and procedures: a. Provides employees with competitive remuneration and a bonus/dividend system. b. Provides employee education and training. c. Implements insurance plans and a leave system. d. Sets aside pension contributions according to law, and has established an Employee Welfare Committee. e. Established the Regulations Governing Occupational Disaster Compensation and Relief.	(1) In line with the Corporate Social Responsibility Best Practice Principles for TWSE/TPEx Listed Companies.
(2) Has the Company established and offered proper employee benefits (including compensation, leave, and other benefits) and reflected the business performance or results in employee compensation as appropriate?	✓		(2) a. The Company has established a Remuneration Committee to periodically evaluate the reasonableness of the remuneration policy. The Company has also established a system for assessing the performance of employees as well as reward and punishment, and reflects the operating performance or results in the	(2) In line with the Corporate Social Responsibility Best Practice Principles for TWSE/TPEx Listed Companies.

Evaluation item	Implementation status			Deviations from the Corporate Social Responsibility Best Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Yes	No	Description	
			employees' remuneration as appropriate. b. The Company has established and implemented an employee leave system according to the Labor Standards Act. c. The Company has set up an employee sports and leisure room, established an Employee Welfare Committee, purchased group insurance for employees, and provides education and training as well as employee health checkups, etc. d. The Company emphasizes matching talent to jobs. Currently, male and female employees are split about 50:50 across all employees, while female senior officers account for 1/6 of the workforce.	
(3) Does the Company provide a safe and healthy work environment, and does it organize health and safety training for its employees on a regular basis?	✓		(3) The safe and healthy work environment provided by the Company for the employees is as follows: a. Employees are provided with health checkups periodically. b. An employee sports and leisure room has been set up, as well as a rhythm classroom, fitness facilities, basketball game machines, table tennis, and visual/audio reading room, etc. c. The Regulations Governing the Prevention and Control of Sexual Harassment have been established and appeal channels are provided to maintain the order of the work environment. d. Group insurance is purchased for employees, including accident insurance, medical insurance, cancer insurance, and occupational disaster insurance, etc. e. Precautions for the implementation of safety maintenance as well as response measures against disasters are provided, and fire protection lectures and drills are held every year. f. No employee occupational disaster occurred to the Company in the current year.	In line with the Corporate Social Responsibility Best Practice Principles for TWSE/TPEx Listed Companies.
(4) Has the Company established effective career	✓		(4) The HR unit of the Company is assigned to arrange and	In line with the Corporate Social

Evaluation item	Implementation status			Deviations from the Corporate Social Responsibility Best Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Yes	No	Description	
development and training plans for its employees?			organize internal and external education and training according to each department's demands: a. Provide new employees with induction training. b. Arrange colleagues and officers at each level to participate in external professional training in accordance with the competent authority's provisions and based on employees' demand. c. Arrange work shifts based on employees' potential to develop in their careers.	Responsibility Best Practice Principles for TWSE/TPEx Listed Companies.
(5) Do the Company's products and services comply with related regulations and international rules for customers' health and safety, privacy, sales, labeling and set policies to protect consumers' rights and consumer appeal procedures?	✓		(5) a. The Company has dealt with its products and services regarding customer health and safety, and privacy, marketing, and labeling in accordance with the relevant regulations and international rules. b. The Company values customer after-sales services and has established customer appeal pipelines and procedures.	In line with the Corporate Social Responsibility Best Practice Principles for TWSE/TPEx Listed Companies.
(6) Has the Company established supplier management policies that require suppliers to comply with relevant laws and regulations related to environmental protection, occupational health and safety or labor rights and supervised its implementation?		✓	(6) a. For the purchasing of products, equipment, and tools, the Company focuses on the energy conservation and carbon reduction functions of products provided by suppliers to improve corporate social responsibility. b. The Company prudently evaluates suppliers and the Company does not partner with those who violate corporate social responsibilities and have a material impact on the environment, society, or human rights.	In line with the Corporate Social Responsibility Best Practice Principles for TWSE/TPEx Listed Companies.
5. Has the Company, referring to the international standards or guidelines for the preparation of reports, prepared CSR reports to disclose non-financial information of the Company? Are the reports certified or assured by a third-party accreditation institution?		✓	The Company has not prepared a CRS report. In addition to the disclosure of non-financial information of the Company in the annual report, the Company also discloses relevant information on the corporate website.	In line with the Corporate Social Responsibility Best Practice Principles for TWSE/TPEx Listed Companies.
6. If the Company has established corporate social responsibility principles based on the Corporate Social Responsibility Best Practice Principles for TWSE/TPEx Listed Companies, describe the implementation and any discrepancy: The Company has not yet established Sustainable Development Best Practice Principles.				
7. Other important information to facilitate a better understanding of the Company's corporate social responsibility practices: None.				

F. Ethical corporate management and deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and reasons thereof

Evaluation item	Implementation status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Yes	No	Description	
1. Establishment of ethical corporate management policies and programs				
(1) Has the Company established ethical corporate management policies approved by the Board of Directors and specified in its rules and external documents the ethical corporate management policies and practices and the commitment of the Board of Directors and senior management to rigorous and thorough implementation of such policies?	✓		(1) The Company has established the Ethical Corporate Management Best Practice Principles and follows the Company Act, the Securities and the Exchange Act, relevant rules and regulations governing TWSE/TPEx listed companies, and other relevant laws and regulations as the foundation for the implementation of the ethical corporate management.	(1) In line with the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies.
(2) Has the Company established a risk assessment mechanism against unethical conduct, and analyze and assess on a regular basis the business activity within its business scope which is at a higher risk of being involved in unethical conduct, and establish prevention programs accordingly, which shall at least include those specified in Paragraph 2, Article 7 of the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies?	✓		(2) The Company has established the Ethical Corporate Management Best Practice Principles, which specify that the Company prohibits the provision or acceptance of illegitimate interests, abides by the procedures for political contributions, and forbids infringements on intellectual property rights and unfair competition. It is also specifically prescribed that the Company and its directors, supervisors, managers, employees, and physical controllers shall not directly or indirectly provide, promise, require, or accept any illegitimate interests, or adopt any other unethical conduct that violates the principles of integrity and legality, or fiduciary duties when executing corporate duties.	(2) In line with the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies.
(3) Does the Company provide any solutions to prevent unethical conduct, stipulate procedures, conduct guidelines, punishment for violation as well as appeals and put into practice, review and revise on a regular basis the aforesaid solutions?	✓		(3) The Company engages in commercial activities following the principles of fairness, honesty, legal compliance, and transparency. It has already implemented an ethical corporate management policy to actively prevent unethical conduct. Furthermore, the Company has established the Ethical Corporate Management Best Practice Principles and Code of Ethics, which specifically standardizes matters to which to adhere during the execution of business by personnel of the Company.	(3) In line with the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies.

Evaluation item	Implementation status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Yes	No	Description	
			The Ethical Corporate Management Best Practice Principles are also advocated regularly through employee education and training.	
2. Fulfillment of ethical corporate management (1) Does the Company evaluate business partners' ethical records and include ethics-related clauses in the business contracts signed with the counterparties?	✓		(1) The Company conducts credit investigation work for external commercial activities as appropriate in consideration of the legality and ethical corporate management status of suppliers, customers, and other counterparties. The legal unit is also responsible for reviewing the contractual terms signed, and avoiding entering into transactions with those with unethical conduct.	(1) In line with the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies.
(2) Has the Company set up a dedicated unit under the Board of Directors to promote ethical corporate management and regularly (at least once every year) report to the Board of Directors the implementation of ethical corporate management policies and unethical conduct prevention programs?		✓	(2) The Company assigns the President's Office, General Administration Division, and audit unit to jointly promote the operation, supervision, and guidance of corporate ethical management, and report to the Board of Directors as required.	(2) In line with the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies.
(3) Has the Company established policies to prevent conflicts of interest, provide appropriate communication channels, and implement them accordingly?	✓		(3) The Company has established the Ethical Corporate Management Best Practice Principles, Code of Ethics, and other relevant rules and regulations to implement a policy of recusal due to conflicts of interest to prevent such conflicts. The Company has also provided channels for relevant stakeholders to state and explain important interests and relationships.	(3) In line with the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies.
(4) Has the Company established effective accounting and internal control systems to implement ethical corporate management and have its internal audit department, based on the results of the assessment of the risk of involvement in unethical conduct, formulate audit plans and audit compliance with prevention programs accordingly or entrusted a CPA to conduct the audit?	✓		(4) The Company has established and implemented a complete accounting policy and internal control system according to the competent authority's provisions to implement ethical corporate management. The internal audit unit is also responsible for implementing compliance audits of the programs used to prevent unethical conduct according to the annual audit plans established.	(4) In line with the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies.
(5) Does the Company regularly hold internal and external training on ethical corporate management?	✓		(5) The Company advocates ethical corporate management through employee education, training,	(5) In line with the Ethical Corporate Management Best

Evaluation item	Implementation status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Yes	No	Description	
			and meetings.	Practice Principles for TWSE/GTSM Listed Companies.
3. Operation of the whistleblowing system (1) Has the Company established both a reward/whistleblowing system and convenient whistleblowing channels? Are appropriate personnel assigned to investigate the accused party? (2) Has the Company established standard operating procedures for investigating reported misconduct, follow-up measures to be adopted after investigation, and related confidentiality mechanisms? (3) Does the Company protect whistleblowers against improper treatment?	 ✓	 ✓ ✓	(1) The Company has not yet established a definite whistleblowing system. However, if employees need to report or communicate relevant matters, they may report anonymously, or report to their line managers, the HR unit, or relevant units in person or via email. (2) The Company has not yet established relevant standard operating procedures and mechanisms. The internal personnel of the Company accept relevant matters reported, and handle such matters with a confidential, prudent, careful, and probative attitude. (3) The Company guarantees the confidentiality of employees' appeals or whistleblowing to protect their rights and interests.	(1) In line with the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies. (2) In line with the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies. (3) In line with the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies.
4. Strengthening information disclosure Does the Company disclose its ethical corporate management policies and the results of its implementation on the Company's website and MOPS?	✓		The Company has already disclosed some matters related to ethical corporate management, including the Ethical Corporate Management Best Practice Principles and Code of Conduct on the corporate website and MOPS.	In line with the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies.
5. If the Company has established its own ethical corporate management policies based on the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies, please describe the implementation and any discrepancies: The Company has already established the Ethical Corporate Management Best Practice Principles to specifically standardize matters to follow by Company personnel during the execution of corporate duties, and no material discrepancy has been found.				
6. Other important information to facilitate a better understanding of the Company's ethical corporate management: (e.g., review and amend its policies) The Company has already established the Ethical Corporate Management Best Practice Principles, and follows the Company Act, the Securities and the Exchange Act, the Business Entity Accounting Act, and other relevant laws and regulations governing TWSE/TPEx listed companies as the foundation for the implementation of ethical corporate management.				

G. If the Company has adopted corporate governance policies or related bylaws, the inquiry method shall be disclosed

For the relevant rules and regulations regarding the Company's governance, please refer to the Investor Section/Corporate

Governance/Important Internal Rules of the Company on the corporate website (http://www.welldone.com.tw/).

H. Other important information regarding corporate governance

The duration of continuing education of audit officers of the Company in 2022 is as follows:

Title	Name	Date of continuing education	Sponsor	Name of course	Duration of continuing education
Auditing manager	CHEN, CHIEH-MIN	October 21, 2022	Securities and Futures Institute	Auditing Practice of Cycles of Property, Plant, Equipment, and Payroll	6
		December 9, 2022	Securities and Futures Institute	Seminar on Corporate Intellectual Property Management and Related Internal Audit	6
Auditing agency (accounting manager)	Chu, Chen-Ju	October 11, 2022	Accounting Research and Development Foundation	Investigation Practice and Case Analysis of Corporate Fraud	6
		October 26, 2022	Accounting Research and Development Foundation	Practical Analysis of Common Financial Statement Review Discrepancies and Important Internal Control Regulations	6

I. Status of the Internal Control System

1. Statement of the Internal Control System

Welldone Company

Statement of the Internal Control System

March 24, 2023

Based on the findings of our independent evaluation, we hereby declare our internal control system during the period of January 1, 2022 to December 31, 2022 as follows:

(1) We are firmly aware that the establishment, enforcement, and maintenance of internal control systems are bound in the duties of our board of directors and management. We have thus satisfactorily established such systems for the purposes of protection and efficiency of our business operations (including profitability, performance, and asset security), and for the reliability of financial statements and to observe relevant laws.

(2) The Internal control system is subject to inherent restrictions. No matter how sound and comprehensive we design our internal control system, it can only protect per the three aforementioned targets. Amidst changing environments and situations, the performance of internal control systems varies accordingly. Thanks to the sound self-monitoring systems established inside our Company, we are in a position to take immediate corrective actions as soon as a shortcoming is identified.

(3) Based on the Guidelines for the Enforcement of Internal Control Systems by Public Offering Companies promulgated by the Securities & Futures Commission, Ministry of Finance (the "Guidelines"), we have established items for the effective assessment of the internal control system to accurately evaluate whether the designed internal control system has been effectively designed and enforced. The assessment items adopted in the Guidelines divide internal control systems into five components: 1. Control environments. 2. Risk evaluation. 3. Control operation. 4. Information and communications and 5. Supervision. Each and every component includes sub-items. Please refer to the Enforcement Regulations for more details.

(4) We have already adopted the aforementioned items to assess the effectiveness of the design and enforcement of our internal control system.

(5) Based on the results of the aforementioned evaluations, we hereby confirm the aforementioned internal control systems (including supervision of subsidiaries) established on 31 December 2022 can achieve the following goals, including the degree of goal achievement related to business operations and efficiency, reliability, timeliness, and transparent financial statements that fulfilled the relevant laws and regulations related to the design and execution of internal control systems.

(6) This Declaration forms an integral part of our Annual Report and Prospectus and is hereby officially made public. We further declare subject to all legal responsibilities under Articles 20, 32, 171, 174 of the Securities and Exchange Law that the aforementioned contents made public are absolutely free of misrepresentation, concealment, or irregularities otherwise.

(7) This Declaration was officially resolved by Welldone Company's board of directors on March 24, 2023. A total of seven directors present extended their full agreement to the contents of this Declaration. There were no voices to the contrary.

Welldone Company
Chairman: Chen, Tun-Jen
President: Ho, Ming-Che

2. For those who commit CPAs to review the internal control system, the CPA review report should be disclosed: None.

J. Penalties imposed upon the Company and its employees in accordance with the law, penalties imposed by the Company upon its employees for violation of the internal control system policy, principal deficiencies, and improvement status during the most recent fiscal year up to the date of publication of the annual report
None.

K. Major resolutions of Shareholders' Meetings and Board Meetings during the most recent fiscal year up to the date of publication of the annual report
1. Important resolutions of Shareholders' Meetings:

<table>
<tr><th>Date of meeting</th><th>Important resolution</th><th>Resolution result</th><th>Execution status</th></tr>
<tr><td rowspan="2">Regular Shareholders' Meeting on June 14, 2022</td><td>Acknowledge matter
1. Proposal for closing statements and surplus distribution of the Company in 2021</td><td>
<table>
<tr><th>Voting result</th><th>Ratio in the number of voting rights held by the attending shareholders %</th></tr>
<tr><td>Number of affirmative rights: 64,898,173 rights (including 15,312,919 rights voted electronically)</td><td>97.25%</td></tr>
<tr><td>Number of dissenting rights: 4,022 rights (including 4,022 rights voted electronically)</td><td>0.00%</td></tr>
<tr><td>Number of invalid rights: 0 rights</td><td>0.00%</td></tr>
<tr><td>Number of abstention/unvoted rights: 1,827,043 rights (including 1,676,819 rights voted electronically)</td><td>2.73%</td></tr>
</table>
</td><td>Already implemented</td></tr>
<tr><td>Discussed matter
1. Discussion of the proposal for the amendment to the Articles of Association of the Company</td><td>
<table>
<tr><th>Voting result</th><th>Ratio in the number of voting rights held by the attending shareholders %</th></tr>
<tr><td>Number of affirmative rights: 64,899,185 rights (including 15,313,931 rights voted electronically)</td><td>97.25%</td></tr>
<tr><td>Number of dissenting rights: 4,028 rights (including 4,028 rights voted electronically)</td><td>0.00%</td></tr>
<tr><td>Number of invalid rights: 0 rights</td><td>0.00%</td></tr>
<tr><td>Number of abstention/unvoted rights: 1,826,025 rights (including 1,675,801 rights voted electronically)</td><td>2.73%</td></tr>
</table>
</td><td>Already implemented</td></tr>
</table>

2. Major resolutions of Board Meetings are summarized as follows:

Date	Major resolutions	Resolution result	Execution status
January 18, 2022	(1) Proposal for the disposal of shares held by WELLTECH ENERGY INC., an important subsidiary	All attending directors approved the proposal as submitted without any	Being executed

		objection.	
February 9, 2022	(1) Supplement of the expert's opinion on the loss of control of Welldone after disposal in the preceding resolution	All attending directors approved the proposal as submitted without any objection.	Already implemented
March 24, 2022	(1) Proposal for the approval of closing statements and surplus distribution of the Company in 2021	All attending directors approved the proposal as submitted without any objection.	Being executed, planned to be proposed to the regular Shareholders' Meeting in 2022 for acknowledgement
	(2) Proposal for the employee compensation and directors' compensation of the Company in 2021	All attending directors approved the proposal as submitted without any objection.	Being executed, planned to be reported to the regular Shareholders' Meeting in 2022 for acknowledgement
	(3) Proposal for the Effectiveness Assessment of the Internal Control System and Statement of the Internal Control System in 2021	All attending directors approved the proposal as submitted without any objection.	Already implemented
	(4) Proposal for amendment to the Articles of Association of the Company	All attending directors approved the proposal as submitted without any objection.	Being executed, planned to be proposed to the regular Shareholders' Meeting in 2022 for discussion
	(5) Proposal for convening of a regular Shareholders' Meeting of the Company in 2022	All attending directors approved the proposal as submitted without any objection.	Planned to convene the regular Shareholders' Meeting on June 14, 2022
April 29, 2022	Proposal for lending funds to Taiwan Digi-Com Co., Ltd.	All attending directors approved the proposal as submitted without any objection.	Already implemented
May 12, 2022	(1) Proposal for the financial statements of the Company in Q1 2022	All attending directors approved the proposal as submitted without any objection.	Already implemented
	(2) Proposal for lending funds to Taiwan Digi-Com Co., Ltd.	All attending directors approved the proposal as submitted without any objection.	Already implemented
June 29, 2022	(1) Proposal for the financial report of the Company in 2021 regarding the small amount remittance business of foreign migrant workers	All attending directors approved the proposal as submitted without any objection.	Already implemented
August 12, 2022	(1) Proposal for the financial statements of the Company in Q2 2022	All attending directors approved the proposal as submitted without any objection.	Already implemented
November 11, 2022	(1) Proposal for the financial statements of the Company in Q1 2022	All attending directors approved the proposal as submitted without any objection.	Already implemented
	(2) Planned opening of an overseas account in Thailand	All attending directors approved the proposal as submitted without any objection.	Already implemented
December 23, 2022	(1) Approval of a proposal for the 2022 business plan	All attending directors approved the proposal as submitted without any objection.	Already implemented
	(2) Audit plan of 2022	All attending directors approved the proposal as	Already implemented

		submitted without any objection.	
	(3) Proposal for the establishment of the Procedures for Handling of Major Internal Information of the Company	All attending directors approved the proposal as submitted without any objection.	Already implemented
	(4) Proposal for amendment to the Procedures Governing the Prevention of Money Laundering and Combatting of Terrorism Financing of the Company, submitted for discussion	All attending directors approved the proposal as submitted without any objection.	Already implemented
March 24, 2023	(1) Proposal for the approval of closing statements and surplus distribution of the Company in 2022	All attending directors approved the proposal as submitted without any objection.	Being executed, planned to be proposed to the regular Shareholders' Meeting in 2023 for acknowledgement
	(2) Proposal for distribution of employee compensation and directors' compensation of the Company in 2021	All attending directors approved the proposal as submitted without any objection.	Being executed, planned to be proposed to the regular Shareholders' Meeting in 2023 for acknowledgement
	(3) Proposal for the Effectiveness Assessment of the Internal Control System and Statement of the Internal Control System in 2022	All attending directors approved the proposal as submitted without any objection.	Already implemented
	(4) Proposal for the Statement of the Internal Control System for the Prevention of Money Laundering and Combatting of Terrorism Financing in 2022	All attending directors approved the proposal as submitted without any objection.	Already implemented
	(5) Proposal for planning of share dilution of subsidiary Life Link Co., Ltd.	All attending directors approved the proposal as submitted without any objection.	Being executed, planned to be proposed to the regular Shareholders' Meeting in 2023 for discussion
	(6) Proposal for the comprehensive re-election of directors	All attending directors approved the proposal as submitted without any objection.	Being executed, planned to be proposed to the regular Shareholders' Meeting in 2023 for reelection
	(7) Proposal for relief of the noncompetition restriction on newly appointed directors of the Company and their representatives	All attending directors approved the proposal as submitted without any objection.	Being executed, planned to be proposed to the regular Shareholders' Meeting in 2023 for discussion
	(8) Convening of a regular Shareholders' Meeting of the Company in 2023	All attending directors approved the proposal as submitted without any objection.	Planned to convene the regular Shareholders' Meeting on June 14, 2023

L. Any dissenting opinion expressed by a director or supervisor with respect to a major resolution passed by the Board of Directors during the most recent fiscal year and up to the date of publication of the annual report, where said dissenting opinion has been recorded or prepared as a written declaration.
None.

M. A summary of the resignations and dismissals of the Company's chair, president, accounting manager, financial manager, chief internal auditor, or research and development officer during the most recent fiscal year and up to the date of publication of the annual report.

None.

(IV) Information on CPA professional fees

Unit: NT$ Thousand

Name of accounting firm	Name of CPA	CPA audit period	Audit fee	Non-audit fee (Note)	Total	Remark
Deloitte Taiwan	Chiu, Yung-Ming	January 2022 ~ December 2022	2,300	300	2,600	
	Liu, Shu-Lin					

A. When the Company changes its accounting firm and the audit fees paid for the fiscal year in which such change took place are lower than those for the previous fiscal year, the amounts of the audit fees before and after the change and the reasons shall be disclosed.

None.

B. When the audit fees paid for the current fiscal year are lower than those for the previous fiscal year by 15% or more, the reduction in the amount of audit fees, reduction percentage, and reason(s) thereof shall be disclosed.

None.

(V) Information on the replacement of CPAs

None.

(VI) The Company's chair, president, or any managerial officer in charge of finance or accounting matters in the most recent year held a position at the accounting firm of its certified public accountant or at an affiliated enterprise of such accounting firm

None.

(VII) Any transfer of equity interests and pledge of, or change in, equity interests by a director, supervisor, managerial officer, or shareholder with a stake of more than 10%

A. Any transfer of equity interests and/or pledge of or change in equity interests by a director, supervisor, managerial officer

Unit: Share(s)

Title	Name	2022		As of April 16, 2023	
		Shareholding increase (decrease)	Pledged share increase (decrease)	Shareholding increase (decrease)	Pledged share increase (decrease)
Chairman	Chen, Tun-Jen	0	0	0	0
Director/ President	Ho, Ming-Che	0	0	0	0
Director	Xinlai Investment Co., Ltd.	138,000	0	0	0
	Chen, Alexander	0	(2,000,000)	0	0
Director	Lo, Hsueh-Yu	(10,000)	0	0	0
Independent Director	Lo, Li-Chu	0	0	0	0
Independent Director	Tsai, Yu-Ping	0	0	0	0
Independent Director	Wang, Shen-Huei	0	0	0	0
Operational management Center President	Li, Li-Hsiang	0	0	0	0
Vice-president	Chan, Shih-Jen	0	0	0	0
Senior associate manager	Lu, Chi-Wei	0	0	0	0
Financial officer	Li, Po-Yang (Date of appointment: March 4, 2022)	0	0	0	0

Chief Accountant	Chu, Chen-Ju (Date of appointment: March 4, 2022)	0	0	0	0

B. Information on equity transfers
   No counterparty of equity transfer was a related party.

C. Information on equity pledge
   No counterparty of equity pledge was a related party.

(VIII) Information on the relationship of top-10 shareholders in terms of shareholding ratio as related parties specified in Financial Accounting Standards No. 6:

<table>
<tr><th rowspan="2">Name</th><th colspan="2">Current Shareholding</th><th colspan="2">Spouse & minor shareholding</th><th colspan="2">Shareholding by nominees</th><th colspan="2">Information on relationship among the top ten shareholders, who are related parties or spouses, relatives within the second degree of kinship of another shareholder</th><th rowspan="2">Remarks</th></tr>
<tr><th>Shares</th><th>%</th><th>Shares</th><th>%</th><th>Shares</th><th>%</th><th>Name</th><th>Relation</th></tr>
<tr><td rowspan="2">Xinlai Investment Co., Ltd.
Yu, Hui-Chin</td><td rowspan="2">8,958,000</td><td rowspan="2">9.99%</td><td rowspan="2">0</td><td rowspan="2">0%</td><td rowspan="2">0</td><td rowspan="2">0%</td><td>Yu, Hui-Chin</td><td>Responsible person</td><td>-</td></tr>
<tr><td>Chen, Tun-Jen</td><td>Spouse of person in charge</td><td>-</td></tr>
<tr><td rowspan="3">Chen, Alexander</td><td rowspan="3">6,000,000</td><td rowspan="3">6.69%</td><td rowspan="3">0</td><td rowspan="3">0%</td><td rowspan="3">2,518,000</td><td rowspan="3">2.81%</td><td>Chen, Tun-Jen</td><td>Relative within the first degree of kinship</td><td>-</td></tr>
<tr><td>Yu, Hui-Chin</td><td>Relative within the first degree of kinship</td><td>-</td></tr>
<tr><td>Zhijing Co., Ltd.</td><td>Person in charge of the company</td><td></td></tr>
<tr><td rowspan="3">Yu, Hui-Chin</td><td rowspan="3">5,235,000</td><td rowspan="3">5.84%</td><td rowspan="3">3,570,158</td><td rowspan="3">3.98%</td><td rowspan="3">0</td><td rowspan="3">0%</td><td>Chen, Tun-Jen</td><td>Spouse</td><td>-</td></tr>
<tr><td>Chen, Alexander</td><td>Relative within the first degree of kinship</td><td>-</td></tr>
<tr><td>Xinlai Investment Co., Ltd.</td><td>Person in charge of the company</td><td>-</td></tr>
<tr><td>Chiang, Chih-Hao</td><td>4,631,000</td><td>5.16%</td><td>0</td><td>0%</td><td>0</td><td>0%</td><td>None</td><td>None</td><td>Note</td></tr>
<tr><td rowspan="3">Chen, Tun-Jen</td><td rowspan="3">3,570,158</td><td rowspan="3">3.98%</td><td rowspan="3">5,235,000</td><td rowspan="3">5.84%</td><td rowspan="3">0</td><td rowspan="3">0%</td><td>Yu, Hui-Chin</td><td>Spouse</td><td></td></tr>
<tr><td>Chen, Alexander</td><td>Relative within the first degree of kinship</td><td></td></tr>
<tr><td>Xinlai Investment Co., Ltd.</td><td>Substantial related party</td><td></td></tr>
<tr><td>Chiang-Yu, Chun-Ying</td><td>3,453,000</td><td>3.85%</td><td>0</td><td>0%</td><td>0</td><td>0%</td><td>None</td><td>None</td><td>Note</td></tr>
<tr><td>Chiang, Yu-Ping</td><td>2,840,000</td><td>3.17%</td><td>0</td><td>0%</td><td>0</td><td>0%</td><td>None</td><td>None</td><td>Note</td></tr>
<tr><td>Tsao, Chih-Liang</td><td>2,764,000</td><td>3.08%</td><td>0</td><td>0%</td><td>0</td><td>0%</td><td>None</td><td>None</td><td>Note</td></tr>
<tr><td>Zhijing Co., Ltd.</td><td>2,518,000</td><td>2.81%</td><td>0</td><td>0%</td><td>0</td><td>0%</td><td>Chen, Alexander</td><td>Responsible person</td><td></td></tr>
<tr><td>Treasury stock account of Welldone Company</td><td>2,410,000</td><td>2.69%</td><td>0</td><td>0%</td><td>0</td><td>0%</td><td>None</td><td>None</td><td>-</td></tr>
</table>

Note: Not a related party of the Company, and no related information is available.

(IX) Consolidated number of shares owned by the Company, directors, supervisors, managerial officers, and business controlled directly or indirectly by the Company

Consolidated shareholding ratio

April 30, 2023 Unit: Shares

Invested Company	Investment by the Company		Investment by directors/supervisors/ managers and by companies directly or indirectly controlled by the Company		Total investment	
	Shares	%	Shares	%	Shares	%
Life Link Co., Ltd.	7,912,185	92.26%	7,500	0.08%	7,919,685	92.34%
WELLTECH ENERGY INC.	11,626,929	29.98%	0	0.00%	11,626,929	29.98%
TD HITECH ENERGY INC.	9,587,417	22.78%	1,051,516	2.50%	10,638,933	25.28%

IV. Capital Overview

(I) Capital and Shares

A. Capital and Shares

1. Sources of Capital

Year/ Month	Issue Price (NT$)	Authorized Capital		Paid-in Capital		Remarks		
		Shares	Amount	Shares	Amount	Sources of Capital (NT$)	Capital Increase by Assets Other than Cash	Other
1996.07	10	4,000,000	40,000	4,000,000	40,000	Capital increase of NT$ 15,000,000 by cash	None	Not yet publicly issued
1997.03	10	8,000,000	80,000	6,600,000	66,000	Capital increase of NT$ 26,000 by cash	None	Not yet publicly issued
1997.06	10	8,000,000	80,000	8,000,000	80,000	Capital increase of NT$ 14,000,000 by cash	None	Not yet publicly issued
1998.08	10	20,000,000	200,000	12,000,000	120,000	Capital increase of NT$ 40,000,000 by cash	None	Not yet publicly issued
1999.12	10	20,000,000	200,000	18,200,000	182,000	Capital increase of NT$ 50,000,000 by cash/capital increase of NT$ 12,000,000 by conversion of capital surplus	None	Not yet publicly issued
2000.11	10	21,000,000	210,000	20,288,000	202,880	Capital increase of NT$ 12,740,000 by conversion of capital surplus/capital increase of NT$ 8,140,000 by conversion of surplus	None	Tai-Cai-Zheng No. 90255 dated November 4, 2000
2001.07	10	35,000,000	350,000	24,900,000	249,000	Capital increase of NT$ 1,901,860 by conversion of employee dividends/capital increase of NT$ 44,218,140 by conversion of surplus	None	Tai-Cai-Zheng No 142855 dated July 4, 2001
2002.05	10	50,000,000	500,000	32,900,000	329,000	Capital increase of NT$ 5,000,000 by conversion of employee dividends/capital increase of NT$ 75,000,000 by conversion of surplus	None	Tai-Cai-Zheng No 127096 dated May 17, 2002
2003.04	10	50,000,000	500,000	32,912,021	329,120	Conversion of convertible corporate bonds to share capital of NT$ 120,000 in 2003	None	Jing-Shou-Shang-Zi No. 09201116210
2003.08	10	95,000,000	950,000	44,426,091	444,261	Capital increase of NT$ 16,217,000 by conversion of employee dividends/capital increase of NT$ 98,924,000 by conversion of surplus	None	Tai-Cai-Zheng-Yi-Zi No. 0920126286
2003.11	10	95,000,000	950,000	44,887,796	448,878	Conversion of convertible corporate bonds to share capital of NT$ 4,617,000 in 2003	None	Jing-Shang -Shou -Zi No. 09232943850
2004.09	10	95,000,000	950,000	53,359,347	533,594	Capital increase of NT$ 12,895,000 by conversion of employee dividends/capital increase of NT$ 71,821,000 by conversion of surplus	None	Jing-Shang -Shou -Zi No. 0931175930
2005.09	10	95,000,000	950,000	59,228,982	592,290	Capital increase of NT$ 5,337,000 by conversion of employee dividends/capital increase of NT$ 53,359,000 by conversion of surplus	None	Jing-Shang -Shou -Zi No. 09401178330
2006.09	10	95,000,000	950,000	59,305,610	593,056	Conversion of convertible corporate bonds to share capital of NT$ 766,000 in 2003	None	Jing-Shang -Shou -Zi No. 09501216060
2006.10	10	95,000,000	950,000	65,942,546	659,425	Capital increase of NT$ 7,140,000 by conversion of employee	None	Jing-Shang -Shou -Zi No. 09501235620

						dividends/capital increase of NT$ 59,229,000 by conversion of surplus		
2007.09	10	95,000,000	950,000	73,408,708	734,087	Capital increase of NT$ 8,719,000 by conversion of employee dividends/capital increase of NT$ 65,943,000 by conversion of surplus	None	Jing-Shang -Shou -Zi No. 09601236070
2008.08	10	95,000,000	950,000	81,624,579	816,246	Capital increase of NT$ 8,750,000 by conversion of employee dividends/capital increase of NT$ 73,409,000 by conversion of surplus	None	Jing-Shang -Shou -Zi No. 09701202950
2009.11	10	95,000,000	950,000	89,787,037	897,870	Capital increase of NT$ 81,624,000 by conversion of surplus	None	Jing-Shang -Shou -Zi No. 09801266490
2011.7	10	150,000,000	1,500,000	89,787,037	897,870	-	None	Jing-Shang -Shou -Zi No. 10001165950
2012.7	10	150,000,000	1,500,000	89,923,964	899,240	Conversion of convertible corporate bonds to 136,927 ordinary shares	None	Jing-Shang -Shou -Zi No. 10101143590
2012.8	10	150,000,000	1,500,000	94,952,038	949,520	Capital increase of NT$ 50,280,000 by conversion of surplus	None	Jing-Shang -Shou -Zi No. 10101167640
2014.1	10	150,000,000	1,500,000	93,670,038	936,700	Cancelation of 1,292,000 treasury stocks	None	Jing-Shang -Shou -Zi No. 10301010270
2015.12	10	150,000,000	1,500,000	91,670,038	916,700	Cancelation of 2,000,000 treasury stocks	None	Jing-Shang -Shou -Zi No. 10401253650
2016.2	10	150,000,000	1,500,000	89,670,038	896,700	Cancelation of 2,000,000 treasury stocks	None	Jing-Shang -Shou -Zi No. 10501029510

2. Type of stock

April 16, 2023 Unit: Share(s)

Type of stock	Authorized Capital			Remarks
	Issued Shares	Unissued Shares	Total	
Registered ordinary share	89,670,038	60,329,962	150,000,000	TPEx listed company

Note: Including 2,410,000 treasury stocks

B. Shareholder structure

April 16, 2023

Shareholder structure Number	Government Agencies	Financial Institutions	Other Institutional Shareholders	Domestic Natural Persons	Foreign Institutions & Natural Persons	Total
Number of shareholders	0	1	128	26	21,622	21,777
Number of shares	0	4,584	16,344,360	2,338,426	70,982,668	89,670,038
Percentage (%)	0.00%	0.01%	18.23%	2.60%	79.16%	100.00%

C. Shareholding distribution status

April 16, 2023

Range of Shares	Number of Shareholders	Current Shareholding	Shareholding (%)
1 - 999	16,188	507,229	0.57%
1,000 - 5,000	4,364	8,725,963	9.73%

5,001 - 10,000	606	4,645,925	5.18%
10,001 - 15,000	194	2,458,962	2.74%
15,001 - 20,000	112	2,036,048	2.27%
20,001 - 30,000	124	3,075,099	3.43%
30,001 - 40,000	44	1,565,532	1.75%
40,001 - 50,000	27	1,226,434	1.37%
50,001 - 100,000	58	4,171,475	4.65%
100,001 - 200,000	27	3,697,561	4.12%
200,001 - 400,000	10	3,169,111	3.53%
400,001 - 600,000	5	2,318,000	2.59%
600,001 - 800,000	3	2,096,000	2.34%
800,001 - 1,000,000	0	0	0.00%
Above 1,000,001	15	49,976,699	55.73%
Total	21,777	89,670,038	100.00%

D. List of major shareholders

April 16, 2023

Name of Major Shareholders	Current Shareholding	Shareholding (%)
Xinlai Investment Co., Ltd.	8,958,000	9.99%
Chen, Alexander	6,000,000	6.69%
Yu, Hui-Chin	5,235,000	5.84%
Chiang, Chih-Hao	4,631,000	5.16%
Chen, Tun-Jen	3,570,158	3.98%
Chiang-Yu, Chun-Ying	3,453,000	3.85%
Chiang, Yu-Ping	2,840,000	3.17%
Tsao, Chih-Liang	2,764,000	3.08%
Zhijing Co., Ltd.	2,518,000	2.81%
Treasury stock account of Welldone Company	2,410,000	2.69%

E. Market price, net worth, earnings, dividend and related information over the last two years

Item / Year			2021	2022	As of the publication date of the annual report in the current year
Market price per share	Highest		56.4	45.95	42.15
	Lowest		16.6	24.25	34.10
	Average		37.54	33.29	39.44
Net worth per share	Before distribution		14.57	15.57	-
	After distribution		13	13.53	(Note 4)
Earnings per share	Weighted average shares		896,701	896,701	896,701
	Earnings per share		1.84	2.7	0.57
Dividends per share	Cash dividends		1.6	2.1	-
	Stock dividends		0	0	-
			0	0	-
	Cumulative unpaid dividends		0	0	
Return on investment	Price/Earnings ratio (Note 1)		20.40	12.33	-
	Price/Dividend ratio (Note 2)		23.46	15.85	-
	Cash dividend yield rate (Note 3)		4.27%	6.31%	-

Note 1 Price/earnings ratio = Average closing price per share for the year/Earnings per share

Note 2 Price/dividend ratio = Average closing price per share for the year/Cash dividend per share

Note 3 Cash dividend yield rate = Cash dividends per share/Average closing price per share for the current year

F. Dividend policy and implementation

1. Dividend policy

   If the Company makes a surplus after final accounting of revenue and expenditure, it shall be used to pay taxes, make up for any accumulated loss, and 10% of the remaining amount shall then be appropriated as statutory surplus reserve; however, it does not apply when the accumulated amount of the statutory surplus reserve has already reached the total capital of the Company. A special surplus reserve may also be set aside based on the Company's operating demand and according to the provisions of the relevant laws and regulations. As for the remaining amount, if any, together with the beginning surplus not distributed, the Board of Directors will propose a surplus distribution scheme and submit it to the Shareholders' Meeting for distribution following resolution.

   The dividend policy of the Company is determined according to the Company's profiting status and future operating development and to assure shareholders' interests. Dividends distributed to shareholders shall not be lower than 50% of the surplus available for distribution in the current year. However, if the earnings available for distribution per share is less than NT$ 1 in the current year, it may be retained and not distributed. Dividends can be distributed in either cash or stock, and cash dividends shall not be lower than 30% of the total amount.

2. Distribution of dividends proposed at the Shareholders' Meeting: The Board of Directors made a resolution on March 24, 2023 to set aside shareholders' dividends of NT$ 183,246,080 to distribute as cash dividends with NT$ 2.1 per share. The cash dividends were distributed to NT$ 1, while the amount less than NT$ 1 was omitted. The total amount of odd payments less than NT$ 1.3 was included in other revenue of the Company.

3. Expected major changes to the dividend policy: After the provisions of Article 235 of the Company Act were corrected, employee dividends should be excluded from the profit distribution statement; the compensation of directors and supervisors was also handled with reference to that of employee dividends, and the compensation of directors and supervisors was also executed from the profit distribution statement.

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

No proposal for stock dividends was discussed in this Shareholders' Meeting.

H. Compensation of employees, directors, and supervisors

1. The percentages or ranges with respect to employees', directors', and supervisors' compensation, as set forth in the Company's Articles of Incorporation.

   If the Company makes a profit in the year, it shall set aside 1%-10% of the profit as employee compensation, and no more than 4% as directors' and supervisors' compensation. However, when the Company still has an accumulated loss, it shall retain the compensation amount in advance.

2. Accounting treatments when differences occur between the estimated and actual distributed amount of employees, directors, and supervisors' compensation

   None.

3. Approval of compensation distribution by the Board of Directors

   The income before tax of the Company reached NT$ 241,836,835 in 2022. The profit of the Company before deduction of employees', directors', and supervisors' compensation was NT$ 281,205,621; 10% of this amount was planned to be set aside, i.e., NT$ 28,120,562, as employee compensation, and 4%, i.e., NT$ 11,248,224, as directors' and supervisors' compensation respectively. Both were distributed in cash.

4. The actual distribution of employees', directors', and supervisors' compensation for the previous fiscal year

Unit: NT$

Employee dividends and directors' and supervisors' compensation distributed using surplus in 2021	Estimated distribution amount in the financial report	Amount actually distributed following resolution of the Board of Directors	Discrepancy	Reason for discrepancy
Employee dividends-Stock	0	0	0	-
Employee dividends-Cash	19,891,929	19,891,929	0	-
Directors' and supervisors' compensation	7,956,771	7,956,771	0	-

I. Share repurchases

Time of repurchase	5th time
Purpose of repurchase	Transfer of shares to employees
Repurchase period	November 18, 2019-December 19, 2019
Repurchase interval price	NT$ 12-17
Type and number of shares repurchased	2,410,000 ordinary shares
Amount of shares repurchased	36,572,750
Ratio of the number of shares repurchased in the estimated number of shares repurchased (%)	80.33%
Number of shares canceled and transferred	0
Number of shares of the Company accumulatively held	2,410,000
Ratio of shares of the Company accumulatively held in the total number of shares issued (%)	2.69%

(II) Corporate Bonds

None.

(III) Preferred Shares

None.

(IV) Global Depository Receipts

None.

(V) Employee Stock Options

None.

(VI) New Restricted Employee Shares

None.

(VII) Issuance of New Shares in Connection with Mergers and Acquisitions

None.

(VIII) Finance Plans and Implementation

None.

V. Operational Highlights

(I) Description of the business

A. Scope of business:

1. The Company operates the following businesses:

(1) F113110 Wholesale of Batteries;
(2) F213110 Retail Sale of Batteries;
(3) F401010 International Trade;
(4) CC01090 Manufacture of Batteries and Accumulators;
(5) IZ99990 Other Industrial and Commercial Services;
(6) F113020 Wholesale of Electrical Appliances;
(7) F213010 Retail Sale of Electrical Appliances;
(8) F118010 Wholesale of Computer Software;
(9) F218010 Retail Sale of Computer Software;
(10) F109070 Wholesale of Culture, Education, Musical Instruments and Educational Entertainment Supplies;
(11) F209060 Retail Sale of Culture, Education, Musical Instruments and Educational Entertainment Supplies;
(12) F113070 Wholesale of Telecommunication Apparatus;
(13) F213060 Retail Sale of Telecommunication Apparatus;
(14) F119010 Wholesale of Electronic Materials;
(15) F219010 Retail Sale of Electronic Materials;
(16) F401021 Controlled Telecommunications Radio-Frequency Devices Installation Engineering;
(17) E701030 Restrained Telecom Radio Frequency Equipments and Materials Import;
(18) G801010 Warehousing;
(19) I301010 Information Software Services;
(20) I301020 Data Processing Services;
(21) I301030 Electronic Information Supply Services;
(22) IZ12010 Manpower Dispatched;
(23) I701011 Employment Service;
(24) F399040 Retail Sale No Storefront;
(25) I301040 The Third Party Payment;
(26) IE01010 Telecommunications Service Number Agencies;
(27) HZ07011 Foreign Migrant Workers Remittances Services;
(28) ZZ99999 All business activities that are not prohibited or restricted by law, except those that are subject to special approval.

2. Business ratios at present

Unit: NT$ Thousand

Main Product(s)	Amount (2022)	Operating ratio %
Communication services	1,462,731	59.25%
Other electronic component departments	242,861	9.84%
IC and other channel business departments	763,202	30.91%
Digital content department	0	0%
Total	2,468,794	100%

3. Current products (services) and roadmap

(1) Data services

Agency of mobile phone prepaid cards, international telephone prepaid cards, and telecommunication fee-saving card marketing business, international HR intermediary service project, migrant worker remittance, and other related business.

(2) Battery module products

Used for OEM/ODM design, development, and manufacturing of batteries of products like mobile phones, GPS, and smart home devices (a majority of equity of the subsidiary was already transferred in the first quarter of 2022).

(3) Channel business

Cosmetics products: Agency of two major German cosmetics brands, i.e., essence and catrice 2.

Healthcare food: Agency of healthcare food of Doppel herz of Germany.

Disposable batteries: Agency of battery products of U.S. Duracell and Japanese TOSHIBA.

4. New products planned for development

Application for addition of small amount remittance business in Thailand.

B. Industry overview

1. Current status and development of the industry

(1) Telecommunication product industry:

With the quick popularization of smartphones and the changes of mobile phone applications, the voice business of telecommunication market is continually declining, while Internet access business has become the mainstream, which leads to the continual decrease of average telecommunication tariff. Therefore, with the increase of mobile phone applications, provision of service types with high added value, including remittance and shopping, becomes the main application and development direction at present.

