

CLEVO CO.
PARENT COMPANY ONLY FINANCIAL
STATEMENTS AND INDEPENDENT AUDITORS’
REPORT
DECEMBER 31, 2023 AND 2022

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

CLEVO CO.
DECEMBER 31, 2023 AND 2022 PARENT COMPANY ONLY FINANCIAL
STATEMENTS AND INDEPENDENT AUDITORS' REPORT
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INDEPENDENT AUDITORS' REPORT

To the Board of Directors and Shareholders of Clevo Co.

PWCR23000486

Opinion

We have audited the accompanying parent company only balance sheets of Clevo Co. (the “Company”) as at December 31, 2023 and 2022, and the related parent company only statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the parent company only financial statements, including a summary of material accounting policies.

In our opinion, based on our audits and the report of other auditors (refer to the Other matter section), the accompanying parent company only financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2023 and 2022, 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 Financial Statement Audit and Attestation Engagements of Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Parent Company Only Financial Statements* section of our report. We are independent of the Company in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

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

Refer to Note 6(5) for the subsidiaries held by the Company as of December 31, 2023. As the financial position and financial performance of those subsidiaries were material to the Company's parent company only financial statements, their key audit matters - Valuation of inventories, Existence of booth rental revenue and Valuation of investment properties were included in the Company's key audit matters.

Key audit matters for the Company's 2023 parent company only financial statements are stated as follows:

Investments accounted for using equity method - valuation of investment properties

Description

Refer to Note 4(19) of consolidated financial statements accounting policies on investment properties, Note 5(2) of consolidated financial statements for uncertainty of accounting estimates and assumptions in relation to the fair value measurement of investment properties, and Note 6(9) of consolidated financial statements for details of investment properties.

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

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

How our audit addressed the matter

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

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

Investments accounted for using equity method - existence of booth rental revenue

Description

Refer to Note 4(33) of consolidated financial statements for accounting policies on revenue recognition and Note 6(22) for details of operating revenue.

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

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

matter.

How our audit addressed the matter

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

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

Valuation of inventories

Description

Refer to Note 4(12) for accounting policy on the valuation of inventories, Note 5(2) for uncertainty of accounting estimations and assumptions in relation to inventory valuation, and Note 6(4) for the details of inventory valuation.

The Group is primarily engaged in manufacturing and sales of notebook computers, construction in progress and buildings and land held for sale. Due to rapid technological innovations, short lifespan of electronic products and fluctuations in market prices, there is a higher risk for inventory losses due from market value decline or obsolescence. Additionally, most of construction in progress and buildings and land held for sale are located in second-tier or third-tier cities. The property cycle is mostly influenced by local policy and economic situation. Due to long inventory holding period, there is a higher risk for inventory losses due from market value decline.

The Group recognises inventories at the lower of cost and net realisable value, and the net realisable value is estimated based on the age and damage of inventory. As the amounts of inventories are material, the types of inventories vary, and the estimation of net realizable value is subject to management's judgment, we considered the allowance for inventory valuation losses a key audit matter.

How our audit addressed the matter

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

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

Other matter – Reference to the audits of other auditors

We did not audit the financial statements of an investment accounted for under the equity method which were audited by other auditors. Therefore, our opinion expressed herein, insofar as it relates to the amounts included in respect of this associate, is based solely on the report of the other auditors. The balance of this investment accounted for under the equity method amounted to NT\$493,451 thousand and NT\$491,065 thousand, both constituting 1% of the total assets as at December 31, 2023 and 2022, respectively, and the comprehensive income recognized from associates and joint ventures accounted for under the equity method amounted to NT\$3,152 thousand and NT\$1,065 thousand, constituting 1% and 0% of the total comprehensive income for the years then ended, respectively.

Responsibilities of management and those charged with governance for the parent company only financial statements

Management is responsible for the preparation and fair presentation of the parent company only financial statements in accordance with the “Regulations Governing the Preparation of Financial Reports by Securities Issuers”, and for such internal control as management determines is necessary to enable the preparation of parent company only financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

1. Identify and assess the risks of material misstatement of the parent company only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the disclosures, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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