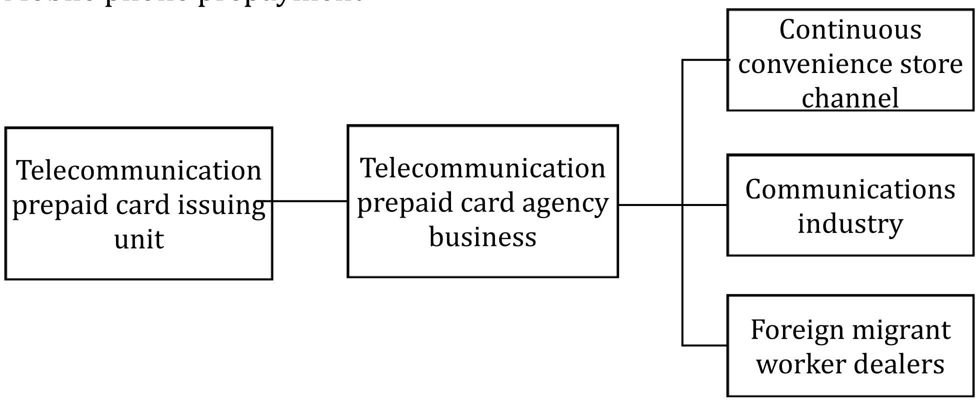
(2) Cosmetics products

Due to the influence of the pandemic, the global cosmetics sales became sluggish.

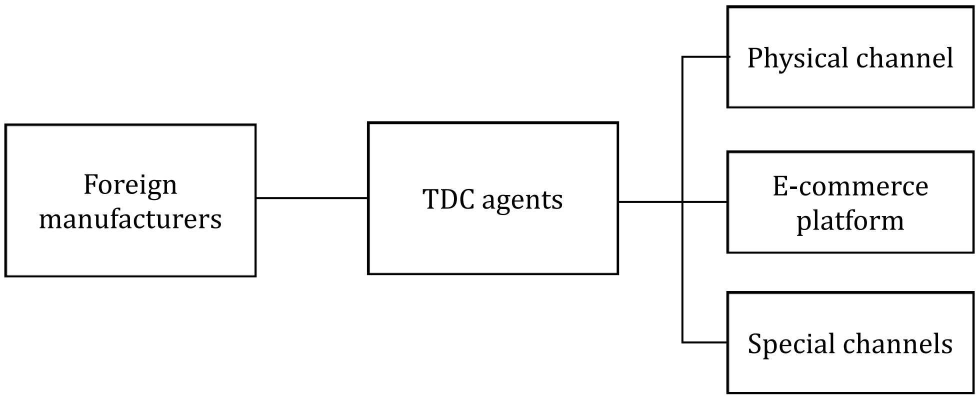
(3) Healthcare products

With the improvement of the global living environment and the rapid development of medical science and technology, human beings' quality of life has been universally improved together with prolonged average life time. However, for many developed or developing countries, aging population structure has been formed, resulting in the gradual increase of number of patients with chronic diseases. It has become a major hidden concern for a country's medical expenditure and social welfare burdens. Different from the disease treatment functions of drugs, healthcare food has the effect of increasing nutrition, promoting health, and delaying senescence from the perspective of preventive medicine. As a result, healthcare food has been favored by national governments and consumers with raised awareness of personal health. Take Taiwan as an example. The output of food biotechnology ranks the first place in the overall biotechnology industry. The investments of manufacturers in R&D of healthcare food have been increased year by year, fully indicating the flourishing of this industry. For a long run, healthcare food can help lower medical expenses, and improve citizens' physical health and quality of life.

2. The relationship between industry supply chains:
   (1) Telecommunication product industry:
   Since the market becomes gradually saturated regarding the new telecommunication industry, and the services provided by telecommunication system practitioners differ slightly, the relevancy of upstream, midstream, and downstream is much closer. The channel services provided by agents shall be more professional.
   Mobile phone prepayment



   (2) Cosmetics channel:



3. Development trend and product competitiveness
   (1) Telecommunication product industry
   The future development of telecommunication products will focus on broadband, wireless, and mobile trends. The improvement of functions and technologies of smartphones will accelerate the progress of these trends. In the future, mobile phone manufacturers will further speed up the R&D and integration of terminal devices of telecommunication and broadband media to promote the continual development of the industry with telecommunication practitioners. Each telecommunication practitioner will compete more fiercely through combination of mobile phones with telecommunication services.
   (2) Small amount remittance business
   After the release of the Act Governing Electronic Payment Institutions, the migrant worker small amount remittance market will become more transparent and popularized, and new practitioners will successively apply for licenses of foreign small amount remittance business of foreign migrant workers. The Company will also continually strengthen services, safety, and efficiency to sustain its competitive advantages.
   (3) Cosmetics products
   Following the business trends of cosmetics in 2020 due to the pandemic, the revenue from cosmetics continuously declines, and preservation

cosmetics products were still the main business force. According to the annual report of L'Oréal, an unprecedented supply crisis occurred in 2020, resulting in a decline of 8% in the global cosmetics market.

(4) Healthcare products

After more than two years' pandemic, consumers' psychology has been continually impacted in addition to the deepening of their emphasis on the health issues. In accordance with the survey data of Nielsen, 80% of respondents indicated that they would continue to pay attention to healthy diets after the pandemic. In addition to the demand for the improvement of immunity, consumers have intensively focused on the health fields like emotional sleep, eye health, beauty maintenance, and senior citizens' healthcare, which has also promoted the development of relevant healthcare food and raw material markets.

In this survey, more than 60% of adults would seek health and healthcare food related to environmental protection issues, and as many as 90% of people believed that brands or healthcare food available for complete tracking and traceability would become one of important reasons for them to purchase staff. This survey also demonstrated the increasing demand of consumers for product safety, openness, transparency, and tracking and traceability, and such trend will be reinforced with the further improvement of people's health awareness.

C. Technology and research overview

1. R&D expenses engaged in the current year:

The expenses invested in the development of small amount remittance program reached approximately NT$ 4,410,000 in the current year.

2. Technologies and products successfully developed

Strengthening the convenience and safety of the remittance program.

3. Future research and development direction

(1) Telecommunication product industry

The Company has actively developed towards the orientation of "virtual telecommunication company" and achieved considerable accomplishments. In the future, the Company will continually exert efforts in this direction, and apply the marketing and external resource integration capabilities to integrate the resources from the telecommunication system practitioners, communication practitioners, and content service practitioners, and provide customers with more convenient and diversified mobile or network value-added services, to strengthen the competitiveness of its core values.

(2) Small amount exchange business

Sticking to the direction of safety and efficiency, the Company will continually strengthen the system software and work processes.

D. Long- and short-term business development plans

Short-term business development plan:

1. Telecommunication product industry

The spreading of the COVID-19 virus has affected the structure of the global economy. With the research and understanding of this virus, people's living habits and corresponding policies have been adjusted accordingly. Currently, the number of migrant workers in Taiwan is approximately 700,000, and the originally stagnant migrant worker policy has already been gradually relieved. The Company will continue the established policies and expand the sales business of telecommunication voice service products, mobile phones, and mobile Internet access services.

2. Migrant worker related business

   In addition to the original telecommunication prepaid card products, Welldone will also continue to expand each service for the migrant worker market, including the HR intermediary business and migrant worker small amount remittance business already initiated, with the objective to continually provide better and diversified services, and value and satisfy the migrant workers' demands.

3. Cosmetics products

   The Company has accumulated six years' experience in cosmetics. Relying on the operation experience in the cosmetics market, the Company will introduce other cosmetics products as well as beauty makeup products for basic maintenance in order to increase the diversity of products.

4. Healthcare products

   The Company actively introduces and sells healthcare products mainly through physical channels based on the current attributes of products. In the future, the Company will plan the sales of such products through online channels in order to develop towards the direction of e-commerce platform.

Medium- and long-term business development plans:

The Company will further develop telecommunication business, and strengthen channels and marketing to continually consolidate the market share; for migrant worker related business, the Company will develop more diversified products and services on the existing basis, and strengthen information security and application convenience to continually accumulate the number of members to expand the service coverage in the hope that the Company can become the most profound and solid network innovative service brand in the foreign laborer market, and further drive the business opportunities and flourishing of the overall market.

As for the channels, based on the existing cosmetics products and channels, the Company will continually develop cosmetics and health related products, expand the product breadth, and improve operating efficiency and profits.

(II) Market and sales overview

A. Market analysis

1. Major sales regions

   The products of the Company mainly include telecommunication prepaid cards, cosmetics products, healthcare products, and disposable consumer batteries, etc., and they are mainly sold in Taiwan.

2. Market share

   (1) Telecommunication product industry

   Currently, there are more than 700,000 foreign migrant workers in Taiwan. Since they are not locals, they have to apply for prepaid mobile telephone cards, and each migrant worker works for 3-6 years in Taiwan. In other words, there will be several tens of thousands of new users of mobile phone prepaid cards every year.

   As an agency of prepaid cards of Taiwan Mobile Co., Ltd., the Company has cultivated the foreign migrant worker market for many years and achieved significant accomplishments, and its market share in the migrant worker markets of Thailand, Vietnam and Indonesia is in a leading position. The monthly user contributions of these foreign migrant workers are not inferior to post-paid customers

(2) Foreign migrant worker small amount remittance business:

More than 700,000 foreign migrant workers are working in Taiwan, and many of them find it difficult to handle exchange settlement and remittance of their work income to hometowns in local banks in person due to working time and workplaces. Furthermore, even if these migrant workers visit the banks for the aforesaid operations, they will have obstacle in communicating with the local people. Even intermediary companies can be hired for foreign exchange settlement, problems of uncertain exchange rate and delayed receipt of remittance will be faced, and consequently most migrant workers will choose high-risk illegal remittance. In 2021, after the release of the Act Governing Electronic Payment Institutions, practitioners were able to handle small amount exchange, and provided convenient, quick, and safe remittance services for migrant workers. Although the Company already obtained its first license as a small amount remittance service for foreign migrant workers in Taiwan, it is expected that the future market competition and challenges will come one after another after the opening of the migrant worker cross-border small amount remittance business.

(3) Cosmetics products

It will be the sixth year for Taiwan Digi-Com Co., Ltd., a subsidiary of the Company, serving as an agent of cosmetics products of Germany. In the last two years, the sales declined due to the influence of the pandemic. Also, the two brands this subsidiary dealt with declined more significantly than the range of the market decline. In this case, Taiwan Digi-Com Co., Ltd. will correct the market promotion guidelines, adjust the number of counters in the channel, eliminate stores with unfavorable operating performance, change the frequency of product changes, and adjust the overall product items to lower risks.

(4) Disposable consumer battery products

TOSHIBA Batteries & Cells focuses on traditional markets and highlights carbon-zinc batteries; Duracell focuses on the mainstream market and highlights alkaline batteries. The Company adopts a dual-brand operating model. In the traditional markets, carbon-zinc batteries and alkaline batteries are focused, and in the mainstream market, Duracell and Toshiba grow together.

3. Future market supply, demand and growth

(1) Telecommunication prepaid card business:

Currently, the major users of prepaid cards in Taiwan include foreign migrant workers in Taiwan and local Taiwanese. Currently, several tens of thousands of new foreign migrant workers will come to work in Taiwan every year. However, this number was reduced due to the impact of the COVID-19 pandemic in the last two years; as for the local Taiwanese market, the popularization rate of prepaid cards used by teenagers has become increasingly high. Also, children have also used the prepaid cards at an earlier stage. As a result, the market grows stably. In addition, the continuous availability of value-added services and Internet access services of prepaid card products can stimulate the frequency of application. Therefore, there is still development space for the prepaid card market in Taiwan.

(2) Small amount remittance business:

Due to the population structure and the industrial development, the demand of Taiwan for foreign migrant workers is increasingly. However, due to the impact of the COVID-19 pandemic in the recent years, the number of migrant workers coming to Taiwan hardly grew. Fortunately, migrant workers have again been admitted to Taiwan this year. With the growth of the number of foreign migrant workers, the foreign migrant worker small amount remittance business is expected to develop synchronously.

4. Operating goals

The Company is dedicated to the operation of the foreign migrant worker prepaid card market. Based on years' stable growth and expansion of market share, the Company has gradually acquired a leading position in the foreign migrant worker market, and begun to set foot in migrant worker HR intermediary and foreign migrant worker small amount remittance business based on its mastery of the market. In the future, the Company plans to further expand its business to shopping platforms to satisfy foreign migrant workers' living needs in Taiwan. Hopefully, the Company will become the best service partner for the migrant workers.

5. Competitive niches

(1) The product lines are broad and complete with the advantages for horizontal extension and vertical integration:

The business of the Company covers telecommunication prepaid card, small amount payment platform, and foreign migrant worker small amount remittance, etc. With the advantage of complete channels, the Company can horizontally expand the product lines. Also, thanks to resource integration capabilities, the Company can extend its business to upper and lower reaches. The telecommunication prepaid card business of the Company includes two major fields, i.e., mobile phone prepaid card and international call prepaid card, as well as small amount payment business. The completeness of the product lines and the business scale of the Company are far from the reach of other practitioners; in addition, since migrant workers need convenient and real-time remittance services, small amount remittance service rendered through the use of APP will become a trend for migrant workers' remittance. The Company obtained its first license as a small amount remittance service for foreign migrant workers in Taiwan, and will continue to strengthen its service contents to satisfy migrant workers' more comprehensive demands.

(2) Complete channel operation architecture:

The channel operations of the Company differ due to different products. The great breadth and profound cultivation of channels benefit the improvement of the sales energy of existing products. In addition, for the future competition, channel breadth also helps improve the flexibility of strategic applications and win the market competition at the fastest. Secondly, the Company has stably controlled the market prices, to avoid the price competition among different channels, secure the profits of each channel, and realize the stable market growth. Furthermore, it also benefits the Company to acquire trust and support from the upstream suppliers.

6. Advantages, disadvantages and responsive strategy in future development

(1) Advantages

(A) Stable growth of telecommunication services in Taiwan:
The telecommunication business of Taiwan has flourished after liberalization. Although the rates for data services, multimedia services, and broadband applications continue to decline, the number of foreign migrant workers using these services grows, and diversified products are developed. In the future, the telecommunication market will growth towards the same niches with the expansion of the market.

(B) Enlargement of functions of prepaid cards:
In the era of the Internet, a safe payment mechanism has become the most important and most difficult link in e-commerce. Currently, the telecommunication prepaid card accounting system has already developed towards the integration of e-commerce platforms. Therefore, the future telecommunication prepaid cards will be used not only in telephone services but also as an important payment tool for the small amount consumption of e-commerce in the future, e.g., online games, online library, and MP3 downloading. Therefore, the scale of the prepaid card market will grow exponentially due to the expansion of functions.

(2) Disadvantages
Due to the progress of network communication software and the changes of consumers' usage habits, the voice call volume has been reduced, resulting in the decline of the demand for voice prepaid cards. In addition, due to the release of the Act Governing Electronic Payment Institutions, the market will become more transparent and popularized, and market participants will engage in the competition in succession.

(3) Correspondent measures
Give play to the market advantage of the Company, and strengthen the marketing of Internet cards in the telecommunication product business to sustain market share and profits. Also, services, safety, and efficiency shall be continually strengthened in the small amount remittance business to enhance the Company's competitive advantages.

B. Important purposes and production process
Telecommunication products:

1. Main products and usages

Main product	Main usage
Prepaid cards	Mobile phone number user license and call charge prepayment and recharging, and international and local telephone call charge prepayment and recharging

2. Production process
No production process is involved since the Company is engaged in the agency of sales of telecommunication prepaid cards.

C. Information of major suppliers and customers in the last two years

1. Information of major customers

Unit: NT$ Thousand

	2021				2022				As of 2023 Q1			
Item	Name	Amount	Proportion of net purchase for the year (%)	Relationship with the Issuer	Name	Amount	Proportion of net purchase for the year (%)	Relationship with the Issuer	Name	Amount	Proportion of net purchase for the year (%)	Relationship with the Issuer
1	Company A	369,074	12.4%	None	Company A	390,049	15.8%	None	Company A	124,265	22.9%	None
2	Company B	273,991	9.2%	None	Company D	121,814	4.9%	None	Company E	20,933	3.8%	None
3	Company C	224,958	7.6%	None	Company E	67,763	2.8%	None	Company D	20,692	3.8%	None
	Other	2,108,961	70.8%		Other	1,889,168	76.5%		Other	377,554	69.5%	
	Net purchase	2,976,984	100.0%		Net purchase	2,468,794	100.0%		Net purchase	543,444	100.0%	

2. Information of major suppliers

Unit: NT$ Thousand

	2021				2022				As of 2023 Q1			
Item	Name	Amount	Proportion of net sales for the year (%)	Relationship with the Issuer	Name	Amount	Proportion of net sales for the year (%)	Relationship with the Issuer	Name	Amount	Proportion of net sales for the year (%)	Relationship with the Issuer
1	Company X	1,253,899	58.03%	None	Company X	1,279,008	69.39%	None	Company X	109,848	51.51%	None
	Other	906,790	41.97%		Other	564,266	30.61		Other	103,410	48.49%	
	Net sales	2,160,689	100.00%		Net sales	1,843,274	100.00%		Net sales	213,258	100.00%	

D. Production volume and value in the past two years

Unit: 1,000 pcs / NT$ Thousand

Year / Sales Volume / Main Products	2021			2022		
	Production capacity	Volume	Value	Production capacity	Volume	Value
Battery module		18	10,446			
Total		18	10,446			

Note: The battery module department was already disposed in the first quarter of 2022.

E. Sales volume and value in the past two years

Unit: 1,000 pcs / NT$ Thousand

Year / Sales Volume / Main Products	2021				2022			
	Domestic sales		Export sales		Domestic sales		Export sales	
	Volume	Value	Volume	Value	Volume	Value	Volume	Value
Data service department	2,547	1,476,657	0	0	2,447	1,462,731		
Other electronic component departments	65	30,137	5,142	943,780		242,861		
IC and other channel business departments	12,524	399,516	93	2,910	23,486	762,986	142	216
Digital content department	-	123,984	-	0				
Total	15,136	2,030,294	5,235	946,690		2,468,578	142	216

Note: Other electronic component departments were already disposed in the first quarter of 2022.

(III) Employees information in the two most recent fiscal years and up to the date of publication of the annual report:

Unit: Person

FY		2021	2022	As of May 03, 2023
No. of Employees	Management personnel	32	35	29
	General personnel	139	143	84
	Operators	75	101	0
	Total	246	279	113
Average Age		38	38	41
Average experience		4.6	4.6	5.6
Education (%)	PhD	0%	0%	0%
	Graduate School	9.7%	9.7%	7%
	University/ College	59.6%	60.1%	66%
	Senior High School	16.8%	16.5%	22.4%
	Others	13.9%	13.7%	4.3%

(IV) Environmental protection expenditure

The main products of the Company are prepaid cards and game card packs which are agency business and do not involve manufacturing process. The pollution prevention and control of the Company are described as follows:

A. Environmental protection status stipulated in laws and regulations:
1. Polluting facility establishment license or pollution discharge license that shall be applied: Not applicable.
2. Payment of pollution prevention and control expenses payable: Not applicable.
3. Dedicated unit and personnel required for environmental protection: Not applicable.

B. Investments in the main equipment used for prevention and control of environmental protection, and their usage and possible benefits: None.

C. Process of the Company's improvement of environmental pollution in the two past years and as of the publication date of the prospectus: None.

D. Total amount of losses (including compensation) and punishments suffered due to environmental pollution in the last two years and as of the publication date of the prospectus: None.

E. Estimated major environmental protection capital spending of the Company in the next two years: None.

(V) Labor relations

A. The Company attaches great importance to employees' welfare and growth, and promotes employees to hold its shares. Also, it emphasizes on employees' training and development. A harmonious labor-capital relationship is one of the factors that contribute to the business success of an enterprise. The Company has always maintained favorable labor relations since its establishment, and has never been involved in any labor dispute.

1. Employee welfare

The Employee Welfare Committee of the Company was established on January 25, 1999, and approved by the competent authority for filing according to 88 Pei-Hsien-Lao-Fu-Tzu No. 1663 Document.

The workers elect representatives to form an Employee Welfare Committee every year, and the Company sets aside a fixed amount of welfare benefits every month to the Employee Welfare Committee's account. The main welfare items of the Company and the Employee Welfare Committee are as follows:

(1) Library: Prepared with books, magazines, and newspaper for employees to read.
(2) Mid-autumn Festival and Dragon Boat Festival: Gifts and cash gifts are provided for employees on these festivals.
(3) Emergency relief, condolence payments for marriage, funeral, and celebrations, and birth allowance are provided according to the measures for employee welfare as well as the Labor Standards Act.
(4) Employee welfare insurance: In addition to the labor insurance and health insurance stipulated in the government, the Company also purchases employee group insurance including term life insurance, accident insurance, and hospital medical treatment.
(5) Handling of employee health checkups: Organize health checkups periodically.
(6) Handling of various kinds of study and training: Carry out internal and external education and training on an irregular basis according to the training demand of each unit to improve their professional skills.
(7) Employee tourism
(8) Other welfare activities: A cash gift is provided for every employee on their birthdays; lottery drawing activity is convened at the year-end dinner for employees.
(9) An employee dividend subscription system is implemented additionally to practice the ideal of "employees are shareholders". The Company would retain 10% of capital increase by cash for the employees to subscribe to realize the goal of joint management.

2. Retirement mechanism

The Company established "Labor Retirement Reservice Supervisory Committee" on June 15, 1998, to take charge of auditing and supervising the appropriation, storage, and disbursement of pension. Also, 2% of the salaries actually paid by the Company in each month of this year was set aside and deposited to the pension account opened at the Bank of Taiwan. The Company began to implement its pension system since July 1, 2005 to coordinate the latest labor retirement system adopted by the government.

3. Labor agreements

   The Company hasn't established a trade union organization at present, but regular labor-capital meetings are held. With emphasis placed on a harmonious labor-capital relationship and employees' interests, the company has not only established reasonable remuneration, leave, and retirement systems according to relevant laws and regulations, but also implemented welfare measures involving safety and health, recreation and leisure, health insurance, in-service education and training, employee stock options and employee dividends, which has been deeply recognized by employees.

4. Employee development:

   Implementation status of employee education and training in 2022

Item	Number of shifts	Total participants	Total hours	Total cost
Induction training for new employees	18	19	19	0
Professional functional training	10	4	66	35,000
Officer talent training	2	2	6	6,000
Training of general knowledge	4	40	6	0
Total	34	65	97	41,000

5. Code of professional ethics:

   Maintaining the moral values and reputation of the Company is the responsibility of every member of Welldone. The Company requires all colleagues, managers, and members of the Board of Directors to follow and observe its beliefs transparently and honesty, obey the Company's guidelines, rules, and regulations, and follow the reasonable commanding by officers at each level. They may reflect their opinions to the officers at each level and human resources unit at any time if any, and the officers at each level shall take charge of commanding and supervising the work according to the spirit of hierarchical responsibility.

   Related disciplines and rules:

   (1) All the personnel shall adopt honest behaviors and follow moral principles, especially when a conflict of interest arises between their own interests and their positions.
   (2) Maintain the confidentiality of confidential business and information of the Company.
   (3) Be fair and selfless when exercising the duties of purchasing and auditing, and avoid any biased behavior.
   (4) All the colleagues must cultivate a sense of integrity and pay attention to maintaining the reputation of the Company. None of them may utilize their positions to require treatment and bestowal or accept commission, reward and other improper interests from manufacturers or customers.
   (5) The management of the Company must also set a good example; under the supervision of the Board of Directors, the managers of the Company are responsible for clearly disclosing financial information to the

competent authority and the investors.

In addition, the Company has established relevant work rules and employee reward and punishment measures. All the regulations are notified to the employees for observation so that they know clearly of the code of conduct. The Company will reward or punish employees in a real-time according to the preceding provisions when employees have deeds that need to be encouraged or disciplined.

6. Protective measures for work environment and employees' personal safety

Item	Content
Physiological hygiene	1. Health checkups: The new employees are provided with health checkups upon entry, while in-service employees are provided with regular checkups every year or every two years according to the Occupational Safety and Health Act. 2. The Company has set up employee sports and leisure room, and allocated a rhythm classroom, fitness facilities, basketball game machines, table tennis, and visual/audio reading room, etc. so that sports and rest places are provided for the employees. 3. Work environment health: Smoking is comprehensively prohibited in the workplaces as stipulated, and health lectures, CPR first-aid training are organized periodically. Also, offices and the building are cleaned and disinfected on a regular basis to keep environmental health.
Mental health	1. Provide appeal channels according to the Company's work rules and "Regulations Governing the Prevention and Control of Sexual Harassment" to maintain the order of the work environment.
Employee insurance	1. Purchase labor insurance (including occupational disaster insurance) and health insurance, and appropriate and pay worker's pension according to law. 2. Purchase group insurance, accident insurance, medical insurance, cancer insurance, occupational disaster insurance, etc. for employees. 3. Purchase travel accident insurance with insured sum of NT$ 5 million for employees during their business travels.
Disaster prevention	1. Organize self-defense fire protection formation training at least twice a year.
Building and access control safety	1. An access control system has been established to control the main entrance and exit. 2. Sign a contract with a security company to allocate 24h on-duty security guards and a security system to assure the safety of the building. 3. A monitoring system room is set up to check the conditions of the peripheral areas and internal public areas of the building. 4. Require the visitors to register and change certificates.
Maintenance and inspection of each equipment	1. Apply for the overhaul of fire safety facilities every year according to the provisions of the Fire Services Act. 2. Regularly check, maintain, and preserve the equipment in the building according to relevant regulations or the professional manufacturers' suggestions, including electrical equipment, generators, air-conditioning equipment, water dispensing equipment, water storage facilities, environmental cleaning and disinfection facilities, life equipment, etc.

7. Employees' code of conduct and code of ethics

(1) Establishment of work rules:

The Company has established "Work Rules of Employees" with reference to relevant laws and regulations, in order to clearly stipulate the rights and obligations of the Company and the workers, improve a modern Operational management system, and urge all the employees to work together to seek common development.

(2) Implementation of hierarchical responsibility system:

(A) Establishment of "Work Verification and Approval Authority and Signing Flow Form": Implement work flows and strengthen hierarchical responsibility management to effectively standardize the work authority of each rank.

(B) Establishment of "Post Authorization and Agent System": Implement an authorization mechanism level by level to ensure the normal operation of each business.

(C) Division of work of each department: Clearly standardize each department's work responsibilities and organizational functions per function to implement the professional labor division of each unit and reinforce the core competitiveness of the Company.

(3) Implementation of measures for attendance and leave management:
The Company has established a complete attendance system in "Work Rules of Employees" to make sure that employees establish good disciplines to improve their work quality, and have rules to follow regarding their attendance and leave application.

(4) Establishment and execution of measures for employees' performance as well as reward and punishment:
In order to ensure the work progress, motivate the morale, the Company handles performance assessment for their employees every year as basis for reward and punishment, promotion, salary adjustment, or bonus or dividend distribution.

(5) Implementation of protection of business secrets:
In order to ensure the Company's business interests and competitiveness, employees shall keep business or job secrets externally to maintain the Company's interests and goodwill. Employees need to sign employment contracts, confidentiality contracts, and warranty for use of information equipment. The Company shall provide relevant education, training, and messages to improve employees' awareness of information security.

(6) Measures for prevention, control, and handling of sexual harassment:
In order to prevent the occurrence of sexual harassment in the workplaces and improve the concept of gender equality, the Company has already clearly stipulated relevant standards in "Work Rules of Employees", and announced relevant laws and regulations as well as appeal channels, to standardize employees' behaviors in the workplaces.

B. Losses arising from labor disputes in the most recent year and as of the publication date of this annual report, and disclosure of the potential estimated amount and countermeasures to date and in the future.
None.

(VI) Cybersecurity management

A. Describe the cybersecurity risk management framework, cybersecurity policies, concrete management programs, and investments in resources for cybersecurity management:
Information security organization

1. The Information Department is the unit responsible for the planning, development, maintenance, management, and supporting of the computer information system in the Company. The data sources and users of the information system are each user department.
2. One officer and several information specialists are appointed at the administration office under the Information Department.
3. In addition to reporting to the line manager, the head of the Information Department shall also, in response to each project, convene the head of each department to report the planning and development direction and progress of relevant information system of the Company.

Cybersecurity policy:

1. Equipment security control: Ensure the integrity and safety of information equipment.
2. Archives safety control: Establish and execute a backup plan.
3. Data file (database) management: Prevent unauthorized query and change of data.
4. System security monitoring: Ensure the security and continual operation of the information system.
5. Emergency treatment: Implement emergency treatment in case of an emergency.

Specific management programs:

1. Equipment security control
   (1) Check the conditions of hardware and air-conditioning equipment on a daily basis.
   (2) Unauthorized personnel are not allowed to enter the computer room.
2. Archives security control
   Data files and database are automatically backed up every day as scheduled.
3. Data file and database management
   (1) The establishment, modification and deletion of database shall go through approval and authorization procedures.
   (2) The auditing function of the database is utilized to check each change of the data files and database every day.
   (3) Those who are not authorized personnel or have no whitelist IP are unable to access the database.
4. System security monitoring
   (1) Antivirus software is automatically updated every day as scheduled.
   (2) Check the status of the firewall every day to see if any abnormality exists.
   (3) The administrators shall replace accounts and passwords periodically.
   (4) Check the system records of network service items every day, and track the abnormal conditions.
5. Emergency treatment
   When a host failure or database error occurs, a recovery plan work will be executed.
   Resources engaged in the cybersecurity management:
   (1) Renew contracts with the manufacturers of firewall and ERP system every year to ensure the cybersecurity and maintain the updating and upgrading of the information system.
   (2) Periodically execute a penetration test to ensure that the system is safe and free from loopholes.
   (3) Periodically execute the drills of recovery plan work to cope with the demand upon emergencies.

B. List any losses suffered by the Company in the most recent fiscal year and up to the publication date of the annual report due to significant cybersecurity incidents, the possible impact therefrom, and measures being or to be taken. If a reasonable estimate cannot be made, an explanation of why shall be provided:
The Company hasn't suffered from any business damage resulting from any major information security incident so far.

(VII) Material Contracts

Type of Contract	Party	Contract Duration	Major Content	Restriction
Prepaid card distribution contract	Taiwan Mobile Co., Ltd.	2022/01/01-2023/12/31	Prepaid card and recharging card distribution and sales	None
Share trading contract	Ritdisplay Corporation	2022/3/22	Sale of a total of 5,291,698 shares of WELLTECH ENERGY INC.	

VI. Financial Information

(I) Five-Year Financial Summary and External Auditor's Opinion

A. Condensed Balance Sheets - International Financial Report Standards (Individual)

Unit: NT$ Thousand

Item \ Year		2018	2019	2020	2021	2022	Financial Information as of March 31, 2023 (Note)
		Financial Summary for the Last Five Years					
Current assets		581,745	779,076	1,071,698	1,404,090	1,942,001	-
Property, plant, and equipment		284,685	278,993	274,621	256,395	296,494	-
Intangible assets		-	-	-	-		
Other assets		727,720	772,886	720,743	675,854	698,979	-
Total assets		1,594,150	1,830,955	2,067,062	2,336,339	2,937,474	-
Current liabilities	Before distribution	360,752	594,494	787,144	987,872	1,501,851	-
	After distribution	360,752	594,494	909,308	1,127,488	1,685,097	-
Non-current liabilities		119,426	77,702	37,003	42,380	39,216	-
Total liabilities	Before distribution	480,178	672,196	824,147	1,030,252	1,541,067	-
	After distribution	480,178	672,196	946,311	1,169,868	1,724,313	-
Equity attributable to shareholders of the parent company		1,113,972	1,158,759	1,242,915	1,306,087	1,396,407	-
Share capital		896,701	896,701	896,701	896,701	896,701	
Capital surplus		120,016	120,584	146,716	168,172	165,705	-
Retained earnings	Before distribution	130,276	215,589	274,323	302,663	402,088	-
	After distribution	130,276	215,589	152,159	163,047	218,842	-
Other equity interest		(33,021)	(37,516)	(38,226)	(24,850)	(31,488)	-
Treasury stock		-	(36,599)	(36,599)	(36,599)	(36,599)	-
Non-controlling interest		-	-	-	-	-	
Total equity	Before distribution	1,137,198	1,158,759	1,242,915	1,306,087	1,396,407	-
	After distribution	1,137,198	1,158,759	1,120,751	1,166,471	1,213,161	-

Note: Individual financial statements of the first quarter of 2023 haven't been prepared yet.

Condensed Comprehensive Income Statements - International Financial Report Standards (Individual)

Unit: NT$ Thousand

Year / Item	Financial Summary for the Last Five Years					Financial Information as of March 31, 2023 (Note)
	2018	2019	2020	2021	2022	
Operating revenue	1,608,002	1,585,066	1,491,714	1,476,657	1,462,731	-
Gross profit	172,194	176,497	261,113	298,213	353,840	-
Operating profit (loss)	9,469	14,466	54,370	77,967	88,682	-
Non-operating income and expenses	(10,120)	71,489	88,173	93,104	153,154	-
Net income before tax	(651)	85,955	142,543	171,071	241,836	-
Net income from continuing operations	2,236	85,502	142,000	162,124	237,876	-
Loss from discontinued operations	-	-				-
Net income (loss)	2,236	85,502	142,000	162,124	237,876	
Other comprehensive income (net value after tax)	(24,272)	(4,684)	(6,316)	2,822	(7,051)	-
Total comprehensive income	(22,036)	80,818	135,684	164,946	230,825	-
Net income attributable to shareholders of the parent company	2,236	85,502	142,000	162,124	237,876	
Net income attributable to non- controlling interests	-	-				
Total comprehensive income attributable to owners of the parent company	(24,272)	(4,684)	(6,316)	2,822	(7,051)	
Total comprehensive income attributable to non-controlling interests	-	-				
Earnings per share	0.02	0.96	1.63	1.86	2.73	-

Note: Individual financial statements of the first quarter of 2023 haven't been prepared yet.

B. Condensed Balance Sheets - International Financial Report Standards (Consolidated)

Unit: NT$ Thousand

Item \ Year		Financial Summary for the Last Five Years 2018	2019	2020	2021	2022	Financial Information as of March 31, 2023
Current assets		1,720,046	2,296,753	2,231,653	2,373,095	2,304,386	2,108,307
Property, plant and equipment		562,608	522,606	501,373	480,447	412,935	410,708
Intangible assets		2,853	6,197	5,263	2,224	150	113
Other assets		230,628	291,143	336,850	345,600	448,583	462,863
Total assets		2,516,135	3,116,699	3,075,139	3,201,366	3,166,054	2,981,991
Current liabilities	Before distribution	979,918	1,519,915	1,486,418	1,613,861	1,718,444	1,659,919
	After distribution	979,918	1,519,915	1,608,582	1,753,477	1,901,690	N/A
Non-current liabilities		120,522	152,717	58,572	42,526	39,456	40,135
Total liabilities	Before distribution	1,100,440	1,672,632	1,544,990	1,656,387	1,757,900	1,700,054
	After distribution	1,100,400	1,672,632	1,667,154	1,796,003	1,941,146	N/A
Equity attributable to shareholders of the parent company		1,113,972	1,158,759	1,242,915	1,306,087	1,396,407	1,269,825
Share capital		896,701	896,701	896,701	896,701	896,701	896,701
Capital surplus		120,016	120,584	146,716	168,172	165,705	165,705
Retained earnings	Before distribution	130,276	215,589	274,323	302,663	402,088	268,493
	After distribution	130,296	215,589	152,159	163,047	218,842	Note
Other equity interest		(33,021)	(37,516)	(38,226)	(24,850)	(31,488)	(24,475)
Treasury stock		0	(36,599)	(36,599)	(36,599)	(36,599)	(36,599)
Non-controlling interest		301,723	285,308	287,234	238,892	11,747	12,112
Total equity	Before distribution	1,415,695	1,444,067	1,530,149	1,544,979	1,408,154	1,281,937
	After distribution	1,415,695	1,444,067	1,407,985	1,405,363	1,224,908	N/A

Note 1: The proposal for surplus distribution of 2022 hasn't been passed by the Shareholders' Meeting yet.

Condensed Comprehensive Income Statements - International Financial Report Standards (Consolidated)

Unit: NT$ Thousand

Item / Year	Financial Summary for the Last Five Years					Financial Information as of March 31, 2023
	2018	2019	2020	2021	2022	
Operating revenue	3,160,868	3,847,841	3,561,509	2,976,984	2,468,794	543,444
Gross profit	437,945	620,064	684,929	631,613	608,570	147,572
Operating profit (loss)	(55,118)	121,488	168,908	143,587	153,321	46,771
Non-operating income and expenses	35,262	83	19,176	59,131	108,476	12,957
Net income before tax	(19,856)	121,571	188,084	202,718	261,797	59,728
Net income from continuing operations	(14,444)	117,999	181,036	205,170	249,754	50,016
Loss from discontinued operations	0	0	0	0	0	0
Net income (loss)	(14,444)	117,999	181,036	205,170	249,754	50,016
Other comprehensive income (net value after tax)	(25,485)	(6,783)	(8,023)	362	(5,573)	7,013
Total comprehensive income	(39,929)	111,216	173,013	205,532	244,181	57,029
Net income attributable to shareholders of the parent company	2,236	85,502	142,000	162,124	237,876	49,651
Net income attributable to non- controlling interests	(16,680)	32,497	39,036	43,046	11,878	365
Total comprehensive income attributable to owners of the parent company	(22,036)	80,818	135,684	164,946	230,825	56,664
Total comprehensive income attributable to non-controlling interests	(17,893)	30,398	37,329	40,586	13,356	365
Earnings per share	0.02	0.96	1.63	1.86	2.73	0.57

C. Names and Auditing Opinions of CPAs for the Past Five Fiscal Years

Year	Accounting Firm	Opinion	Reason for change of CPAs
2018	Deloitte Taiwan Shih, Chin-Chuan; Wang, Chin-Yen	Qualified opinion	
2019	Deloitte Taiwan Liu, Shu-Lin; Lu, Yi-Chen	Qualified opinion	Internal transfer of the accounting firm
2020	Deloitte Taiwan Liu, Shu-Lin; Lu, Yi-Chen	Qualified opinion	
2021	Deloitte Taiwan Chiu, Yung-Ming; Liu, Shu-Lin	Qualified opinion	Internal transfer of the accounting firm
2022	Deloitte Taiwan Chiu, Yung-Ming; Liu, Shu-Lin	Qualified opinion	

(II) Five-Year Financial Analysis

Individual Financial Analyses - Adopted International Financial Report Standards

Analysis Item (Note)	Year	Financial Summary for the Last Five Years					Financial Information as of March 31, 2023 (Note)
		2018	2019	2020	2021	2022	
Financial structure	Debt ratio (%)	30.12	36.71	39.87	44.10	52.46	-
	Ratio of long-term capital to property, plant, and equipment (%)	433.25	443.19	466.07	525.93	484.20	-
Solvency	Current ratio (%)	161.26	131.05	136.15	142.13	129.31	-
	Quick ratio (%)	106.49	101.51	105.58	122.07	110.93	-
	Times interest earned ratio	0.90	17.48	22.29	19.98	19.41	-
Operation performance	Accounts receivable turnover rate (times)	33.65	35.18	33.36	41.77	48.86	-
	Average days for cash receipts	10.85	10.38	10.94	8.74	7.47	-
	Inventory turnover rate (times) (Note 2)	4.54	7.56	5.74	5.22	4.83	-
	Payables turnover rate (times)	31.84	28.35	27.23	539.21	693.06	-
	Average days for sale of goods (Note 2)	80.37	48.25	63.58	69.91	75.56	-
	Turnover rate for property, plant and equipment (times)	5.65	5.62	5.39	5.56	5.29	-
	Total asset turnover rate (times)	1.01	0.93	0.77	0.67	0.55	-
Profitability	Return on assets (%)	0.42	5.24	7.56	7.69	9.42	-
	Return on equity (%)	0.20	7.52	11.83	12.72	17.60	-
	Ratio of income before tax to paid-in capital (%)	-0.07	9.59	15.9	19.08	26.97	-
	Net profit margin (%)	0.14	5.39	9.52	10.98	16.26	-
	Earnings per share (NT$)	0.02	0.96	1.63	1.86	2.73	-
Cash Flow	Cash Flow ratio (%)	64.53	5.81	-	6.05	9.39	-
	Cash Flow adequacy ratio (%)	167.6	77.02	87.07	79.22	117.86	-
	Cash reinvestment ratio (%)	17.81	2.68	-4.35	-3.44	0.09	-
Leverage	Operating leverage	2.63	1.91	1.19	1.15	1.10	-
	Financial leverage	3.18	1.56	1.14	1.13	1.17	-

Explain changes in financial ratios over the past two fiscal years. (Not required if the difference does not exceed 20%.)

1. Increase of payables turnover rate: Mainly resulted from the decrease of payables in the current period.
2. Increase of return on assets/return on equity/ratio of income before tax to paid-in capital/net profit margin/earnings per share: Mainly resulted from the increase of net profits before tax and after tax in the current year.
3. Increase of cash flow ratio/adequacy ratio/cash reinvestment ratio: Mainly resulted from the increase of net cash inflows from operating activities in the current year.

Note: Individual financial statements of the first quarter of 2023 haven't been prepared yet.

Consolidated Financial Analyses - Adopted International Financial Report Standards

Analysis Item (Note) / Year		Financial Summary for the Last Five Years 2018	2019	2020	2021	2022	Financial Information as of March 31, 2023
Financial structure	Debt ratio (%)	43.74	53.67	50.24	51.74	55.52	57.01
	Ratio of long-term capital to property, plant and equipment (%)	273.05	305.54	316.87	330.42	350.57	321.90
Solvency	Current ratio (%)	175.53	151.11	150.14	147.04	134.10	127.01
	Quick ratio (%)	121.72	106.76	111.63	109.24	109.87	113.11
	Times interest earned ratio	-0.8	10.92	13.43	14.41	16.23	9.84
Operation performance	Accounts receivable turnover rate (times)	8.42	7.68	7.21	7.84	8.89	7.08
	Average days for cash receipts	43.34	47.52	50.62	46.55	41.05	51.55
	Inventory turnover rate (times) (Note 3)	4.63	5.79	4.74	4.30	3.80	4.64
	Payables turnover rate (times)	10.47	9.10	7.81	10.30	17.31	12.44
	Average days for sale of goods (Note 2)	78.83	63.03	77.00	84.88	96.05	78.66
	Turnover rate for property, plant and equipment (times)	5.62	7.09	6.96	6.06	5.53	4.90
	Total asset turnover rate (times)	1.26	1.37	1.15	0.95	0.78	0.69
Profitability	Return on assets (%)	-0.21	4.54	6.24	6.93	8.28	6.99
	Return on equity (%)	-0.01	8.25	12.17	13.34	16.91	14.52
	Ratio of income before tax to paid-in capital (%)	-2.21	13.56	20.98	22.61	29.20	20.86
	Net profit margin (%)	-0.46	3.07	5.08	6.89	10.12	9.20
	Earnings per share (NT$)	0.02	0.96	1.63	1.86	2.73	0.57
Cash Flow	Cash Flow ratio (%)	15.8	5.29	0	0.84	11.17	8.17
	Cash Flow adequacy ratio (%)	116.07	26.54	25.76	37.41	53.85	53.19
	Cash reinvestment ratio (%)	7.64	3.31	-0.76	-6.56	3.30	9.27
Leverage	Operating leverage	-0.07	1.54	1.31	1.28	1.14	1.06
	Financial leverage	0.83	1.11	1.10	1.12	1.13	1.17

Explain changes in financial ratios over the past two fiscal years. (Not required if the difference does not exceed 20%.)

1. Increase of payables turnover rate: Mainly resulted from the decrease of payables in the current year due to the disposal of subsidiary in April 2022, making it not a consolidated individual anymore.
2. Increase of return on equity/ratio of income before tax to paid-in capital/net profit margin/earnings per share: Mainly resulted from the increase of net profits before tax and after tax in the current year.
3. Increase of cash flow ratio/cash reinvestment ratio: Mainly resulted from the increase of net cash inflows from operating activities in the current year.

1. Financial structure
   (1) Debt ratio = Total liabilities/Total assets.
   (2) Ratio of long-term capital to property, plant and equipment = (Net shareholders' equity + Long-term liabilities)/Net value of property, plant and equipment.
2. Solvency
   (1) Current ratio = Current assets/Current liabilities.
   (2) Quick ratio = (Current assets - Inventory - Prepaid expenses)/Current liabilities.
   (3) Times interest earned ratio= Income before income tax and interest expenses/Interest expenses.
3. Operation performance
   (1) Accounts receivable turnover rate (including accounts receivable and notes receivable from business

operation) = Net sales/Average accounts receivable in each period (including accounts receivable and notes receivable from business operation).

(2) Average days for cash receipts = 365/Accounts receivable turnover rate.

(3) Inventory turnover rate = Cost of goods sold/Average inventory.

(4) Payables turnover rate (including accounts payable and notes payable from business operation) = Cost of sales/Average accounts payable in each period (including accounts payable and notes payable from business operation).

(5) Average days for sale of goods = 365/Inventory turnover rate.

(6) Turnover rate for property, plant and equipment = Net sales/Average property, plant and equipment.

(7) Total assets turnover rate = Net sales/Average total assets.

4. Profitability

(1) Return on assets (ROA) = [Profit or loss after tax + Interest expenses × (1 - Tax rate)]/Average total assets.

(2) Return on equity (ROE) = Profit or loss after tax/Average net shareholder equity.

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

(4) Earnings per share = (Net income after tax - Preferred shares dividends)/Weighted average number of shares issued.

5. Cash Flows

(1) Cash Flow ratio = Net Cash Flows generated from operating activities/Current liabilities.

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

(3) Cash reinvestment ratio = (Net Cash Flow from operating activities - Cash dividends)/ (Gross fixed assets + Long-term investment + Other assets + Operating capital).

6. Leverage

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

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

Note 4 Special attention shall be paid to the following matters upon measurement using the preceding calculation formula of earnings per share:

1. The weighted average number of ordinary shares issued is adopted as basis of number of shares already issued at the end of year.
2. The weighted average number of shares shall be calculated during the circulation period of capital increase in cash or treasury stock trading.
3. As for conversion of earnings or capital reserve to increase capital, during the calculation of earnings per share of previous years and half a year, retroactive adjustment shall be conducted per capital increase ratio. There is no need to consider the issue period of such capital increase.
4. If preferred share is non-convertible accumulated preferred share, dividends in current year (issued or not) shall be deducted from net income after tax, or net loss after tax shall be increased. If the preferred share does not have an accumulated nature, preferred share dividends shall be deducted from net income after tax in case of net income after tax; in case of loss, no adjustment is needed.

Note 5 Special attention shall be paid to the following matters upon measurement in cash flow analysis:

1. Net cash flows from operating activities refer to net cash inflows from operating activities in the cash flow statement.
2. Capital expenditures refer to cash outflows from annual capital investments.
3. The increased amount of inventories is included only when the ending balance exceeds the beginning balance. If the inventories are decreased at the end of year, they will be calculated as zero.
4. Cash dividends include cash dividends of ordinary share and preferred share.
5. Gross amount of property, plant and equipment refers to total amount of property, plant and equipment before deduction of accumulated depreciation.

Note 6 The issuer shall distinguish each operating cost and operating expense as fixed and variable per nature. If estimation or subjective judgment is involved, reasonableness shall be noticed and consistency shall be maintained.

Note 7 The relevant paid-in capital ratio of foreign companies in the preceding paragraph is calculated with ratio in net worth instead.

(III) Audit Committee's Review Report for the Most Recent Fiscal Year's Financial Statement

Welldone Company
Audit report issued by the Audit Committee

The Business Report, Financial Statement (including Consolidated Financial Statement), and Profit Distribution proposal of the year 2022, in which the financial statement can be found, were prepared and audited by Chiu, Yung-Ming and Liu, Shu-Lin of Deloitte Taiwan under authorization of the Board. The aforementioned reports, the business report, financial statements (including Consolidated Financial Statement), and the earnings distribution proposal have been reviewed by the Committee and were found to be true and correct. The Committee hereby submits the aforementioned reports and proposal for approval in accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act.

To

2023 General Shareholders' meeting

WELLDONE COMPANY

Convener of the Audit Committee: Wang, Shen-Huei

24 March 2023

(IV) Financial Statements for the Most Recent Fiscal Year
See pages180-267 for details.

(V) Consolidated financial statements of parent company and subsidiaries certified by CPAs in the most recent fiscal year: Please see pages 93-179 for details.

(VI) Financial Impact on the Company where the Company and its Affiliated Companies Have Incurred any Financial or Cash Flow Difficulties in the Most Recent Year and as of the Publication Date of the Annual Report
None.

VII. Review and Analysis of the Company's Financial Position, Performance, and Risk Management

(I) Financial Position

Unit: NT$ Thousand

Item \ Year	2022	2021	Difference	
			Amount	Ratio %
Current assets	2,304,386	2,373,095	(68,709)	-3%
Fixed assets	412,935	480,447	(67,512)	-14%
Other assets	448,733	347,824	100,909	29%
Total assets	3,166,054	3,201,366	(35,312)	-1%
Current liabilities	1,718,444	1,613,861	104,583	6%
Long-term liabilities	12,274	14,763	(2,489)	-17%
Other liabilities	27,182	27,763	(581)	-2%
Total liabilities	1,757,900	1,656,387	101,513	6%
Share capital of common stock	896,701	896,701	0	0%
Capital surplus	165,705	168,172	(2,467)	-1%
Retained earnings	402,088	302,663	99,425	33%
Other equity interest	(31,488)	(24,850)	(6,638)	27%
Non-controlling interest	11,747	238,892	(227,145)	-95%
Total equity	1,408,154	1,544,979	(136,825)	-9%

Notes:

1. Other assets: Mainly resulted from the increase of affiliated companies recognized by equity method.
2. Retained earnings: Mainly resulted from the increase of net profits in the current year. Therefore, the undistributed surplus was increased.
3. Other equity interest: Mainly through the evaluation of financial assets measured at fair value through other comprehensive income.
4. Non-controlling interest: Mainly resulted from disposal of subsidiary in April 2022, making it not a consolidated individual anymore.

(II) Financial Performance

Unit: NT$ Thousand

Item \ Year	2022	2021	Amount	Variable Ratio%
Operating revenue	2,468,794	2,976,984	(508,190)	-17%
Operating cost	1,860,224	2,345,371	(485,147)	-21%
Gross profit	608,570	631,613	(23,043)	-4%
Operating expenses	455,249	488,026	(32,777)	-7%
Net operating income	153,321	143,587	9,734	7%
Non-operating income and expenses	108,476	59,131	49,345	83%
Net income before tax	261,797	202,718	59,079	29%
Income tax expense	(12,043)	2,452	(14,495)	-591%
Net profit for the period	249,754	205,170	44,584	22%
Exchange difference translated from the financial statements of foreign operating institutions	2,294	(4,300)	6,594	-153%
Items not reclassified to profit or loss	(7,867)	4,662	(12,529)	-269%
Total amount of comprehensive income in the current period	244,181	205,532	38,649	19%
Analysis and description of change (increase/decrease) of the ratio(s): 1. Operating revenue and operating cost: Mainly resulted from disposal of subsidiary in April 2022, making it not a consolidated individual anymore. 2. Non-operating income: Mainly resulted from the increase of exchange gain, disposal of subsidiary, and interests of affiliated companies recognized by equity method. 3. Non-operating expenses: Mainly resulted from the increase of loss on evaluation of financial assets. 4. Net income before tax: Mainly resulted from the increase of operating income and non-operating net revenue. 5. Income tax benefits (expense): Mainly resulted from the increase of net income before tax in the current year. 6. Exchange difference translated from the financial statements of foreign operating institutions: Influenced by the fluctuation of exchange rate of foreign operating institutions. 7. Items not reclassified to profit or loss: Resulted from the decrease of unrealized losses of financial assets measured at fair value through other comprehensive income.				

Expected sales quantity and basis, possible impact on the Company's future finance and business operations, and responsive plans:

In 2023, the Company will grow continuously and stably, and actively march towards the path of expansion of core business related industries:

1. For the telecommunication business, the Company will further develop the telecommunication business, strengthen channels and marketing, and continue to consolidate the market share;

2. For the migrant worker related business, the Company will develop more diversified products and services, expand the number of service objects, and accumulate the number of members based on the existing services;
3. For the channel business, the Company will, based on the existing products like cosmetics and channels, continue to develop the agency of cosmetics and healthcare food related products, and expand the product breadth and improve the operating efficiency and profits.

(III) Cash Flow

A. Analysis of changes in Cash Flow for the most recent fiscal year and remedial measures for cash inadequacy

Unit: NT$ Thousand

Opening cash balance (1)	Net Cash Flow from operating activities for the year (2)	Net Cash Flow from other activities for the year (3)	Net cash flow from financing activities for the year (4)	Amount influenced by change in exchange rate (5)	Cash surplus (shortfall) (1)+(2)+(3)+(4)+(5)	Remedial measures for cash inadequacy	
						Investment plan	Financing plan
292,626	191,924	(295,078)	284,375	(993)	472,854	-	-

B. Liquidity analysis in the last two years

Item \ Year	2022	2021	Increase and Decrease %
Cash flow ratio	11.17%	0.84%	10.33%
Cash flow adequacy ratio	53.85%	37.41%	16.44%
Cash reinvestment ratio	3.3%	-6.56%	9.86%
Analysis and description of change (increase/decrease) in ratio(s): No significant change occurred in the current period.			

C. Cash Flow analysis for the coming year

Unit: NT$ Thousand

Opening cash balance (1)	Estimated net Cash Flow from operating activities for the year (2)	Estimated net Cash Flow from other activities for the year (3)	Cash surplus (shortfall) (1)+(2)-(3)	Remedial measures for cash inadequacy	
				Investment plan	Financing plan
472,854	100,000	-120,000	452,854	-	-

(IV) The Effect of Major Capital Expenditures on Financials and the Business During the Most Recent Fiscal Year

A. Application of major capital expenditures, capital sources, and nature of capital expenditure planned for investment in the next five years: None.

B. Estimated revenue: None.

(V) Investment Policy, the Main Reasons for Profit or Loss as well as the Improvement Plan Over the Past Year, and an Investment Plan for Next Year

Unit: NT$ Thousand

Item \ Description	Amount	Policy	Main reason for profit (loss)	Improvement plan	Other investment plans in the future
Life Link Co., Ltd.	46,905	Long-term investment	Significant increase of short-term demand including pandemic prevention demand, masks, and quick screening reagents		Determined based on the future market status

(VI) Risk Analysis and Assessment for the Most Recent Fiscal Year and as of the

Publication Date of the Annual Report

A. Impact of interest rate and exchange rate fluctuation and inflation on the Company's profitability for the most recent fiscal year and as of the publication date of the annual report, and future countermeasures:
   1. Impact of change in interest rate in the most recent fiscal year on the Company's profit or loss, and future countermeasures: The cash flow of the Company is adequate with favorable debt credit. The cost for bank loans is relatively inexpensive. Therefore, the impact of change in interest rate on the Company's profit or loss was insignificant.
   2. Impact of change in exchange rate on the Company's profit or loss, and future countermeasures: In 2022, exchange gain recognized by the Company reached NT$ 56,547,000, accounting for 2.29% of the operating revenue in current year. Since the subsidiary was engaged in selling and purchasing transactions valuated using foreign currency, the assets and liabilities affected by the influence of the exchange rate were periodically inspected, and appropriately adjusted to control the risks resulting from the fluctuation of foreign exchange.
   3. Impact of inflation in the most recent fiscal year on the Company's profit or loss and future responsive measures: Currently, the main policy of the government is to stimulate economic development and implement low interest rate; it is expected that inflation is not a concern within a short term.

B. Policies, main causes of gains or losses and future measures with respect to high-risk, high-leveraged investments, lending or endorsement guarantees, and derivatives transactions
   1. The maximum limit of endorsement guarantees provided by the Company for others reached 50% of the net worth in 2022, i.e., NT$ 698,204,000. As of the end of 2022, the merged company was not involved in the situation regarding provision of endorsement guarantees for others.
   2. In 2022, the Company's lending of funds to others was handled in accordance with the provisions of its "Procedures for Lending of Funds and Endorsement Guarantee". The maximum limit of funds lent by the Company to others was 20% of the net worth, i.e., NT$ 279,281,000. As of the end of 2022, the merged company was not involved in the situation regarding lending of funds to others.
   3. The Company didn't engage in high-risk, high-leveraged investments as of the end of 2022, while the merged company was engaged in the trading of financial derivatives with the purpose of avoiding risk of exchange rate instead of profitability.

C. Future research and development plans, and estimated expenditures

   The Company mainly researches and develops APP programs. The future research and development plans focus on the improvement of safety and efficiency. The estimated R&D expenses for the coming year reaches NT$ 5 million.

D. Effect of important policies adopted on the Company's financial operations and changes in the legal environment at home and abroad, and measures to be taken in response

   The Company obtained its first license as a small amount remittance service for foreign migrant workers in October 2021. After the release of the Act Governing Electronic Payment Institutions, the market will become more transparent and popularized, and competitors have also set foot in this market. Therefore, the Company will continue to strengthen its services, safety, and efficiency, to reinforce the competitive advantages.

E. Effect of technological changes and industrial changes on the Company's financial performance and solutions
The Company pays special attention to the technological changes and industrial changes in terms of its network service business. New technological or industrial changes are expected to bring new markets and business opportunities. Through the improvement and integration of services, new added value may be created, and the Company's competitiveness may be strengthened.

F. Effect on the Company's crisis management of changes to the Company's corporate image, and measures to be taken in response
The Company has always maintained a steady and down-to-earth corporate image regarding its operation, and no major impact of changes to the corporate image has been imposed on the Company.

G. Expected benefits and possible risks associated with any merger and acquisitions, and mitigation measures being or to be taken
As of the publication date of the annual report, the Company didn't have any plan for merger and acquisitions.

H. Expected benefits and possible risks associated with any plant expansion, and mitigation measures being or to be taken
As of the publication date of the annual report, the Company didn't have any plan for plant expansion.

I. Risks associated with any consolidation of sales or purchasing operations, and mitigation measures being or to be taken
The telecommunication business of the Company mainly focuses on the agency and sales of telecommunication prepaid cards for foreign migrant workers, and the Company has maintained stable relationships with suppliers and customers, which would result in a phenomenon of centralization. It is mainly resulted from the maturity of the telecommunication market and the industrial characteristics and factors. In order to lower the risk of business simplification, the Company has always continually and actively developed relevant service industries involving telecommunication and network.

J. Effect upon and risk to the Company in the event a major quantity of shares belonging to a director, supervisor, or shareholder holding greater than a 10% stake in the Company is transferred or otherwise changes hands, and mitigation measures being or to be taken
All equity transfers or replacements of the directors, supervisors, or shareholders holding greater than a 10% stake in the Company have been handled according to the provisions on pre-approval declaration and after-approval declaration in the most recent fiscal year and as of the publication date of the prospectus. No transfer of massive equity was involved, and no material impact was therefore imposed on the Company.

K. Effect upon and risk to the Company associated with any change in governance personnel or top management, and mitigation measures being or to be taken
The Company was not involved in this situation as of the publication date of the annual report.

L. Disclosure of issues in dispute, monetary amount of claims, filing date, parties involved, and status of any litigation or other legal proceedings within the latest fiscal year and as of the publication date of the annual report where the Company and/or any of its directors, supervisors, President, person in charge, shareholders with 10% or more share ownership, or affiliates involved in pending litigation, legal proceedings or administrative proceedings, or a final

judgment or ruling which may have a material adverse effect on the Company's shareholder equity or price of securities
None.

M. Other important risks, and mitigation measures being or to be taken

1. Management of other risks and responsive measures

(1) Market risk

a. Change in consumption pattern: With the emerging of smartphones, the voice call charges of foreign migrant worker prepaid cards decreased accordingly, while the demand for Internet access quickly increased. Therefore, with respect to product planning and strategies, the Company has begun to emphasis the Internet access function in order to maintain its market leading position.

b. Fierce market competition: With the decline of call charge rate, the average telephone traffic consumption expenditure presented a declining trend. Strategically, the Company will divide further niche market segments to promote products with different attributes and thus strengthen the market competitiveness.

(2) Financial risk

a. Interest rate risk
Due to the presence of loans with floating interest rate, the Company has been exposed to the risk of change in interest rate. In 2022, it was measured that the change in interest rate by 5% impacted the profit or loss by NT$ 846,000. Also, the Company maintains the loans with floating interest rate as a response to lower the risk of change in interest rate.

b. Exchange rate risk
Due to the engagement in the selling and purchasing transactions valuated using foreign currency, the merged company would be exposed to the risk of fluctuation of market exchange rate. In 2022, the impact of the change in exchange rate by 5% on the profit or loss of the merged company was measured. To be specific, the net income after tax was increased by NT$ 16,742,000 after depreciation of TWD by 5%. To avoid the decrease of value of foreign currency assets and the fluctuation of future cash flows due to change in exchange rate, the merged company periodically checks the assets and liabilities affected by the exchange rate, and makes appropriate adjustments to control the risk resulting from the fluctuation of foreign currency exchange rate.

c. Inflation
The main business of the Company is agency with quick product turnover rate and price elasticity. Therefore, the risk of inflation didn't have a material impact on the Company.

(3) Liquidity risk
To hold fast to the principles of stable operation and sound finance, the Company periodically evaluates the operating status and long-term and short-term capital, maintains appropriate bank limit, and issues convertible corporate bonds, etc. to fully support and respond to the demand of each operating or capital expenditure.

(4) Credit risk
The business type of the Company is mainly about cash collection. The

accounts receivable are relatively centralized on several customers which are not related to each other though. In order to sustain the quality of accounts receivable, the Company has implemented a policy to transact with objects of good credit standing, and continually evaluate their financial position and historical transaction records.

(5) Legal risk

The Company has a legal department which emphasizes the review of legal matters at ordinary times. Besides, the nature of the main operation contracts of the Company is sales and agency, and therefore it does not have the concern over disputes or damages regarding fundamental breach.

(6) Information security risk

System security monitoring

a. Professionals in the Company are responsible for handling matters related to information system security prevention and crisis handling, to prevent computer network crimes and crises and safeguard the information system.
b. Establish a security control mechanism for the computer network system to ensure the safety of network data transmission, protect network-connected work, and prevent unauthorized system access to result in the disclosure of confidential data.
c. Strengthen the network security management particularly for cross-company computer network systems, and install antivirus software internally and network firewall externally to prevent the invasion of computer viruses and hostile malware from paralyzing the Company's network system.
d. The firewall shall be periodically checked after being established, and firewall software may be reinforced with appropriate approval.

The information security risks are evaluated as follows:

a. Loss of database due to virus
b. Abnormality of system operation due to malicious attacks
c. Data tampering due to invasion of hackers
d. Data extraction due to implantation of Trojan

Responsive measure(s):

a. Equipment security control
   (a) Check the conditions of hardware and air-conditioning equipment on a daily basis.
   (b) Unauthorized personnel are not allowed to enter the computer room.
b. Archives security control
   Customer data files and database are automatically backed up every day as scheduled.
c. Data file and database management
   (a) The establishment, modification and deletion of database shall go through approval and authorization procedures.
   (b) The auditing function of the database is utilized to check each change of the data files and database every day.
   (c) Those who are not authorized personnel or have no whitelist IP are unable to access the database.
d. System security monitoring
   (a) Antivirus software is automatically updated every day as

scheduled.
(b) Check the status of the firewall every day to see if any abnormality exists.
(c) The administrators shall replace accounts and passwords periodically.
(d) Check the system records of network service items every day, and track the abnormal conditions.

e. Emergency treatment
When a host failure or database error occurs, a recovery plan work will be executed.

2. Risk management organization and responsible executing units
Under the aforesaid policy, the top manager of each related department is the person responsible for supervising and controlling the management of each risk, and mastering each risk at any time. The Company has also appointed an Auditing Office to formulate an annual audit plan every year, check and evaluate the implementation status of each control, and provide suggestions on improvement as appropriate, to ensure that the risk management policies are continuously and effectively implemented. The main executing units of each risk matter of the Company are as follows:

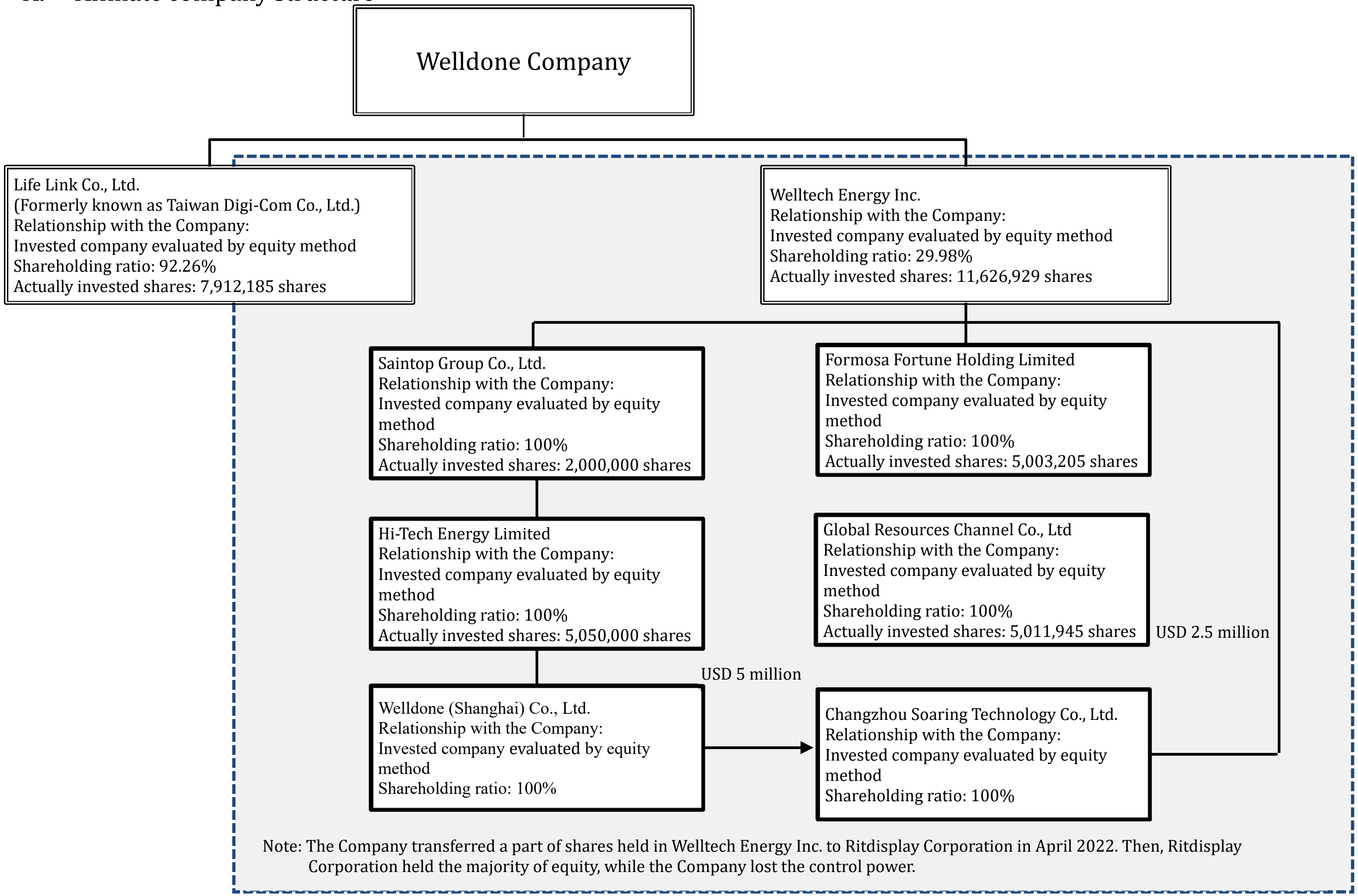
Risk management	Responsible department	Risk related matters
Strategy and operating risk	President Office	Be responsible for drafting the Company's operation guidelines and evaluating and analyzing the operating benefits.
Market risk	Product Marketing Division	Be responsible for market surveys, competitor analysis, and product strategies and planning.
Financial risk	Finance Division	Be responsible for capital dispatching and control, as well as interest rate, and long/short-term capital plans, etc.
Liquidity risk		
Legal risk	Compliance Office	Be responsible for litigation and non-litigation matters as well as relevant legal affairs.
Information security risk	Information Department	Be responsible for monitoring and managing the equipment, system, and database.

(VII) Other Major Events
None.

VIII. Special Disclosure

(I) Information on Affiliated Companies

A. Affiliate company structure



B. Basic information on affiliates

Unit: NT$ Thousand/Foreign currency 1,000

Name of Affiliate	Date of Incorporation	Address	Paid-in Capital	Primary Business and Production Projects
Life Link Co., Ltd.	2006/12/06	7F., No. 148, Sec. 4, Zhongxiao E. Rd., Da'an Dist., Taipei City	NT$85,762	Agency of photographic apparatus; telecommunication facilities; retail and wholesale of food and cosmetics

C. Where there is a controlled and subordinate relationship, the information of the shareholders shall be provided: None.

D. Scope covered in the business operated by overall affiliated companies, and labor division:

The scope covered by the business operated by the Company and its affiliated companies includes telecommunication, high-power battery energy, handheld product battery energy, channel business, and digital contents which are assigned to the Company and each affiliated company according to different business professions (see P.56 Profile of Operational Highlights and P.91 Basic information on affiliates for details).

E. Information on directors, supervisors, and President of affiliates:

March 31, 2023

Name of Affiliate	Position	Name or Representative	Shareholding	
			Number of Shares	Percentage of Ownership
Life Link Co., Ltd.	Chairman	Welldone Company (Representative: Chen, Tun-Jen)	7,912,185	92.26%
	Director	Welldone Company (Representative: Chen, Peng-Yang)		
	Director	Welldone Company (Representative: Lo, Chih-Cheng)		
	Supervisor	Tung, Li-Hua		

F. Affiliate Business Overview

December 31, 2022; Unit: NT$ Thousand; NT$ 1 for earnings per share

Name of Affiliate	Capital	Total Assets	Total Liabilities	Net Value	Operating revenue	Operating Profit	Profit or Loss (After Tax)	Earnings per share (after-tax, NT$ 1)
Welldone Company	896,701	2,937,474	1,541,067	1,396,407	1,462,731	88,682	237,876	2.73
Life Link Co., Ltd.	85,762	370,167	218,472	151,695	763,945	51,894	46,905	5.47

G. Consolidated financial statements of affiliates

Please refer to the consolidated financial statements of parent company and subsidiaries as audited and certified by CPAs in 2022 in Paragraph 5 of "Financial Position" above.

H. Business report of affiliates: N/A.

(II) Private placement of securities in the most recent fiscal year and as of the publication date of the annual report

None.

(III) Holding or disposal of shares in the Company by the Company's subsidiaries in the most recent fiscal year and as of the publication date of the annual report

None.

(IV) Other necessary statements

None.

IX. Situations listed in Article 36, paragraph 3, subparagraph 2 of the Securities and Exchange Act which might materially affect shareholders' equity or the price of the Company's securities occurring in the most recent fiscal year as of the publication date of the annual report

X. Consolidated Financial Statements for the Most Recent Fiscal Year

Stock Code: 6170

Welldone Company and Subsidiaries

Consolidated Financial Statements

With Independent Auditors' Report

For the Years Ended December 31, 2022 and 2021

Address: No. 181, Anmei St., Neihu Dist., Taipei City, Taiwan (R.O.C.)
Tel: (02)27965959

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Consolidated Statements of Operation of Affiliated Enterprises

The entities that are required to be included in the combined financial statements of Welldone Company as of and for the year ended December 31, 2022 under the Criteria Governing the Preparation of Affiliation Reports, Consolidated Business Reports, and Consolidated Financial Statements of Affiliated Enterprises are the same as those included in the consolidated financial statements prepared in conformity with International Financial Reporting Standards No. 10, "Consolidated Financial Statements" endorsed by the Financial Supervisory Commission of the Republic of China. In addition, the information required to be disclosed in the combined financial statements is included in the consolidated financial statements. Consequently, Welldone Company and Subsidiaries do not prepare a separate set of combined financial statements.

Company name: Welldone Company
Chairman: Chen, Tun-Jen

Date: March 24, 2023

Deloitte.

勤業眾信

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Independent Auditors' Report

To Welldone Company:

Opinion

We have audited the financial statements of Welldone Company ("the Company"), which comprise the balance sheets as of December 31, 2022 and 2021, and the statements of comprehensive income, changes in equity and cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of 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 the 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 Financial Statements section of our report. We are independent of the Company in accordance with the Norm of Professional Ethics for Certified Public Account of Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

The key audit matters aiming at the Welldone Company's 2022 individual financial report are as follows:

<u>Recognition of sales revenue</u>

According to Note 4 of the individual financial report and summary of significant accounting policies (12), the revenue of the Company shall be recognized when obligations are fully performed.

Meanwhile, the biggest customer of Welldone Company is a major source of operation revenue and the credit condition granted is also more favorable than other customers. Therefore, we consider the recognition of such revenues as having a significant effect on the Company's operation and recognition of such revenue shall constitute a key audit matter. Aiming at preceding risks corresponding to such customer, the audit procedures were implemented as follows:

1. We recognized the major design of the internal control system for revenue flow of the consolidated company and implemented relevant control tests.
2. We selected revenue samples aiming at preceding sales customers, and reviewed and checked the certificates and shipping documents for the revenue recognized to confirm if the revenue is recognized properly.
3. We implemented payment tests aiming at the preceding revenue samples selected.

Responsibilities of Management and Those Charged with Governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the IFRSs, IASs, IFRC, SIC endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines as necessary to ensure the preparation of financial statements is free from material misstatement, whether due to fraud or error.

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

1. Identify and assess the risks of material misstatement of the 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 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of the investment in other entities accounted for using the equity method to express an opinion on these 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 financial statements of the current period and are therefore key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure of 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.

Deloitte Touche

Independent Auditor Chiu, Yung-Ming

Approval number of the Financial Supervisory Commission

Chin-Kuan-Cheng-Shen-Tzu No. 1100356048

Independent Auditor Liu, Shu-Lin

Approval number of the Financial Supervisory Commission

Chin-Kuan-Cheng-Shen-Tzu No. 1050024633

March 24, 2023

Welldone Company
Balance Sheets
December 31, 2022 and 2021

Unit: NT$ Thousands

Code	Assets	December 31, 2022 Amount	%	December 31, 2021 Amount	%
	Current assets				
1100	Cash and cash equivalents (Note 4 & 6)	$ 472,854	15	$ 292,626	9
1110	Current financial assets at fair value through profit or loss (Note 4 & 7)	27,716	1	58,808	2
1150	Notes receivable, net (Note 4 & 10)	43,540	1	40,273	1
1170	Accounts receivable, net (Note 4 & 10)	136,731	4	328,165	10
1200	Other receivables (Note 4, 10, 26 &33)	254,662	8	294,812	9
130X	Current inventories (Note 4 & 11& 34)	351,980	11	545,656	17
1410	Prepayments	48,913	2	45,154	2
1476	Other current financial assets (Note 4, 9 & 34)	952,634	30	748,319	23
1479	Other current assets, others	15,356	1	19,282	1
11XX	Total current assets	2,304,386	73	2,373,095	74
	Non-current assets				
1517	Non-current financial assets at fair value through other comprehensive income (Note 4 & 8)	50,094	2	37,215	1
1550	Investments accounted for using equity method (Note 4 & 13)	311,333	10	128,552	4
1600	Property, plant and equipment (Note 4, 14 & 34)	412,935	13	480,447	15
1755	Right-of-use assets (Note 4 & 15)	2,329	-	46,069	2
1760	Investment property, net (Note 4, 16 & 34)	46,055	1	46,900	2
1780	Intangible assets (Note 4 & 17)	150	-	2,224	-
1840	Deferred tax assets (Note 4 & 26)	35,779	1	72,795	2
1915	Prepayments for business facilities	-	-	2,777	-
1920	Guarantee deposits paid (Note 4)	2,917	-	6,635	-
1995	Long-term prepaid expense	76	-	4,657	-
15XX	Total non-current assets	861,668	27	828,271	26
1XXX	Total assets	$ 3,166,054	100	$ 2,201,366	100
Code	**Liabilities and equity**				
	Current liabilities				
2100	Current borrowings (Note 18 & 34)	$ 1,404,481	45	$ 1,207,243	38
2150	Notes payable and Accounts payable (Note 19)	37,278	1	177,678	6
2200	Other payables (Note 20)	137,461	4	118,611	4
2230	Current tax liabilities (Note 4 & 26)	16,532	1	4,052	-
2250	Current provisions (Note 4 & 21)	-	-	471	-
2280	Current lease liabilities (Note 4 & 15)	1,408	-	1,566	-
2322	Long-term borrowings, current portion (Note 18& 34)	-	-	9,460	-
2399	Other current liabilities (Note 10)	121,284	4	94,780	3
21XX	Total current liabilities	1,718,444	55	1,613,861	51
	Non-current liabilities				
2570	Deferred tax liabilities (Note 4 & 23)	11,345	-	14,335	-
2580	Non-current lease liabilities (Note 4 & 14)	929	-	428	-
2640	Net defined benefit liability, non-current (Note 4 & 19)	25,896	1	26,477	1
2670	Other non-current liabilities	1,286	-	1,286	-
25XX	Total non-current liabilities	39,456	1	42,526	1
2XXX	Total liabilities	1,757,900	56	1,656,387	52
	Equity (Note 4 & 20)				
	Share capital				
3110	Ordinary share	896,701	28	896,701	28
3200	Total capital surplus	165,705	5	168,172	5
	Retained earnings				
3310	Legal reserve	66,887	2	51,837	2
3320	Special reserve	95,393	3	95,393	3
3350	Unappropriated retained earnings	239,808	8	155,433	5
3300	Total retained earnings	402,088	13	302,663	10
3400	Other equity interest	(31,488)	(1)	(24,850)	(1)
3500	Treasury stocks	(36,599)	(1)	(36,599)	(1)
31XX	Total equity attributable to owners of parent	1,396,407	44	1,306,087	41
36XX	Non-controlling interests (Note 4, 23 & 30)	11,747	-	238,892	7
3XXX	Total equity	1,408,154	44	1,544,979	48
	Total liabilities and equity	$ 3,166,054	100	$ 3,201,366	100

The accompanying notes are integral part of this individual financial report.

Chairman: Chen, Tun-Jen President: Ho, Ming-Che Chief Accountant: Chen-Ju Chu

Welldone Company
Statements of Comprehensive Income
For the years ended December 31, 2022 and 2021

Unit: NT$ Thousands
EPS is in dollar

Code		2022 Amount	2022 %	2021 Amount	2021 %
4000	Operating revenue (Note 4 &241)	$ 2,468,794	100	$2,976,984	100
5000	Operating costs (Note 11 & 25)	1,860,224	75	2,345,371	79
5900	Gross profit from operations	608,570	25	631,613	21
	Operating expenses (Note 10 & 25)				
6100	Selling expenses	279,360	12	302,848	10
6200	Administrative expenses	169,034	7	169,193	6
6300	Research and development expenses	2,970	-	15,761	-
6450	Expected gain on reverse of credit (Note 10)	3,885	-	224	-
6000	Total operating expenses	455,249	19	488,026	16
6900	Net operating income	153,321	6	143,587	5
	Non-operating income and expenses (Note 4, 12, 22 & 28)				
7100	Interest revenue	2,227	-	1,035	-
7190	Other income	17,244	1	33,792	1
7020	Other gains and losses	82,120	4	34,990	1
7050	Finance costs	(17,187)	(1)	(15,430)	-
7060	Share of profit (loss) of associates and joint ventures accounted for using equity method, net	24,072	1	4,744	-
7000	Total non-operating income and expenses	108,476	5	59,131	2
7900	Net earnings before tax	261,797	11	202,718	7
7950	Total tax expense (Note 4 & 23)	(12,043)	(1)	2,452	-
8200	Profit	249,754	10	205,170	7

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Code		2022 Amount	2022 %	2021 Amount	2021 %
	Other comprehensive income				
8310	Components of other comprehensive income that will not be reclassified to profit or loss				
8311	Gains (losses) on remeasurements of defined benefit plans (Note 4 & 19)	$ 1,231	-	($ 1,632)	-
8316	Unrealised gains (losses) from investments in equity instruments measured at fair value through other comprehensive income (Note 4 & 20)	(7,274)	-	6,146	-
8320	Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income (Note 4 & 23)	(1,824)	-	148	
8360	Components of other comprehensive income that will be reclassified to profit or loss				
8361	Exchange differences on translation (Note 4 & 20)	2,294	-	(4,300)	-
8300	Total other comprehensive income	(5,573)	-	362	-
8500	Total comprehensive income	$ 244,181	10	$ 205,532	7
	Profit (loss), attributable to:				
8610	Owners of parent	$ 237,876	10	$ 162,124	5
8620	Non-controlling interests	11,878	-	43,046	2
8600		$ 249,754	10	$ 205,170	7
	Profit (loss), attributable to:				
8710	Owners of parent	$ 230,825	9	$ 164,946	6
8720	Non-controlling interests	13,356	1	40,586	1
8700		$ 244,181	10	$ 205,532	7
	Earnings Per Share (Note 27)				
	From continuing operations				
9710	Basic	$ 2.73		$ 1.86	
9810	Diluted	$ 2.70		$ 1.84	

The accompanying notes are integral part of this individual financial report.

Chairman: Chen, Tun-Jen President: Ho, Ming-Che Chief Accountant: Chen-Ju Chu

Welldone Company

Statements of Changes in Equity

For the years ended December 31, 2022 and 2021

Unit: NT$ thousand

Code		Ordinary Share	Capital Surplus	Retained Earnings: Legal Reserve	Retained Earnings: Special Reserve	Retained Earnings: Unappropriated Retained Earnings	Other Equity Interest: Exchange Differences on Translation of Foreign Financial Statements	Other Equity Interest: Unrealized Gains (Losses) on Financial Assets Measured at Fair Value Through Other Comprehensive Income	Treasury stocks	Total Equity	Non-controlling interests	Total equity
A1	Equity at beginning of period (2021/1/1)	$ 896,701	$146,716	$ 38,110	$ 95,393	$ 140,820	($ 5,309)	($ 32,917)	($36,599)	$ 1,242,915	$ 287,234	$ 1,530,149
	Appropriation and distribution of retained earnings in 2020											
B1	Legal reserve appropriated	-	-	13,727	-	(13,727)	-	-	-	-	-	-
B5	Cash dividends of ordinary share	-	-	-	-	(122,164)	-	-	-	(122,164)		(122,164)
M3	Disposal of subsidiaries or investments		(1,690)				2,203			513	(112,159)	(111,646)
M5	Difference between consideration and carrying amount of subsidiaries acquired or disposed	-	23,243	-	-	-	(3,269)	-	-	19,974	29,021	48,995
M7	Changes in ownership interests in subsidiaries	-	(106)	-	-	-	-	-	-	(106)	12,811	12,705
Q1	Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	(9,988)	-	9,988	-	-		
N1	Share-based payments	-	9	-	-	-	-	-	-	9	29	38
O1	Cash dividends for shareholders of subsidiaries	-	-	-	-	-	-	-	-	-	(18,630)	(18,630)
D1	2021 Profit (loss)	-	-	-	-	162,124	-	-	-	162,124	43,046	205,170
D3	Other comprehensive income (2021)	-	-	-	-	(1,632)	(1,875)	6,329	-	2,822	(2,460)	362
Z1	Equity at end of period (2021/12/31)	896,701	168,172	51,837	95,393	155,433	(8,250)	(16,600)	(36,599)	1,306,087	238,892	1,544,979
	Appropriation and distribution of retained earnings in 2021											
B1	Legal reserve appropriated	-	-	15,050	-	(15,050)	-	-	-	-	-	-
B5	Cash dividends of ordinary share	-	-	-	-	(139,616)	-	-	-	(139,616)	-	(139,616)
M5	Difference between consideration and carrying amount of subsidiaries acquired or disposed	-	-	-	-	(66)	1,578	66	-	1,578	(251,073)	(249,495)
M7	Changes in ownership interests in subsidiaries	-	(2,467)	-	-	-	-	-	-	(2,467)	10,572	8,105
D1	2022 Profit (loss)	-	-	-	-	237,876	-	-	-	237,876	11,878	249,754
D3	Other comprehensive income (2022)	-	-	-	-	1,231	766	(9,048)	-	(7,051)	1,478	(5,573)
Z1	Equity at end of period (2022/12/31)	**$ 896,701**	**$165,705**	**$66,887**	**$ 95,393**	**$ 239,808**	**($5,906)**	**($ 25,582)**	**($36,599)**	**$ 1,396,407**	**$ 11,747**	**$1,408,154**

The accompanying notes are integral part of this individual financial report.

Chairman: Chen, Tun-Jen President: Ho, Ming-Che Chief Accountant: Chu, Chen-Ju

Welldone Company

Statements of Cash Flows

For the years ended December 31, 2022 and 2021

Unit: NT$ Thousands

Code		2022	2021
	Cash flows from (used in) operating activities, indirect method		
A10000	Profit (loss) before tax	$ 261,797	$ 202,718
A20010	Total adjustments to reconcile profit (loss)		
A20100	Depreciation expense (including investment properties and right-of-use assets)	17,384	33,104
A20200	Amortization expense	5,118	6,669
A20300	Expected credit loss (gain) / Provision (reversal of provision) for bad debt expense	3,885	224
A20400	Net loss (gain) on financial assets or liabilities at fair value through profit or loss	29,533	(18,959)
A20900	Interest expense	17,187	15,430
A21200	Interest revenue	(2,227)	(1,035)
A21300	Dividend income	(8,985)	(4,566)
A21900	Share-based payments	-	38
A22300	Share of loss (profit) of associates and joint ventures accounted for using equity method	(24,072)	(4,744)
A22500	Loss on disposal of property, plan and equipment	638	65
A23100	Loss on disposal of investments	(57,966)	(28,351)
A23200	Loss (gain) on disposal of investments accounted for using equity method	1,063	-
A29900	Provisions for liabilities	25	37
A30000	Total changes in operating assets and liabilities		
A31130	Decrease (increase) in notes receivable	(3,267)	5,938
A31150	Decrease (increase) in accounts receivable	(23,199)	3,132
A31180	Decrease (increase) in other receivables	39,716	(64,592)
A31200	Adjustments for decrease (increase) in inventories	(104,768)	742
A31230	Prepayments	14,976)	(34,552)
A31240	Adjustments for decrease (increase) in other current assets	(4,749)	(916)
A32150	Increase (decrease) in accounts payable	(1,509	(97,162)
A32180	Increase (decrease) in other payable	38,500	3,829
A32230	Adjustments for increase (decrease) in other current liabilities	37,653	13,811
A32240	Increase (decrease) in net defined benefit liability	650	293
A33000	Cash inflow (outflow) generated from operations	210,449	31,153
A33100	Interest received	2,227	1,035
A33300	Interest paid	(16,931)	(16,168)
A33500	Income taxes refund (paid)	(3,821)	(2,517)
AAAA	Net cash flows from (used in) operating activities	191,924	13,503

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Code		2022	2021
	Cash flows from (used in) investing activities		
B00010	Acquisition of financial assets at fair value through other comprehensive income	($ 35,000)	$ -
B00100	Acquisition of financial assets at fair value through profit or loss	(364)	(55,451)
B00200	Proceeds from disposal of financial assets at fair value through profit or loss	1,923	18,117
B00030	Proceeds from capital reduction of financial assets at fair value through other comprehensive income	-	4,000
B01900	Proceeds from disposal of investments accounted for using equity method	39,615	-
B02300	Proceeds from disposal of subsidiaries	(47,371)	(66,786)
B02700	Acquisition of property, plant and equipment	(1,351)	(7,524)
B03700	Decrease in refundable deposits	718	(1,098)
B04500	Acquisition of intangible assets	(150)	(2,232)
B06500	Increase in other financial assets	(272,320)	(394,982)
B07100	Increase in prepayments for business facilities	(2,098)	(1,976)
B07600	Dividends received	21,380	4,566
B09900	Long term Prepaid expenses	(60)	(4,005)
BBBB	Net cash flows from (used in) investing activities	(295,078)	(507,371)
	Cash flows from (used in) financing activities		
C00100	Increase in short-term loans	421,839	358,881
C01700	Repayments of long-term debt	(3,408)	(65,435)
C04020	Payments of lease liabilities	(2,545)	(3,369)
C04500	Cash dividends paid	(139,616)	(122,164)
C05800	Change in non-controlling interests	8,105	61,534
C09900	Payment of cash dividends of non-controlling interests	-	(18,630)
CCCC	Net cash flows from (used in) financing activities	284,375	210,817
DDDD	Effect of exchange rate changes on cash and cash equivalents	(993)	92
EEEE	Net increase (decrease) in cash and cash equivalents	180,228	(282,959)
E00100	Cash and cash equivalents at beginning of period	292,626	575,585
E00200	Cash and cash equivalents at end of period	$ 472,854	$ 292,626

The accompanying notes are integral part of this individual financial report.

Chairman: Chen, Tun-Jen President: Ho, Ming-Che Chief Accountant: Chen-Ju

Welldone Company and Subsidiaries
Notes to the Consolidated Financial Statements
For the years ended December 31, 2022 and 2021
(Expressed in thousands of NEW TAIWAN DOLLARS, unless otherwise specified)

I. Company History and Business Scope

(I) History of the parent company

Welldone Company was founded on Aug 19, 1977, and specializes in sales of OK pre-paid SIM cards and internet game point cards, telecommunication micro payment services, and remittance services for foreign workers.

The issuance of the Welldone's stocks was approved by the Taipei Exchange and the stocks were listed on the Emerging Stock Board on April 16, 2002.

Welldone Company was approved by the Financial Supervisory Commission (FSC) on Oct 20, 2021 to obtain a license for operating micro exchange services for foreign workers.

(II) History of subsidiaries

WELLTECH ENERGY INC. ("WELLTECH ENERGY") is a subsidiary in which Welldone Company holds 29.98% of shares, and was founded on April 16, 2008. It specializes in the manufacture and wholesale of batteries and electronic components. Welldone Company disposed of some stock rights and lost its right of control over the subsidiary in April 2022.