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

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

LIN, PO-CHUAN

Feng, Min-Chuan

For and on Behalf of PricewaterhouseCoopers, Taiwan

March 14, 2024

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

CLEVO CO.
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

Assets		Notes	December 31, 2023		December 31, 2022			
			AMOUNT	%	AMOUNT	%		
Current assets								
1100	Cash and cash equivalents	6(1)	\$	3,600,394	6	\$	5,249,460	8
1110	Financial assets at fair value through profit or loss - current	6(2)		2,252,184	3		1,280,273	2
1136	Financial assets at amortised cost - current	6(1) and 8		1,937,776	3		-	-
1170	Accounts receivable, net	6(3)		2,757,533	4		2,365,541	4
1180	Accounts receivable - related parties	6(3) and 7		130,964	-		-	-
1197	Finance lease receivable, net	6(8)		45,672	-		42,430	-
130X	Inventory	6(4)		305,021	1		466,143	1
1410	Prepayments			104,008	-		82,815	-
1479	Other current assets			234,609	-		79,599	-
11XX	Total current assets			11,368,161	17		9,566,261	15
Non-current assets								
1535	Financial assets at amortised cost - non-current	6(1) and 8		6,243	-		1,046,589	2
1550	Investments accounted for under equity method	6(5) and 7		54,881,652	83		54,290,369	83
1600	Property, plant and equipment	6(6)		93,520	-		103,513	-
1755	Right-of-use assets	6(7) and 7		74,853	-		131,726	-
1780	Intangible assets			31,858	-		46,313	-
1840	Deferred income tax assets	6(25)		61,087	-		32,386	-
194D	Long-term finance lease receivable, net	6(8)		42,938	-		80,770	-
1975	Net defined benefit asset, non-current	6(12)		53,550	-		39,290	-
1990	Other non-current assets			39,853	-		35,256	-
15XX	Total non-current assets			55,285,554	83		55,806,212	85
1XXX	Total assets		\$	66,653,715	100	\$	65,372,473	100

(Continued)

CLEVO CO.
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

	Liabilities and Equity	Notes	December 31, 2023		December 31, 2022	
			AMOUNT	%	AMOUNT	%
	Current liabilities					
2100	Short-term borrowings	6(9)	\$ 2,548,000	4	\$ 1,770,000	3
2120	Financial liabilities at fair value through profit or loss - current	6(2)	24,212	-	-	-
2130	Current contract liabilities	6(18)	41,378	-	134,656	-
2150	Notes payable		25,062	-	53,218	-
2170	Accounts payable		372,256	1	307,838	-
2180	Accounts payable to related parties	7	-	-	429,219	1
2200	Other payables		362,519	1	343,728	1
2230	Current income tax liabilities		250,190	-	311,026	-
2250	Provisions for liabilities - current	6(13)	58,523	-	58,523	-
2280	Lease liabilities	7	107,511	-	102,163	-
2320	Long-term liabilities, current portion	6(10)(11)	5,000,000	7	5,200,000	8
2399	Other current liabilities		36,091	-	26,229	-
21XX	Total current liabilities		<u>8,825,742</u>	<u>13</u>	<u>8,736,600</u>	<u>13</u>
	Non-current liabilities					
2530	Corporate bonds payable	6(10)	-	-	5,000,000	8
2540	Long-term borrowings	6(11)	16,046,000	24	9,150,000	14
2570	Deferred tax liabilities	6(25)	519,151	1	518,076	1
2580	Lease liabilities - non-current	7	59,592	-	162,365	-
2645	Guarantee deposits received		12,632	-	15,080	-
2670	Other non-current liabilities		7,229	-	-	-
25XX	Total non-current liabilities		<u>16,644,604</u>	<u>25</u>	<u>14,845,521</u>	<u>23</u>
2XXX	Total liabilities		<u>25,470,346</u>	<u>38</u>	<u>23,582,121</u>	<u>36</u>
	Equity					
	Share capital	6(14)				
3110	Ordinary share		6,322,630	10	6,322,630	10
	Capital surplus	6(15)				
3200	Capital surplus		97,389	-	56,461	-
	Retained earnings	6(16)				
3310	Legal reserve		2,282,456	3	2,210,652	3
3320	Special reserve		34,207,562	51	35,186,883	54
3350	Unappropriated retained earnings		3,666,842	6	2,614,398	4
	Other equity interest	6(17)				
3400	Other equity interest		(4,564,310)	(7)	(3,771,472)	(6)
3500	Treasury stocks	6(14)	(829,200)	(1)	(829,200)	(1)
3XXX	Total equity		<u>41,183,369</u>	<u>62</u>	<u>41,790,352</u>	<u>64</u>
	Significant contingent liabilities and unrecognised contract commitments	9				
	Significant events after the balance sheet date	11				
3X2X	Total liabilities and equity		<u>\$ 66,653,715</u>	<u>100</u>	<u>\$ 65,372,473</u>	<u>100</u>