1. Taiwan Digi-Com Co., Ltd. was renamed to Life Link Co., Ltd. ("Life Link") on September 8, 2022, and is a subsidiary in which Welldone Company holds 92.26% of shares. It was founded on December 6, 2006, and specializes in the wholesale of photographic and telecommunication apparatus; it expanded its scope of business to retail and wholesale of food and cosmetics from the second half of 2012.
2. Digital Idea Multimedia Co., Ltd. ("Digital Idea") is a subsidiary in which Welldone Company holds 36.44% of shares, and was founded on May 21, 2004. It specializes in mobile phone value-added services, including downloading phone pictures, ringtones, and music games, etc., and information software services, information services, electronic information supply, and remittance for foreign workers. Welldone Company disposed of all stock rights and lost its right of control over the subsidiary in December 2021.
3. Saintop Group Co., Ltd. ("Saintop") is a subsidiary 100% owned by WELLTECH ENERGY and reinvested by Welldone Company. The subsidiary was founded on February 22, 2002 and went into operation in December 2002. It was incorporated in the British Virgin Islands and specializes in investment holding activities. Welldone Company disposed of some stock rights of WELLTECH ENERGY in April 2022, thus it lost its right of control over the subsidiary.

4. Formosa Fortune Holding Limited ("Formosa") was 100% obtained by the reinvested WELLTECH ENERGY of Welldone Company from Formosa held by SOARING TECHNOLOGY CO., LTD. in February 2012. Formosa was incorporated in the British Virgin Islands and specializes in investment holding activities. Welldone Company disposed of some stock rights of WELLTECH ENERGY in April 2022, thus it lost its right of control over the subsidiary.
5. Hi-Tech Energy Limited ("Hi-Tech") is a subsidiary 100% held by the reinvested Saintop of WELLTECH ENERGY, was incorporated on April 23, 2009 in Hong Kong, and specializes in investment holding activities. Welldone Company disposed of some stock rights of WELLTECH ENERGY in April 2022, thus it lost its right of control over the subsidiary.
6. Shanghai Welldone Electric Co., Ltd. ("Shanghai Welldone") is a subsidiary 100% held by the reinvested Hi-Tech of Saintop. The subsidiary was founded in January 2002 with a business term of 20 years, and currently specializes in investment holding activities. Welldone Company disposed of some stock rights of WELLTECH ENERGY in April 2022, thus it lost its right of control over the subsidiary.
7. Global Resources Channel Co., Ltd. ("Global") is a subsidiary 100% held by the reinvested Formosa of WELLTECH ENERGY. The subsidiary was incorporated in the British Virgin Islands and specializes in investment holding activities. Welldone Company disposed of some stock rights of WELLTECH ENERGY in April 2022, thus it lost its right of control over the subsidiary.
8. Changzhou Soaring Technology Co., Ltd. ("Changzhou SOTAC") is a subsidiary in which the reinvested Shanghai Welldone of Saintop holds 45.43% of shares, the reinvested Global of Formosa holds 36.38% of shares, and WELLTECH ENERGY holds 18.19% of shares. The subsidiary mainly specializes in the design and assembly of finished lithium battery products and the manufacture and sale of battery module parts. Welldone Company disposed of some stock rights of WELLTECH ENERGY in April 2022, thus it lost its right of control over the subsidiary.
9. Green Easy Leasing Co., Ltd. ("Green Easy Leasing") was a subsidiary in which Welldone Company held 96.67% of shares, and was founded in July 2016, mainly specializing in electric car and battery leasing, and was liquidated in May 2022.
10. PT Indogo Express Remittance ("PT Indogo") is a subsidiary in which the reinvested Digital Idea of Welldone Company held 100% of shares, and was incorporated in August 2019 in Indonesia. It specializes in information services. Welldone Company disposed of all stock rights of Digital Idea in December 2021, thus it lost its right of control over the subsidiary.
11. Shanghai Youdianzi Cultural Entertainment Co., Ltd. ("Shanghai Youdianzi") is a

subsidiary in which the reinvested Digital Idea of Welldone Company held 100% of shares, and was incorporated in July 2019 in Shanghai, specializing in cultural and art exchange event planning. Welldone Company disposed of all stock rights of Digital Idea in December 2021, thus it lost its right of control over the subsidiary.

The Consolidated Financial Statements are expressed in New Taiwan Dollars (NTD), the functional currency of Welldone Company.

II. Approval Date and Procedures of the Consolidated Financial Statements

The consolidated financial statements were authorized for issuance by the Board of Directors on March 24, 2023.

III. New Standards, Amendments and Interpretations Adopted

(I) Initial application of the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), Interpretations of the IFRIC and Interpretation Announcements of the SIC ("IFRSs") endorsed and issued into effect by the FSC.

The application of the IFRSs recognized and issued into effect by the FSC did not result in significant changes in accounting policies of the consolidated company.

(II) Applicable IFRSs endorsed by the FSC for application in 2023.

New standards/amended standards/amendment rules and interpretations	Effective date per IASB
Amendments to IAS 1 "Disclosure of Accounting Policies"	January 1, 2023 (Note 1)
Amendments to IAS 8 "Definition of Accounting Estimates"	January 1, 2023 (Note 2)
Amendments to IAS 12 "Deferred Tax related to Assets and Liabilities arising from a Single Transaction"	January 1, 2023 (Note 3)

Note 1 The Company shall apply these amendments for annual reporting beginning on or after January 1, 2023.

Note 2 The amendments apply to changes in accounting estimates and policies that occur in annual reporting periods beginning on or after January 1, 2023.

Note 3 The amendments apply to all transactions after January 1, 2022 except for the recognition of deferred tax for the temporary differences of lease and decommissioning obligations on January 1, 2022.

As of the date the consolidated financial statements were authorized for issue, the consolidated company has evaluated that the aforementioned amendments to standards and interpretations have no significant impact on their financial position or performance.

(III) The IFRSs issued by the IASB but not yet endorsed and issued into effect by the FSC.

New standards/amended standards/amendment rules and interpretations	Effective date per IASB (Note 1)
Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets Between an Investor and Its Associate or Joint Venture"	To be confirmed
IFRS16 "Requirements for Sale and Leaseback Transactions"	January 1, 2024 (Note 2)
IFRS 17 "Insurance Contracts"	January 1, 2023
Amendments to IFRS 17	January 1, 2023
Amendments to IFRS 17 "Initial Application of IFRS 17 and IFRS 9 – Comparative Information "	January 1, 2023
Amendments to IAS 1 "Classification of Liabilities as Current or Non-current"	January 1, 2024
Amendments to IAS 1 "Non-current Liabilities with Covenants"	January 1, 2024

Note 1 Unless otherwise specified, the aforementioned new standards/amended standards/amendment rules or interpretations are effective for annual reporting periods beginning on or after their respective effective dates.

Note 2 A seller-lessee applies the amendments retrospectively in accordance with IFRS 16 "Sale and Leaseback Transactions" entered into after the date of initial application.

As of the date the consolidated financial statements were authorized for issue, the consolidated company is continuously evaluating the impact of the aforementioned amendments to the standards and interpretations on their financial position or performance, and will disclose relevant impact when the evaluation is completed.

IV. **Summary of Significant Accounting Policies**

(I) Statement of compliance

These consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the IFRSs endorsed and issued into effect by the FSC.

(II) Basis of preparation

The consolidated financial statements have been prepared on a historical cost basis, except for financial instruments that are measured at fair value and net defined benefit liabilities recognized at the present value of the defined benefit obligation less the fair value of plan assets:

The fair value measurements are grouped into Levels 1 to Tier 3 based on the degree to which the fair value measurement inputs are observable and on the significance of the inputs to the fair value measurements:

1. Level-1 input values: quoted prices (unadjusted) in active markets for identical assets or liabilities on the measurement date.
2. Level-2 input values: inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
3. Level-3 input values: unobservable inputs for an asset or liability.

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

Current assets include:

1. It is held primarily for the purpose of trading;
2. It is expected to be realized within twelve months after the reporting period; or
3. The asset is cash or a cash equivalent unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

Current liabilities include:

1. It is held primarily for the purpose of trading;
2. It is due to be settled within twelve months after the reporting period; or
3. The Group does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

Assets and liabilities which are not the aforementioned current assets or liabilities are classified as non-current assets or liabilities.

(IV) Basis of consolidation

The consolidated financial statements comprise the Company and subsidiaries. Subsidiaries are entities controlled by the Group. The consolidated income statements are included in the operating profit or loss of acquired or disposed companies from the acquisition date until the disposal date of the current period. The financial statements of subsidiaries have been adjusted to make their accounting policies comply with those of merged companies. Inter-entity transactions, account balances, and income and expenses are eliminated when preparing the consolidated financial statements. Subsidiaries attribute their total comprehensive income to the owners of Welldone Company and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

When changes in subsidiary ownership interests of the consolidated company do not result in the loss of control, it is regarded as an equity transaction. The carrying amounts of the consolidated company and non-controlling interests have been adjusted to reflect changes in reciprocal interest of the consolidated company to subsidiaries. The difference between the adjusted amount of the non-controlling interests and the fair value of the consideration paid or received is directly recognized as equity and attributable to the shareholders of Welldone Company.

When the consolidated company loses control over a subsidiary, the to-be-disposed profit or loss is the difference between: (1) the sum of the fair value of consideration received and the fair value of the investment remaining in the former subsidiary from the date of losing the right of control, and (2) the sum of carrying amounts of assets (including goodwill) and liabilities and non-controlling interests of the former subsidiary from the date of losing the right of control. All amounts recognized in the other comprehensive income of the consolidated company in relation to the subsidiary shall fall under accounting treatment on the same basis as would be required for the direct disposal of related assets or liabilities by the consolidated company.

Please refer to Note 12, and Tables 4 and 5 for details, shareholding ratios, and business items of subsidiaries.

(V) Foreign currencies

In preparing the financial statements of each individual entity, transactions in currencies other than the entity's functional currency (i.e., foreign currencies) are recognized at the exchange rates prevailing on the dates of transactions.

At the end of each balance sheet date, monetary items denominated in foreign currency are re-exchanged at the closing rates. Exchange differences for monetary items arising from settlement or exchange are recognized in the profit or loss in the period in which they arise.

Non-monetary items measured at fair value are exchange at the rate prevailing on the date the fair value was determined, and exchange differences arising therefrom are included in the profit or loss for the period, except for changes in fair value that are recognized in other comprehensive income; in which case, exchange differences are also recognized in other comprehensive income.

Non-monetary items that are measured at a historical cost in a foreign currency are exchange at the exchange rate on the date of the transaction, and are not recalculated.

In the preparation of consolidated financial reports, the assets and liabilities of foreign operating institutions (including subsidiaries in countries in which they operate or in currencies different from Welldone Company) are converted into NTD at the exchange rate on the date of each balance sheet. Income and expense loss items are converted at the average exchange rate for the period and the resulting exchange difference is recognized as other comprehensive income.

When the disposal of a foreign operating institution causes loss of control, the partial disposal of a subsidiary with a foreign operating institution causes loss of control, or the retained interest from the disposal of joint agreements or affiliates with a foreign operating institution is financial assets and fall under accounting policy treatment of financial instruments, all cumulative exchange differences that are attributable to Welldone Company and such foreign operating institution are to be reclassified as profit or loss.

(VI) Inventories

Inventory consists of raw materials, finished goods, merchandise, and work in progress. Inventory is stated at the lower of cost or net realizable value, and the comparison between cost and net realizable value is based on individual items, except for the same category of inventory. The net realizable value is the estimated selling price of inventory less all estimated costs of completion and estimated costs necessary to make the sale under normal circumstances. Inventory is recorded at the weighted-average cost.

(VII) Investment in associates

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

The Group uses the equity method to account for its investments in associates and joint ventures

Under the equity method, the original investment in associates is recognized at cost, and the carrying amount of the investment after the acquisition date increases or decreases in accordance with the consolidated company's share of earnings and other comprehensive income of associates and profit distribution. In addition, changes in equity interests of associates are recognized in proportion to shareholding.

The amount that acquisition costs outnumbers the net fair value of recognizable assets and liabilities of the associates possessed by the consolidated company on the acquisition date are recognized as goodwill; goodwill is included in the carrying amount of the investment and may not be amortized. The amount that acquisition costs outnumbers the net fair value of recognizable assets and liabilities of the associates possessed by the consolidated company on the acquisition date is recognized in the profit or loss for the period.

When the consolidated company fails to subscribe new shares of an associate in proportion to shareholding, resulting in changes in shareholding ratios and further increases or decreases in net invested equity value, the adjusted capital surplus for the increase or decrease is recognized in the changes in net equity value of an associate and investment in the equity method. If the consolidated company's ownership interest of an associate is reduced due to its failure of subscription for or acquisition of new shares of the associate, the pro-rated reduced amount previously recognized in other comprehensive income in relation to the associate is reclassified on the same accounting treatment basis as would be required for direct disposal of related assets or liabilities by the associate; when the preceding adjustment is debited to capital surplus, but the capital surplus recognized from investments accounted for by the equity method is insufficient, the shortage is debited to retained earnings.

When the consolidated company's share of loss in an associate equals or exceeds its interest in the associate (including the carrying amount of its investment in the associate under the equity method, and other long-term interests that are substantially part of the consolidated company's net investment in the associate), further loss recognition shall be ceased. Additional losses or liabilities are recognized by the consolidated company only to the extent of legal obligations, constructive obligations, or payment on behalf of the associate.

In an impairment assessment, the consolidated company regards the overall carrying amount of investments (including goodwill) as single assets, and compares the recoverable amount with the carrying amount for the impairment test; recognized impairment loss is not amortized to any assets of the carrying amount of investments. Any reversal of impairment loss is recognized to the extent of the subsequent increase in the recoverable amount of investments.

The consolidated company stops adopting the equity method from the date it stops investing in an associate, and its retained interest in the associate is measured at fair value; the difference between the fair value and disposal proceeds and the carrying amount of investment on the date the equity method is not adopted are recognized in the profit or loss for the period. Additionally, all amounts recognized in other comprehensive income in relation to the associate are on the same accounting treatment basis as would be required for the direct disposal of related assets or liabilities by the associate. If an investment in an associate becomes an investment in a joint venture, or an investment in a joint venture becomes an investment in an associate, the consolidated company shall keep adopting the equity method and will not re-measure the retained interest.

Gains or losses resulting from upstream, downstream, and side-stream transactions with associates are recognized in the consolidated financial statements only to the extent that they are not related to the consolidated company's interest in the associates.

(VIII) Property, plants, and equipment

Property, plants, and equipment are initially measured at cost and subsequently measured at cost less accumulated depreciation and accumulated impairment loss.

The depreciation of property, plants, and equipment is recognized using the straight-line method, and each significant part is depreciated separately. The consolidated company reviews the estimated useful lifespan, residual values, and depreciation methods at least at the end of every year, and defers impacts from changes in applicable accounting estimates.

When de-recognizing a property, plant, or equipment item, the difference between the net disposal proceeds and the carrying amount of the asset is recognized in the profit or loss.

(IX) Investment property

Investment property is property held either to earn Rental revenue, for capital appreciation, or both. Investment property also includes Self-owned land, the future purpose of which has not been decided as of the current date.

Investment property is initially measured at cost (including transaction cost), and subsequently measured at cost less accumulated depreciation and accumulated impairment loss. The depreciation of investment property is recognized using the straight-line method. Investment property is property, plant, or equipment re-categorized at the carrying amount beginning on the self-use date.

Assets of property, plants, and equipment are recognized in investment property at the carrying amount when they are completed and ready for self use.

When de-recognizing an investment property item, the difference between the net disposal proceeds and the carrying amount of the asset is recognized in the profit or loss.

(X) Intangible assets

1. Separate acquisition

Intangible assets with a limited useful lifespan separately acquired are initially measured at cost and subsequently measured at cost less accumulated amortization and accumulated impairment loss. The depreciation of intangible assets is recognized using the straight-line method. The consolidated company reviews the estimated useful lifespan, residual values, and depreciation methods at least at the end of every year, and defers impacts from changes in applicable accounting estimates. Intangible assets with undetermined useful lifespans are presented at cost less accumulated impairment loss.

2. Acquisition from an enterprise merger

Intangible assets obtained from business mergers are recognized at fair value on the acquisition date and recognized separately from goodwill, and measured in the same way as intangible assets separately acquired.

3. De-recognition

When de-recognizing an intangible asset, the difference between the net disposal proceeds and the carrying amount of the asset is recognized in the profit or loss.

(XI) Impairment of property, plant and equipment and right-of-use assets

The consolidated company assesses on each balance sheet date whether there is any indication that property, plants, or equipment, right-of-use assets, or intangible assets (excluding goodwill) may be impaired. If any indication of impairment exists, the recoverable amount of the asset is estimated. If the recoverable amount of an individual asset cannot be estimated, the consolidated company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The recoverable amount is the higher of fair value less costs to sell and value in use. If the recoverable amount of an individual asset or cash-generating unit is less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount, and the impairment loss is recognized in the profit or loss.

When the impairment loss is subsequently reversed, the carrying amount of the asset or cash-generating unit is increased to the revised recoverable amount, provided that the increased carrying amount does not exceed the carrying amount (net of amortization or depreciation) that would have been determined had the impairment loss not been recognized in previous years. Reversal of impairment loss is recognized in the profit or loss.

Shared assets are allocated to the smallest group of cash-generating units on a reasonably consistent basis.

(XII) Financial instruments

Financial assets and liabilities are recognized in the consolidated balance sheets when the consolidated company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities that are not measured at fair value through profit or loss are measured at fair value plus transaction costs that are directly attributable to the acquisition or issuance of the financial assets or liabilities when the financial assets or liabilities are initially recognized. Transaction costs directly attributable to the acquisition or issuance of financial assets or liabilities at fair value through profit or loss are recognized immediately in the profit or loss.

1. Financial assets

Regular transactions of financial assets are recognized and de-recognized using trade date accounting.

(1) Type of measurements

The types of financial assets held by the consolidated company are financial assets measured at fair value through profit or loss, financial assets measured at amortized cost, and investments in equity instruments measured at fair value through other comprehensive income.

A. Fair value through profit or loss (FVTPL)

Financial assets measured at fair value through profit or loss include financial assets measured at fair value through profit or loss on a mandatory basis and financial assets measured at fair value through profit or loss on a designated basis. Financial assets measured at fair value through profit or loss on a mandatory basis include investments in equity instruments that are not designated at fair value through other comprehensive income, and investments in debt instruments which are not qualified to be classified into financial assets measured at amortized cost, or those measured at fair value through other comprehensive income.

Financial assets measured at fair value through profit or loss are measured at fair value with dividends and interest recognized in other revenue and gains or losses arising from remeasurement recognized in other gains and losses. Please refer to Note 32 for the determination of fair value.

B. Financial assets measured at amortized cost

When the consolidated company invests, financial assets are classified as financial assets carried at amortized cost if both of the following conditions are met:

a. They are held within an operating model whose objective is to hold the financial assets to collect the contractual cash flows; and

b. The contractual terms give rise to cash flows on a specific date, which are solely payments of principal and interest on the principal amount outstanding.

Financial assets carried at amortized cost (including cash, cash equivalents, receivables, other financial assets, and refundable deposits carried at amortized cost) are measured at amortized cost using the effective interest method to determine the total carrying amount less any impairment loss after initial recognition, with any foreign currency exchange gain or loss recognized in the profit or loss.

Interest revenue is calculated by multiplying the effective interest rate by the total carrying amount of the financial assets, except for the following two cases:

a. For credit-impaired financial assets acquired or created, Interest revenue is computed by multiplying the credit-adjusted effective interest rate by the amortized cost of the financial assets.

b. For financial assets that are not credit-impaired acquired or created but subsequently become credit-impaired financial assets acquired or created, Interest revenue is computed by multiplying the effective interest rate by the amortized cost of the financial assets from the next reporting period after the credit impairment is applied.

Credit-impaired financial assets are those for which the issuer or the debtor has experienced significant financial difficulties, defaulted, it is probable that the debtor will declare bankruptcy or other financial reorganization, or the active market for the financial assets has disappeared due to financial difficulties.

Cash equivalents include highly liquid investments that are due within three months from the acquisition date, readily convertible to imprest cash, are subject to an insignificant risk of change in value, and are held for the purpose of meeting short-term cash commitments.

C. Fair value through other comprehensive income (FVOCI)

On initial recognition, the consolidated company may make an irrevocable election to designate investments in equity instruments at FVTOCI. The equity investment is not held for trading or is not a contingent consideration recognized by an acquirer in a business combination.

Investments in equity instruments at FVTOCI are subsequently measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income and accumulated in other equity. The cumulative gain or loss will be transferred to retained earnings, but not reclassified to profit or loss upon disposal of the equity investments.

Dividends on these investments in equity instruments at FVTOCI are recognized in profit or loss when the consolidated company's right to receive the dividends is established, unless the dividends clearly represent a recovery of part of the cost of the investment.

(2) Impairment of financial assets

The consolidated company assesses impairment losses on financial assets (including accounts receivable) measured at amortized cost on each balance sheet date based on expected credit losses.

An allowance for impairment is recognized on accounts receivable based on the expected credit loss over the period of the receivable. Other financial assets are evaluated to check whether there is a significant increase in credit risks after initial recognition; if there is no significant increase in credit risk, an allowance for loss is recognized on the basis of expected credit losses over 12 months, and if there is a significant increase, an allowance for loss is recognized on the basis of expected credit losses over the remaining period.

Expected credit losses are weighted as average credit losses based on the risk of default; 12-month expected credit losses represent expected credit losses arising from possible defaults within 12 months after the reporting date of the financial instrument and expected credit losses over the lifespan of the financial instrument represent expected credit losses arising from all possible defaults during the expected lifespan of the financial instrument.

Impairment losses on all financial assets are recognized by reducing the carrying amount of the financial asset through an allowance account, and only the allowance loss for investments in equity instruments measured at FVTOCI is recognized in other comprehensive income, instead of reducing its carrying amount.

(3) De-recognition of financial assets

Financial assets are de-recognized only when the consolidated company's contractual rights to the cash flows from the financial assets have lapsed or when the financial assets have been transferred and substantially all the risks and rewards of ownership of the assets have been transferred to other enterprises.

When a financial asset is de-recognized in its entirety at amortized cost, the difference between the carrying amount and the consideration received is recognized in profit or loss. When investments in debt instruments measured at FVTOCI are de-recognized as a whole, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss recognized in other comprehensive income is recognized in the profit or loss. When investments in equity instruments measured at FVTOCI are de-recognized as a whole, the cumulative gain or loss is transferred directly to retained earnings and is not reclassified as profit or loss.

2. Equity instruments

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

Equity instruments issued by the consolidated company are recognized as the amount of consideration received, less the direct cost of issuing.

Recovery of an equity instrument of the consolidated company is recognition and de-recognition under equity, and the carrying amount is calculated on a weighted basis by type of stock. Purchase, sales, issuance, or write-off of equity instruments of the consolidated company are not recognized in the profit or loss.

3. Financial liabilities

(1) Subsequent measurement

All financial liabilities are measured at amortized cost using the effective interest method.

(2) De-recognition of financial liabilities

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

(XIII) Provisions

The amount recognized in provisions is subject to obligation risks and uncertainties, and the optimum estimate required for paying off debts on the balance sheet date. The provision is measured at the discounted value of the estimated cash flow for the repayment obligation.

(XIV) Revenue recognition

After recognizing the performance obligations under customer contracts, the consolidated company allocates the transaction price to each performance obligation and recognizes revenue when each performance obligation is satisfied.

1. Sale of goods

Revenue from sale of goods is derived from sales of products of the Communication

Service Division, other electronic component divisions, IC, and other access business divisions. The consolidated company recognizes revenue and accounts receivable at the point when the customer has the right to set the price and use the products, and has the primary responsibility to re-sell the products, as well as takes the risk of obsolescence when the divisions deliver products to a customer.

2. Services

Service revenue is derived from the Digital Content Division and Communication Service Division, and recognized at the time of service provision.

(XV) Leases

The consolidated company assesses whether the contract is a lease (or includes) lease at the contract inception date.

1. The consolidated company is a lessor

A lease is classified as a finance lease when the terms of the lease transfer substantially all the risks and rewards incidental to ownership of the asset to the lessee. All other leases are classified as operating leases.

Lease payments under operating leases are recognized as income on a straight-line basis over the term of the relevant lease.

2. The consolidated company is a lessee

Right-of-use assets and lease liabilities are recognized at the lease commencement date for all leases, except for leases of low-value subject assets to which recognition exemptions apply and short-term leases where lease payments are recognized as expenses on a straight-line basis over the lease term.

Right-of-use assets are measured initially at cost (including the original measurement of the lease liability, lease payments made prior to the lease commencement date less lease incentives received, original direct cost, and estimated cost of restoration of the subject asset) and subsequently measured at cost less accumulated depreciation and accumulated impairment loss, with adjustments for remeasurement of the lease liability.

Right-of-use assets are depreciated on a straight-line basis from the commencement date of the lease to the earlier of the end of the useful lifespan or the end of the lease term.

Lease liabilities are measured initially at the present value of the lease payments (including fixed payments and substantially fixed payments). If the interest rate implied by the lease is readily determinable, the lease payments are discounted using that rate. If the interest rate is not readily determinable, the lessee's incremental borrowing rate is used.

Right-of-use assets are presented separately in individual balance sheets. Subsequently, lease liabilities are measured at amortized cost using the effective interest method, and interest expense is allocated over the lease term. If there is a change in the lease term, the consolidated company remeasures the lease liability and adjusts the right-of-use asset accordingly, but if the carrying amount of the right-of-use asset is reduced to zero, the remaining remeasurement amount is recognized in the profit or loss. Lease liabilities are presented separately in consolidated balance sheets.

(XVI) Employee benefits

1. Short-term employee benefits

Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related services.

2. Retirement benefits

Welldone Company, WELLTECH ENERGY, Life Link, Digital Idea, and Green Easy Leasing:

Payments to defined contribution retirement benefit plans are recognized as expenses when employees have rendered services entitling them to contributions.

Defined benefit costs (including service cost, net interest, and remeasurement) under defined contribution retirement benefit plans are determined using the projected unit credit method. Service cost (including current service cost) and net interest on the net defined benefits (assets) are recognized as employee benefits expense in the period in which they occur. Remeasurement (comprising actuarial gains and losses and the return on plan assets excluding interest) is recognized in other comprehensive income in the period in which it occurs and is not reclassified as profit or loss.

Net defined benefits (assets) represent the actual deficit (surplus) in defined contribution retirement benefit plans. Net defined assets are limited to the present value of any refunds from the plans or reductions in future contributions to the plans.

Saintop, Formosa, Hi-Tech, Shanghai Welldone, Global, Changzhou SOTAC, PT Indogo, and Shanghai Youdianzi have not yet established employee retirement methods, and the respective local governments have no mandatory requirement for establishing employment retirement methods. Only Shanghai Welldone and Changzhou SOTAC pay pensions to local social security bureaus monthly in accordance with local regulations. Shanghai Youdianzi has no employees, so it does not pay pensions to the local social security bureau.

(XVII) Treasury stocks

When the consolidated company has redeemed the issued stocks but has not yet disposed of or written off them, the stocks are debited to treasury stocks at the buy-back cost and recognized as loss of stockholders' equity. If the disposal price of treasury stocks is higher than the carrying amount, the difference is recognized in capital surplus - treasury stock transactions; if the disposal price is lower than the carrying amount, the difference is used to offset the capital surplus generated from transactions of the same type of treasury stocks, and if it is insufficient, it is used to offset the retained earning. The carrying amount of treasury stocks is calculated on the weighted average basis and by recovery reason.

When Treasury stocks are written off, the capital surplus - issuance premium and capital stock are debited in proportion to equity. If its carrying amount is higher than the sum of the face value and stock issuance premium, the difference is used to offset the capital surplus generated from the same type of treasury stocks, and if it is insufficient, the difference is used to offset retained earnings; if the carrying amount is lower than the sum of the face value and stock issuance premium, it is debited to the capital surplus generated from transactions of the same type of treasury stocks.

(XVIII) Income taxes

Income tax expense is the sum of current income tax and deferred income tax.

1. Current income tax

Current income (loss) is determined by the regulations of each jurisdiction in which the consolidated company files income tax returns and is used to calculate the amount of tax payable (recoverable).

Income tax on undistributed earnings is recognized in the year when the shareholders' meeting is held in accordance with the Income Tax Act of the Republic of China.

Adjustments to prior years' income tax payable are included in the current period's income tax.

2. Deferred income tax

Deferred tax is calculated on temporary differences between the carrying amounts of recorded assets and liabilities and the tax bases used to compute taxable income.

Deferred tax liabilities are generally recognized for all taxable temporary differences, while deferred income tax assets are recognized to the extent that it is probable that taxable profit will be available against which temporary differences and loss deduction can be utilized.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and affiliates, except where the consolidated company can control the timing of the reversal of the temporary difference, and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets are recognized for deductible temporary differences associated with such investments only to the extent that it is probable that sufficient taxable income will be available to allow the temporary differences to be realized and to the extent that reversal is expected in the foreseeable future.

The carrying amount of deferred tax assets is reviewed on each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable income will be available to allow all or part of the asset to be recovered. Deferred tax assets unrecognized are reviewed at each balance sheet date and the carrying amount is increased to the extent that it is more likely that sufficient tax assets will be available to allow recovery of all or part of the assets in the future.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the liability is settled or the asset is realized, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. The measurement of deferred tax liabilities and assets reflects the tax consequences of the manner in which the company expects to recover or settle the carrying amounts of its assets and liabilities on the balance sheet date.

3. Current and deferred taxes

Current and deferred taxes are recognized in the profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred taxes are also recognized in other comprehensive income or directly in equity, respectively.

V. **Significant Accounting Assumptions and Judgments, and Major Sources of Estimation Uncertainty**

In the application of the consolidated company's accounting policies, management is required to make judgments, estimations, and assumptions about related information that is not readily apparent from other sources based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates.

The consolidated company considered the economic impact of COVID-19 when making its critical accounting estimates; the estimates and underlying assumptions are reviewed by management on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised if the revisions affect only that period or in the period of the estimated revisions and future periods if the revisions affect both current and future periods.

VI. Cash and cash equivalents

	December 31, 2022	December 31, 2021
Cash on hand and petty cash	$ 735	$ 724
Bank checks and demand deposits	472,119	279,559
Cash equivalents		
Fixed-term deposit originally mature within 3 months	-	12,343
	$ 472,854	$ 292,626

VII. Fair value through profit or loss (FVTPL)

	December 31, 2022	December 31, 2021
Held-for-trading financial assets		
Non-derivative financial instruments		
Domestic listed stocks	$ 27,716	$ 58,808

VIII. Fair value through other comprehensive income (FVOCI)

	December 31, 2022	December 31, 2021
Non-current		
Domestic investments		
Domestic unlisted common shares	$ 50,094	$ 37,215

The consolidated company has invested in domestic common stock for its medium- and long-term strategic purposes, and expects to make profits from long-term investment. The consolidated company's management believes that it would be inconsistent with the aforementioned long-term investment plan to include short-term fair value fluctuations of these investments in the profit or loss, and has therefore elected to designate these investments as measured at fair value through other comprehensive income.

IX. Other financial assets - current

	December 31, 2022	December 31, 2021
Financial assets measured at amortized cost		
Current and fixed-term deposit with restricted use	$ 27,301	$ 106,349
Special account for foreign worker remittance	925,333	641,970
	$ 952,634	$ 748,319

The special account for foreign worker remittance is exclusively designed for foreign worker remittance, and shall not be used for other purposes other than foreign worker remittance.

Please refer to Note 34 for information about other pledged financial assets.

X. Notes receivable, accounts receivable and other receivables

	December 31, 2022	December 31, 2021
Notes receivable		
Measured at amortized cost		
Total carrying amount	$ 43,540	$ 37,215
Less: Loss allowance	-	-
	$ 43,540	$ 40,273
Accounts receivable		
Measured at amortized cost		
Total carrying amount	$ 43,540	$ 37,215
Less: Loss allowance	-	-
	$ 43,540	$ 40,273
Other receivables		
Other receivables	$ 254,902	$ 295,052
Less: Loss allowance	(240)	(240)
	$ 254,662	$ 294,812
Overdue receivables		
Overdue receivables	$ 5,414	$ 5,438
Less: Allowance for uncollectible accounts	(5,414)	(5,438)
	$ -	$ -

The consolidated company authorizes an average credit period for commodity sales from 15 to 120 days, and exercises no interest accrual for overdues beyond the credit period. The consolidated company adopts the policy of rating main customers based on publicly available financial information or historical transactions, and re-checking the recoverable amounts of accounts receivable one by one on the balance sheet date to ensure that an appropriate amount of loss allowance has been provided for uncollectible receivables.

The consolidated company applies the simplified approach of IFRS 9 on the recognition of loss allowance based on expected credit losses over the period, or based on the expected loss ratios by group after dividing individual customers into different risk groups. Additionally, historical experience demonstrates that accounts receivables overdue by over one year cannot be recovered, and the consolidated company recognizes 100% bad debt allowance provisions for accounts receivables overdue by over one year and recategorizes them as overdue AR.

The Group writes off an account receivable when there is information indicating that the debtor is experiencing severe financial difficulty and there is no realistic prospect of recovery of the receivable. For accounts receivables that have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivables which are due. Where recoveries are made, these are recognized in profit or loss.

The loss allowance provision was determined as follows:

	December 31, 2022	December 31, 2021
0 to 60 days	$ 113,182	$ 279,181
61 to 90 days	40,322	64,278
91 to 150 days	21,409	26,002
More than 151 days	10,097	696
Total	$ 185,010	$ 370,157

Aging analysis aforementioned is based on the book-building benchmark date.

Changes in provisions for accounts receivable (including other receivables and overdue AR) are as follows:

	2022	2021
Balance on January 1	$ 7,397	$ 7,199
Add: allowance for bad debts in the year	3,885	224
Disposal of subsidiaries	(889)	(26)
Balance on December 31	$ 10,393	$ 7,397

For the years ended 2022 and December 31, 2021, the consolidated company's other receivables and agency funds generating from foreign worker remittance were $196,606,000, $116,837,000, and $248,657,000 and $74,638,000 respectively.

XI. Inventories

	December 31, 2022	December 31, 2021
Finished goods inventories	$ 351,980	$ 289,065
Finished products	-	72,778
Work in progress	-	21,072
Raw materials	-	162,741
	$ 351,980	$ 545,656

As of 2022 and December 31, 2021, the provisions for loss on inventory valuation were $42,270,000 and $39,304,000 respectively.

The costs of goods sold in relation to inventory in 2022 and 2021 were $1,860,224,000 and $2,345,371,000 respectively. The costs of goods sold in 2022 and 2021 included the loss on inventory valuation (gain from price recovery of inventory) of $19,495,000 and $14,622,000 respectively.

See Note 34 for the amount of inventory pledged as security for loans by the consolidated company.

XII. Subsidiaries

(I) Subsidiaries included in the consolidated financial statements

The subjects for preparing the consolidated financial statements are as follows:

Investor	Subsidiary	Nature of business	Shareholding percentage Dec. 31, 2022	Shareholding percentage Dec. 31, 2021	Explanation
Welldone Company	WELLTECH ENERGY INC.	Battery manufacture, etc.	29.98%	43.62%	Note 1
Welldone Company	Life Link Co., Ltd.	Retail and wholesale of photographic and telecommunication apparatus, food and cosmetics	92.26%	100.00%	Note 3
Welldone Company	Digital Idea Multimedia Co., Ltd.	Information service	-	-	Note 2
Welldone Company	Green Easy Leasing Co., Ltd.	EV and battery rental	-	-	Note 5
WELLTECH ENERGY INC.	Saintop	Investment holding company	100.00%	100.00%	Note 1
WELLTECH ENERGY INC.	Formosa	Investment holding company	100.00%	100.00%	Note 1
WELLTECH ENERGY INC.	Changzhou SOTAC	Design and assembly of finished lithium battery products and manufacture and sales of battery module parts	18.19%	18.19%	Note 1, 4
Saintop	Hi-Tech	Investment holding company	100.00%	100.00%	Note 1
Hi-Tech	Shanghai Welldone Company	Investment holding company	100.00%	100.00%	Note 1
Formosa	Global	Investment holding company	100.00%	100.00%	Note 1
Global	Changzhou SOTAC	Design and assembly of finished lithium battery products and manufacture and sales of battery module parts	36.38%	36.38%	Note 1, 4
Digital Idea Multimedia Co., Ltd.	PT Indogo	Information service	100.00%	100.00%	Note 2
Digital Idea Multimedia Co., Ltd.	Changzhou SOTAC	Cultural and art exchange event planning, etc.	100.00%	100.00%	Note 2
Shanghai Welldone Company		Design and assembly of finished lithium battery products and manufacture and sales of battery module parts	45.43%	45.43%	Note 1, 4

Note 1 Welldone Company disposed of partial stock rights of WELLTECH ENERGY in April 2022, decreasing its shareholding from 43.62% to 36.78%. As another sole shareholder's shareholding is 50.12%, the consolidated company lost its right of control over the company. Welldone Company further disposed of partial stock rights of WELLTECH ENERGY in November 2022, decreasing its shareholding from 36.78% to 29.98%. As of December 31, 2021, the consolidated company has held 43.62% of shares of WELLTECH ENERGY, and the other 56.38% of shares are

held by several shareholders who are non-related entities to the consolidated company. After considering the absolute abundance, relative size, and distribution of voting rights compared with other shareholders, it has been judged that the consolidated company has the substantial capacity of leading concerned activities of WELLTECH ENERGY, so the consolidated company lists WELLTECH ENERGY as its subsidiary.

Note 2 Welldone Company disposed of all stock rights of Digital Idea in December 2021, so the consolidated company lost its right of control over the company.

Note 3 Life Link (formerly known as Taiwan Digi-Com Co., Ltd.) executed the conversion of employee stock options into common stock in January and November 2022 respectively, decreasing the shareholding ratio from 100.00% to 92.26%.

Note 4 Comprehensive shareholding was over 50% on December 31, 2021, so it was incorporated into the consolidated financial statements.

Note 5 The company was dissolved and liquidated in December 2021, so the consolidated company lost the right of control over it.

(II) Subsidiaries not included in the consolidated financial statements

The consolidated company has included all its subsidiaries in the consolidated financial statements.

(III) Information about subsidiaries with significant non-controlling interest.

WELLTECH ENERGY INC.

Subsidiary	Main business domicile	Shareholdings and voting proportion of non-controlling interest December 31, 2021
WELLTECH ENERGY INC.	Taiwan (R.O.C.)	56.38%

Subsidiary	Profit or loss distributed to non-controlling interest 2022	2021	Non-controlling interest December 31, 2021
WELLTECH ENERGY INC.	$ 10,702	$ 24,063	$ 238892

The financial information summarized above is prepared as of the amount before intercompany transaction write-offs:

WELLTECH ENERGY INC. and its subsidiaries

	December 31, 2021
Current assets	$ 1,347,475

Non-current assets	166,443
Current liabilities	(1,090,231)
Non-current liabilities	-
Equity	$ 423,687

Equity attributable to:	
Shareholders of the company	$ 184,795
Non-controlling interest of WELLTECH ENERGY INC.	238,892
	$ 423,687

	2022 (Note)	2021
Operating revenue	$ 501,201	$ 1,794,000
Net profit in the period	$ 18,984	$ 43,616
Other comprehensive income	2,618	(2,894)
Total comprehensive income	$ 21,602	$ 40,722

(To be continued)

(Continued)

	2022 (Note)	2021
Net profit attributable to:		
Shareholders of the company	$ 8,282	$ 19,553
Non-controlling interest of WELLTECH ENERGY INC.	10,702	24,063
	$ 18,984	$ 43,616
Total comprehensive income attributable to:		
Shareholders of the company	$ 9,431	$ 18,271
Non-controlling interest of WELLTECH ENERGY INC.	12,171	22,451
	$ 21,602	$ 40,722

Cash flow

Operating activities	($ 7,483)
Investing activities	(29,514)
Financing activities	43,703
Net cash inflow	$ 6,706

Note: the profit or loss in the period before the consolidated company's loss of control over the company.

Digital Idea Multimedia Co., Ltd.

Subsidiary	Main business domicile
Digital Idea Multimedia Co., Ltd.	Taiwan (R.O.C.)

	Profit or loss distributed to non-controlling interest
Subsidiary	2021
Digital Idea Multimedia Co., Ltd.	$ 18,985

The financial information summarized above is prepared at the amount before intercompany transaction write-offs: ：

	2021 (Note)
Operating revenue	$ 129,741
Net profit in the period	$ 30,003
Other comprehensive income	-
Total comprehensive income	$ 30,003

(To be continued)

(Continued)

	2021 (Note)
Net profit attributable to:	
Shareholders of the company	$ 11,018
Non-controlling interest of Digital Idea Multimedia Co., Ltd.	18,985
	$ 30,003
Total comprehensive income attributable to	
Shareholders of the company	$11,018
Non-controlling interest of Digital Idea Multimedia Co., Ltd.	18,985
	$ 30,003

Cash flow	
Operating activities	$ 32,920
Investing activities	(2,106)
Financing activities	(31,094)
Net cash inflow	($ 280)

Note: the profit or loss in the period before the consolidated company's loss of control over the company.

XIII. Investments accounted for using equity method

	December 31, 2022	December31, 2021
Investment in associates	$ 311,333	$ 128,552
TD HITECH ENERGY INC.	$ 131,364	$ 128,552
WELLTECH ENERGY INC.	179,969	-
	$ 311,333	$ 128,552

	Ownership interest and voting proportion	
Investee	December 31, 2022	December31, 2021
TD HITECH ENERGY INC.	22.78%	22.78%
WELLTECH ENERGY INC.	29.98%	-

Welldone Company disposed of partial stock rights of WELLTECH ENERGY in April 2022, decreasing its shareholding from 43.62% to 36.78%. As another sole shareholder's shareholding is 50.12%, the consolidated company lost its right of control over the company. Welldone Company further disposed of partial stock rights of WELLTECH ENERGY in November 2022, decreasing its shareholding from 36.78% to 29.98%.

In 2022 and from January 1, 2021 to December 31, 2021, the consolidated company recognized the interest of associates at $24,072,000 and $4,744,000 respectively using the equity method and based on the CPAs' audited financial statements of the company during the same periods.

XIV. Property, plant, and equipment

	Self-owned land	buildings	Machinery equipment	R&D equipment	Transportation equipment	Office equipment	Lease improvements	Other equipment	Total
Cost									
Balance on January 1, 2021	$165,719	$495,140	$135,744	$8,458	$3,177	$24,242	$2,079	$8,527	$843,086
Additions	-	1,223	2,119	890	402	871	-	2,095	7,600
Disposal	-	-	-	-	(645)	-	-	-	(645)
Proceeds from recognition in	-	(123)	-	-	-	-	-	-	(123)

investment property									
Proceeds from disposal of subsidiaries	-	-	-	-	-	-	(365)	(2,203	(2,568)
Net exchange differences	-	(1,347)	(696)	-	(17)	(121)	-	(3)	(2,184)
Balance on December 31, 2021	$165,719	$494,893	$137,167	$9,348	$2,917	$24,992	$1,714	$8,416	$845,166
Accumulated depreciation and impairment loss									
Balance on January 1, 2021	$ -	$198,950	$101,917	$7,242	$3,138	$23,158	$1,745	$5,563	$341,713
Disposal	-	-	-	-	(580)	-	-	-	(580)
Depreciation expense	-	14,340	10,754	411	53	653	334	1,008	27,553
Proceeds from disposal of subsidiaries	-	-	-	-	-	-	(365)	(2,203)	(2,568)
Net exchange differences	-	(748)	(517)	-	(17)	(115)	-	(2)	(1,399)
Balance on December 31, 2021	$ -	$212,542	$112,154	$7,653	$2,594	$23,696	$1,714	$4,366	$364,719
Balance on December 31, 2021	$165,719	$282,351	$25,013	$1,695	$323	$1,296	$ -	$4,050	$480,447
Cost									
Balance on January 1, 2022	$165,719	$494,893	$137,167	$9,348	$2,917	$24,992	$1,714	$8,416	$845,166
Additions	-	405	349	-	-	-	-	474	1,228
Disposal	-	(1,509)	(25)	-	-	(6,338)	-	(194)	(8,066)
Proceeds from transfer from self-invested property	-	111	-	-	-	-	-	-	111
Proceeds from disposal of subsidiaries	-	(120,261)	(143,175)	(9,348)	(3,030)	(17,853)	(1,714)	(5,111)	(300,492)
Net exchange differences	-	4,471	7,921	-	113	760	-	17	13,282
Balance on December 31, 2022	$165,719	$378,110	$2,237	$ -	$ -	$1,561	$ -	$3,602	$551,229
Accumulated depreciation and impairment loss									
Balance on January 1, 2022	$ -	$212,542	$112,154	$7,653	$2,594	$23,696	$1,714	$4,366	$364,719
Disposal	-	(1,509)	(21)	-	-	(5,704)	-	(194)	(7,428)
Depreciation expense	-	9,594	2,549	115	29	204	-	1,108	13,599
Proceeds from transfer from self-invested property	-	152	-	-	-	-	-	-	152
Proceeds from disposal of subsidiaries	-	(91,624)	(119,504)	(7,768)	(2,724)	(17,364)	(1,714)	(3,337)	(244,035)
Net exchange differences	-	3,381	7,059	-	101	729	-	17	11,287
Balance on December 31, 2022	$ -	$132,536	$2,237	$ -	$ -	$1,561	$ -	$1,960	$138,294
Balance on December 31, 2022	$165,719	$245,574	$ -	$ -	$ -	$ -	$ -	$1,642	$412,935

The net amount of recognition in investment property from property, plants, and equipment was $123,000 in 2021 due to some buildings of the consolidated company being rented out.

The net amount of recognition in investment property from property, plants, and equipment was $41,000 in 2022 due to some buildings of the consolidated company being converted for self-use.

The consolidated company' property, plant, and equipment were assessed in 2022, and on

December 31, 2021, there was no indication of impairment.

Depreciation expenses are provided on a straight-line basis over the following useful lifespans:

Buildings	Useful lifespans
Plant main buildings	20 to 50 years
Mechanical and power equipment	10 years
Fitting-out works	3 to 10 years
Machinery equipment	2 to 3 years
R&D equipment	2 to 6 years
Transportation equipment	2 to 5 years
Office equipment	2 to 5 years
Lease improvements	2 to 5 years
Other equipment	3 to 11 years

See Note 32 for the amount of property, plant, and equipment pledged as security for loans by the Company.

The consolidated company had no capitalization of interest in 2022 and 2021.

XV. **Leases**

(I) Right-of-use assets

	December 31, 2022	December 31, 2021
Carrying amount of right-of-use assets		
Land	$ -	$ 44,065
Buildings	190	474
Transportation equipment	2,139	1,530
	$ 2,329	$ 46,069

	2022	2021
Additions of right-of-use assets	$ 2,888	$ 2,332
Depreciation expense of right-of-use assets		
Land	$ 337	$ 1,326
Buildings	799	1,318

Transportation equipment	1,763	2,045
	$ 2,899	$ 4,689

Except for the aforementioned depreciation expenses, the consolidated company had no significant sub-lease or impairment loss for its right-of-use assets in 2022 and 2021.

(II) Lease liabilities

	December 31, 2022	December 31, 2021
Carrying amount of lease liabilities		
Current	$ 1,408	$ 1,566
Non-current	$ 929	$ 428

The discount rate range of the lease liabilities is as follows:

	December 31, 2022	December 31, 2021
Buildings	0.81%	0.81%
Transportation equipment	0.81%	0.81% ~ 1.06%

(III) Important tenant activities and terms

The consolidated company leased certain land, buildings, and transportation equipment for plants, retail stores, employee dormitories, and service car use for a term of one to 50 years.

(IV) Other leasing information

	2022	2021
Short-term leasing expense	$ 94	$ 3,297
Low-value asset leasing expense	$ 30	$ 82
Total cash (outflow) used in leasing	($ 2,695)	($ 6,770)

The consolidated company has selected to apply the exemption from recognition to income-generating leases that qualify as short-term and low-value asset leases, and does not recognize the related right-of-use assets and lease liabilities for these leases.

XVI. Investment property

	Self-owned land	Buildings	Total
Cost			
Balance on January 1, 2021	$ 18,557	$ 42,327	$ 60,884
Transfer from property, plant and equipment	-	123	123
Balance on December 31, 2021	$ 18,557	$ 42,450	$ 61,007

Accumulated depreciation			
Balance on January 1, 2021	$ -	$ 13,245	$ 13,245
Depreciation expense	-	862	862
Balance on December 31, 2021	$ -	$ 14,107	$ 14,107
Net amount on December 31, 2021	$ 18,557	$ 28,343	$ 46,900
Cost			
Balance on January 1, 2022	$ 18,557	$ 42,450	$ 61,007
Recognition in property, plant and equipment	-	(111)	(111)
Balance on December 31, 2022	$ 18,557	$ 42,339	$ 60,896
Accumulated depreciation			
Balance on January 1, 2022	$ -	$ 14,107	$ 14,107
Depreciation expense	-	886	886
Recognition in property, plant and equipment		(152)	(152)
Balance on December 31, 2022	$ -	$ 14,841	$ 14,841
Net amount on December 31, 2022	$ 18,557	$ 27,498	$ 46,055

Depreciation expenses of investment property buildings are provided on a straight-line basis over the useful lifespans of three to 55 years:

The fair value of investment property is not evaluated by independent evaluators, but by the management of the consolidated company with reference to adjacent trading market prices, with the evaluated fair value as follows:

	December 31, 2022	December 31, 2021
Self evaluation	$ 74,497	$ 72,240

For the amount of investment property pledged as security for loans by the consolidated company, see Note 34.

XVII. Intangible assets

	Trade right	Royalty	Computer software cost	Total
Cost				
Balance on January 1, 2021	$ 2,103	$ 25,612	$ 21,661	$ 49,376
Separate acquisition	-	-	2,232	2,232
Disposal	(2,103)	(25,612)	-	(27,715)
Proceeds from disposal of subsidiaries	-	-	(6,903)	(6,903)

Net exchange differences	-	-	(24)	(24)
Balance on December 31, 2021	$ -	$ -	$ 16,966	$ 16,966

(to be continued)

(continued)

	Trade right	Royalty	Computer software cost	Total
Accumulated amortization and impairment loss				
Balance on January 1, 2021	$ 2,103	$ 25,612	$ 16,398	$ 44,113
Amortization expense	-	-	3,102	3,102
Disposal	(2,103)	(25,612)	-	(27,715)
Proceeds from disposal of subsidiaries	-	-	(4,739)	(4,739)
Net exchange differences	-	-	(19)	(19)
Balance on December 31, 2021	$ -	$ -	$ 14,742	$ 14,742
Net amount on December 31, 2022	$ -	$ -	$ 2,224	$ 2,224
Cost				
Balance on January 1, 2022	$ -	$ -	$ 16,966	$ 16,966
Separate acquisition	-	-	150	150
Proceeds from disposal of subsidiaries	-	-	167	167
Net exchange differences	-	-	(11,669)	(11,669)
Balance on December 31, 2022	$ -	$ -	$ 5,614	$ 5,614
Accumulated amortization and impairment loss				
Balance on January 1, 2022	$ -	$ -	$ 14,742	$ 14,742
Amortization	-	-	477	477

expense				
Proceeds from disposal of subsidiaries	-	-	154	154
Net exchange differences	-	-	(9,909)	(9,909)
Balance on December 31, 2022	$ -	$ -	$ 5,464	$ 5,464
Net amount on December 31, 2022	$ -	$ -	$ 150	$ 150

Amortization expense is provided on a straight-line basis over the following useful lifespan:

	Useful lifespan
Computer software costs	2 to 5 years

XVIII. Borrowings

(I) Short-term borrowings

	December 31, 2022	December 31, 2021
Unsecured loan	$ 890,000	$ 767,764
Secured loan	500,000	300,000
Loan for material purchase	14,481	139,479
	$ 1,404,481	$ 1,207,243

The interest rates of bank loans ranged from 1.45% to 2.63% and 1.03% to 1.97% in 2022 and on December 31, 2021, respectively, please refer to Note 34.

(II) Long-term borrowings

	December 31, 2021
Secured loan	
Other loan	$ 9,460
Less: classified as portion due within one year	(9,460)
Long-term loan	$ -

Another loan was from a financing company at a fixed interest rate, and matured on October 31, 2022; as of December 31, 2021, the effective annual interest rate was 1.425%. The consolidated company's inventory, Self-owned land, and buildings were pledged as collateral. Please refer to Note 34 for the aforementioned secured loans.

XIX. Notes payable and accounts payable

	December 31, 2022	December 31, 2021
Notes payable	$ -	$ 127
Accounts payable	37,278	177,551

	$ 37,278	$ 177,678

The consolidated company's notes and accounts payable are mainly trade accounts payable for vendors.

XX. Other payables

	December 31, 2022	December 31, 2021
Payroll payable and bonus	$ 86,335	$ 79,058
Business promotion fee payable	20,144	6,770
Advertising fee payable	7,321	1,537
Service charge payable	3,673	7,399
Payables for import and export, and freight payable	1,710	2,426
Commission payable	240	524
Payables on equipment	-	123
Others	18,038	20,774
	$ 137,461	$ 118,661

XXI. Provisions - current

	December 31, 2022	December 31, 2021
Return and allowance	$ -	$ 471

	Return and allowance
Balance on January 1, 2021	$ 434
Additions in the year	37
Balance on December 1, 2022	$ 471
Balance on January 1, 2022	$ 471
Additions in the year	25
Proceeds from disposal of subsidiaries	(496)
Balance on December 31, 2022	$ -

Liability reserves for return and allowance are for potential product return and allowance based on historical experience, the management's judgment, and other known reasons.

XXII. Retirement Benefit Plans

(I) Defined contribution plan (DC)

The pension system of the Labor Pension Act (LPA), which is a defined Retirement Benefit

Plans administered by the government, is applicable to Welldone Company, WELLTECH ENERGY, Life Link, Digital Idea, and Green Easy Leasing of the consolidated company, which contribute 6% of employees' monthly salaries to the individual accounts of the Labor Insurance Bureau.

Employees of other subsidiaries of the consolidated company in mainland China are members of the retirement benefit plan operated by the mainland Chinese Government. These subsidiaries must contribute a specific proportion of salary costs to the retirement benefit plan to provide plan funds. The consolidated company is only obliged to contribute specific funds for the retirement benefit plan operated by the mainland Chinese Government.

(II) Defined benefit plans (DB)

The pension plan of Welldone Company of the consolidated company under the Labor Standards Act in Taiwan is a government-administered defined-benefit pension plan. The employees' pension payments are based on the length of service and the average salary six months prior to the date of approved retirement. The aforementioned company contributes 2% of employees' monthly salaries to the pension fund, which is deposited in the name of the Labor Pension Fund Supervisory Committee in a special account in the Bank of Taiwan. If the balance of the special account is not sufficient to pay employees who are expected to meet the retirement requirements before the end of the following year, the difference will be withdrawn in one lump sum by the end of March of the following year. Management of the special account is entrusted to the Bureau of Labor Funds, Ministry of Labor, and the consolidated company has no right to influence the investment management strategy.

The amounts of defined benefit plan included in the consolidated financial statements are shown below:

	December 31, 2022	December 31, 2021
Present value of defined benefit obligation	$ 36,494	$ 35,916
Plan assets at fair value	(10,598)	(9,439)
Net liability of net defined benefit	$ 25,896	$ 26,477

Changes in net defined liabilities (assets) are as follows:

	Present value of defined benefit obligation	Plan assets at fair value	Net liability of net defined benefit
January 1, 2021	$ 33,510	($ 8,958)	$ 24,552
Service costs			
Current service costs	524	-	524

Interest expense (income)	126	(34)	92
Recognized in profit or loss	650	(34)	616
Remeasurement			
Planning assets remuneration (in addition to the amount included in net interest)	-	(124)	(124)
Actuarial loss - Changes in demographic assumptions	905	-	905
Actuarial income - Changes in financial assumptions	(396)	-	(396)
Actuarial loss - experience adjustment	1,247	-	1,247
Recognized in other comprehensive income	1,756	(124)	1,632
Employer's contribution	-	(323)	(323)
December 31, 2021	$ 35,916	($ 9,439)	$ 26,477
January 1, 2022	$ 35,916	($ 9,439)	$ 26,477
Service costs			
Current service costs	889	-	889
Interest expense (income)	180	(48)	132
Recognized in profit or loss	1,069	(48)	1,021
Remeasurement			
Planning assets remuneration (in addition to the amount included in net interest)	-	(740)	(740)
Actuarial income - Changes in financial assumptions	(85)	-	(85)
Actuarial income - experience adjustment	(406)	-	(406)
Recognized in other comprehensive income	(491)	(740)	(1,231)
Employer's contribution	-	(371)	(371)
December 31, 2022	$ 36,494	($ 10,598)	$ 25,896

The consolidated company is exposed to the following risks as a result of the pension system of the Labor Standards Act:

1. Investment risk: The Bureau of Labor Funds, Ministry of Labor invests its labor pension funds in domestic (foreign) equity securities, debt securities, and bank deposits through its own use and entrusted operations, but the amount of plan assets allocated to the consolidated company is based on the income at an interest rate not lower than the local bank's two-year time deposit rate.
2. Interest risk: The decrease in interest rates on government bonds will increase the current value of the defined benefit obligation, but the return on debt investment in plan assets will also increase, which will have a partially offsetting effect on the net defined benefit obligation.

3. Payroll risk: The present value of the defined benefit obligation is calculated by reference to the future salary of plan members. Therefore, an increase in plan members' salaries will increase the present value of defined benefit obligation.

The present value of the consolidated company's defined benefit obligation was actuarially determined by a qualified actuary, and the significant assumptions on the measurement date were as follows:

	December 31, 2022	December 31, 2021
Discount rate	1.50%	0.50%
Expected rate of salary increase	3.00%	2.00%

The amounts that would increase (decrease) the present value of the defined benefit obligation if there were reasonably possible changes in significant actuarial assumptions, respectively, with all other assumptions held constant, are as follows:

	December 31, 2022	December 31, 2021
Discount rate		
Increase 0.25%	($ 757)	($ 787)
Decrease 0.25%	$ 785	$ 819
Expected rate of salary increase		
Increase 0.25%	$ 761	$ 792
Decrease 0.25%	($ 738)	($ 766)

The sensitivity analysis above may not reflect actual changes in the present value of the defined benefit obligation because actuarial assumptions may be correlated with each other and changes in only one assumption are unlikely.

	December 31, 2022	December 31, 2021
Amount expected to be withdrawn within 1 year	$ 378	$ 373
Average period of defined benefit obligation expiration	12.1 years	13.5 years

XXIII. Equity

(I) Share capital

Ordinary shares

	December 31, 2022	December 31, 2021
Number of shares authorized (in thousands)	150,000	150,000

Shares authorized	$1,500,000	$1,500,000
Number of shares issued and fully paid (in thousands)	89,670	89,670
Shares issued	$ 896,701	$ 896,701

The issued ordinary shares have a par value of $10 per share and each share is entitled to one vote and the right to receive dividends.

There are 20,110,00 convertible corporate bonds and 9,500,000 employee stock option certificates respectively in shares authorized.

(II) Capital surplus

	December 31, 2022	December 31, 2021
May be used to make up losses, pay cash or capitalize (1)		
Additional paid-in capital	$ 48,835	$ 48,835
Corporate bond conversion premium	18,858	18,858
Stock options of convertible corporate bond	19,143	19,143
Lapsed employee stock options	2,055	2,055
Treasury stocks transactions	5,933	5,933
Actual acquisition or disposal of subsidiary		
Difference between the price and carrying amount	33,153	33,153
May be used to make up losses		
Recognition of changes in equity of investment in subsidiaries (2)	32,474	34,941
Gains from disposal of fixed assets	5,242	5,242
Cannot be used for any purpose		
Employee stock options	12	12
	$ 165,705	$ 168,172

1. Such capital surplus may be used to cover losses or, when the Company has no losses, to distribute cash or capitalize capital, provided that such capitalization is limited to a certain percentage of the paid-in capital each year.
2. Such capital surplus is the equity transaction influence number recognized in

changes in equity of subsidiaries before actual acquisition or disposal of subsidiaries of Welldone Company, or the adjustment number of capital reserve of subsidiaries recognized by Welldone Company using the equity method.

(III) Retained earnings and dividend policy

In accordance with the Articles of Incorporation of Welldone Company, if there is any surplus in the annual accounts, it shall first pay taxes and cover the deficits of previous years, then set aside 10% as a legal reserve, and the rest shall be set aside or reversed to a special reserve in accordance with the law. If there is still a surplus, together with the accumulated undistributed earnings of prior years, the Board of Directors shall prepare an earnings distribution proposal, which shall be submitted to the shareholders' meeting for a resolution on distributing dividends to shareholders. The distributable dividends, bonuses, legal reserve, and capital reserve distributed in cash shall be resolved by over two-thirds of the directors present and a majority of the directors present at the board meetings, and shall be reported to the shareholders' meeting. The policies of Welldone Company on the distribution of employee and director remuneration in its Articles of Incorporation are described in Note 25 and Net Profit (7) "Employee Compensation and Director Remuneration".

Additionally, in accordance with the Articles of Incorporation, dividend polices are established based on the profit, future operations development, and shareholders' equity safeguard, etc. The dividends distributed shall not be less than 50% of the distributable earnings of the year, but shall be retained but not be distributed if the distributable EPS of the year is less than $1. Dividend distributions may be by way of stock or cash, and the amount of cash dividends shall not be less than 30% of the total dividend amount.

The legal reserve shall be set aside until the balance reaches the company's total paid-in capital and may be used to cover losses. If the company has no deficit, the excess of the legal reserve over 25% of the total paid-in capital may be distributed in cash.

Welldone Company revised its Articles of Incorporation at the Shareholders' Meeting of August 13, 2021; when it sets aside the special reserve by using the net amount of other prior accumulated equity deductions, and the unappropriated surplus in the previous period is insufficient to set aside, the current net profit after tax plus other items other than the net profit after tax shall be included in the current unappropriated surplus for setting aside. Before the amendments to the Articles of Incorporation, Welldone Company set aside the special reserve from the unappropriated surplus of the previous period in accordance with the law.

Welldone Company held General Shareholders' Meetings on June 14, 2022 and August 13, 2021 and resolved the annual earnings distribution proposals of 2021 and 2020, respectively, as follows:

	Earnings distribution proposal		Dividend per share (NTD)	
	2021	2020	2021	2020

Legal reserve	$15,050	$13,727	$-	$-
Cash dividend	139,616	122,164	1.6	1.4

(IV) Special reserve

In its initial application of the IFRS, Welldone Company recorded the amount of retained earnings transferred from unrealized appraisal increment and cumulative translation adjustment at $53,843,000 and $41,550,000 respectively, and set aside the special reserves at the same amounts.

(V) Other equity interest

	December 31, 2022	December 31, 2021
Exchange differences on foreign operations	($ 5,906)	($ 8,250)
Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	(25,582)	(16,600)
	($ 31,488)	($ 24,850)

1. Exchange differences on foreign operations

	2022	2021
Beginning balance	($ 8,250)	($ 5,309)
Occurred in the current year		
Exchange differences on foreign operations	766	(1,875)
Proceeds from disposal of partial equity of subsidiaries	1,578	(1,066)
Ending balance	($ 5,906)	($ 8,250)

2. Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income

	2022	2021
Beginning balance	($16,600)	($ 32,917)
Occurred in the current year		
Equity instruments with unrealized gains or losses	(7,185)	6,208
Shares of affiliates accounted for using equity method	(1,863)	121
Transfer of accumulated gains or losses on disposal of equity instruments to retained earnings	66	9,988
Ending balance	($25,582)	($ 16,600)

(VI) Treasury stock

Reason for repurchase	Return and allowance
Number of shares on January 1, 2022	2,410
Number of shares on December 31, 2022	2,410
Number of shares on January 1, 2021	2,410
Number of shares on December 31, 2021	2,410

To motivate employees and improve their cohesiveness, Welldone Company repurchased 2,410,000 shares as Treasury stocks valued at $36,599,000 from November to December, 2019. As of December 31, 2022, the shares have not yet been transferred to employees.

In accordance with the requirements of the Securities and Exchange Act, Treasury stocks held by Welldone Company should not be pledged, and do not hold rights of dividend distribution or voting. Shares of Welldone Company held by subsidiaries can be treated as Treasury stocks, and hold the same general shareholders' rights except for participating in capital increase by cash and exercising voting rights in Welldone Company.

(VII) Non-controlling interest

	2022	2021
Beginning balance	$ 238,892	$ 287,234
Net profit or loss in the current year	11,878	43,046
Proceeds from disposal of partial equity of subsidiaries	(251,073)	29,021
Exchange differences on translation of foreign financial statements	1,528	(2,425)
Cash dividends distributed to subsidiaries	-	(18,630)
Remuneration cost of employee stock options issued by subsidiaries	-	29
Disposal of subsidiaries/foreign operations	-	(112,159)
Changes in ownership interests to subsidiaries	10,572	12,811
Unrealized profit or loss of financial assets measured at fair value through other comprehensive income	(50)	(35)
Ending balance	$ 11,747	$ 238,892

XXIV. Income

	2022	2021
Revenue from commodity sales	$ 2,154,196	$ 2,581,449

Service revenue	314,598	395,535
	$ 2,468,794	2,976,984

For analysis of main products and departmental revenue, please refer to Note 39.

XXV. Net profit

(I) Interest revenue

	2022	2021
Bank deposit	$ 2,227	$ 1,035

(II) Other revenue

	2022	2021
Rental revenue		
Investment property	$ 5,257	$ 3,276
Dividend income		
Investments in equity instrument measured at fair value through profit or loss	1,645	3,011
Investments in equity instrument measured at fair value through other comprehensive income	7,340	1,555
Others	3,002	25,950
	$ 17,244	$ 33,792

(III) Other gains and losses

	2022	2021
Net profit or loss on foreign currency exchange	$ 56,547	($ 10,324)
Loss from disposal of property, plant and equipment	(638)	(65)
Disposal of profit on financial assets measured at fair value through profit or loss	262	2,514
Disposal of profit or loss on valuation of financial assets measured at fair value through profit or loss	(29,795)	16,445
Disposal of partial equity interest of subsidiaries	57,966	28,351
Disposal of investment loss accounted for using equity method	(1,063)	-

	2022	2021
Others	(1,159)	(1,931)
	$ 82,120	$ 34,990

(IV) Financial costs

	2022	2021
Interest on bank loans	$ 17,036	$ 14,454
Other interest expenses	125	954
Interest on lease liabilities	26	22
	$ 17,187	$ 15,430

(V) Depreciation and amortization

	2022	2021
Property, plant and equipment	$ 13,599	$ 27,553
Investment property	886	862
Right-of-use assets	2,899	4,689
Intangible assets	477	3,102
Long-term prepaid expenses	4,641	3,567
Total	$ 22,502	$ 39,773

Summary of depreciation expense by function		
Operating costs	$ 3,432	$ 14,457
Operating expenses	13,066	17,785
Other profit and loss	886	862
	$ 17,384	$ 33,104

Summary of amortization expense by function		
Operating costs	$ 52	$ 207
Operating expenses	5,066	6,462
	$ 5,118	$ 6,669

(VI) Employee benefit expense

	2022	2021
Post-employment benefits (Note 22)		
Defined contribution plan	$ 4,660	$ 11,377

Defined benefit plan	1,021	616
	5,681	11,993
Other employee benefits		
Salary	193,496	245,809
Share-based payment	-	38
Employee premium	10,387	16,710
Others	7,237	13,733
	211,120	276,290
Total employee benefit expenses	$ 216,801	$ 288,283

Summary by function	$ 10,967	$ 49,362
Operating costs	205,834	238,921
Operating expenses	$ 216,801	$ 288,283

(VII) Remuneration to employees and directors

In accordance with the Articles of Incorporation, Welldone Company provides for employee remuneration and director remuneration between 1% to 100% and at a rate of not less than 4%, of the pre-tax benefit for the year before the distribution of employee and director remuneration. The 2022 and 2021 employees and directors' remuneration was resolved by the Board of Directors on March 24, 2023 and March 24, 2022, respectively. The resolutions were as follows:

Estimated ratio

	2022	2021
Remuneration to employees	10%	10%
Remuneration to directors	4%	4%

Amount

	2022		2021	
	Cash	Stocks	Cash	Stocks
Remuneration to employees	$28,120	$ -	$19,892	$ -
Remuneration to directors	11,248	-	7,957	-

If there is any change in the amount after the publication date of the annual consolidated financial statements, the change in accounting estimate will be adjusted and recorded the following year.

There is no difference between the actual amount of remuneration to employees and directors for fiscal years 2021 and 2020 and the amount recognized in the consolidated financial statements for fiscal years 2021 and 2020.

Please refer to the Market Observation Post System of the Taiwan Stock Exchange Corporation for information on the remuneration to employees and directors of 2022 and 2021 as resolved by the Board of Directors of Welldone Company.

XXVI. Income taxes

(I) Main components of income tax expenses (benefits) recognized in profit or loss

	2022	2021
Current tax expense		
Current period	$ 16,598	$ 4,059
Adjustment for prior periods	(297)	1,956
	16,301	6,015
Deferred tax expense		
Current period	(4,258)	(8,467)
Income tax expenses (benefit) recognized in profit or loss	$ 12,043	$ 2,452

Adjustment of accounting income and income tax expenses (benefits) was as follows:

	2022	2021
Profit before tax	$ 261,797	$ 202,718
Income tax expenses calculated at statutory tax rate on net income before tax	$ 59,364	$ 43,898
Nondeductible expenses in determining taxable income	6	-
Tax-exempt income	(13,230)	(7,086)
Income tax difference taxable	-	4,058
Unrecognized loss deduction	-	(47,884)
Unrecognized deductible temporary differences	(33,800)	2,606
Income tax expenses of prior years used for adjustments for the current year	(297)	1,956
Income tax expenses (benefits) recognized in profit or loss	$ 12,043	$ 2,452

The profit-seeking business income tax rate in Taiwan is 20%. The applicable tax rate for subsidiaries in mainland China is 25%. Tax amounts in other regions are calculated at applicable local tax rates.

(II) Income tax assets and liabilities in the current period

	December 31, 2022	December 31, 2021
Income tax assets in the current period		
Income tax refund receivable (recorded under other receivables)	$ -	$ -
Income tax liabilities in the current period	$ 16,532	$ 4,052

(III) Deferred tax assets and liabilities

Changes in deferred tax assets and liabilities were as follows:

2022

	Beginning balance	Recognized in profit or loss	Proceeds from disposal of subsidiaries	Ending balance
Deferred tax assets				
Temporary differences				
Shares of subsidiary profit or loss recognized in the equity method	$ 42,219	$ -	($ 18,699)	$ 23,520
Impairment loss	3,076	-	(1,875)	1,201
Provision for bad debts	849	64	-	785
Loss on inventory valuation	3,484	1,621	116)	4,989
Unrealized foreign exchange loss	338	(104)	(234)	-
Unrealized sales return	104	208	-	312
Unrealized expenses	1,232	55	(86)	1,201
Unrealized gross profit	708	-	(708)	-
Depreciation expense	937	58	-	995
Loss allowance	19,753	(3,282)	(16,471)	-
Provisions for liabilities	95		(95)	-
Loss on valuation of financial assets measured at fair value through profit or loss	-	2,776	-	2,776
	$ 72,795	$ 1,268	($ 38,284)	$ 35,779
Deferred tax liabilities				
Temporary differences				

Land VAT reserve	$ 11,097	$ -	$ -	$ 11,097
Unrealized costs on sales	56	(3,070)	3,182	168
Profit on valuation of financial assets measured at fair value through profit or loss	3,182	-	(3,182)	-
Unrealized exchange gains	-	80	-	80
	$ 14,335	$ 2,990	$ -	$ 11,345

2021

	Beginning balance	Recognized in profit or loss	Proceeds from disposal of subsidiaries	Ending balance
Deferred tax assets				
Temporary differences				
Shares of subsidiary profit or loss recognized in the equity method	$42,523	$ -	($304)	$42,219
Impairment loss	3,076	-	-	3,076
Provision for bad debts	1,142	15	(308)	849
Loss on inventory valuation	4,877	(1,393)	-	3,484
Unrealized foreign exchange loss	2,167	(1,829)	-	338
Unrealized sales return	91	13	-	104
Unrealized expenses	3,205	39	(2,012)	1,232
Unrealized gross profit	1,067	(359)	-	708
Depreciation expense	826	111	-	937
Loss allowance	6,660	15,095	(2,002)	19,753
Provisions for liabilities	88	7	-	95
Loss on valuation of financial assets measured at fair value through profit or loss	106	(106)	-	-
Deferred income	988	-	(988)	-
	$66.816	$11,593	($5,614)	$72,795
Deferred tax liabilities				
Temporary differences				
Land VAT reserve	$ 11,097	$ -	$ -	$ 11,097
Unrealized costs on sales	42	14	-	56
Profit on valuation of financial assets measured at fair value through profit	-	3,182	-	3,182

or loss Unrealized exchange gains	70	(70)	-	-
	$ 11,209	$ 3,126	$ -	$ 14,335

(IV) Unused loss allowance recognized in deferred tax assets in the consolidated balance sheets

	December 31, 2022	December 31, 2021
Loss allowance		$ 27,215
Due in 2024	$ -	462
Due in 2025	-	75,943
Due in 2028	-	14,614
Due in 2029	$ -	$ 118,234

(V) Income tax verification status

The cases of profit-seeking business income tax settlement declaration of Welldone Company have been verified till 2020 by tax collection agencies; the cases of profit-seeking business income tax settlement declaration of Life Link Co., Ltd. (formerly known as Taiwan Digi-Com Co., Ltd.) have been verified till 2019 by tax collection agencies.

XXVII. Earnings per share

The earnings and weighted average number of common stocks that were used in the computation of earnings per share are as follows:

Net profit for the year

	2022	2021
Net profit used to calculate the basic earnings per share	$ 237,876	$ 162,124
Net profit used to calculate the diluted earning per share	$ 237,786	$ 162,124

Shares

	2022	2021
Weighted-average number of common shares for the purpose of basic earnings per share	87,260	87,260
Effect of dilutive potential common stock:		
Employee dividend	942	629
Weighted-average number of	88,202	87,889

common shares for the purpose of diluted earnings per share		

If Welldone Company has the option to pay employees in stock or cash, the calculation of diluted earnings per share assumes that employee compensation will be paid in stock and is included in the weighted-average number of common shares outstanding for the purpose of calculating diluted earnings per share when potential common shares have a dilutive effect. The dilutive effect of these potential common shares will continue to be considered in the calculation of diluted earnings per share prior to the issuance of employee compensation in the form of shares the following year.

XXVIII. Disposal of subsidiaries

Welldone Company disposed of partial stock rights of WELLTECH ENERGY in April 2022, decreasing its shareholding from 43.62% to 36.78%. As another sole shareholder's shareholding ratio is 50.12%, Welldone Company lost its right of control over the company.

Welldone Company disposed of all stock rights of Digital Idea and liquidated Green Easy Leasing in December 2021, so Welldone Company lost its right of control over these companies.

(I) Consideration received

	2022	2021	
	Disposal of WELLTECH ENERGY	Liquidation of Green Easy Leasing	Disposal of Digital Idea
Total consideration received	$ 39,750	$ 4,806	$ 93,063

(II) Analysis on out-of-control assets and liabilities

	2022	2021	
	Disposal of WELLTECH ENERGY	Liquidation of Green Easy Leasing	Disposal of Digital Idea
Current assets			
Cash and cash equivalents	$ 87,121	$ 4,430	$ 159,849
Net accounts receivable	210,748	-	4,908
Other receivables	434	-	94,905
Inventories	298,444	-	-
Prepayments	11,217	-	15,435
Other current assets	8,675	542	-
Financial assets at fair value through profit or loss	14,847	-	-

- current Other financial assets	68,005	-	1,599
Non-current assets			
Property, plant and equipment	56,457	-	-
Right-of-use assets	46,831	-	-
Intangible assets	1,760	-	2,164
Deferred tax assets	38,284	-	5,614
Prepayments	2,098	-	-
Guarantee deposits paid	3,000	-	1,081
Other non-current assets	2,777	-	-
Current liabilities			
Short-term borrowings	(224,601)	-	(52,200)
Notes payable and accounts payable	(141,909)	-	(3,019)
Other payables	(19,783)	-	(39,012)
Lease liabilities	(1,416)	-	-
Accounts collected in advance	(2,198)	-	-
Long-term borrowings due within one year or one operation period	(6,052)	-	-
Other current liabilities	9,447)	-	(15,132)
Net assets disposed	$ 445,292	$ 4,972	$ 176,192

(III) Profit from disposal of subsidiaries

	2022	2021	
	Disposal of WELLTECH ENERGY	Liquidation of Green Easy Leasing	Disposal of Digital Idea
Consideration received			
Gains on disposal of net assets	(445,292)	(4,972)	(176,192)
Non-controlling interest	251,073	166	111,993
Net assets of subsidiaries reclassified to accumulated exchange differences of profit or loss due to loss of control over subsidiaries	212,435	-	(2,203)
Capital reserve written off by net assets of subsidiaries due	-	-	1,690

to the loss of control over subsidiaries			
Gains on disposal	$ 57,966	$ -	$ 28,351

Recognized profit in 2022 included realized profit of $7,749,000 (disposal amount of $39,750,000 less the carrying amount of a disposed equity investment of $30,423,000 and accumulated exchange differences of $1,578,000), and unrealized profit $50,217,000 (fair value of 36.78% of retained equity investment minus it carrying amount).

Recognized realized profit in 2021 was $28,351,000 (disposal amount of $93,063,000 plus the written-off capital reserve of $1,690,000 minus the carrying amount of a disposed equity investment of $64,199,000 and accumulated exchange differences of $2,203,000).

(IV) Net cash outflow for disposal of subsidiaries

	2022	2021
	Disposal of WELLTECH ENERGY	Disposal of Digital Idea
Consideration received by cash or cash equivalent	$ 39,750	$ 93,063
Less: balance of cash and cash equivalents for disposal	(87,121)	(159,849)
	($ 47,371)	($ 66,786)

XXIX. Share-based payment agreement

Employee stock option plan of WELLTECH ENERGY INC.

WELLTECH ENERGY INC., with the approval of the Board of Directors, issued 876,000 shares and 1,445,000 shares of employee stock options on April 1, 2021 and July 7, 2020 respectively, and each unit was allowed to subscribe to one share of common stock. The stocks are vested to employees who meet specific requirements over the vesting period until 2025 and as of December 31, 2024, and certificate holders can exercise employee stock options vested at a specific proportion from one year from the date of issue. The exercise price of employee stock options is NT$10, and subject to adjustment in the prescribed formula in case of changes in common shares of WELLTECH ENERGY INC. after issuance of employee stock options.

Relevant information about employee stock options is as follows:

	Jan. 1, 2022 ~ Mar. 31, 2022 (Note)		2021	
Employ stock options	Unit (thousand)	Weighted average exercise price ($)	Unit (thousand)	Weighted average exercise price ($)
Employ stock options outstanding at the beginning of the period	1,422	$ 10	1,445	$ 10
Vested employ stock	-	-	876	10

options in the period				
Exercised employ stock options in the period	-	-	(899)	10
Employ stock options outstanding at the end of the period	1,422		1,422	
Exercisable employ stock options at the end of the period	1,422		1,422	
Weighted average fair value of vested employee stock options in the current period ($)	$ 0.0434		$ 0.0434	

Note: Welldone Company disposed of partial stock rights of WELLTECH ENERGY INC. and lost the right of control over the latter in April, 2022. As of the balance sheet date, relevant information about employee stock options outstanding is as follows:

December 31, 2021	
Range of exercise price ($)	Average remaining contractual period (year)
$ 10	2.5 3.25

WELLTECH ENERGY INC. used the Black-Scholes evaluation model for the employee stock options vested on April 1, 2021 and July 7, 2021, with the input values adopted as follows:

	April 1, 2021	July 7, 2020
Stock price on the vesting date	9.86	9.51
Exercise price	10.00	10.00
Expected fluctuation rate	38.51%	42.45%
Duration	3.75 years	3 years
Expected dividend rate	-	-
Risk-free interest rate	0.1871%	0.2478%

The expected fluctuation rate is based on the historical stock price volatility of Welldone Company over the past year. The recognized remuneration cost in 2021 was $38,000.

Employee stock option plan of Life Link Co., Ltd. (formerly known as Taiwan Digi-Com Co., Ltd.)

Life Link Co., Ltd. with the approval of the Board of Directors, issued 600 and 500 units of employee stock options on December 20, 2021 and October 30, 2020 respectively, and each unit was allowed to subscribe to 1,000 shares of common stocks. The stocks are vested to employees of Life Link Co., Ltd. who meet specific requirements over the vesting period until 2025 and as of December 31, 2024, and certificate holders can exercise employee stock options vested at a specific proportion from one year from the date of issue. The exercise price of employee stock options is NT$14.90 and NT$13.57 respectively, and subject to adjustment in the prescribed formula in case of changes in common shares of Life Link Co., Ltd. after the issuance of employee stock options.

Relevant information about employee stock options is as follows:

Employ stock options	2022 Unit	2022 Weighted average exercise price ($)	2021 Unit	2021 Weighted average exercise price ($)
Employ stock options outstanding at the beginning of the period	500	$ 13.57	500	$ 13.57
Vested employ stock options in the period	600	14.90	-	-
Exercised employ stock options in the period	(631)	12.85	-	-
Employ stock options outstanding at the end of the period	469		500	
Exercisable employ stock options at the end of the period	469		500	

As of the balance sheet date, relevant information about employee stock options outstanding was as follows:

December 31, 2022 Range of exercise price ($)	December 31, 2022 Average remaining contractual period (year)	December 31, 2021 Range of exercise price ($)	December 31, 2021 Average remaining contractual period (year)
$ 12.85 ~ 14.90	2 ~ 3	$ 13.57	3

XXX. <u>Equity transaction with non-controlling interest</u>

Welldone Company disposed of partial stock rights of WELLTECH ENERGY INC. in March 2021, and WELLTECH ENERGY INC. exercised the conversion from employee stock options to common stock valued at $8,990,000 in March 2021, decreasing its shareholding from 52.26% to 43.6%, and adjusting the changes in net equity value to the increase in the capital reserve by $23,223,000.

Digital Idea Multimedia Co., Ltd. distributed the employee dividends payable of $3,715,000 by way of common stock in June 2021, as a result, decreasing the shareholding of Welldone Company from 37.23% to 36.44%, and adjusting the changes in net equity value to decrease the capital reserve by $86,000.

Life Link Co., Ltd. (formerly known as Taiwan Digi-Com Co., Ltd.) exercised the conversion from employee stock options to common stock valued $1,505,000 and $4,805.000 respectively in January 2021 and November 2011, decreasing the shareholding of Welldone Company from 100% to 92.26% and adjusting the changes in net equity value to decrease the capital reserve by $2,467,000.

The above transactions were accounted for as equity transactions since there was no change in the control of Welldone Company over these subsidiaries.

Cash consideration received	$ -
Amount of changes in non-controlling interest of carrying amount of subsidiaries' net assets calculated based on changes in reciprocal interest	(2,467)
Equity transaction differences	($ 2,467)

	2021	
	WELLTECH	Digital Idea
Cash consideration received	$ 57,985	$ -
Amount of changes in non-controlling interest of carrying amount of subsidiaries' net assets calculated based on changes in reciprocal interest	(38,031)	(86)
Adjustments to other equity items attributable to shareholders of the company	-	
— Exchange differences on translation of foreign financial statements	-	
		-
Equity transaction differences	$ 23,223	($ 86)

XXXI. Capital risk management

The capital management policies of the consolidated company are established to safeguard its going-concern ability to provide its shareholders returns and other equity holders benefits as much as possible. To satisfy the aforementioned objectives, the consolidated company reviews its capital structures on a regular basis, considers the overall economic situation, current interest rates and adequacy of cash flows from operating activities, and adjusts its capital structure through paying dividends, issuing new shares or new bonds or redeeming existing bonds.

The consolidated company has no regulation on other external capital.

XXXII. Financial instruments

(I) Fair value information – financial instruments not measured at fair value

The carrying amount of the consolidated company's financial instruments not measured at fair value are financial assets measured at amortized cost, and management of the consolidated company believes that the carrying amounts of financial assets and liabilities not measured at fair value are approximate to their fair value, or their fair value cannot be measured reliably.

(II) Fair value information – financial instruments measured at fair value on a recurring basis

1. Levels of fair value

December 31, 2022

	Level 1	Level 2	Level 3	Total
Financial asset at fair value through profit				
Domestic listed stocks	$ 27,716	$ -	$ -	$ 27,716
Financial assets measured at fair value through other comprehensive income				
Investments in equity instruments				
Domestic unlisted stocks	$ -	$ -	$ 50,094	$ 50,094

December 31, 2022

	Level 1	Level 2	Level 3	Total
Financial asset at fair value through profit	$ 58,808	$ -	$ -	$ 58,808
Financial assets measured at fair value through other comprehensive income				
Investments in equity instruments				
Domestic unlisted stocks	$ -	$ -	$ 37,215	$ 37,215

There were no transfers between Level 1 and Level 2 fair value measurements in fiscal years of 2022 and 2021.

2. Adjustment of financial instruments measured at Level 3 fair value

2022

	Measured at fair value through profit or loss			Financial assets measured at fair value		
Financial assets	Derivative instruments	Equity instruments	Liability instruments	Equity instruments	Liability instruments	Total
Beginning balance	$ -	$ -	$ -	$37,215	$ -	$37,215
Purchase	-	-	-	35,000	-	35,000
Recognized in other comprehensive income (unrealized profit or loss of financial assets measured at fair value through other comprehensive income)	-	-	-	(7,274)	-	(7,274)
Disposal of subsidiaries	-	-	-	(14,847)		(14,847)
Ending balance	$ -	$ -	$ -	$50,094	$ -	$50,094
Other unrealized	$ -	$ -	$ -	$ -	$ -	$ -

profit or loss in the year						

2021

Financial assets	Measured at fair value through profit or loss			Financial assets measured at fair value		
	Derivative instruments	Equity instruments	Liability instruments	Equity instruments	Liability instruments	Total
Beginning balance	$ -	$ -	$ -	$35,069	$ -	$35,069
Purchase	-	-	-	(4,000)	-	(4,000)
Recognized in other comprehensive income (unrealized profit or loss of financial assets measured at fair value through other comprehensive income)	-	-	-	6,146)	-	6,146
Disposal of subsidiaries	-	-	-	(14,847)		(14,847)
Ending balance	$ -	$ -	$ -	$37,215	$ -	$37,215
Other unrealized profit or loss in the year	$ -	$ -	$ -	$ -	$ -	$ -

3. Level 3 fair value valuation techniques and inputs

The fair values of domestic unlisted stocks and funds are mainly evaluated by the asset approach and income approach.

The asset approach is to evaluate the fair value of net assets by reference to independent experts' evaluation of the net asset value measured at fair value, and the unobservable input used by the consolidated company in 2022 and on December 31, 2021 was the liquidity discount of 10%. The income approach calculates the expected present value of returns on investment held in the discounted cash flow.

(III) Type of financial instruments

Financial assets	December 31,2022	December 31, 2021
Measured at fair value through profit or loss - measured at fair value through profit for loss on a designated basis	$ 27,716	$ 58,808
Financial assets measured at fair value through	50,094	37,215

other comprehensive income - investments in equity instruments		
Financial assets measured at amortized cost (Note 1)	1,863,338	1,710,830
Financial liabilities		
Measured at amortized cost (Note 2)	1,580,506	1,514,278

Note 1: Balances include loans and accounts receivable, such as cash and cash equivalents, notes and accounts receivable, other receivables, other financial assets, and guaranteed deposits paid measured at amortized cost.

Note 2: Balances include financial liabilities measured at amortized cost, such as short-term borrowings, notes and accounts payable, other payables, guaranteed deposits received, and long-term bank loans which are due within one year or one business period.

(IV) Financial risk management objectives and policies

Major financial instruments of the consolidated company include cash and cash equivalents, notes receivable and accounts receivable, other receivables, other financial assets, guaranteed deposits received, short-term borrowings, notes payable and accounts payable, other payables, lease liabilities, long-term borrowings, and guaranteed deposits paid. The consolidated company's financial management department provides services to each business unit, coordinates access to domestic and international financial markets, and monitors and manages the financial risks associated with the consolidated company's operations through internal risk reporting that analyzes risk exposures based on the level and breadth of risk. These risks include market risk, credit risk, and liquidity risk.

The financial management department submits reports to management of the consolidated company on an irregular basis, and management monitors risks and executes risk policies as its duty to mitigate the effects of these risks.

1. Market risks

The main financial risks to which the consolidated company is exposed as a result of its operating activities are foreign currency exchange rate risks and interest rate risks.

(1) Exchange rate risks

Several subsidiaries of the consolidated company engage in foreign currency-denominated sales and import transactions, which expose the consolidated company to exchange rate risks. For exchange rate risk management, the consolidated company regularly inspects and adjusts as required the assets and liabilities affected by exchange rates to control risks arising from foreign exchange rate fluctuations.

Sensitivity analysis

The consolidated company is primarily affected by fluctuations in the USD exchange rate.

The following table details the sensitivity analysis of the consolidated company when NTD (the functional currency) strengthens or weakens by 5% against foreign currencies concerned. 5% is the sensitivity ratio used to report exchange rate risks to central management, and also represents the evaluation of the reasonable and possible range of changes in foreign exchange rates by management.

The sensitivity analysis includes only foreign currency items outstanding and adjusts the ending conversion at the exchange rate change by 5%. The range of sensitivity analysis includes the valuation not in the functional currency of the creditor or lender. A positive number in the table below represents the amount by which pre-tax income would increase if the NTD weakened by 5% relative to related foreign currencies; a negative number of the same amount would affect pre-tax income if the NTD strengthened by 5% relative to related foreign currencies.

Influences from USD	
2022	2021
$ 16,742 (i)	$ 23,823 (i)

(i) This was mainly due to the consolidated company's cash and cash equivalents denominated in USD, financial receivables, payables, and short-term borrowings outstanding as of the balance sheet date.

Management does not believe that the sensitivity analysis can represent inherent risks of exchange rates as the foreign currency risk exposure as of the balance sheet date does not reflect risk exposure during the year, and central management managed exchange rate risks based on the policies of the consolidated company.

(2) Interest rate risks

The consolidated company is exposed to the risk of interest rate changes due to its bank deposits and loans at floating interest rates. The consolidated company mitigates interest rate risks by maintaining an appropriate floating interest rate, and has not yet operated any instruments to hedge interest rate risks. Management of the consolidated company monitors interest rate risks regularly, and, as needed, takes necessary measures against significant interest rate risks to respond to risks arising from market interest rate changes.

Sensitivity analysis

The following sensitivity analysis is based on the exposure to the interest rate risk of non-derivative financial instruments as of the closing date of the financial reporting period.

The consolidated company reports reasonable risk evaluations of interest rate changes to management by strengthening or weakening by 5%. If other conditions remain unchanged and the capitalization of interest is not considered, the increase or decrease of the interest rate by 5% results in the decrease in profit of the consolidated company by $846,000 and $668,000 respectively in 2022 and 2021.

2. Credit risks

Credit risk refers to the risk of financial loss of the consolidated company resulting from the default of the counter-parties to the contracts. As of the balance sheet date, the consolidated company's maximum exposure to credit risk (without regard to collateral or other credit enhancement instruments, and irrevocable maximum exposure), which may result from counter-parties' default on their obligations and the consolidated company's provision of financial guarantees, is mainly due to:

(1) The carrying amount of financial assets recognized in the consolidated balance sheets.

(2) The amount that the consolidated company may be required to pay as a result of providing financial guarantees, regardless of the likelihood of occurrence.

The consolidated company's accounts receivable are from several enterprise customers which are non-related with each other, and it adopts the policy of trading with creditworthy objects to maintain the quality of accounts receivable, and evaluates financial positions and historical transactions on an ongoing basis. Therefore, the credit risks from expected accounts receivable are limited.

The maximum credit risk amount is the net amount of carrying amount of financial assets net the prescribed offset amount and recognized impairment loss (i.e., carrying amount of financial assets) regardless of collateral and other credit enhancement policies.

3. Liquidity risks

The consolidated company manages and maintains sufficient cash and cash equivalents to support operations of the group and mitigate the impact of cash flow fluctuations. The consolidated company's management monitors the use of banking facilities and ensures compliance with the terms of borrowing contracts. Bank loans are important liquidity sources for the consolidated company. As of 2022 and December 31, 2021, the banking facilities the consolidated company has not yet used are available in the Explanation section in the following (2) Banking Facilities.

(1) Liquidity and interest rate risk of non-derivative financial liabilities

The analysis of the remaining contractual maturities of non-derivative financial liabilities is prepared based on undiscounted cash flows (including principal and estimated interest) of financial liabilities based on the earliest possible date on which the consolidated company could be required to make repayment. Accordingly, the consolidated company's bank loans that are repayable on demand are listed in the table below at the earliest possible date, regardless of the probability that the bank will immediately enforce the right; the maturity analysis of other non-derivative financial liabilities is prepared based on the contractual repayment dates.

The undiscounted interest amount of interest cash flows paid at floating interest rates is derived from the curve of the yield rate as of the balance sheet date.

December 31, 2022

	Weighted average effective interest rate (%)	Within 1 year	1 to 5 years	Over 5 years	Total
Non-interest-bearing liabilities					
Notes and accounts payable	$ -	$37,278	$ -	$ -	$ 37,278
Other payables	-	137,461	-	-	137,461
Lease liabilities	-	1,408	929	-	2,337
Other current liabilities	-	121,284	-	-	121,284
Interest-bearing liabilities					
Short-term borrowings	1.45%~2.63%	1,404,481	-	-	1,404,481
		$ 1,701,912	$ 929	$ -	$ 1,702,841

December 31, 2021

Weighted average effective interest rate (%)	Within 1 year	1 to 5 years	Over 5 years	Total

Non-interest-bearing liabilities					
Notes and accounts payable	$ -	$177,678	$ -	$ -	$ 177,678
Other payables	-	118,611	-	-	118,611
Lease liabilities	-	1,566	428	-	1,994
Other current liabilities	-	94,780	-	-	94,780
Interest-bearing liabilities					
Short-term borrowings	1.45%~2.63%	1,207,243	-	-	1,207,243
Long-term borrowings	1.425%	9,460			9,460
		$ 1,609,338	$ 428	$ -	$ 1,609,766

(2) Banking facilities

	December 31, 2022	December 31, 2021
Bank loans		
	$ 1,022,519	$ 1,228,833

XXXIII. Transactions with related parties

Transactions, balances, profit and loss between Welldone Company and its subsidiaries (related parties of the consolidated company) have been all written off at the time of consolidation, so they are not disclosed in the Note. Transactions between the consolidated company and other related parties are as follows:

(I) Name of related parties and relationship

Related party	Relationship with the company
WELLTECH ENERGY INC.	Subsidiary (changed into an association since April, 2022)

(II) Operating transactions

Category of related party	December 31, 2022	December 31, 2021
Other receivables		
Associates	$ 222	$ -

(III) Other transactions with related party

1. Lease income

Category of related party	2022	2021
Associate		
WELLTECH ENERGY INC.	$ 1,072	$ -

Rentals of the aforementioned lease income with related parties were determined based on market prices of neighboring regions, and had no significant abnormalities.

2. Other income (recorded in other income - others)

Category of related party	2022	2021
Associate		
WELLTECH ENERGY INC.	$ 434	$ -

It was the management service income from the company's partial management services and counseling services and handling fee to associates.

(IV) Compensation of key management personnel

Category of related party	2022	2021
Short-term employee benefits	$ 63,876	$ 58,819
Post-employment benefits	667	730
	$ 64,543	$ 59,549

The remuneration of directors and other key management personnel is determined by the Remuneration Committee based on individual performance and market trends.

XXXIV. Assets pledged as collateral or for security

The following assets were pledged or mortgaged as collateral for financing loans:

	December 31, 2022	December 31, 2021
Pledged bank deposits	$ 10,988	$ 10,926
Contra account	16,313	95,423
Freehold land	165,719	165,719
Buildings	245,574	253,120
Investment property	46,055	46,900
Inventories	-	42,897
	$ 484,649	$ 614,985

XXXV. Significant or contingent liabilities and unrecognized commitments

(I) As of 2022 and December 31, 2021, the unused established letters of credit for the consolidated company were as follows, respectively:

	December 31, 2022	December 31, 2021
USD	$ 80	$ 62

(II) As of 2022 and December 31, 2021, the letters of guarantee issued for the consolidated company were as follows, respectively:

	December 31, 2022	December 31, 2021
Guarantee for bonded warehouse expenses	$ -	$ 1,500
Lease guarantee	739	1,031
Guarantee note for long-term borrowings	-	9,714
Guarantee note for short-term	100,000	100,000

borrowings			
Sales performance guarantee	100		100
Micro exchange service for foreign workers			
Performance bond	50,000	$	30,000

XXXVI. Other matters

(I) The domestic prepaid card business has not significantly affected by the global pandemic COVID-19; as of December 31, 2022, the consolidated company evaluated that COVID-19 has not had significant impact on its overall business and financials; on top of keeping eyes on subsequent development, the consolidated company constantly evaluates the possible impacts from going-concern ability, asset impairment and fundraising risks.

(II) The working capital for micro exchange service for foreign workers operated by Welldone Company beyond the financial regulatory sandbox on December 31, 2022 was as follows:

	December 31, 2022
Assets	$ 925,333
Other financial assets - current	
Other receivables	
Liabilities	
Short-term borrowings	(400,000)
Estimated expenses payable	(1,127)
Advances on sales	(117)
Agency fund	(116,837)
Working capital	$ 603,858

XXXVII. Significant assets and liabilities denominated in foreign currencies

The following information was aggregated by the foreign currencies other than the functional currencies of each company of the consolidated company and the exchange rates between such foreign currencies and the functional currencies were disclosed. The significant assets and liabilities denominated in foreign currencies were as follows:

Unit: in thousands of foreign currencies

December31,2022	Foreign currency	Functional currency	Exchange rate (Note)	Carrying amount
Financial assets				
Monetary items				
USD	$ 15,183	NTD	30.71	$ 466,270
Financial liabilities				
Monetary items				

USD	$ 4,280	NTD	30.71	$131,439

December 31, 2021	Foreign currency	Functional currency	Exchange rate (Note)	Carrying amount
Financial assets				
Monetary items				
USD	$ 24,074	NTD	27.68	$ 666,368
USD	15	CNY	27.68	415
	$ 24,089			$ 666,783
Financial liabilities				
Monetary items				
USD	$ 6,798	NTD	27.68	$ 188,169
	78		27.68	2,159
	$ 6,876			$ 190,328

Note: the exchange rate is the closing rate of NTD against foreign currencies per unit.

The foreign currency exchange profit of the consolidated company in 2022 was $56,547,000 (including realized exchange profit of $45,586,000 and unrealized exchange profit of $10,961,000); the foreign currency exchange loss was $10,324,000 in 2021 (including realized exchange loss of $8,773,000 and unrealized exchange loss of $1,551,000); due to a great variety of foreign currency transactions and functional currencies within the group, it is impossible to disclose exchange gains or losses by foreign currency with significant effect.

XXXVIII. Matters disclosed in the notes

(I) Information about significant transactions and

(II) Reinvestment:

1. Lending to other parties. (Table 1)
2. Guarantees and endorsements for other parties. (None)
3. Information regarding securities held at balance sheet date (excluding investment in subsidiaries, associates and joint ventures). (Table 2)
4. Individual securities acquired or disposed of with accumulated amount exceeding the lower of NTD 300 million or 20% of the Company's paid-in capital. (None)
5. Acquisition of individual real estate with amount exceeding the lower of NTD 300 million or 20% of the Company's issued capital. (None)
6. Disposal of individual real estate with amount exceeding the lower of NTD 300 million or 20% of the Company's issued capital. (None)
7. Related party transactions for purchases and sales with amounts exceeding the lower of NTD 100 million or 20% of the capital stock. (Table 3)
8. Receivables from related parties with amount exceeding the lower of NTD 100 million or 20% of the Company's paid-in capital. (None)
9. Derivative instruments transactions. (None)

10. Others: business relationships between the parent company and its subsidiaries and among the subsidiaries, and important transactions and amounts. (Table 6)
11. Information on investees. (Table 4)

(III) Information about investments in Mainland China: (Table 5).

1. Names of investee companies in Mainland China, their principal business items, paid-in capital, methods of investment, inward and outward remittance of funds, shareholding ratios, profit or loss on investments, carrying amounts of investments at the end of the period, repatriated profit or loss on investments, and sizes of investment in Mainland China areas.
2. Any of the following significant transactions with investee companies in Mainland China, either directly or indirectly through a third party, and their prices, payment terms, and unrealized gains or losses:
   (1) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period.
   (2) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period.
   (3) The amount of property transactions and the amount of the resultant gains or losses.
   (4) The balance of endorsements or pledges of collateral at the end of the period and their purposes.
   (5) The highest balance, ending balance, interest rate range, and gross interest in the current period with respect to financing of funds.
   (6) Other transactions that have significant effects on the profit or loss for the current period or on the financial position, such as the rendering or receipt of service, etc.

(IV) Information about major shareholders: names of shareholders with at least 5% ownership, and amounts and percentage of shared held by them. (Table 7)

XXXIX. <u>Departmental information</u>

Information provided to main operation decision makers for resource allocation or departmental performance assessment highlights types of products or service delivered or provided. The reportable departments of the consolidated company are as follows:

Communication Service Department - sales of mobile phone prepaid SIM cards, trading of Internet game point cards, foreign worker remittance, etc.

Other electronic component departments - manufacture and wholesales of batteries and electronic parts.

IC and other access departments - wholesales of photographic and communication apparatus.

Digital Content Department - phone pictures and ringtones, music games, and other mobile phone value-added services, foreign worker remittance, etc.

(I) Departmental revenue and operating results

The revenue and operating results of going-concern units of the consolidated company are analyzed by reportable department as follows:

	Department	Settlement date	Department	Profit or loss
	2022	2021	2022	2021
Communication Service Department	$ 1,462,731	$ 1,476,655	$ 99,598	$ 85,674
Other electronic component departments	242,861	973,919	7,749	37,468
IC and other access departments	763,202	402,426	53,074	12,995
Digital Content Department	-	123,984	-	34,745
Total of going-concern units	$ 2,468,794	$ 2,976,984	160,421	170,882
Interest income			2,227	1,035
Dividend revenue			8,985	4,566
Investment interests recognized using the equity method			24,072	4,744
Loss from disposal of property, plant and equipment			(638)	(65)
Foreign exchange profit or loss			56,547	(10,324)
Profits from disposal of partial stock rights of subsidiaries			57,966	28,351
Losses from disposal of investments accounted for by using the equity method			(1,063)	-
Profits from disposal of financial assets			262	2,514
(Loss) income from evaluation of financial assets.			(29,795)	16,445
Financial costs			(17,187)	(15,430)
Net profit before tax			$ 261,797	$ 202,718

The revenue reported above were generated from transactions with external customers. There was no interdepartmental sales in 2022 and 2021.

Departmental revenue refers to the profits earned by departments, excluding interest income, dividend revenue, profits from disposal of subsidiaries, profits (losses) on investments recognized using the equity method, net profit or loss on foreign currency exchange, profit or loss of financial assets, financial costs, profit or loss from disposal of property, land and equipment, profit or loss from disposal of investments, and income tax expenses. The measurement amounts are provided to main operation decision makers for resource allocation to departments and assessment of department performance.

(II) Departmental assets

	December 31, 2022	December 31, 2021
Departmental assets		
Communication Service Department	$ 2,687,384	$ 2,224,308
Other electronic component departments	-	623,460

IC and other access departments	365,081	184,780
Digital Content Department	-	-
Total departmental assets	$ 3,052,465	$ 3,032,548

For the purposes of monitoring departmental performance and allocating resources to departments, all the assets excluding financial assets, pension assets, and current and deferred tax assets should be apportioned to the reportable departments.

(III) Information by region

The details of non-current assets (excluding financial instruments, investments accounted for using the equity method, guaranteed deposits paid, deferred tax assets, and assets under the retirement method) of the consolidated company in a single foreign country as of 2022 and December 31, 2021 and the details of its income from a single foreign country in 2022 and 2021:

	Income from external customers		Non-current assets	
	2022	2021	December 31, 2022	December 31, 2021
Taiwan	$ 2,336,478	$ 2,402,387	$ 461,545	$ 481,468
Asia	132,316	574,432	-	101,606
America	-	165	-	-
Europe	-	-	-	-
Oceania	-	-	-	-
	$ 2,468,794	$ 2,976,984	$ 461,545	$ 583,074

(IV) Information about key accounts

Details of the consolidated company's customers who contributed to over 10% of the income to the income statements in 2022 and 2021 were as follows:

	2022		2021	
Customer X of Communication	Sales amount	%	Sales amount	%
Service Department	$ 390,049	16	$ 369,074	12

Table 1 Loaning of funds:

Unit: in thousands of New Taiwan Dollars

No	Lender	Borrower	Financial statement account	Related parties	Highest balance for the period (Note 3)	Ending balance (Note 4)	Actual borrowing amount	Interest rate range (%)	Nature of fund	Business transaction amount	Reasons for short-term financing	Allowance for bad debts	Collateral		Financing limit to each borrower	Aggregate financing limit
													Item	Value		
0	Welldone Company	Life Link Co., Ltd. (Formerly known as: Taiwan Digi-Com Co., Ltd.)	Other receivables - related parties	Yes	$ 120,000	$ -	$ -	2.03%	Short-term financing capital	$ -	Assist subsidiaries in operation	$ -	—	$ -	$ 136,683 (Note 1)	$ 273,366 (Note 2)

Note 1: For short-term financings, the financing limit to each borrower is 10% of net value of Welldone Company = Net value on September 30, 2022 $1,366,829,000 × 10% =136,683,000.

Note 2: For short-term financings, the aggregate financing limit is 20% of net value of Welldone Company = Net value on September 30, 2022 $1,366,829,000 × 20% = $273,366,000.

Note 3: The highest balance of loaning of funds.

Note 4: A public company shall still record the amount resolved by the Board of Directors in the balance of announcement to disclose the risks if it proposes loaning of funds to the Board of Directors for resolution in writing in accordance with Article 14-1 of Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies, even though the fund has not yet been allocated; only when the funds are repaid later, the balance after repayment shall be disclosed to reflect risk adjustment. If it authorizes the chairman with a certain amount and fractional disbursement on loan or circulating utilization within one year resolved by the Board of Directors in accordance with 14-2 of Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies, the public company shall still announce the balance based on the amount of loaning of funds approved by the Board of Directors; though the funds are paid later, the possibility of repeated disbursement is considered, so the public company shall still announce the balance based on the amount of loaning of funds approved by the Board of Directors.

Table 2 Marketable securities held at the end of the period:

Unit: in thousands of New Taiwan Dollars

Name of holder	Category and name of security	Relationship with the Company	Account title	Ending balance				Note
				Number of shares	Book value	Percentage of shares	Market value	
Welldone Company	Shares - ordinary share							
	EZSWAP NETWORKS TECHNOLOGY CO., LTD.	None	Non-current financial assets at FVOCI	2,300,000	$ -	13.53	$ -	
	Grand Fortune Capital Co., Ltd.	〃	〃	1,600,000	15,094	2.75	15,094	
	Hydroionic Technologies Co., Ltd.	〃	〃	500,000	5,000	1.41	5,000	
	RED SUNRISE CO., LTD.	〃	〃	1,200,000	30,000	8.60	30,000	
					$ 50,094		$ 50,094	
	PharmaEngine Inc.	〃	Financial assets measured at fair value through profit or loss - current	10,000	$ 1,250	0.01	$ 1,250	
	TAIWAN FERTILIZER CO., LTD.	〃	〃	5,000	268	-	268	
	Solid Year Co., Ltd.	〃	〃	18,000	720	0.03	720	
	Ritdisplay Corporation	〃	〃	710,000	24,282	0.95	24,282	
	NAK Sealing Technologies Corporation.	〃	〃	2,000	211	-	211	
	G-SHANK ENTERPRISE CO., LTD.	〃	〃	5,000	224	-	224	
	WAH LEE INDUSTRIAL CORP.	〃	〃	3,060	256	-	256	
	Thermaltake Technology Co., Ltd.	〃	〃	5,498	152	0.01	152	
	WALSIN LIHWA CORPORATION	〃	〃	2,000	94	-	94	
	INPAQ TECHNOLOGY CO., LTD.	〃	〃	5,000	259	-	259	
					$ 27,716		$ 27,716	

Table 3 Total purchases from or sales to related parties of re-invested business amounting to NT$100 million or over 20% of the paid-in capital:

Unit: in thousands of New Taiwan Dollars

Company of purchase (sales)	Counter-party	Relationships	Transaction details				Differences with general transactions in terms of transactions and reasons therefrom		Notes and accounts receivable (payable)		Note
			Purchase (sales)	Amount	Ratio to total purchase (sales) %	Credit period	Unit price	Credit period	Amount	Ratio to total notes and accounts receivable (payable) %	
Changzhou SOTAC	WELLTECH ENERGY INC.	The parent company	Sales	(226,280)	(99)	Monthly settlement 60 days	Average cost increased by about 1~5%	Monthly settlement 60 days	$ -	—	
WELLTECH ENERGY INC.	Changzhou SOTAC	The re-invested company of the company through 100% indirect shareholding	Purchase	226,280	21	Monthly settlement 60 days	—	—	—	—	

Table 4 Information about names of reinvested companies and their regions:

Name of the investor	Name of investee	Location	Major operations	Initial investment amount		Balance as of			Net income (losses) of the investee	Investment income (loss)	Note
				At the end of the current period	At the end of the previous period	Shares	Ratio of shares	Book value			
Welldone Company	WELLTECH ENERGY INC.	Taiwan	Manufacture and wholesales of batteries and electronic parts	$163,440	$224,700	11,626,929	29.98	$179,969	$ 62,223	$ 23,884	Subsidiary
	TD HITECH ENERGY INC.	Taiwan	Manufacture and wholesales of batteries and electronic parts	145,253	145,253	9,587,417	22.78	131,364	37,183	8,470	
	Life Link Co., Ltd. (formerly known as: Taiwan Digi-Com Co., Ltd.)	Taiwan	Retail and wholesales of photographic and telecommunication apparatus, food and cosmetics	40,333	40,333	7,912,185	92.26	139,966	46,905	45,729	

Table 5 Information about investments in Mainland China:

1. Names of investee companies in Mainland China, their principal business items, paid-in capital, methods of investment, inward and outward remittance of funds, shareholding ratios, profit or loss on investments, carrying amounts of investments at the end of the period, repatriated profit or loss on investments:

Investor company	Investee company in Mainland China	Principal business items	Paid-in capital	Method of investment	Accumulated outward remittance for investment from Taiwan at the beginning of the period	Investment amount remitted or recovered in the period		Accumulated outward remittance for investment from Taiwan at the end of the period	Profit or loss for the period of the investee company	Shareholding ratio of the company through direct or indirect investment	Profit or loss on investment for the period	Carrying amount of investments at the end of the period	Repatriated profit on investments as of the period	Note
						Remittance	Recovery							
WELLTECH ENERGY INC.	Shanghai Welldone Company	Investment holding	$165,543 (USD5,000)	Reinvestment in companies in Mainland China through a third-party company Hi-Tech	$51,551 (USD1,500)	$ - (USD-NTD thousand)	$ - (USD-NTD thousand)	$ 51,551 (USD1,500)	($897)	43.62	($391)	$14,568	$-	
WELLTECH ENERGY INC.	Changzhou SOTAC	Design and assembly of finished lithium battery products and manufacture and sales of battery module parts	438,913 (USD13,745)	Reinvestment in companies in Mainland China through a third-party company Global	150,858 (USD5,003)	- (USD-NTD thousand)	- (USD-NTD thousand)	150,858 (USD5,003)	(1,974)	43.62	(861)	26,352	-	

2. Upper limit on investment in Mainland China areas

Investor company	Accumulated investment from Taiwan in Mainland China as of the end of period	Investment amounts authorized by Investment Commission, MOEA	Upper limit on investment in Mainland China authorized by Investment Commission, MOEA
WELLTECH ENERGY INC.	$202,409 (USD6,503)	$202,409 (USD6,503)	The company's upper limit on investment in Mainland China is 60% of net value, so the prescribed upper limit is calculated as follows: $445,291,000 x 60% = $267,175,000

Note: the upper limit on investment in Mainland China authorized by Investment Commission, MOEA is the higher of 60% of the company's net value and $80 million.

3. Significant transactions with investee companies in Mainland China, either directly or indirectly through a third party

Investee company in Mainland China	Type of transaction	Purchases and sales		Price	Term of transaction		Notes and accounts receivable (payable)		Unrealized profit or loss	Note
		Amount	Percentage		Payment term	Comparison with general transactions	Amount	Percentage		
Changzhou SOTAC	Purchase	$ 226,280	21	Average costs increased by about 1%~5%	Monthly settlement 60 days	Average costs increased by about 1%~5%	$ -	-	($215)	-

4. Endorsements, guarantees or pledges of collateral for investee companies in Mainland China directly or indirectly through a third party: none.

5. Financings for investee companies in Mainland China directly or indirectly through a third party: none.

6. Other transactions with significant effect on profit or loss of the current period or financial positions: none.

7. Welldone Company disposed of partial stock rights of WELLTECH ENERGY INC. in April, 2022, decreasing its shareholding ratio from 43.62% to 36.78%. As another sole shareholder's shareholding ratio is 50.12%, so Welldone Company lost its right of control over the company, and above shows the information of the company before the consolidated company lost control over the company.

Table 6 Business relationships and important transactions between the parent company and its subsidiaries:

Unit: in thousands of New Taiwan Dollars

No. (Note 1)	Trader	Trading partner	Relationship with trader (Note 2)	Transaction details			
				Account	Amount	Terms of transaction	Ratio to consolidated total revenue or total assets (Note 3)
1	WELLTECH ENERGY INC.	Changzhou SOTAC	3	Operating cost	$ 226,280	Average costs increased by about 1~5%	9

Note 1: Transaction information between the parent company and subsidiaries shall be indicated on the numbering field with the number filling method below:

1. The parent company is numbered 0.
2. Subsidiaries are numbered from Arabic numeral 1 by company.

Note 2: There are three relationships with counter-party, and it is OK to just mark the category:

1. From parent company to subsidiary.
2. From subsidiary to parent company.
3. Between subsidiaries.

Note 3: The ratio of transaction amount to consolidated total revenue or total assets is calculated in the way of ending balance in the consolidated total assets if it is an asset liability, and in the way of interim accumulated amount in the consolidated total revenue if t is an item of profit or loss.

Note 4: Welldone Company disposed of partial stock rights of WELLTECH ENERGY INC. in April, 2022, decreasing its shareholding ratio from 43.62% to 36.78%. As another sole shareholder's shareholding ratio is 50.12%, so Welldone Company lost its right of control over the company, and above shows the information of the company before the consolidated company lost control over the company.

Table 7 Major Shareholders:

Shareholder's Name	Shareholding	
	Shares	Percentage
Xinlai Investment Co., Ltd. (Representative: Yu, Hui-Chin)	8,958,000	9.98%
Chen, Alexander	6,000,000	6.69%
Yu, Hui-Chin	5,212,000	5.81%
Chiang, Chih-Hao	4,617,000	5.14%

Note 1: The information on major shareholders in the Table is based on the last business day of the quarter in which the shareholders held 5% or more of the company's total common and preferred stocks that have been delivered (including treasury stock) without physical registration. The share capital in the consolidated financial statements of the consolidated company may differ from the actual number of shares delivered without physical registration due to differences in the basis of computation.

XI. Individual Financial Statements for the Most Recent Fiscal Year

Stock Code: 6170

Welldone Company

Financial Statements and Independent Auditors' Report December 31, 2022 and 2021

Address: No. 181, Anmei St., Neihu Dist., Taipei City, Taiwan (R.O.C.)
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Independent Auditors' Report

To Welldone Company:

Opinion

We have audited the financial statements of Welldone Company ("the Company"), which comprise the balance sheets as of December 31, 2022 and 2021, and the statements of comprehensive income, changes in equity and cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of 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 the 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 Financial Statements section of our report. We are independent of the Company in accordance with the Norm of Professional Ethics for Certified Public Account of Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

The key audit matters aiming at the Welldone Company's 2022 individual financial report are as follows:

Recognition of sales revenue

According to Note 4 of the individual financial report and summary of significant accounting policies (12), the revenue of the Company shall be recognized when obligations are fully performed. Meanwhile, the biggest customer of Welldone Company is a major source of operation revenue and the credit condition granted is also more favorable than other customers. Therefore, we consider the recognition of such revenues as having a significant effect on the Company's operation and recognition of such revenue shall constitute a key audit matter. Aiming at preceding risks corresponding to such customer, the audit procedures were implemented as follows:

1. We recognized the major design of the internal control system for revenue flow of the Corporation and implemented relevant control tests.
2. We selected revenue samples aiming at preceding sales customers, and reviewed and checked the certificates and shipping documents for the revenue recognized to confirm if the revenue is recognized properly.
3. We implemented payment tests aiming at the preceding revenue samples selected.

Responsibilities of Management and Those Charged with Governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the IFRSs, IASs, IFRC, SIC endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines as necessary to ensure the preparation of financial statements is free from material misstatement, whether due to fraud or error.

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

1. Identify and assess the risks of material misstatement of the 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 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of the investment in other entities accounted for using the equity method to express an opinion on these 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 financial statements of the current period and are therefore key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure of 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.

Deloitte Touche

Independent Auditor Chiu, Yung-Ming

邱鏞銘

Approval number of the Financial Supervisory Commission
Chin-Kuan-Cheng-Shen-Tzu No. 1100356048

Independent Auditor Liu, Shu-Lin

劉書林

Approval number of the Financial Supervisory Commission
Chin-Kuan-Cheng-Shen-Tzu No. 1050024633

March 24, 2023

Welldone Company
Balance Sheets
December 31, 2022 and 2021

Unit: NT$ Thousands

Code	Assets	December 31, 2022 Amount	%	December 31, 2021 Amount	%
	Current assets				
1100	Cash and cash equivalents (Note 4 & 6)	$ 418,528	14	$ 155,928	7
1110	Current financial assets at fair value through profit or loss (Note 4 & 7)	27,716	1	58,808	3
1150	Notes receivable, net (Note 4 & 10)	22,682	1	28,165	1
1170	Accounts receivable, net (Note 4 & 10)	5,180	-	3,663	-
1200	Other receivables (Note 4 & 10)	254,513	9	294,418	13
1210	Other receivables — related parties (Note 4 & 28)	1,019	-	1,820	-
130X	Current inventories (Note 4 & 11)	245,224	8	196,664	8
1476	Other current financial assets (Note 4, 9 & 29)	936,324	32	652,899	28
1479	Other current assets, others	30,815	1	11,725	-
11XX	Total current assets	1,942,001	66	1,404,090	60
	Non-current assets				
1517	Non-current financial assets at fair value through other comprehensive income (Note 4 & 8)	50,094	2	22,279	1
1550	Investments accounted for using equity method (Note 4 & 12)	451,299	15	410,059	18
1600	Property, plant and equipment (Note 4, 13 & 29)	296,494	10	256,395	11
1755	Right-of-use assets (Note 4 & 14)	2,239	-	1,315	-
1760	Investment property, net (Note 4, 15 & 29)	162,496	6	211,492	9
1840	Deferred tax assets (Note 4 & 23)	31,444	1	29,124	1
1920	Guarantee deposits paid (Note 4)	1,407	-	1,585	-
15XX	Total non-current assets	995,473	34	932,249	40
1XXX	Total assets	$ 2,937,474	100	$ 2,336,339	100
Code	Liabilities and equity				
	Current liabilities				
2100	Current borrowings (Note 16 & 29)	$ 1,295,000	44	$ 840,000	36
2150	Notes payable and Accounts payable (Note 17)	1,209	-	1,991	-
2200	Other payables (Note 18 & 28)	75,241	3	63,506	3
2230	Current tax liabilities (Note 4 & 23)	9,685	-	4,052	-
2280	Current lease liabilities (Note 4 & 14)	1,318	-	961	-
2399	Other current liabilities (Note 10)	119,398	4	77,362	3
21XX	Total current liabilities	1,501,851	51	987,872	42
	Non-current liabilities				
2570	Deferred tax liabilities (Note 4 & 23)	11,105	-	14,279	1
2580	Non-current lease liabilities (Note 4 & 14)	929	-	338	-
2640	Net defined benefit liability, non-current (Note 4 & 19)	25,896	1	26,477	1
2645	Refundable deposit	1,286	-	1,286	-
25XX	Total non-current liabilities	39,216	1	42,380	2
2XXX	Total liabilities	1,541,067	52	1,030,252	44
	Equity (Note 4 & 20)				
	Share capital				
3110	Ordinary share	896,701	30	896,701	38
3200	Total capital surplus	165,705	6	168,172	7
	Retained earnings				
3310	Legal reserve	66,887	3	51,837	2
3320	Special reserve	95,393	3	95,393	4
3350	Unappropriated retained earnings	239,808	8	155,433	7
3300	Total retained earnings	402,088	14	302,663	13
3400	Other equity interest	(31,488)	(1)	(24,850)	(1)
3500	Treasury stocks	(36,599)	(1)	(36,599)	(1)
3XXX	Total equity	1,396,407	48	1,306,087	56
	Total liabilities and equity	$ 2,937,474	100	$ 2,336,339	100

The accompanying notes are integral part of this individual financial report.

Chairman: Chen, Tun-Jen President: Ho, Ming-Che Chief Accountant: Chen-Ju Chu

Welldone Company
Statements of Comprehensive Income
For the years ended December 31, 2022 and 2021

Unit: NT$ Thousands
EPS is in dollar

Code		2022 Amount	2022 %	2021 Amount	2021 %
4000	Operating revenue (Note 4 &21)	$ 1,462,731	100	$ 1,476,657	100
5000	Operating costs (Note 11)	1,108,891	76	1,178,444	80
5900	Gross profit from operations	353,840	24	298,213	20
	Operating expenses (Note 4, 22 & 28)				
6100	Selling expenses	149,119	10	120,008	8
6200	Administrative expenses	116,142	8	100,238	7
6450	Expected gain on reverse of credit (Note 10)	(103)	-	-	-
6000	Total operating expenses	265,158	18	220,246	15
6900	Net operating income	88,682	6	77,967	5
	Non-operating income and expenses (Note 4, 12, 22 & 28)				
7100	Interest revenue	2,421	-	811	-
7010	Other revenue	24,967	2	21,942	2
7020	Other gains and losses	60,817	4	27,852	2
7050	Finance costs	(13,134)	(1)	(9,013)	(1)
7070	Share of profit of associates and joint ventures accounted for using equity method	78,083	5	51,512	4
7000	Total non-operating income and expenses	153,154	10	93,104	7
7900	Net earnings before tax	241,836	16	171,071	12
7950	Total tax expense (Note 4 & 23)	(3,960)	-	(8,947)	(1)
8200	Profit	237,876	16	162,124	11

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Code		2022 Amount	2022 %	2021 Amount	2021 %
	Other comprehensive income				
8310	Components of other comprehensive income that will not be reclassified to profit or loss				
8311	Gains (losses) on remeasurements of defined benefit plans (Note 4 & 19)	$ 1,231	-	($ 1,632)	-
8316	Unrealised gains (losses) from investments in equity instruments measured at fair value through other comprehensive income (Note 4 & 20)	(7,185)	-	6,208	-
8330	Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss (Note 4, 12 & 20)	(1,863)	-	121	-
8360	Components of other comprehensive income that will be reclassified to profit or loss				
8361	Exchange differences on translation (Note 4 & 20)	766	-	(1,875)	-
8300	Total other comprehensive income	(7,051)	-	2,822	-
8500	Total comprehensive income	$ 230,825	16	$ 164,946	11
	Earnings per share (Note 24)				
	From continuing operations				
9710	Basic	$ 2.73		$ 1.86	
9810	Diluted	$ 2.70		$ 1.84	

The accompanying notes are integral part of this individual financial report.

Chairman: Chen, Tun-Jen President: Ho, Ming-Che Chief Accountant: Chen-Ju Chu

Welldone Company

Statements of Changes in Equity

For the years ended December 31, 2022 and 2021

Unit: NT$ Thousands

				Retained Earnings			Other Equity Interest			
Code		Ordinary Share	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Retained Earnings	Exchange Differences on Translation of Foreign Financial Statements	Unrealized Gains (Losses) on Financial Assets Measured at Fair Value Through Other Comprehensive Income	Treasury stocks	Total Equity
A1	Equity at beginning of period (2021/1/1)	$ 896,701	$ 146,716	$ 38,110	$ 95,393	$ 140,820	($ 5,309)	($ 32,917)	($ 36,599)	$ 1,242,915
	Appropriation and distribution of retained earnings in 2020									
B1	Legal reserve appropriated	-	-	13,727	-	(13,727)	-	-	-	-
B5	Cash dividends of ordinary share	-	-	-	-	(122,164)	-	-	-	(122,164)
M3	Disposal of subsidiaries or investments		(1,690)							
M5	Difference between consideration and carrying amount of subsidiaries acquired or disposed	-	23,243	-	-	-	(3,269)	-	-	19,974
M7	Changes in ownership interests in subsidiaries	-	(106)	-	-	-	-	-	-	(106)
Q1	Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	(9,988)	-	9,988	-	-
N1	Share-based payments	-	9	-	-	-	-	-	-	9
D1	2021 Profit (loss)	-	-	-	-	162,124	-	-	-	162,124
D3	Other comprehensive income (2021)	-	-	-	-	(1,632)	(1,875)	6,329	-	2,822
Z1	Equity at end of period (2021/12/31)	896,701	168,172	51,837	95,393	155,433	(8,250)	(16,600)	(36,599)	1,306,087
	Appropriation and distribution of retained earnings in 2021									
B1	Legal reserve appropriated	-	-	15,050	-	(15,050)	-	-	-	-
B5	Cash dividends of ordinary share	-	-	-	-	(139,616)	-	-	-	(139,616)
M5	Difference between consideration and carrying amount of subsidiaries acquired or disposed	-	-	-	-	(66)	1,578	66	-	1,578
M7	Changes in ownership interests in subsidiaries	-	(2,467)	-	-	-	-	-	-	(2,467)
D1	2022 Profit (loss)	-	-	-	-	237,876	-	-	-	237,876
D3	Other comprehensive income (2022)	-	-	-	-	1,231	766	(9,048)	-	(7,051)
Z1	Equity at end of period (2022/12/31)	**$ 896,701**	**$ 165,705**	**$ 66,887**	**$ 95,393**	**$ 239,808**	**($ 5,906)**	**($ 25,582)**	**($ 36,599)**	**$ 1,396,407**

The accompanying notes are integral part of this individual financial report.

Chairman: Chen, Tun-Jen President: Ho, Ming-Che Chief Accountant: Chu, Chen-Ju

Welldone Company

Statements of Cash Flows

For the years ended December 31, 2022 and 2021

Unit: NT$ Thousands

Code		2022	2021
	Cash flows from (used in) operating activities, indirect method		
A10000	Profit (loss) before tax	$ 241,836	$ 171,071
A20010	Total adjustments to reconcile profit (loss)		
A20100	Depreciation expense (including investment properties and right-of-use assets)	11,740	11,804
A20300	Expected credit loss (gain) / Provision (reversal of provision) for bad debt expense	(103)	-
A20400	Net loss (gain) on financial assets or liabilities at fair value through profit or loss	29,533	(18,959)
A20900	Interest expense	13,134	9,013
A21200	Interest revenue	(2,421)	(811)
A21300	Dividend income	(8,985)	(4,566)
A22400	Share of profit (loss) of associates and joint ventures accounted for using equity method	(78,083)	(51,512)
A23200	Loss (gain) on disposal of investments accounted for using equity method	(56,903)	(28,351)
A30000	Total changes in operating assets and liabilities		
A31130	Decrease (increase) in notes receivable	5,483	6,574
A31150	Decrease (increase) in accounts receivable	(1,414)	230
A31180	Decrease (increase) in other receivables	15,706	(78,450)
A31200	Adjustments for decrease (increase) in inventories	(48,560)	38,862
A31240	Adjustments for decrease (increase) in other current assets	(19,090)	2,972
A32150	Increase (decrease) in accounts payable	(782)	(389)
A32180	Increase (decrease) in other payable	11,309	11,985
A32230	Adjustments for increase (decrease) in other current liabilities	42,036	151
A32240	Increase (decrease) in net defined benefit liability	650	293
A33000	Cash inflow (outflow) generated from operations	155,086	69,917
A33100	Interest received	2,421	811
A33300	Interest paid	12,708)	(8,965)
A33500	Income taxes refund (paid)	(3,821)	(1,955)
AAAA	Net cash flows from (used in) operating activities	140,978	59,808

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Code		2022	2021
	Cash flows from (used in) investing activities		
B00010	Acquisition of financial assets at fair value through other comprehensive income	($ 35,000)	$ -
B00100	Acquisition of financial assets at fair value through profit or loss	(364)	(55,451)
B00200	Proceeds from disposal of financial assets at fair value through profit or loss	1,923	18,117
B00030	Proceeds from capital reduction of financial assets at fair value through other comprehensive income	-	4,000
B02300	Proceeds from disposal of subsidiaries	39,750	93,063
B01900	Proceeds from disposal of investments accounted for using equity method	39,615	48,994
B02700	Acquisition of property, plant and equipment	(879)	(3,320)
B03700	Decrease in refundable deposits	178	310
B04100	Decrease (increase) in other receivables	25,000	25,000
B06500	Increase in other financial assets	(283,425)	(363,979)
B07600	Dividends received	21,380	15,245
BBBB	Net cash flows from (used in) investing activities	(191,822)	(218,021)
	Cash flows from (used in) financing activities		
C00100	Increase in short-term loans	455,000	230,000
C01700	Repayments of long-term debt	-	(44,381)
C04020	Payments of lease liabilities	(1,940)	(2,732)
C04500	Cash dividends paid	(139,616)	(122,164)
CCCC	Net cash flows from (used in) financing activities	313,444	60,723
EEEE	Net increase (decrease) in cash and cash equivalents	262,600	(97,490)
E00100	Cash and cash equivalents at beginning of period	155,928	253,418
E00200	Cash and cash equivalents at end of period	$ 418,528	$ 155,928

The accompanying notes are integral part of this individual financial report.

Chairman: Chen, Tun-Jen President: Ho, Ming-Che Chief Accountant: Chen-Ju

Welldone Company

Notes to the Financial Statements

For the years ended December 31, 2022 and 2021

(Expressed in thousands of NEW TAIWAN DOLLARS, unless otherwise specified)

I. Company History

Welldone Company was founded on Aug 19, 1977, and specializes in sales of OK pre-paid SIM cards and internet game point cards, telecommunication micro payment services, and remittance services for foreign workers.

The issuance of the Welldone's stocks was approved by the Taipei Exchange and the stocks were listed on the Emerging Stock Board on April 16, 2002.

Welldone Company was approved by the Financial Supervisory Commission (FSC) on Oct 20, 2021 to obtain a license for operating micro exchange services for foreign workers.

The financial statements are presented in New Taiwan dollars, the functional currency of the Corporation.

II. Approval Date and Procedures of the Financial Statements

The financial statements were authorized for issuance by the Board of Directors on March 24, 2023.

III. New Standards, Amendments and Interpretations Adopted

(I) Initial application of the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), Interpretations of the IFRIC and Interpretation Announcements of the SIC ("IFRSs") endorsed and issued into effect by the FSC
The application of the IFRSs recognized and issued into effect by the FSC did not result in significant changes in accounting policies of the Corporation.

(II) Applicable IFRSs endorsed by the FSC for application in 2023.

New standards/amended standards/amendment rules and interpretations	Effective date of IASB
Amendments to IAS 1 "Disclosure of Accounting Policies"	January 1, 2023 (Note 1)
Amendments to IAS 8 "Definition of Accounting Estimates"	January 1, 2023 (Note 2)

Amendments to IAS 12 “Deferred Tax related to Assets and Liabilities arising from a Single Transaction”	January 1, 2023 (Note 3)

Note 1 The Company shall apply these amendments for annual reporting beginning on or after January 1, 2023.

Note 2 The amendments apply to changes in accounting estimates and policies that occur in annual reporting periods beginning on or after January 1, 2023.

Note 3 The amendments apply to all transactions after January 1, 2022 except for the recognition of deferred tax for the temporary differences of lease and decommissioning obligations on January 1, 2022.

As of the date the individual financial statements were authorized for issue, the Corporation has evaluated that the aforementioned amendments to standards and interpretations have no significant impact on their financial position or performance.

(III) The IFRSs issued by the IASB but not yet endorsed and issued into effect by the FSC.

New standards/amended standards/amendment rules and interpretations	Effective date per IASB (Note 1)
Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets Between an Investor and Its Associate or Joint Venture"	To be confirmed
IFRS16 "Requirements for Sale and Leaseback Transactions"	January 1, 2024 (Note 2)
IFRS 17 "Insurance Contracts"	January 1, 2023
Amendments to IFRS 17	January 1, 2023
Amendments to IFRS 17 "Initial Application of IFRS 17 and IFRS 9 – Comparative Information"	January 1, 2023
Amendments to IAS 1 "Classification of Liabilities as Current or Non-current"	January 1, 2024
Amendments to IAS 1 "Non-current Liabilities with Covenants"	January 1, 2024

Note 1 Unless otherwise specified, the aforementioned new standards/amended standards/amendment rules or interpretations are effective for annual reporting periods beginning on or after their respective effective dates.

Note 2 A seller-lessee applies the amendments retrospectively in accordance with IFRS 16 "Sale and Leaseback Transactions" entered into after the date of initial application.

As of the date the individual financial statements were authorized for issue, the Corporation is continuously evaluating the impact of the aforementioned amendments to the standards and interpretations on their financial position or performance, and will disclose relevant impact when the evaluation is completed.

IV. Summary of Significant Accounting Policies

(I) Statement of compliance

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

(II) Basis of preparation

The financial statements have been prepared on a historical cost basis, except for financial instruments that are measured at fair value and net defined benefit liabilities recognized at the present value of the defined benefit obligation less the fair value of plan assets:

The fair value measurements are grouped into Levels 1 to Tier 3 based on the degree to which the fair value measurement inputs are observable and on the significance of the inputs to the fair value measurements:

1. Level-1 input values: quoted prices (unadjusted) in active markets for identical assets or liabilities on the measurement date.
2. Level-2 input values: inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
3. Level-3 input values: unobservable inputs for an asset or liability.

When preparing its financial statements, the Corporation used the equity method to account for its investments in subsidiaries and associates. In order for the amounts of the net profit for the year, other comprehensive income for the year and total equity in its financial statements to be the same as the amounts attributable to the owners of the Corporation in its individual financial statements, adjustments arising from the differences in accounting treatments between the parent company only basis and the individual basis were made to investments accounted for by using the equity method, share of profit or loss of subsidiaries and associates, share of other comprehensive income of subsidiaries and associates and related equity items, as appropriate, in these financial statements.

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

Current assets include:

1. It is held primarily for the purpose of trading;
2. It is due to be settled within twelve months after the balance sheet date; and

3. The asset is cash or a cash equivalent unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the balance sheet date.

Current liabilities include:

1. It is held primarily for the purpose of trading;
2. It is due to be settled within twelve months after the balance sheet date; and
3. The Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the balance sheet date.

Assets and liabilities which are not the aforementioned current assets or liabilities are classified as non-current assets or liabilities.

(IV) Foreign currencies

In preparing the Corporation's financial statements, transactions in currencies other than the Corporation's functional currency (i.e., foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions.

At the end of each balance sheet date, monetary items denominated in foreign currency are re-exchanged at the closing rates. Exchange differences for monetary items arising from settlement or exchange are recognized in the profit or loss in the period in which they arise.

Non-monetary items measured at fair value are exchange at the rate prevailing on the date the fair value was determined, and exchange differences arising therefrom are included in the profit or loss for the period, except for changes in fair value that are recognized in other comprehensive income; in which case, exchange differences are also recognized in other comprehensive income.

Non-monetary items that are measured at a historical cost in a foreign currency are exchange at the exchange rate on the date of the transaction, and are not recalculated.

In the preparation of individual financial reports, the assets and liabilities of foreign operating institutions ((including subsidiaries and associates in other countries that use currencies that are different from the currency of the Corporation)) are converted into NTD at the exchange rate on the date of each balance sheet. Income and expense loss items are converted at the average exchange rate for the period and the resulting exchange difference is recognized as other comprehensive income.

In relation to a partial disposal of a subsidiary that does not result in the Corporation losing control over the subsidiary, the proportionate share of accumulated exchange differences is included in the calculations involved in the equity-method transaction but is not recognized in profit or loss. For all other partial disposals, the proportionate share of the accumulated exchange differences recognized in other comprehensive income is reclassified to profit or loss.

(V) Inventories

Inventory is commodity inventory and work in process and are stated at the lower of cost or net realizable value. Inventory write-downs are made by item, except where it may be appropriate to group similar or related items. The net realizable value is the estimated selling price of inventories less all estimated costs of completion and costs necessary to make the sale. Inventories are recorded at the weighted-average cost on the end of reporting period.

(VI) Investment in subsidiaries

The Corporation uses the equity method to account for its investments in subsidiaries.

A subsidiary is an entity that is controlled by the Corporation.

Under the equity method, investments in a subsidiary are initially recognized at cost and adjusted thereafter to recognize the Corporation's share of the profit or loss and other comprehensive income of the subsidiary. The Corporation also recognizes the changes in the Corporation's share of the equity of its subsidiaries.

Changes in the Corporation's ownership interest in a subsidiary that do not result in the Corporation losing control of the subsidiary are equity transactions. The Corporation recognizes directly in equity any difference between the carrying amount of such investments and the fair value of the consideration paid or received.

When the Corporation's share of losses of a subsidiary exceeds its interest in that subsidiary (which includes any carrying amount of the investment accounted for by using the equity method and long-term interests that, in substance, form part of the Corporation's net investment in the subsidiary), the Corporation continues recognizing its share of further losses.

Any excess of the cost of an acquisition over the Corporation's share of the net fair value of the identifiable assets and liabilities of a subsidiary at the date of acquisition is recognized as goodwill, which is included within the carrying amount of the investment and is not amortized. Any excess of the Corporation's share of the net fair value of the identifiable assets and liabilities over the cost of the acquisition is recognized immediately in profit or loss.

The Corporation assesses its investments for any impairment by comparing the respective carrying amounts with the estimated recoverable amounts as assessed based on the entire financial statements of its investee companies. Impairment loss is recognized when the carrying amount of any such investment exceeds the recoverable amount. If the recoverable amount of an investment subsequently increases, the Corporation recognizes a reversal of the impairment loss; the adjusted post-reversal carrying amount should not exceed the carrying amount that would have been recognized (net of amortization or depreciation) had no impairment loss been recognized in prior years. An impairment loss recognized on goodwill cannot be reversed in a subsequent period.

When the Corporation loses control of a subsidiary, it recognizes the investment retained in the former subsidiary at its fair value at the date when control is lost. The difference between the fair value of the retained investment plus any consideration received and the carrying amount of the previous investment at the date when control is lost is recognized as a gain or loss in profit or loss. Besides, the Corporation accounts for all amounts previously recognized in other comprehensive income in relation to that subsidiary on the same basis as would be required if the Corporation had directly disposed of the related assets or liabilities.

Profits or losses resulting from downstream transactions are eliminated in full only in the Corporation's parent company only financial statements. Profits and losses resulting from upstream transactions and transactions between subsidiaries are recognized only in the Corporation's financial statements only to the extent of interests in the subsidiaries that are not related to the Corporation.

(VII) Investments in associates and joint ventures

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

The Corporation uses the equity method to account for its investments in associates.

Under the equity method, the original investment in associates is recognized at cost, and the carrying amount of the investment after the acquisition date increases or decreases in accordance with the Corporation's share of earnings and other comprehensive income of associates and profit distribution. In addition, changes in equity interests of associates are recognized in proportion to shareholding.

The amount that acquisition costs outnumbers the net fair value of recognizable assets and liabilities of the associates possessed by the Corporation on the acquisition date are recognized as goodwill; goodwill is included in the carrying amount of the investment and may not be amortized. The amount that acquisition costs outnumbers the net fair value of recognizable assets and liabilities of the associates possessed by the Corporation on the acquisition date is recognized in the profit or loss for the period.

When the Corporation fails to subscribe new shares of an associate in proportion to shareholding, resulting in changes in shareholding ratios and further increases or decreases in net invested equity value, the adjusted capital surplus for the increase or decrease is recognized in the changes in net equity value of an associate and investment in the equity method. If the Corporation’s ownership interest of an associate is reduced due to its failure of subscription for or acquisition of new shares of the associate, the pro-rated reduced amount previously recognized in other comprehensive income in relation to the associate is reclassified on the same accounting treatment basis as would be required for direct disposal of related assets or liabilities by the associate; when the preceding adjustment is debited to capital surplus, but the capital surplus recognized from investments accounted for by the equity method is insufficient, the shortage is debited to retained earnings.

When the Corporation's share of loss in an associate equals or exceeds its interest in the associate (including the carrying amount of its investment in the associate under the equity method, and other long-term interests that are substantially part of the Corporation's net investment in the associate), further loss recognition shall be ceased. Additional losses or liabilities are recognized by the Corporation only to the extent of legal obligations, constructive obligations, or payment on behalf of the associate.

In an impairment assessment, the Corporation regards the overall carrying amount of investments (including goodwill) as single assets, and compares the recoverable amount with the carrying amount for the impairment test; recognized impairment loss is not amortized to any assets of the carrying amount of investments. Any reversal of impairment loss is recognized to the extent of the subsequent increase in the recoverable amount of investments.

The Corporation stops adopting the equity method from the date it stops investing in an associate, and its retained interest in the associate is measured at fair value; the difference between the fair value and disposal proceeds and the carrying amount of investment on the date the equity method is not adopted are recognized in the profit or loss for the period. Additionally, all amounts recognized in other comprehensive income in relation to the associate are on the same accounting treatment basis as would be required for the direct disposal of related assets or liabilities by the associate. If an investment in an associate becomes an investment in a joint venture, or an investment in a joint venture becomes an investment in an associate, the Corporation shall keep adopting the equity method and will not re-measure the retained interest.

Gains or losses resulting from upstream, downstream, and side-stream transactions with associates are recognized in the Corporation’ financial statements only to the extent that they are not related to the Corporation’s interest in the associates.

(VIII) Property, plant, and equipment

Property, plants, and equipment are initially measured at cost and subsequently measured at cost less accumulated depreciation and accumulated impairment loss.

The depreciation of property, plants, and equipment is recognized using the straight-line method, and each significant part is depreciated separately. The Corporation reviews the estimated useful lifespan, residual values, and depreciation methods at least at the end of every year, and defers impacts from changes in applicable accounting estimates.

When de-recognizing a property, plant, or equipment item, the difference between the net disposal proceeds and the carrying amount of the asset is recognized in the profit or loss.

(IX) Investment property

Investment property is property held either to earn Rental revenue, for capital appreciation, or both. Investment property also includes Self-owned land, the future purpose of which has not been decided as of the current date.

Investment property is initially measured at cost (including transaction cost), and subsequently measured at cost less accumulated depreciation and accumulated impairment loss. The depreciation of investment property is recognized using the straight-line method.

Investment property is property, plant, or equipment re-categorized at the carrying amount beginning on the self-use date.

Assets of property, plants, and equipment are recognized in investment property at the carrying amount when they are completed and ready for self-use.

When de-recognizing an investment property item, the difference between the net disposal proceeds and the carrying amount of the asset is recognized in the profit or loss.

(X) Impairment of property, plant and equipment and right-of-use assets

The Corporation assesses on each balance sheet date whether there is any indication that property, plants, or equipment, right-of-use assets may be impaired. If any indication of impairment exists, the recoverable amount of the asset is estimated. If the recoverable amount of an individual asset cannot be estimated, the Corporation estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The recoverable amount is the higher of fair value less costs to sell and value in use. If the recoverable amount of an individual asset or cash-generating unit is less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount, and the impairment loss is recognized in the profit or loss.

When the impairment loss is subsequently reversed, the carrying amount of the asset or cash-generating unit is increased to the revised recoverable amount, provided that the increased carrying amount does not exceed the carrying amount (net of amortization or depreciation) that would have been determined had the impairment loss not been recognized in previous years. Reversal of impairment loss is recognized in the profit or loss.

(XI) Financial instruments

Financial assets and liabilities are recognized in the individual balance sheets when the Corporation becomes party to the contractual provisions of the instrument.

Financial assets and liabilities that are not measured at fair value through profit or loss are measured at fair value plus transaction costs that are directly attributable to the acquisition or issuance of the financial assets or liabilities when the financial assets or liabilities are initially recognized. Transaction costs directly attributable to the acquisition or issuance of financial assets or liabilities at fair value through profit or loss are recognized immediately in the profit or loss.

1. Financial assets

Regular transactions of financial assets are recognized and de-recognized using trade date accounting.

(1) Type of measurements

The types of financial assets held by the Corporation are financial assets measured at fair value through profit or loss, financial assets measured at amortized cost, and investments in equity instruments measured at fair value through other comprehensive income.

a. Fair value through profit or loss (FVTPL)

Financial assets measured at fair value through profit or loss include financial assets measured at fair value through profit or loss on a mandatory basis and financial assets measured at fair value through profit or loss on a designated basis. Financial assets measured at fair value through profit or loss on a mandatory basis include investments in equity instruments that are not designated at fair value through other comprehensive income, and investments in debt instruments which are not qualified to be classified into financial assets measured at amortized cost, or those measured at fair value through other comprehensive income.

Financial assets measured at fair value through profit or loss are measured at fair value with dividends and interest recognized in other revenue and gains or losses arising from remeasurement recognized in other gains and losses. Please refer to Note 27for the determination of fair value.

b. Financial assets measured at amortized cost

When the Corporation invests, financial assets are classified as financial assets carried at amortized cost if both of the following conditions are met:

(a) They are held within an operating model whose objective is to hold the financial assets to collect the contractual cash flows; and

(b) The contractual terms give rise to cash flows on a specific date, which are solely payments of principal and interest on the principal amount outstanding.

Financial assets carried at amortized cost (including cash, cash equivalents, receivables, other financial assets, and refundable deposits carried at amortized cost) are measured at amortized cost using the effective interest method to determine the total carrying amount less any impairment loss after initial recognition, with any foreign currency exchange gain or loss recognized in the profit or loss.

Interest revenue is calculated by multiplying the effective interest rate by the total carrying amount of the financial assets, except for the following two cases:

(a) For credit-impaired financial assets acquired or created, Interest revenue is computed by multiplying the credit-adjusted effective interest rate by the amortized cost of the financial assets.

(b) For financial assets that are not credit-impaired acquired or created but subsequently become credit-impaired financial assets acquired or created, Interest revenue is computed by multiplying the effective interest rate by the amortized cost of the financial assets from the next reporting period after the credit impairment is applied.

Credit-impaired financial assets are those for which the issuer or the debtor has experienced significant financial difficulties, defaulted, it is probable that the debtor will declare bankruptcy or other financial reorganization, or the active market for the financial assets has disappeared due to financial difficulties.

Cash equivalents include highly liquid investments that are due within three months from the acquisition date, readily convertible to imprest cash, are subject to an insignificant risk of change in value, and are held for the purpose of meeting short-term cash commitments.

c. Fair value through other comprehensive income (FVOCI)

On initial recognition, the Corporation may make an irrevocable election to designate investments in equity instruments at FVTOCI. The equity investment is not held for trading or is not a contingent consideration recognized by an acquirer in a business combination.

Investments in equity instruments at FVTOCI are subsequently measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income and accumulated in other equity. The cumulative gain or loss will be transferred to retained earnings, but not reclassified to profit or loss upon disposal of the equity investments.

Dividends on these investments in equity instruments at FVTOCI are recognized in profit or loss when the Corporation's right to receive the dividends is established, unless the dividends clearly represent a recovery of part of the cost of the investment.

(2) Impairment of financial assets

The Corporation assesses impairment losses on financial assets (including accounts receivable) measured at amortized cost on each balance sheet date based on expected credit losses.

An allowance for impairment is recognized on accounts receivable based on the expected credit loss over the period of the receivable. Other financial assets are evaluated to check whether there is a significant increase in credit risks after initial recognition; if there is no significant increase in credit risk, an allowance for loss is recognized on the basis of expected credit losses over 12 months, and if there is a significant increase, an allowance for loss is recognized on the basis of expected credit losses over the remaining period.

Expected credit losses are weighted as average credit losses based on the risk of default; 12-month expected credit losses represent expected credit losses arising from possible defaults within 12 months after the reporting date of the financial instrument and expected credit losses over the lifespan of the financial instrument represent expected credit losses arising from all possible defaults during the expected lifespan of the financial instrument.

Impairment losses on all financial assets are recognized by reducing the carrying amount of the financial asset through an allowance account, and only the allowance loss for investments in equity instruments measured at FVTOCI is recognized in other comprehensive income, instead of reducing its carrying amount.

(3) Derecognition of financial assets

Financial assets are de-recognized only when the Corporation's contractual rights to the cash flows from the financial assets have lapsed or when the financial assets have been transferred and substantially all the risks and rewards of ownership of the assets have been transferred to other enterprises.

When a financial asset is de-recognized in its entirety at amortized cost, the difference between the carrying amount and the consideration received is recognized in profit or loss. When investments in debt instruments measured at FVTOCI are de-recognized as a whole, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss recognized in other comprehensive income is recognized in the profit or loss. When investments in equity instruments measured at FVTOCI are de-recognized as a whole, the cumulative gain or loss is transferred directly to retained earnings and is not reclassified as profit or loss.

2. Equity instruments

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

Equity instruments issued by the Corporation are recognized as the amount of consideration received, less the direct cost of issuing.

Recovery of an equity instrument of the Corporation is recognition and de-recognition under equity, and the carrying amount is calculated on a weighted basis by type of stock. Purchase, sales, issuance, or write-off of equity instruments of the Corporation are not recognized in the profit or loss.

3. Financial liabilities

(1) Subsequent measurement

All financial liabilities are measured at amortized cost using the effective interest method.

(2) Derecognition of financial liabilities

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

(XII) Revenue recognition

After recognizing the performance obligations under customer contracts, the Corporation allocates the transaction price to each performance obligation and recognizes revenue when each performance obligation is satisfied.

1. Sale of goods

   Revenue from sale of goods is derived from sales of products of the Communication Service Division, other electronic component divisions, IC, and other access business divisions. The Corporation recognizes revenue and accounts receivable at the point when the customer has the right to set the price and use the products, and has the primary responsibility to re-sell the products, as well as takes the risk of obsolescence when the divisions deliver products to a customer.

2. Services

   Service revenue is derived from the Digital Content Division and Communication Service Division, and recognized at the time of service provision.

(XIII) Leases

At inception of a contract, the Corporation assesses whether a contract is, or contains, a lease.

1. As a lessor

   A lease is classified as a finance lease when the terms of the lease transfer substantially all the risks and rewards incidental to ownership of the asset to the lessee. All other leases are classified as operating leases.

   Lease payments under operating leases are recognized as income on a straight-line basis over the term of the relevant lease.

2. As a lessee

   Right-of-use assets and lease liabilities are recognized at the lease commencement date for all leases, except for leases of low-value subject assets to which recognition exemptions apply and short-term leases where lease payments are recognized as expenses on a straight-line basis over the lease term.

   Right-of-use assets are measured initially at cost (including the original measurement of the lease liability, lease payments made prior to the lease commencement date less lease incentives received, original direct cost, and estimated cost of restoration of the subject asset) and subsequently measured at cost less accumulated depreciation and accumulated impairment loss, with adjustments for remeasurement of the lease liability.

Right-of-use assets are depreciated on a straight-line basis from the commencement date of the lease to the earlier of the end of the useful lifespan or the end of the lease term.

Lease liabilities are measured initially at the present value of the lease payments (including fixed payments and substantially fixed payments). If the interest rate implied by the lease is readily determinable, the lease payments are discounted using that rate. If the interest rate is not readily determinable, the lessee's incremental borrowing rate is used.

Right-of-use assets are presented separately in individual balance sheets. Subsequently, lease liabilities are measured at amortized cost using the effective interest method, and interest expense is allocated over the lease term. If there is a change in the lease term, the Corporation remeasures the lease liability and adjusts the right-of-use asset accordingly, but if the carrying amount of the right-of-use asset is reduced to zero, the remaining remeasurement amount is recognized in the profit or loss. Lease liabilities are presented separately in individual balance sheets.

(XIV) Employee benefits

1. Short-term employee benefits

Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related services.

2. Retirement benefits

Payments to defined contribution retirement benefit plans are recognized as an expense when employees have rendered services entitling them to the contributions.

Defined benefit costs (including service cost, net interest, and remeasurement) under defined contribution retirement benefit plans are determined using the projected unit credit method. Service cost (including current service cost) and net interest on the net defined benefits (assets) are recognized as employee benefits expense in the period in which they occur. Remeasurement (comprising actuarial gains and losses and the return on plan assets excluding interest) is recognized in other comprehensive income in the period in which it occurs and is not reclassified as profit or loss.

Net defined benefits (assets) represent the actual deficit (surplus) in defined contribution retirement benefit plans. Net defined assets are limited to the present value of any refunds from the plans or reductions in future contributions to the plans.

(XV) Treasury stock

When the Corporation has redeemed the issued stocks but has not yet disposed of or written off them, the stocks are debited to treasury stocks at the buy-back cost and recognized as loss of stockholders' equity. If the disposal price of treasury stocks is higher than the carrying amount, the difference is recognized in capital surplus - treasury stock transactions; if the disposal price is lower than the carrying amount, the difference is used to offset the capital surplus generated from transactions of the same type of treasury stocks, and if it is insufficient, it is used to offset the retained earnings. The carrying amount of treasury stocks is calculated on the weighted average basis and by recovery reason.

When treasury stocks are written off, the capital surplus - issuance premium and capital stock are debited in proportion to equity. If its carrying amount is higher than the sum of the face value and stock issuance premium, the difference is used to offset the capital surplus generated from the same type of treasury stocks, and if it is insufficient, the difference is used to offset retained earnings; if the carrying amount is lower than the sum of the face value and stock issuance premium, it is debited to the capital surplus generated from transactions of the same type of treasury stocks.

(XVI) Income taxes

Income taxes comprise current taxes and deferred taxes.

1. Current income tax

   Income tax on undistributed earnings is recognized in the year when the shareholders' meeting is held in accordance with the Income Tax Act of the Republic of China.

   Adjustments to prior years' income tax payable are included in the current period's income tax.

2. Deferred taxes

   Deferred tax is calculated on temporary differences between the carrying amounts of recorded assets and liabilities and the tax bases used to compute taxable income.

   Deferred tax liabilities are generally recognized for all taxable temporary differences, while deferred income tax assets are recognized to the extent that it is probable that taxable profit will be available against which temporary differences and loss deduction can be utilized.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and affiliates, except where the Corporation can control the timing of the reversal of the temporary difference, and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets are recognized for deductible temporary differences associated with such investments only to the extent that it is probable that sufficient taxable income will be available to allow the temporary differences to be realized and to the extent that reversal is expected in the foreseeable future.

The carrying amount of deferred tax assets is reviewed on each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable income will be available to allow all or part of the asset to be recovered. Deferred tax assets unrecognized are reviewed at each balance sheet date and the carrying amount is increased to the extent that it is more likely that sufficient tax assets will be available to allow recovery of all or part of the assets in the future.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the liability is settled or the asset is realized, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. The measurement of deferred tax liabilities and assets reflects the tax consequences of the manner in which the company expects to recover or settle the carrying amounts of its assets and liabilities on the balance sheet date.

3. Current taxes and deferred taxes

Current and deferred taxes are recognized in the profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred taxes are also recognized in other comprehensive income or directly in equity, respectively.

V. <u>**Significant Accounting Assumptions and Judgments, and Major Sources of Estimation Uncertainty**</u>

In the application of the Corporation's accounting policies, management is required to make judgments, estimations, and assumptions about related information that is not readily apparent from other sources based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates.

The Corporation considered the economic impact of COVID-19 when making its critical accounting estimates; the estimates and underlying assumptions are reviewed by management on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised if the revisions affect only that period or in the period of the estimated revisions and future periods if the revisions affect both current and future periods.

VI. Cash and cash equivalents

	December 31, 2022	December 31, 2021
Cash on hand and petty cash	$ 464	$ 438
Bank checks and demand deposits	418,064	155,490
	$ 418,528	$ 155,928

VII. Fair value through profit or loss (FVTPL)

	December 31, 2022	December 31, 2021
Held-for-trading financial assets		
Non-derivative financial instruments		
Domestic listed stocks	$ 27,716	$58,808

VIII. Fair value through other comprehensive income (FVOCI)

	December 31, 2022	December 31, 2021
Non-current		
Domestic investments		
Domestic unlisted common shares	$ 50,094	$ 22,279

The Corporation has invested in domestic common stock for its medium- and long-term strategic purposes, and expects to make profits from long-term investment. The Corporation's management believes that it would be inconsistent with the aforementioned long-term investment plan to include short-term fair value fluctuations of these investments in the profit or loss, and has therefore elected to designate these investments as measured at fair value through other comprehensive income.

IX. Other financial assets - current

	December 31, 2022	December 31, 2021
Financial assets measured at amortized cost		
Current and fixed-term deposit with restricted use	$ 10,991	$ 10,929

Special account for foreign worker remittance	925,333	641,970
	$ 936,324	$ 652,899

The special account for foreign worker remittance is exclusively designed for foreign worker remittance, and shall not be used for other purposes other than foreign worker remittance.

Please refer to Note 29 for information about other pledged financial assets.

X. Notes receivable, accounts receivable and other receivables

	December 31, 2022	December 31, 2021
Notes receivable		
Measured at amortized cost		
Total carrying amount	$ 22,682	$ 28,165
Less: Loss allowance	-	-
	$ 22,682	$ 28,165
Accounts receivable		
Measured at amortized cost		
Total carrying amount	$ 5,233	$ 28,165
Less: Loss allowance	(53)	(132)
	$ 5,180	$ 3,663
Other receivables		
Other receivables	$ 254,753	$ 294,658
Less: Loss for bad debts	(240)	(240)
	$ 254,513	$ 294,418
Overdue receivables		
Overdue receivables	$ 20	$ 44
Less: Allowance for uncollectible accounts	(20)	(44)
	$ -	$ -

The Corporation authorizes an average credit period for commodity sales from30 to 120 days, and exercises no interest accrual for overdue beyond the credit period. The Corporation adopts the policy of rating main customers based on publicly available financial information or historical transactions, and re-checking the recoverable amounts of accounts receivable one by one on the balance sheet date to ensure that an appropriate amount of loss allowance has been provided for uncollectible receivables.

The Corporation applies the simplified approach of IFRS 9 on the recognition of loss allowance based on expected credit losses over the period, or based on the expected loss ratios by group after dividing individual customers into different risk groups. Additionally, historical experience demonstrates that accounts receivables overdue by over one year cannot be recovered, and the Corporation recognizes 100% bad debt allowance provisions for accounts receivables overdue by over one year and recategorizes them as overdue receivables.

The Corporation writes off an account receivable when there is information indicating that the debtor is experiencing severe financial difficulty and there is no realistic prospect for recovery of the receivable. For accounts receivable that have been written off, the Corporation continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized in profit or loss

The loss allowance provision was determined as follows:

	December 31, 2022		December 31, 2021	
0-60 days	$	26,897	$	30,965
61-90 days		328		251
91-150 days		416		439
More than 151 days		274		305
Total	$	27,915	$	31,960

Aging analysis aforementioned is based on the book-building benchmark date.

The movement in the allowance for accounts receivable (including other receivables and overdue receivables) was as follows:

	2022		2021	
Beginning balance	$	416	$	416
Less: Reversed bad debt expenses of the current period	(	103)	$	-
Ending balance	$	313	$	416

For the years ended 2022 and December 31, 2021, the Corporation's other receivables and agency funds generating from foreign worker remittance were $196,606,000, $116,837,000, and $248,657,000 and $74,638,000 respectively.

XI. Inventories

	December 31, 2022	December 31, 2021
Finished goods inventories	$ 245,224	$ 196,664

As of 2022 and December 31, 2021, the provisions for loss on inventory valuation were $7,615,000 and $9,615,000 respectively.

For the years ended December 31, 2022 and 2021, the cost of sales related to inventory amounted to $1,108,891,000 and $1,178,444,000, respectively.

The costs of goods sold in 2022 included the loss on inventory valuation of $2,000,000.

XII. Investments accounted for using equity method

	December 31, 2022	December 31, 2021
Investments in subsidiaries	$ 139,966	$ 281,507
Investments in associates and joint ventures	311,333	128,552
	$ 451,299	$ 410,059
Investments in subsidiaries		
Life Link Co., Ltd.	$ 139,966	$ 96,704
Welltech Energy Inc.	-	184,803
Investments in associates and joint ventures		
Welltech Energy Inc.	179,969	-
TD HiTech Energy Inc.	131,364	128,552
	$ 451,299	$ 410,059

	Ownership Interests and Voting rights (%)	
Investee's name	December 31, 2022	December 31, 2021
Life Link Co., Ltd.	92.26%	100.00%
Welltech Energy Inc.	29.98%	43.62%
TD HiTech Energy Inc.	22.78%	22.78%

Life Link Co., Ltd. (Formerly known as: Taiwan Digi-Com Co., Ltd.) executed the conversion of employee stock option into common stock in January and November 2022, respectively, decreasing the shareholding ratio for 100.00% to 92.26%. and adjusting the changes in net equity value to the decrease in the capital surplus by $2,467,000.

The Corporation disposed of partial stock rights of Welltech Energy Inc. in March, 2021 and Welltech Energy Inc. exercised the conversion from employee stock option to common stock in March, 2021, decreasing its shareholding ratio from 52.26% to 43.62%. As the other 56.38% shares are held by several shareholders who are non-related parties with the Corporation, and after considering the absolute abundance, relative size and distribution of voting right compared with other shareholders, it has been judged that the Corporation has the substantial capacity of leading concerned activities of WELLTECH ENERGY INC., so the Corporation lists WELLTECH ENERGY INC. as its subsidiary, adjusting the changes in net equity value to the increase in capital surplus by $23,146,000.

The Corporation disposed of partial stock rights of WELLTECH ENERGY in April 2022, decreasing its shareholding from 43.62% to 36.78%. As another sole shareholder's shareholding is 50.12%, the Corporation lost its right of control over the company. Welldone Company further disposed of partial stock rights of WELLTECH ENERGY in November 2022, decreasing its shareholding from 36.78% to 29.98%.

The Corporation disposed of all stock rights of Digital Idea Multimedia Co., Ltd. in December, 2021, so the Corporation lost its right of control over Digital Idea Multi-Media Co., Ltd., please refer to Note 25 for Disposal of subsidiaries, adjusting the changes in net equity value to the decrease in capital surplus by $1,690,000.

Green Easy Leasing Co., Ltd. was dissolved and liquidated in December, 2021, please refer to Note 25 for Disposal of subsidiaries.

In 2022 and from January 1, 2021 to December 31, 2021, the Subsidiaries and affiliated companies recognized the interest of associates at $78,083,000, $51,512,000, (1,863,000,) and $121,000 respectively using the equity method and based on the CPAs' audited financial statements of the Subsidiaries and affiliated companies during the same periods.

XIII. Property, plant and equipment

	Self-owned land	Buildings	Machinery and equipment	Total
Cost				
Balance as of January 1, 2021	$ 106,751	$ 243,497	$ 698	$ 350,946
Additions	-	1,224	2,096	3,320
Transfers of investment property	(6,155)	(14,595)	-	(20,750)

Balance as of December 31, 2021	$ 100,596	$ 230,126	$ 2,794	$ 333,516
Accumulated depreciation				
Balance as of January 1, 2021	$-	$76,193	$132	$76,325
Depreciation expense	-	4,674	514	5,188
Transfers of investment property	-	(4,392)	-	(4,392)
Balance as of December 31, 2021	$ -	$ 76,475	$ 646	$ 77,121
Net balance as of December 31, 2021	$ 100,596	$ 153,651	$ 2,148	$ 256,395
Cost				
Balance as of January 1, 2022	$100,596	$230,126	$2,794	$333,516
Additions	-	405	474	879
Disposal	-	(1,509)	(194)	(1,703)
Transfer from investment property	18,206	42,042	-	60,248
Balance as of December 31, 2022	$ 118,802	$ 271,064	$ 3,074	$ 392,940
Accumulated depreciation				
Balance as of January 1, 2022	$ -	$76,475	$646	$77,121
Depreciation expense	-	5,670	981	6,651
Disposal	-	(1,509)	(194)	(1,703)
Transfers from investment property	-	14,337	-	14,337
Balance as of December 31, 2021	$ -	$ 95,013	$ 1,433	$ 96,446
Net balance as of December 31, 2021	$ 118,802	$ 176,051	$ 1,641	$ 296,494

The net amount of recognition in investment property from property, plants, and equipment was $16,358,000 in 2021 due to some buildings of the Corporation being rented out.

The net amount of recognition in investment property from property, plants, and equipment was $45,871,000 in 2022 due to some buildings of the Corporation being converted for self-use.

The Corporation' property, plant, and equipment were assessed in 2022, and on December 31, 2021, there was no indication of impairment.

Depreciation expenses are provided on a straight-line basis over the following useful lifespans:

	Durability

Buildings	
Plant main building	46-55 years
Electromechanical Power Equipment	10 years
Renovation	3-10 years
Machinery and equipment	3 years

See Note 29 for the amount of property, plant, and equipment pledged as security for loans by the Company.

The Corporation had no capitalization of interest in 2022 and 2021.

XIV. Lease contracts

(1) Right-of-use assets

	December 31, 2022	December 31, 2021
Carrying amount of right-of-use assets	$ 190	$ 474
Buildings	2,049	841
Transportation equipment	$ 2,239	$ 1,315

	2022	2021
Additions of right-of-use assets	$ 2,888	$ 2.332
Depreciation expense of right-of-use assets	$ 800	$ 1,318
Buildings	1,164	1,408
Transportation equipment	$ 1,964	$ 2,726

Except for the aforementioned depreciation expenses, the Corporation had no significant sub-lease or impairment loss for its right-of-use assets in 2022 and 2021.

(2) Lease liabilities

	December 31, 2022	December 31, 2021
Carrying amount of lease liabilities		

Current	$ 1,318	$ 961
Non-current	$ 929	$ 338

The discount rate range of the lease liabilities is as follows:

	December 31, 2022	December 31, 2021
Buildings	0.81%	0.81%
Transportation equipment	0.81%	0.81%

(3) Important tenant activities and terms

The Corporation leased buildings, and transportation equipment for plants, retail stores, employee dormitories, and service car use for a term of one to 1-3 years.

(4) Other leasing information

	2022	2021
Low-value asset leasing expense	$ 94	$ 82
Total cash (outflow) used in leasing	($ 2,054)	($ 2,826)

The Corporation has selected to apply the exemption from recognition to income-generating leases that qualify as short-term and low-value asset leases, and does not recognize the related right-of-use assets and lease liabilities for these leases.

XV. Investment property

	Self-owned land	Buildings	Total
Cost			
Balance on January 1, 2021	$ 77,524	$ 176,832	$ 254,356
Transfer from property, plant and equipment	6,155	14,595	20,750
Balance on December 31, 2021	**$ 83,679**	**$ 191,427**	**$ 275,106**
Accumulated depreciation			
Balance on January 1, 2021	$ -	$ 55,332	$ 55,332
Depreciation expense	-	3,890	3,890
Balance on December 31, 2021	-	4,392	4,392
Net amount on December 31, 2021	**$ -**	**$ 63,614**	**$ 63,614**

Balance on January 1, 2021	**$ 83,679**	**$ 127,813**	**$ 211,492**
Cost			
Balance on January 1, 2022	$ 83,679	$ 191,427	$ 275,106
Recognition in property, plant and equipment	(18,206)	(42,042)	(60,248)
Balance on December 31, 2022	**$ 65,473**	**$ 149,385**	**$ 214,858**
Accumulated depreciation			
Balance on January 1, 2022	$ -	$ 63,614	$ 63,614
Depreciation expense	-	3,125	3,125
Recognition in property, plant and equipment	-	(14,377)	(14,377)
Balance on December 31, 2022	**$ -**	**$ 52,362**	**$ 52,362**
Net amount on December 31, 2022	**$ 65,473**	**$ 97,023**	**$ 162,496**

Depreciation expenses of investment property buildings are provided on a straight-line basis over the useful lifespans of 3 to 55 year.

The fair value of investment property is not evaluated by independent evaluators, but by the management of the Corporation with reference to adjacent trading market prices, with the evaluated fair value as follows:

	December 31, 2022	December 31, 2021
Self-evaluation	$ 262,846	$ 325,764

For the amount of investment property pledged as security for loans by the Corporation, see Note 29.

XVI. Borrowings

Short-term borrowings

	December 31, 2022	December 31, 2021
Secured loan		
Bank loan	$ 500,000	$ 300,000
Unsecured loan		
Loan on credit	$ 795,000	$ 540,000

The interest rates of bank loans ranged from 1.45%～2.63% and 1.03%～1.18% in 2022 and on December 31, 2021.

The above loans are guaranteed by the company's own land and buildings as collateral, please refer to Note 29.

XVII. Notes payable and accounts payable

	December 31, 2022	December 31, 2021
Notes payable	$ -	$ 127
Accounts payable	$ 1,209	$ 1,864
	$ 1,209	$ 1,991

The Corporation's notes and accounts payable are mainly trade accounts payable for vendors.

XVIII. Other payables

	December 31, 2022	December 31, 2021
Payroll payable and bonus	$ 64,433	$ 52,540
Service charge payable	2,900	4,028
Commission payable	240	524
Others	7,688	6,414
	$ 75,241	$ 63,506

XIX. Retirement Benefit Plans

(I) Defined contribution plan (DC)

The Corporation adopted a pension plan under the Labor Pension Act (the "LPA"), which is a state managed defined contribution plan. Under the LPA, an entity makes monthly contributions to employees' individual pension accounts at 6% of monthly salaries and wages.

(II) Defined benefit plans (DB)

The defined benefit plan adopted by the Corporation, which is in accordance with the Labor Standards Law, is operated by the government. Pension benefits are calculated on the basis of the length of service and average monthly salaries of the 6 months before retirement. The Corporation contributes amounts equal to 2% of total monthly salaries and wages to a pension fund administered by the pension fund monitoring committee. Pension contributions are deposited in the Bank of Taiwan in the committee's name. If the balance of pension account is not enough to pay for the estimated pension amount of the following year by the end of this year, the difference will be appropriate by the end of March of the following year. The pension fund is managed by the Bureau of Labor Funds, Ministry of Labor ("the Bureau"); the Corporation has no right to influence the investment policy and strategy.

The amounts included in the individual balance sheets in respect of the Corporation's defined benefit plan were as follows:

	December 31, 2022		December 31, 2021	
Present value of defined benefit obligation	$	36,494	$	35,916
Plan assets at fair value	(	10,598)	(	9,439)
Net liability of net defined benefit	$	25,2896	$	26,477

Changes in net defined liabilities (assets) are as follows:

	Present value of defined benefit obligation		Plan assets at fair value		Net liability of net defined benefit	
January 1, 2021	$	33,510	($	8,958)	$	24,552
Service costs						
Current service costs		524		-		524
Interest expense (income)		126	(	34)		92
Recognized in profit or loss		650	(	34)		616
Remeasurement						
Planning assets remuneration (in addition to the amount included in net interest)		-	(	124)	(	124)
Actuarial loss - Changes in demographic assumptions		905		-		905
Actuarial income - Changes in financial assumptions	(	396)		-	(	396)
Actuarial loss - experience adjustment		1,247		-		1,247
Recognized in other comprehensive income		1,756	(	124)		1,632
Employer's contribution		-	(	323)	(	323)
December 31, 2021	$	35,916	($	9,439)	$	26,477
January 1, 2022	$	35,916	($	9,439)	$	26,477
Service costs						

Current service costs	889	-	889
Interest expense (income)	180	(48)	132
Recognized in profit or loss	1,069	(48)	1,021
Remeasurement			
Planning assets remuneration (in addition to the amount included in net interest)	-	(740)	(740)
Actuarial income - Changes in financial assumptions	(85)	-	(85)
Actuarial income - experience adjustment	(406)	-	(406)
Recognized in other comprehensive income	(491)	(740)	(1,231)
Employer's contribution	-	(371)	(371)
December 31, 2022	$ 36,494	($ 10,598)	$ 25,896

The Corporation is exposed to the following risks as a result of the pension system of the Labor Standards Act:

1. Investment risk: The Bureau of Labor Funds, Ministry of Labor invests its labor pension funds in domestic (foreign) equity securities, debt securities, and bank deposits through its own use and entrusted operations, but the amount of plan assets allocated to the Corporation is based on the income at an interest rate not lower than the local bank's two-year time deposit rate.
2. Interest risk: The decrease in interest rates on government bonds will increase the current value of the defined benefit obligation, but the return on debt investment in plan assets will also increase, which will have a partially offsetting effect on the net defined benefit obligation.
3. Payroll risk: The present value of the defined benefit obligation is calculated by reference to the future salary of plan members. Therefore, an increase in plan members' salaries will increase the present value of defined benefit obligation.

The present value of the Corporation's defined benefit obligation was actuarially determined by a qualified actuary, and the significant assumptions on the measurement date were as follows:

	December 31, 2022	December 31, 2021
Discount rate	1.50%	0.50%

Expected rate of salary increase	3.00%	2.00%

The amounts that would increase (decrease) the present value of the defined benefit obligation if there were reasonably possible changes in significant actuarial assumptions, respectively, with all other assumptions held constant, are as follows:

	December 31, 2022	December 31, 2021
Discount rate		
Increase 0.25%	($ 757)	($ 787)
Decrease 0.25%	$ 785	$ 819
Expected rate of salary increase		
Increase 0.25%	$ 761	$ 792
Decrease 0.25%	($ 738)	($ 766)

The sensitivity analysis above may not reflect actual changes in the present value of the defined benefit obligation because actuarial assumptions may be correlated with each other and changes in only one assumption are unlikely.

	December 31, 2022	December 31, 2021
Amount expected to be withdrawn within 1 year	$ 378	$ 373
Average period of defined benefit obligation expiration	12.1 years	13.5 years

XX. Equity

(I) Share capital

Ordinary shares

	December 31, 2022	December 31, 2021
Number of shares authorized (in thousands)	150,000	150,000
Shares authorized	$ 1,500,000	$ 1,500,000
Number of shares issued and fully paid (in thousands)	89,670	89,670

Shares issued	$ 896,701	$ 896,701

The issued ordinary shares have a par value of $10 per share and each share is entitled to one vote and the right to receive dividends.

There are 20,110,00 convertible corporate bonds and 9,500,000 employee stock option certificates respectively in shares authorized.

(II) Capital surplus

	December 31, 2022	December 31, 2021
May be used to make up losses, pay cash or capitalize (1)		
Additional paid-in capital	$ 48,835	$ 48,835
Corporate bond conversion premium	18,858	18,858
Stock options of convertible corporate bond	19,143	19,143
Lapsed employee stock options	2,055	2,055
Treasury stocks transactions	5,933	5,933
Actual acquisition or disposal of subsidiary		
Difference between the price and carrying amount	33,153	33,153
May be used to make up losses		
Recognition of changes in equity of investment in subsidiaries (2)	32,474	34,941
Gains from disposal of fixed assets	5,242	5,242
Cannot be used for any purpose		
Employee stock options	12	12
	$ 165,705	$ 168,172

1. Such capital surplus may be used to cover losses or, when the Company has no losses, to distribute cash or capitalize capital, provided that such capitalization is limited to a certain percentage of the paid-in capital each year.

2. Such capital surplus arises from the effect of changes in ownership interest in a subsidiary resulting from equity transactions, other than actual disposals or acquisitions, or from changes in capital surplus of subsidiaries accounted for by using the equity method.

(III) Retained earnings and dividend policy

In accordance with the Articles of Incorporation of Welldone Company, if there is any surplus in the annual accounts, it shall first pay taxes and cover the deficits of previous years, then set aside 10% as a legal reserve, and the rest shall be set aside or reversed to a special reserve in accordance with the law. If there is still a surplus, together with the accumulated undistributed earnings of prior years, the Board of Directors shall prepare an earnings distribution proposal, which shall be submitted to the shareholders' meeting for a resolution on distributing dividends to shareholders. The distributable dividends, bonuses, legal reserve, and capital reserve distributed in cash shall be resolved by over two-thirds of the directors present and a majority of the directors present at the board meetings, and shall be reported to the shareholders' meeting. The policies of Welldone Company on the distribution of employee and director remuneration in its Articles of Incorporation are described in Note 22 and Net Profit (7) "Employee Compensation and Director Remuneration".

Additionally, in accordance with the Articles of Incorporation, dividend polices are established based on the profit, future operations development, and shareholders' equity safeguard, etc. The dividends distributed shall not be less than 50% of the distributable earnings of the year, but shall be retained but not be distributed if the distributable EPS of the year is less than $1. Dividend distributions may be by way of stock or cash, and the amount of cash dividends shall not be less than 30% of the total dividend amount.

The legal reserve shall be set aside until the balance reaches the company's total paid-in capital and may be used to cover losses. If the company has no deficit, the excess of the legal reserve over 25% of the total paid-in capital may be distributed in cash.

The Corporation revised its Articles of Incorporation at the Shareholders' Meeting of August 13, 2021; when it sets aside the special reserve by using the net amount of other prior accumulated equity deductions, and the unappropriated surplus in the previous period is insufficient to set aside, the current net profit after tax plus other items other than the net profit after tax shall be included in the current unappropriated surplus for setting aside. Before the amendments to the Articles of Incorporation, the Corporation set aside the special reserve from the unappropriated surplus of the previous period in accordance with the law.

The Corporation held General Shareholders' Meetings on June 14, 2022 and August 13, 2021 and resolved the annual earnings distribution proposals of 2021 and 2020, respectively, as follows:

	Proposal for distribution of earnings		Dividend per share (NTD)	
	2021	2020	2021	2020
Legal reserve	$ 15,050	$ 13,727	$ -	$ -
Cash dividend	139,616	122,164	1.6	1.4

(IV) Special reserve

In its initial application of the IFRS, the Corporation recorded the amount of retained earnings transferred from unrealized appraisal increment and cumulative translation adjustment at $53,843,000 and $41,550,000 respectively, and set aside the special reserves at the same amounts.

(V) Other equity interest

	December 31, 2022	December 31, 2021
Exchange differences on foreign operations	($ 5,906)	($ 8,250)
Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	(25,582)	(16,600)
	($ 31,488)	($ 24,850)

1. Exchange differences on foreign operations

	2022	2021
Beginning balance	($ 8,250)	($ 5,309)
Exchange differences on foreign operations	766	(1,875)
Proceeds from disposal of partial equity of subsidiaries	1,578	(1,066)
Ending balance	($ 5,906)	($ 8,250)

2. Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income

	2022	2021
Beginning balance	($ 16,600)	($ 32,917)
Equity instruments with unrealized gains or losses	(7,185)	6,208)
Shares of affiliates accounted for using equity method	($ 1,863)	$ 121
Transfer of accumulated gains or losses on disposal of equity instruments to retained earnings	66	9,988
Ending balance	($ 25,582)	($ 16,600)

(VI) Treasury stock

Reason for repurchase	Return and allowance
Number of shares on January 1, 2022	2,410
Number of shares on December 31, 2022	2,410
Number of shares on January 1, 2021	2,410
Number of shares on December 31, 2021	2,410

To motivate employees and improve their cohesiveness, the Corporation repurchased 2,410,000 shares as treasury stocks valued at $36,599,000 from November to December, 2019. As of December 31, 2022, the shares have not yet been transferred to employees.

In accordance with the requirements of the Securities and Exchange Act, treasury stocks held by the Corporation should not be pledged, and do not hold rights of dividend distribution or voting. Shares of Corporation held by subsidiaries can be treated as treasury stocks, and hold the same general shareholders' rights except for participating in capital increase by cash and exercising voting rights in Corporation.

XXI. Revenue

	2022	2021
Revenue from commodity sales	$ 1,148,133	$ 1,210,869
Service revenue	314,598	265,788

	$ 1,462,731	1,476,657

XXII. Net profit

(I) Interest revenue

	2022	2021
Bank Deposit	$ 2,091	$ 686
Lending Funds (Note 28)	330	125
	$ 2,421	$ 811

(II) Other revenue

	2022	2021
Rental revenue	$ 10,915	$ 112,541
Investment property		
Dividend income		
Investments in equity instrument measured at fair value through profit or loss	1,645	3,011
Investments in equity instrument measured at fair value through other comprehensive income	7,340	1,555
Others	5,067	4,835
	$ 24,967	$ 21,942

(III) Other gains and losses

	2022	2021
Net profit or loss on foreign currency exchange	$ 36,819	($ 15,017)
Disposal of investment profit accounted for using the equity method	56,903	28,351
Disposal of profit on financial assets measured at fair value through profit or loss	262	2,514

	2022	2021
Disposal of profit or loss on valuation of financial assets measured at fair value through profit or loss	(29,795)	16,445
Depreciation of investment property	(3,125)	(3,890)
Others	(247)	(551)
	$ 60,817	$ 27,852

(IV) Financial cost

	2022	2021
Bank loan interest	$ 13,114	$ 9,001
Interest on the lease liabilities	20	12
Total	$ 13,134	$ 9,013

(V) Depreciation and amortization

	2022	2021
Property, plant, and equipment	$ 6,651	$ 5,188
Investment property	3,125	3,890
Right-of-use assets	1,964	2,726
Total	$ 11,740	$ 11,804

	2022	2021
Summary of depreciation expense by function		
Operating expenses	$ 8,615	$ 7,914
Other gains and losses	3,125	3,890
	$ 11,740	$ 11,804

(VI) Employee benefits

	2022	2021
Post-employment benefits (Note 19)	$ 2,205	$ 2,223
Defined benefit plans	1,021	616
Defined contribution plans	3,226	2,839
Short-term employee benefits	116,670	102,598

Salary	5,729	5,572
Labor and health insurance	3,368	3,085
Other employee benefits	125,767	111,255
Total employee benefits	$ 128,993	$ 111,094
Summary by function		
Operating expenses	$ 128,993	$ 114,094

(VII) Remuneration to employees and directors

In accordance with the Articles of Incorporation, the Corporation provides for employee remuneration and director remuneration between 1% to 100% and at a rate of not less than 4%, of the pre-tax benefit for the year before the distribution of employee and director remuneration. The 2022 and 2021 employees and directors' remuneration were resolved by the Board of Directors on March 24, 2023 and March 24, 2022, respectively. The resolutions were as follows:

Estimated ratio

	2022	2021
Employee compensation	10%	10%
Directors' and supervisors' remuneration	4%	4%

Amount

	2022		2021	
	Cash	Stocks	Cash	Stocks
Remuneration to employees	$28,120	$ -	$19,892	$ -
Remuneration to directors	11,248	-	7,957	-

If there is any change in the amount after the publication date of the annual Individual financial statements, the change in accounting estimate will be adjusted and recorded the following year.

There is no difference between the actual amount of remuneration to employees and directors for fiscal years 2021 and 2020 and the amount recognized in the Individual financial statements for fiscal years 2021 and 2020.

Please refer to the Market Observation Post System of the Taiwan Stock Exchange Corporation for information on the remuneration to employees and directors of 2022 and 2021 as resolved by the Board of Directors of Welldone Company.

XXIII. Income taxes

(I) Main components of income tax expenses (benefits) recognized in profit or loss

	2022	2021
Current tax expense		
Current period	$ 9,751	$ 4,059
Adjustment for prior period	(297)	1,956
Deferred tax expense		
Current period	(5,494)	2,932
Income tax expenses recognized in profit or loss	$ 3,960	$ 8,947

Adjustment of accounting income and income tax expenses was as follows:

	December 31, 2022	December 31, 2021
Profit before tax	$ 241,836	$ 171,071
Income tax expenses calculated at statutory tax rate on net income before tax	$ 48,367	$ 34,214
Tax-exempt income	(13,230)	(7,086)
Income tax difference taxable	-	4,058
Unrecognized loss deduction	-	(33,232)
Unrecognized deductible temporary differences	(30,880)	9,037
Income tax expenses of prior years used for adjustments for the current year		
Income tax expenses recognized in profit or loss	(297)	1,956
Income tax difference taxable	$ 3,960	$ 8,947

(II) Income tax assets and liabilities in the current period

	2022	2021
Income tax liabilities in the current period	$ 9,685	$ 4,052

(III) Deferred tax assets and liabilities

The movement in deferred tax assets and liabilities was as follows:

2022

	Beginning balance	Recognized in profit or loss	Ending balance
Deferred tax assets			
Temporary differences			
Shares of subsidiary profit or loss recognized in the equity method	$ 23,520	$ -	$ 23,520
Impairment loss	1,201	-	1,201
Allowance for uncollectible accounts	849	(64)	785
Inventory losses from falling prices	1,923	(400)	1,523
Unrealized expense	614	30	644
Depreciation expense	937	58	995
Loss on valuation of financial assets measured at fair value through profit or loss	-	2,776	2,776
Unrealized exchange losses	80	(80)	-
	$ 29,124	$ 2,320	$ 31,444
Deferred tax liabilities			
Temporary differences			
Land VAT reserve	$ 11,097	$ -	$ 11,097
Profit on valuation of financial assets measured at fair value through profit or	3,182	(3,182)	-

loss			
Unrealized exchange gains	-	8	8
	$ 14,279	($ 3,174)	$ 11,105

2021

	Beginning balance	Recognized in profit or loss	Ending balance
Deferred tax assets			
Temporary differences			
Shares of subsidiary and profit or loss recognized in the equity method	$ 23,520	$ -	$ 23,520
Impairment loss	1,201	-	1,201
Allowance for uncollectible accounts	834	15	849
Inventory losses from falling prices	1,923	-	1,923
Unrealized expense	532	82	614
Depreciation expense	826	111	937
Loss on valuation of financial assets measured at fair value through profit or loss	106	(106)	-
Unrealized exchange losses	-	80	80
	$ 28,942	$ 182	$ 29,124
Deferred tax liabilities			
Temporary differences			
Land VAT reserve	$ 11,097	$ -	$ 11,097
Profit on valuation of financial assets measured at fair value through profit or loss	-	3,182	3,182

Unrealized exchange gains	68	(68)	-
	$ 11,165	$ 3,114	$ 14,279

(IV) Unused loss allowance recognized in deferred tax assets in the Individual balance sheets

	December 31, 2022	December 31, 2021
Loss allowance		
Due in 2028	$ -	$ 56,305

(V) Assessment of income tax

The Corporation' s income tax returns for the years through 2020 were assessed by the tax authority.

XXIV. Earnings per share

The earnings and weighted average number of common stock that were used in the computation of earnings per share are as follows:

Net profit for the year

	2022	2021
Net profit used to calculate the basic earnings per share	$ 237,876	$ 162,124
Net profit used to calculate the diluted earnings per share	$ 237,786	$ 162,124

Shares

	2022	2021
Weighted-average number of common shares for the purpose of basic earnings per share	87,260	87,260
Effect of dilutive potential common stock:		
Employee dividend	942	629

Weighted-average number of common shares for the purpose of diluted earnings per share	88,202	87,889

If Corporation has the option to pay employees in stock or cash, the calculation of diluted earnings per share assumes that employee compensation will be paid in stock and is included in the weighted-average number of common shares outstanding for the purpose of calculating diluted earnings per share when potential common shares have a dilutive effect. The dilutive effect of these potential common shares will continue to be considered in the calculation of diluted earnings per share prior to the issuance of employee compensation in the form of shares the following year.

XXV. Disposal of subsidiaries

Welldone Company disposed of partial stock rights of WELLTECH ENERGY in April 2022, decreasing its shareholding from 43.62% to 36.78%. As another sole shareholder's shareholding ratio is 50.12%, Welldone Company lost its right of control over the company.

Welldone Company disposed of all stock rights of Digital Idea and liquidated Green Easy Leasing in December 2021, so Welldone Company lost its right of control over these companies.

(I) Consideration received

	2022	2021	
	Disposal of WELLTECH ENERGY	Liquidation of Green Easy Leasing	Disposal of Digital Idea
Total consideration received	$ 39,750	$ 4,806	$ 93,063

(II) Analysis on out-of-control assets and liabilities

	2022	2021	
	Disposal of WELLTECH ENERGY	Liquidation of Green Easy Leasing	Disposal of Digital Idea
Current assets			
Cash and cash equivalents	$ 87,121	$ 4,430	$ 159,849
Net accounts receivable	210,748	-	4,908
Other receivables	434	-	94,905
Inventories	298,444	-	-

Prepayments	11,217	-	15,435
Other current assets	8,675	542	-
Financial assets at fair value through profit or loss - current	14,847	-	-
Other financial assets	68,005	-	1,599
Non-current assets			
Property, plant and equipment	56,457	-	-
Right-of-use assets	46,831	-	-
Intangible assets	1,760	-	2,164
Deferred tax assets	38,284	-	5,614
Prepayments	2,098	-	-
Guarantee deposits paid	3,000	-	1,081
Other non-current assets	2,777	-	-
Current liabilities			
Short-term borrowings	(224,601)	-	(52,200)
Notes payable and accounts payable	(141,909)	-	(3,019)
Other payables	(19,783)	-	(39,012)
Lease liabilities	(1,416)	-	-
Accounts collected in advance	(2,198)	-	-
Long-term borrowings due within one year or one operation period	(6,052)	-	-
Other current liabilities	(9,447)	-	(15,132)
Net assets disposed	$ 445,292	$ 4,972	$ 176,192

(III) Profit from disposal of subsidiaries

	2022	2021

	Disposal of WELLTECH ENERGY	Liquidation of Green Easy Leasing	Disposal of Digital Idea
Consideration received	$ 39,750	$ 4,806	$ 93,063
Gains on disposal of net assets	(445,292)	(4,972)	(176,192)
Non-controlling interest	251,073	166	111,993
Net assets of subsidiaries reclassified to accumulated exchange differences of profit or loss due to loss of control over subsidiaries	212,435	-	(2,203)
Capital reserve written off by net assets of subsidiaries due to the loss of control over subsidiaries	-	-	1,690
Gains on disposal	$ 57,966	$ -	$ 28,351

Recognized profit in 2022 included realized profit of $7,749,000 (disposal amount of $39,750,000 less the carrying amount of a disposed equity investment of $30,423,000 and accumulated exchange differences of $1,578,000), and unrealized profit $50,217,000 (fair value of 36.78% of retained equity investment minus its carrying amount).

Recognized realized profit in 2021 was $28,351,000 (disposal amount of $93,063,000 plus the written-off capital reserve of $1,690,000 minus the carrying amount of a disposed equity investment of $64,199,000 and accumulated exchange differences of $2,203,000).

XXVI. Capital Risk Management

The capital management policies of the Corporation are established to safeguard its going-concern ability to provide its shareholders returns and other equity holders benefits as much as possible. To satisfy the aforementioned objectives, the Corporation reviews its capital structures on a regular basis, considers the overall economic situation, current interest rates and adequacy of cash flows from operating activities, and adjusts its capital structure through paying dividends, issuing new shares or new bonds or redeeming existing bonds.

The corporation has no regulation on other external capital.

XXVII. Financial instruments

(I) Fair value information – financial instruments not measured at fair value

The carrying amount of the Corporation's financial instruments not measured at fair value are financial assets measured at amortized cost, and management of the Corporation believes that the carrying amounts of financial assets and liabilities not measured at fair value are approximate to their fair value, or their fair value cannot be measured reliably.

(II) Fair value information – financial instruments measured at fair value on a recurring basis

1. Levels of fair value

December 31, 2022

	Level 1	Level 2	Level 3	Total
Financial asset at fair value through profit				
Domestic listed stocks	$ 27,716	$ -	$ -	$ 27,716
Financial assets measured at fair value through other comprehensive income				
Investments in equity instruments				
Domestic unlisted stocks	$ -	$ -	$ 50,094	$ 50,094

December 31, 2021

	Level 1	Level 2	Level 3	Total
Financial asset at fair value through profit				
Domestic listed stocks	$ 58,808	$ -	$ -	$ 58,808
Financial assets measured at fair value through other comprehensive income				
Investments in equity instruments				
Domestic unlisted stocks	$ -	$ -	$ 22,279	$ 22,279

There were no transfers between Level 1 and Level 2 fair value measurements in fiscal years of 2022 and 2021.

2. Adjustment of financial instruments measured at Level 3 fair value

December 31, 2022

Financial assets	Measured at fair value through profit or loss			Financial assets measured at fair value		
	Derivative instruments	Equity instruments	Liability instruments	Equity instruments	Liability instruments	Total
Beginning balance	$ -	$ -	$ -	$ 22,279	$ -	$22,279
Purchase	-	-	-		-	
Recognized in other comprehensive income (unrealized profit or loss of financial assets measured at fair value through other comprehensive income)	-	-	-	(7,185)	-	(7,185)
Disposal of subsidiaries	-	-	-	35,000		35,000
Ending balance	$ -	$ -	$ -	$ 50,094	$ -	$ 50,094
Other unrealized profit or loss in the year	$ -	$ -	$ -	$ -	$ -	$ -

December 31, 2021

Financial assets	Measured at fair value through profit or loss			Financial assets measured at fair value		
	Derivative instruments	Equity instruments	Liability instruments	Equity instruments	Liability instruments	Total
Beginning balance	$ -	$ -	$ -	$ 20,071	$ -	$ 20,071
Recognized in other comprehensive income (unrealized profit or loss of financial assets measured at fair value through other comprehensive income)	-	-	-	(4,000)	-	(4,000)
Disposal of subsidiaries	-	-	-	6,208	-	6,208
Ending balance	$ -	$ -	$ -	$ 22,279	$ -	$ 22,279
Other unrealized profit or loss in the year	$ -	$ -	$ -	$ -	$ -	$ -

3. Level 3 fair value valuation techniques and inputs

The fair values of domestic unlisted stocks and funds are mainly evaluated by the asset approach and income approach.

The asset approach is to evaluate the fair value of net assets by reference to independent experts' evaluation of the net asset value measured at fair value, and the unobservable input used by the corporation in 2022 and on December 31, 2021 was the liquidity discount of 10%. The income approach calculates the expected present value of returns on investment held in the discounted cash flow.

(III) Type of financial instruments

	December 31,2022	December 31, 2021
Financial assets		
Measured at fair value through profit or loss - measured at fair value through profit for loss on a designated basis	$ 27,716	$ 58,808
Financial assets measured at fair value through other comprehensive income - investments in equity instruments	50,094	22,279
Financial assets measured at amortized cost (Note 1)	1,639,653	1,138,478
Financial liabilities		
Measured at amortized cost (Note 2)	1,372,736	906,783

Note 1: Balances include loans and accounts receivable, such as cash and cash equivalents, notes and accounts receivable, other receivables, other receivables- related parties, other financial assets, and guaranteed deposits paid measured at amortized cost.

Note 2: Balances include financial liabilities measured at amortized cost, such as short-term borrowings, notes and accounts payable and guaranteed deposits received.

(IV) Financial risk management objectives and policies

Major financial instruments of the Corporation include cash and cash equivalents, notes receivable and accounts receivable, other receivables, other financial assets-Current, guaranteed deposits received, short-term borrowings, notes payable and accounts payable, other payables, lease liabilities, long-term borrowings, and guaranteed deposits paid. The Corporation's financial management department provides services to each business unit, coordinates access to domestic and international financial markets, and monitors and manages the financial risks associated with the Corporation's operations through internal risk reporting that analyzes risk exposures based on the level and breadth of risk. These risks include market risk, credit risk, and liquidity risk.

The financial management department submits reports to management of the Corporation on an irregular basis, and management monitors risks and executes risk policies as its duty to mitigate the effects of these risks.

1. Market risks

   The main financial risks to which the Corporation is exposed as a result of its operating activities are foreign currency exchange rate risks and interest rate risks.

   (1) Exchange rate risks

   Several subsidiaries of the Corporation engage in foreign currency-denominated sales and import transactions, which expose the Corporation to exchange rate risks. For exchange rate risk management, the Corporation regularly inspects and adjusts as required the assets and liabilities affected by exchange rates to control risks arising from foreign exchange rate fluctuations.

   Sensitivity analysis

   The Corporation is primarily affected by fluctuations in the USD exchange rate.

   The following table details the sensitivity analysis of the Corporation when NTD (the functional currency) strengthens or weakens by 5% against foreign currencies concerned. 5% is the sensitivity ratio used to report exchange rate risks to central management, and also represents the evaluation of the reasonable and possible range of changes in foreign exchange rates by management.

   The sensitivity analysis includes only foreign currency items outstanding and adjusts the ending conversion at the exchange rate change by 5%. The range of sensitivity analysis includes the valuation not in the functional currency of the creditor or lender. A positive number in the table below represents the amount by which pre-tax income would increase if the NTD weakened by 5% relative to related foreign currencies; a negative number of the same amount would affect pre-tax income if the NTD strengthened by 5% relative to related foreign currencies.

Influences from USD	
2022	2021
$ 23,057 (i)	$ 18,124 (i)

   (i) This was mainly due to the Corporation's cash and cash equivalents denominated in USD, financial receivables, payables, and short-term borrowings outstanding as of the balance sheet date.

   Management does not believe that the sensitivity analysis can represent inherent risks of exchange rates as the foreign currency risk exposure as of the balance sheet date does not reflect risk exposure during the year, and central management managed exchange rate risks based on the policies of the Corporation.

(2) Interest rate risks

The Corporation is exposed to the risk of interest rate changes due to its bank deposits and loans at floating interest rates. The Corporation mitigates interest rate risks by maintaining an appropriate floating interest rate, and has not yet operated any instruments to hedge interest rate risks. Management of the Corporation monitors interest rate risks regularly, and, as needed, takes necessary measures against significant interest rate risks to respond to risks arising from market interest rate changes.

Sensitivity analysis

The following sensitivity analysis is based on the exposure to the interest rate risk of non-derivative financial instruments as of the closing date of the financial reporting period.

The Corporation reports reasonable risk evaluations of interest rate changes to management by strengthening or weakening by 5%. If other conditions remain unchanged and the capitalization of interest is not considered, the increase or decrease of the interest rate by 5% results in the decrease in profit of the Corporation by $656,000 and $441,000 respectively in 2022 and 2021.

2. Credit risks

Credit risk refers to the risk of financial loss of the Corporation resulting from the default of the counter-parties to the contracts. As of the balance sheet date, the Corporation's maximum exposure to credit risk (without regard to collateral or other credit enhancement instruments, and irrevocable maximum exposure), which may result from counter-parties' default on their obligations and the Corporation's provision of financial guarantees, is mainly due to:

(1) The carrying amount of financial assets recognized in the individual balance sheets.

(2) The amount that the Corporation may be required to pay as a result of providing financial guarantees, regardless of the likelihood of occurrence.

The Credit risk refers to the risk of financial loss of the Corporation resulting from the default of the counter-parties to the contracts.

The Corporation's accounts receivable are from several enterprise customers which are non-related with each other, and it adopts the policy of trading with creditworthy objects to maintain the quality of accounts receivable, and evaluates financial positions and historical transactions on an ongoing basis. Therefore, the credit risks from expected accounts receivable are limited.

The maximum credit risk amount is the net amount of carrying amount of financial assets net the prescribed offset amount and recognized impairment loss (i.e., carrying amount of financial assets) regardless of collateral and other credit enhancement policies.

3. Liquidity risks

The Corporation manages and maintains sufficient cash and cash equivalents to support operations of the group and mitigate the impact of cash flow fluctuations. The Corporation's management monitors the use of banking facilities and ensures compliance with the terms of borrowing contracts.

Bank loans are important liquidity sources for the Corporation. As of 2022 and December 31, 2021, the banking facilities the Corporation has not yet used are available in the Explanation section in the following (2) Banking Facilities.

(1) Liquidity and interest rate risk of non-derivative financial liabilities

The analysis of the remaining contractual maturities of non-derivative financial liabilities is prepared based on undiscounted cash flows (including principal and estimated interest) of financial liabilities based on the earliest possible date on which the Corporation could be required to make repayment. Accordingly, the Corporation's bank loans that are repayable on demand are listed in the table below at the earliest possible date, regardless of the probability that the bank will immediately enforce the right; the maturity analysis of other non-derivative financial liabilities is prepared based on the contractual repayment dates.

The undiscounted interest amount of interest cash flows paid at floating interest rates is derived from the curve of the yield rate as of the balance sheet date.

December 31, 2022

	Weighted average effective interest rate (%)	Within 1 year	1 to 5 years	Over 5 years	Total
Non-interest-bearing liabilities					
Notes and accounts payable	$ -	$ 1,209	$ -	$ -	$ 1,209
Other payables	-	75,241	-	-	75,241
Lease liabilities	-	1,318	929	-	2,247
Other current liabilities	-	- 119,398	-	-	119,398
Interest-bearing liabilities					
Short-term borrowings	1.45%~2.63%	1,295,000	-	-	1,295,000
		$ 1,492,166	$ 929	$ -	$ 1,493,095

December 31, 2021

	Weighted average effective interest rate (%)	Within 1 year	1 to 5 years	Over 5 years	Total
Non-interest-					

<u>bearing liabilities</u>					
Notes and accounts payable	$ -	$1,991	$ -	$ -	$ 1,991
Other payables	-	63,506	-	-	63,506
Lease liabilities	-	961	338	-	1,299
Other current liabilities	-	77,362	-	-	77,362
<u>Interest-bearing liabilities</u>					
Short-term borrowings	1.03%～1.18%	840,000	-	-	840,000
		$ 983,820	$ 338	$ -	$ 984,158

(2) Banking facilities

	December 31, 2022	December 31, 2021
<u>Bank loans</u>		
- Unused amount	$ 832,000	$ 975,536

XXVIII. Related-party Transactions

Transactions between the Corporation and other related parties are as follows:

(I) Names and relationship with related parties

Related party	Relationship with the company
Welltech Energy Inc.	Subsidiary (changed into an association since April, 2022)
Life Link Co., Ltd. (Formerly known as: Taiwan Digi-Com Co., Ltd.)	Subsidiary
Digital Idea Multimedia Co., Ltd.	Subsidiary (changed into a non-related party from December 22, 2021)

(II) Operating transactions

Category of related party	December 31, 2022	December 31, 2021
Operating expenses		
Subsidiary	$ 723	$ 516

Terms of transactions between the Corporation and related parties are equivalent to those with common customers.

Category of related party	December 31, 2022	December 31, 2021
Other receivables	$ 797	$ 1,820
Subsidiary	222	-

Associates	$ 1,019	$ 1,820
Expenses payable		
Subsidiary	$ 560	$ 464

The outstanding balances of payables due to related parties are unsecured and will be settled by cash.

(III) Loans to related parties (recorded in other receivables)

December 31, 2022

Type of related party	Highest balance of actual expenditures	Closing balance of actual expenditures	Interest rate range	Interest income	Interest receivable
Subsidiary					
Life Link Co., Ltd.	$120,000	$ -	2.03%	$ 330	$ -

December 31, 2021

Type of related party	Highest balance of actual expenditures	Closing balance of actual expenditures	Interest rate range	Interest income	Interest receivable
Subsidiaries					
Welltech Energy Inc.	$50,000	$ -	2.00%	$ 125	$ -

(IV) Transactions with other related parties

3. Lease income

Category of related party	2022	2021
Subsidiary		
Life Link Co., Ltd.	$ 5,507	$ 5,007
Welltech Energy Inc.	653	2,731
Digital Idea Multimedia Co., Ltd.	-	1,528
Associates		

Welltech Energy Inc.	1,072	-
	$ 7,232	$ 9,266

Rentals of the aforementioned lease income with related parties were determined based on market prices of neighboring regions, and had no significant abnormalities.

4. Other income (recorded in other income - others)

Category of related party	2022	2021
Subsidiary		
Life Link Co., Ltd.	$ 1,794	$ 1,750
Welltech Energy Inc.	377	1,641
Digital Idea Multimedia Co., Ltd.	-	181
Associates		
Welltech Energy Inc.	434	-
	$ 2,605	$ 3,572

(V) Compensation of key management personnel

Category of related party	2022	2021
Short-term employee benefits	$ 52,427	$ 51,537
Post-employment benefit	455	527
	$ 52,882	$ 52,064

The remuneration of directors and key management is determined by the remuneration committee based on individual performance and market trends.

XXIX. Assets pledged as collateral or for security

The following assets were pledged or mortgaged as collateral for financing loans:

	December 31, 2022	December 31, 2021
Pledged bank deposits	$ 10,988	$ 10,926
Contra account	3	3
Freehold land	118,802	100,596
Buildings	176,051	153,651
Investment property	162,496	211,492
	$ 484,649	$ 614,985

XXX. Significant contingent liabilities and unrecognized contractual commitments

As of 2022 and December 31, 2021, the unused established letters of credit for the Corporation were as follows, respectively:

	December 31, 2022	December 31, 2021
Guarantee note for short-term borrowings	$ 100,000	$ $ 100,000
Performance bond of micro	50,000	30,000

exchange service for foreign workers

XXXI. Other matters

(I) The domestic prepaid card business has not significantly affected by the global pandemic COVID-19; as of December 31, 2022, the Corporation evaluated that COVID-19 has not had significant impact on its overall business and financials; on top of keeping eyes on subsequent development, the Corporation constantly evaluates the possible impacts from going-concern ability, asset impairment and fundraising risks.

(II) The working capital for micro exchange service for foreign workers operated by Welldone Company beyond the financial regulatory sandbox on December 31, 2022 was as follows:

	December 31, 2022
Assets	$ 925,333
Other financial assets - current	196,606
Other receivables	
Liabilities	
Short-term borrowings	(400,000)
Estimated expenses payable	(1,127)
Advances on sales	(117)
Agency fund	(116,837)
Working capital	$ 603,858

XXXII. Significant assets and liabilities denominated in foreign currencies

The following information was aggregated by the foreign currencies other than the functional currencies of each company of the corporation and the exchange rates between such foreign currencies and the functional currencies were disclosed. The significant assets and liabilities denominated in foreign currencies were as follows:

Unit: in thousands of foreign currencies

December31,2022

Financial assets	Foreign currency	Exchange rate (Note)	Carrying amount
Monetary items	$ 15,016	30.71	$ 461,141
USD			

December31, 2021

Financial assets	Foreign currency	Exchange rate (Note)	Carrying amount
Monetary items	$ 13,095	27.68	$ 362,470

USD

Note: the exchange rate is the closing rate of NTD against foreign currencies per unit.

The foreign currency exchange profit of the corporation in 2022 was $36,819,000 (including realized exchange profit of $36,777,000 and unrealized exchange profit of $42,000); the foreign currency exchange loss was $15,017,000 in 2021 (including realized exchange loss of $14,617,000 and unrealized exchange loss of $400,000).

XXXIII. Matters disclosed in the notes

(I) Information about significant transactions and B. reinvestment:

1. Lending to other parties (Table 1)
2. Guarantees and endorsements for other parties: None
3. Information regarding securities held at balance sheet date (excluding investment in subsidiaries, associates and joint ventures) (Table 2)
4. Individual securities acquired or disposed of with accumulated amount exceeding the lower of NTD 300 million or 20% of the Company's paid-in capital: None
5. Acquisition of individual real estate with amount exceeding the lower of NTD 300 million or 20% of the Company's issued capital: None
6. Disposal of individual real estate with amount exceeding the lower of NTD 300 million or 20% of the Company's issued capital: None
7. Related party transactions for purchases and sales with amounts exceeding the lower of NTD 100 million or 20% of the capital stock: None
8. Receivables from related parties with amount exceeding the lower of NTD 100 million or 20% of the Company's paid-in capital: None
9. Derivative instruments transactions: None
10. Information on investees. (Table 3)

(II) Information on investment in Mainland China:

1. Names of investee companies in Mainland China, their principal business items, paid-in capital, methods of investment, inward and outward remittance of funds, shareholding ratios, profit or loss for the period and recognized investment gains or losses, carrying amounts of investments at the end of the period, repatriated profit or loss on investments, and sizes of investment in Mainland China areas. (None)
2. Any of the following significant transactions with investee companies in Mainland China, either directly or indirectly through a third party, and their prices, payment terms, and

unrealized gains or losses: None

(1) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period.

(2) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period.

(3) The amount of property transactions and the amount of the resultant gains or losses.

(4) The balance of endorsements or pledges of collateral at the end of the period and their purposes.

(5) The highest balance, ending balance, interest rate range, and gross interest in the current period with respect to financing of funds.

(6) Other transactions that have significant effects on the profit or loss for the current period or on the financial position, such as the rendering or receipt of service, etc.

(III) Information about major shareholders: names of shareholders with at least 5% ownership, and amounts and percentage of shared held by them. (Table 4)

Welldone Company

Lending to other parties

2022

Table 1

(Amounts Expressed in Thousands of NEW TAIWAN DOLLARS)

No.	Lender	Borrower	Financial statement account	Related parties	Highest balance for the period (Note 3)	Ending balance (Note 4)	Actual borrowing amount	Interest rate range (%)	Nature of fund	Business transaction amount	Reasons for short-term financing	Allowance for bad debts	Collateral		Financing limit to each borrower	Aggregate financing limit
													Item	Value		
0	Welldone Company	Life Link Co., Ltd. (Formerly known as: Taiwan Digi-Com Co., Ltd.)	Other receivables - related parties	Yes	$ 120,000	$ -	$ -	2.03%	Short-term financing capital	$ -	Assist subsidiaries in operation	$ -	—	$ -	$ 136,683 (Note 1)	$ 273,366 (Note 2)

Note 5: For short-term financings, the financing limit to each borrower is 10% of net value of Welldone Company = Net value on September 30, 2022 $1,366,829,000 × 10% =136,683,000.

Note 6: For short-term financings, the aggregate financing limit is 20% of net value of Welldone Company = Net value on September 30, 2022 $1,366,829,000 × 20% = $273,366,000.

Note 7: The highest balance of loaning of funds.

Note 8: A public company shall still record the amount resolved by the Board of Directors in the balance of announcement to disclose the risks if it proposes loaning of funds to the Board of Directors for resolution in writing in accordance with Article 14-1 of Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies, even though the fund has not yet been allocated; only when the funds are repaid later, the balance after repayment shall be disclosed to reflect risk adjustment. If it authorizes the chairman with a certain amount and fractional disbursement on loan or circulating utilization within one year resolved by the Board of Directors in accordance with 14-2 of Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies, the public company shall still announce the balance based on the amount of loaning of funds approved by the Board of Directors; though the funds are paid later, the possibility of repeated disbursement is considered, so the public company shall still announce the balance based on the amount of loaning of funds approved by the Board of Directors.

Welldone Company

Information regarding securities held at balance sheet date

December 31, 2022

Table 2

(Amounts Expressed in Thousands of NEW TAIWAN DOLLARS)

Name of holder	Category and name of security	Relationship with the Company	Account title	Ending balance				Note
				Number of shares	Book value	Percentage of shares	Market value	
Welldone Company	Shares - ordinary share							
	EZSWAP NETWORKS TECHNOLOGY CO., LTD.	None	Non-current financial assets at FVOCI	2,300,000	$ -	13.53	$ -	
	Grand Fortune Capital Co., Ltd.	〃	〃	1,600,000	15,094	2.75	15,094	
	Hydroionic Technologies Co., Ltd.	〃	〃	500,000	5,000	1.41	5,000	
	RED SUNRISE CO., LTD.	〃	〃	1,200,000	30,000	8.60	30,000	
					$ 50,094		$ 50,094	
	PharmaEngine Inc.	〃	Financial assets measured at fair value through profit or loss - current	10,000	$ 1,250	0.01	$ 1,250	
	TAIWAN FERTILIZER CO., LTD.	〃	〃	5,000	268	-	268	
	Solid Year Co., Ltd.	〃	〃	18,000	720	0.03	720	
	Ritdisplay Corporation	〃	〃	710,000	24,282	0.95	24,282	
	NAK Sealing Technologies Corporation.	〃	〃	2,000	211	-	211	
	G-SHANK ENTERPRISE CO., LTD.	〃	〃	5,000	224	-	224	
	WAH LEE INDUSTRIAL CORP.	〃	〃	3,060	256	-	256	
	Thermaltake Technology Co., Ltd.	〃	〃	5,498	152	0.01	152	
	WALSIN LIHWA CORPORATION	〃	〃	2,000	94	-	94	
	INPAQ TECHNOLOGY CO., LTD.	〃	〃	5,000	259	-	259	
					$ 27,716		$ 27,716	

Welldone Company

Information about investee companies, regions...

2022

Table 3

(Amounts Expressed in Thousands of NEW TAIWAN DOLLARS)

Name of the investor	Name of investee	Location	Major operations	Initial investment amount		Balance as of			Net income (losses) of the investee	Investment income (loss)	Note
				At the end of the current period	At the end of the previous period	Shares	Ratio of shares	Book value			
Welldone Company	WELLTECH ENERGY INC.	Taiwan	Manufacture and wholesales of batteries and electronic parts	$163,440	$224,700	11,626,929	29.98	$179,969	$ 62,223	$ 23,884	Subsidiary
	TD HITECH ENERGY INC.	Taiwan	Manufacture and wholesales of batteries and electronic parts	145,253	145,253	9,587,417	22.78	131,364	37,183	8,470	
	Life Link Co., Ltd. (Formerly known as: Taiwan Digi-Com Co., Ltd.)	Taiwan	Retail and wholesale of photographic and telecommunication apparatus, food and cosmetics	40,333	40,333	7,912,185	92.26	139,966	46,905	45,729	

Welldone Company

Major Shareholders

December 31, 2022

Table 4

Shareholder's Name	Shareholding	
	Shares	Percentage
Xinlai Investment Co., Ltd. (Representative: Yu, Hui-Chin)	8,958,000	9.98%
Chen, Alexander	6,000,000	6.69%
Yu, Hui-Chin	5,212,000	5.81%
Chiang, Chih-Hao	4,617,000	5.14%

Note 2: The information on major shareholders in the Table is based on the last business day of the quarter in which the shareholders held 5% or more of the company's total common and preferred stocks that have been delivered (including treasury stock) without physical registration. The share capital in the individual financial statements of the Corporation may differ from the actual number of shares delivered without physical registration due to differences in the basis of computation.

§The Contents of Statements of Major Accounting Items§

Welldone Company

Statement of notes receivable

December 31, 2022

Statement 1

(Amounts Expressed in Thousands of NEW TAIWAN DOLLARS)

Client Name	Description	Amount
Client A		$ 22,682

Welldone Company

Statement of accounts receivable

December 31, 2022

Statement 2

(Amounts Expressed in Thousands of NEW TAIWAN DOLLARS)

Client Name	Description	Amount
B		$ 1,386
C		790
D		747
E		407
F		352
G		345
H		281
Others (Note)		925
		5,233
Less: Allowance for doubtful accounts		(53)
		$ 5,180

Note: The amount of individual client included in others does not exceed 5% of the account balance.

Welldone Company

Statement of other accounts receivable

December 31, 2022

Statement 3

(Amounts Expressed in Thousands of NEW TAIWAN DOLLARS)

Item	Description	Amount
Other Accounts Receivable	Interest receivables, foreign worker remittance and rental, etc.	$ 254,753
Less: Allowance for doubtful accounts		(240)
		$ 254,513

Welldone Company

Statement of other current assets

December 31, 2022

Statement 4 (Amounts Expressed in Thousands of NEW TAIWAN DOLLARS)

Item	Description	Amount
Advance Payment		$ 12,443
Current prepayments for investments		12,000
Temporary credits and Receipts under custody		4,897
Prepaid expenses		1,475
		$ 30,815

Welldone Company

Statement of changes in investments accounted for using equity method

2022

Statement 5

Unit: In Thousands of New Taiwan Dollars, Unless Specified Otherwise

	Balance, January 1, 2022		Additions		Disposal				Balance, December 31, 2022				
Name of guaranteed or invested companies	Number of shares(thousand)	Amount	Number of shares(thousand)	Amount	Number of shares(thousand)	Amount	(Loss) gains on investment	Adjustment translation	Number of shares(thousand)	Shares %	Amount	Evaluation basis	Pledge situation
Unlisted company													
WELLTECH ENERGY INC. (Note 1)	16,917,929	$ 184,803	-	$50,217	(5,291,000)	($ 81,278)	$ 23,884	$ 2,343	11,662,929	29.98	$ 179,969	Equity method	NA
TD HITECH ENERGY INC. (Note 2)	9,587,417	128,552	-	-		(5,658)	8,470	-	9,587,417	22.78	131,364	〃	〃
Life Link Co., Ltd. (Formerly known as: Taiwan Digi-Com Co., Ltd) (Note 32)	6,487,149	96,704	1,425,036	-	-	(2,467)	45,729	-	7,912,185	92.26	139,966	〃	〃
		$ 410,059		$ 50,217		($ 89,403)	$ 78,083	$ 2,343			$ 451,299		

Note 1. The increase in the period was recognized in loss of control over subsidiaries and remeasured at fair value of $50,217,000 using the equity method; the decrease in the period was due to the received cash dividends of $8,561,000, the decrease in recognized other comprehensive income of associates by $39,000 after adjustment and proceeds from disposal of subsidiaries of $72,678,000.

Note 2. The decrease in the period was due to the decrease in recognized other comprehensive income of associates by $1,824,000 after adjustment and received cash dividends of $3,834,000.

Note 3. Note 3: the decrease in the period was due to the exercise of employee stock options of subsidiaries, resulting in the changes in shareholding ratio and the decrease in the net equity value by $2,467,000.

Welldone Company

Statement of changes in right-of-use assets

2022

Statement 6

(Amounts Expressed in Thousands of NEW TAIWAN DOLLARS)

Item	Balance, January 1, 2022	Additions	Disposal	Balance, December 31, 2022
Buildings	$ 1,323	$ 516	($ 1,323)	$ 516
Transportation equipment	1,009	2,372	-	3,381
	$ 2,332	$ 2,888	($ 1,323)	$ 3,897

Welldone Company

Statement of changes in accumulated depreciation of right-of-use assets

2022

Statement 7

(Amounts Expressed in Thousands of NEW TAIWAN DOLLARS)

Item	Balance, January 1, 2022	Additions	Disposal	Balance, December 31, 2022
Buildings	$ 849	$ 800	($ 1,323)	$ 326
Transportation equipment	168	1,164	-	1,332
	$ 1,017	$ 1,964	($ 1,323)	$ 1,658

Welldone Company

Statement of short-term loans

December 31, 2022

Statement 8

(Amounts Expressed in Thousands of NEW TAIWAN DOLLARS)

Type of Loan	Description	Balance, December 31, 2022	Loan Period	interval of rate %	Collateral
Secured Loan	Chang Hwa Bank	$ 500,000	2022.12.16~2023.01.13	1.90	Yes
Unsecured loan	Taiwan Cooperative Bank	90,000	2022.12.30~2023.02.24	1.85	NA
〃	Far Eastern International Bank	100,000	2022.12.26~2023.01.31	1.80	〃
〃	Hua Nan Commercial Bank	80,000	2022.12.22~2023.03.22	1.70	〃
〃	Taipei Fubon Bank	100,000	2022.12.30~2023.02.28	1.77	〃
〃	Taishin Bank	200,000	2022.12.26~2023.01.09	2.22	〃
〃	Yuanta Commercial Bank Co., Ltd.	100,000	2022.12.08~2023.03.08	1.45	〃
〃	Taiwan Shin Kong Commercial Bank Co., Ltd.	95,000	2022.12.29~2023.03.29	1.85	〃
〃	Bangkok Bank Public Company Ltd.	30,000	2022.11.24~2023.02.24	2.63	〃
		$ 1,295,000			

Welldone Company

Statement of notes receivable and accounts receivable

December 31, 2022

Statement 9

(Amounts Expressed in Thousands of NEW TAIWAN DOLLARS)

Supplier Name	Description	Amount
Supplier A		$ 599
Supplier B		414
Supplier C		69
Supplier D		65
Others (Note)		62
		$ 1,209

Note: The amount of individual client included in others does not exceed 5% of the account balance.

Welldone Company

Statement of other current liability

December 31, 2022

Statement 10

(Amounts Expressed in Thousands of NEW TAIWAN DOLLARS)

Item	Description	Amount
Unearned Revenue		$ 1,065
Advance sales receipts		378
Receipts under custody	The agency funds of foreign worker remittance, withheld payroll taxes and labor insurance, etc.	117,930
Temporary credits		25
		$ 119,398

Welldone Company

Statement of lease liabilities

December 31, 2022

Statement 11

(Amounts Expressed in Thousands of NEW TAIWAN DOLLARS)

Item	Description	Lease Term	Discount rate	End of 2022
Buildings		1 ～2 Years	0.81%	$ 2,057
Transportation equipment		3 Years	0.81%	190
				$ 2,247

Welldone Company

Statement of net revenue

2022

Statement 12

(Amounts Expressed in Thousands of NEW TAIWAN DOLLARS)

Item	Amount
Sales revenue	$ 1,150,990
Less: Sales returns	(232)
Less: Sales discounts and allowances	(2,625)
	1,148,133
Service revenue	314,598
	$ 1,462,731

Welldone Company

Statement of operating cost

2022

Statement 13

(Amounts Expressed in Thousands of NEW TAIWAN DOLLARS)

Item	Amount
Cost of Goods Sold	
Beginning Inventory	$ 206,279
Plus: *Purchase*	1,159,160
Other Operating Costs	82
Less: Gains from Price *Recovery* of Inventory	(2,000)
Re-recognized in operating expenses	(1,791)
Closing Inventory	(252,839)
	$ 1,108,891

Welldone Company

Statement of operating expenses

2022

Statement 14 (Amounts Expressed in Thousands of NEW TAIWAN DOLLARS)

Item	Description	Selling Expense	General & Administrative Expenses	Total
Wages and Salaries (Including Pension)		$40,340	$ 79,556	$119,896
Rent Expense		85	9	94
Stationery Supplies		319	154	473
Traveling Expense		1,362	534	1,896
Freight		1,027	23	1,050
Postage Expenses		40,081	346	40,427
Repairs and Maintenance Expense		26	2,416	2,442
Advertisement Expense		2,651	-	2,651
Utilities Expense		1,060	1,322	2,382
Insurance Expense		3,019	3,750	6,769
Entertainment Expense		223	3,257	3,480
Donation Expense		-	400	400
Taxes		-	2,532	2,532
Depreciations		980	7,635	8,615
Meal Expense		1,154	526	1,680
Employee Benefits/Welfare		595	284	879
Commissions Expense		13,052	-	13,052
Services Expense		124	6,303	6,427
Miscellaneous Expense		43,021	7,095	50,116
		$ 149,119	$ 116,142	$265,261

Welldone Company

Summary statement of employee benefits, depreciation and amortization e

2022 & 2021

Statement 15

(Amounts Expressed in

By function \ By nature	2022			
	Operating costs	Operating expenses	Total	Operat
Employee Benefits				
Salary and Wages	$ -	$ 105,422	$ 105,422	$
Labor/Health Insurance	-	5,729	5,729	
Pension	-	3,226	3,226	
Director's remuneration	-	11,248	11,248	
Other Employee Benefits	-	3,368	3,368	
Depreciation Expense	-	8,615	8,615	

1. The number of employees for the current year and the previous year were 64 and 65, respectively, of which the number of directors who were not
2. When its stocks have been listed in TWSE or traded in GTSM, the following information shall be additionally disclosed:
   (1) The average employee benefit expense for the year was $1,962,000 ("Total employee benefit expense for the year – Total amount of director – Number of directors who are not concurrent employees"). The average employee benefit expense for the previous year was $1,756,000 ("T Total amount of director's remuneration"/ "Number of employees for the previous year – Number of directors who are not concurrent emplo
   (2) The average employee salary expense for the year was $1,757,000 (Total salary expense for the year/ "Number of employees for the year – Nu The average employee salary expense for the previous year was $1,567,000 (Total salary expense for the previous year/ "Number of emplo are not concurrent employees").
   (3) Change in average employee salary cost adjustment 12% ("Average employee salary cost for the current year – Average employee salary cost the previous year).
   (4) The supervisor compensation for the year was $0, and the supervisor compensation for the previous year was $0.
   (5) The remuneration for all directors, supervisors and managers of the Corporation is established by the Remuneration Committee based contribution to the corporate operation, the actual operating performance of the Corporation and the linkage to the reasonableness of remuneration levels of the industry peers, and submitted to the Board of Directors. The employee compensation of the Corporation is det reference to employees' education, post nature and category, market standards and internal balance and so on, and approved by an authority

Letter of Indication of Member of Taipei City CPA Association

Taipei City Financial Certificate No.: 1120619

Name:
(1) Chiu, Yung-Ming
(2) Liu, Shu-Lin

Corporate name: Deloitte Taiwan

Address: 20F., No. 100, Songren Rd., Xinyi Dist., Taipei City, Taiwan

Uniform No.: 94998251

Tel.: (02)27259988

Client's Uniform No.: 12135600

Membership No.:
(1) Taipei City CPA Association No. 4326
(2) Taipei City CPA Association No. 3937

Purpose: Auditing and Attestation of Welldone Company Financial Statements 2022 (2022/1/1-2022/12/31)

Signature (1)	*Chiu, Yung-Ming*	Stamp of the Association (1)	
Signature (2)	*Liu, Shu-Lin*	Stamp of the Association (2)	

President

Reviewed by:

February 1, 2023