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

CLEVO CO.
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

		Year ended December 31				
			2023		2022	
Items	Notes		AMOUNT	%	AMOUNT	%
4000	Sales revenue	6(18)	\$ 21,284,601	100	\$ 18,800,588	100
5000	Operating costs	6(4)(23)(24) and 7	(19,548,456)	(92)	(16,845,333)	(90)
5900	Net operating margin		1,736,145	8	1,955,255	10
5910	Unrealized profit from sales		(1,481)	-	(5,690)	-
5920	Realized profit (loss) from sales		5,690	-	(4,277)	-
5950	Net operating margin		1,740,354	8	1,945,288	10
	Operating expenses	6(23)(24)				
6100	Selling expenses		(184,882)	(1)	(175,805)	(1)
6200	General and administrative expenses		(334,303)	(1)	(307,085)	(2)
6300	Research and development expenses		(704,043)	(3)	(630,168)	(3)
6000	Total operating expenses		(1,223,228)	(5)	(1,113,058)	(6)
6900	Operating profit		517,126	3	832,230	4
	Non-operating income and expenses					
7100	Interest income	6(19)	195,187	1	54,423	-
7010	Other income	6(20)	92,875	-	133,790	1
7020	Other gains and losses	6(21)	603,979	3	608,295	3
7050	Finance costs	6(22) and 7	(410,191)	(2)	(284,646)	(1)
7070	Share of profit (loss) of associates and joint ventures accounted for using equity method, net		206,880	1	(396,175)	(2)
7000	Total non-operating income and expenses		688,730	3	115,687	1
7900	Profit before income tax		1,205,856	6	947,917	5
7950	Income tax expense	6(25)	(145,766)	(1)	(123,391)	(1)
8200	Profit for the year		\$ 1,060,090	5	\$ 824,526	4
	Other comprehensive income					
	Components of other comprehensive income that will not be reclassified to profit or loss					
8311	Actuarial gains on defined benefit plan	6(12)	\$ 4,040	-	\$ 32,888	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(25)	(808)	-	(6,576)	-
8310	Other comprehensive income that will not be reclassified to profit or loss		3,232	-	26,312	-
	Components of other comprehensive income that will be reclassified to profit or loss					
8361	Financial statements translation differences of foreign operations		(797,469)	(4)	868,476	5
8399	Income tax relating to the components of other comprehensive income	6(25)	4,631	-	(11,161)	-
8360	Other comprehensive (loss) income that will be reclassified to profit or loss		(792,838)	(4)	857,315	5
8300	Total other comprehensive (loss) income for the year		(\$ 789,606)	(4)	\$ 883,627	5
8500	Total comprehensive income for the year		\$ 270,484	1	\$ 1,708,153	9
	Earnings per share (in dollars)	6(26)				
9750	Basic earnings per share		\$ 1.81		\$ 1.41	
9850	Diluted earnings per share		\$ 1.80		\$ 1.40	

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

CLEVO CO.
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

			Capital Reserves			Retained Earnings			Exchange differences on translation of foreign financial statements	Treasury shares	Total equity
	Notes	Ordinary share	Capital surplus, additional paid-in capital	Capital surplus, treasury share transactions	Capital surplus, donated assets received	Legal reserve	Special reserve	Unappropriated retained earnings			
<u>Year ended December 31, 2022</u>											
Balance at January 1, 2022		\$ 6,497,630	\$ 56,267	\$ 16,228	\$ 983	\$ 1,908,529	\$ 35,684,459	\$ 3,149,950	(\$ 4,628,787)	(\$ 1,374,835)	\$ 41,310,424
Profit for the year		-	-	-	-	-	-	824,526	-	-	824,526
Other comprehensive income for the year	6(17)	-	-	-	-	-	-	26,312	857,315	-	883,627
Total comprehensive income		-	-	-	-	-	-	850,838	857,315	-	1,708,153
Appropriations of 2021 earnings	6(16)										
Legal reserve		-	-	-	-	302,123	-	(302,123)	-	-	-
Special reserve		-	-	-	-	-	(493,824)	493,824	-	-	-
Cash dividends		-	-	-	-	-	-	(1,285,752)	-	-	(1,285,752)
Treasury stock retired	6(14)	(175,000)	(1,516)	(73,028)	-	-	-	(296,091)	-	545,635	-
Past due dividends not received by shareholders		-	-	-	727	-	-	-	-	-	727
Adjustment to capital surplus arising from dividends paid to subsidiaries		-	-	56,800	-	-	-	-	-	-	56,800
Reversal of special reserve		-	-	-	-	-	(3,752)	3,752	-	-	-
Balance at December 31, 2022		\$ 6,322,630	\$ 54,751	\$ -	\$ 1,710	\$ 2,210,652	\$ 35,186,883	\$ 2,614,398	(\$ 3,771,472)	(\$ 829,200)	\$ 41,790,352
<u>Year ended December 31, 2023</u>											
Balance at January 1, 2023		\$ 6,322,630	\$ 54,751	\$ -	\$ 1,710	\$ 2,210,652	\$ 35,186,883	\$ 2,614,398	(\$ 3,771,472)	(\$ 829,200)	\$ 41,790,352
Profit for the year		-	-	-	-	-	-	1,060,090	-	-	1,060,090
Other comprehensive income (loss) for the year	6(17)	-	-	-	-	-	-	3,232	(792,838)	-	(789,606)
Total comprehensive income (loss)		-	-	-	-	-	-	1,063,322	(792,838)	-	270,484
Appropriations of 2022 earnings	6(16)										
Legal reserve		-	-	-	-	71,804	-	(71,804)	-	-	-
Special reserve		-	-	-	-	-	(974,795)	974,795	-	-	-
Cash dividends		-	-	-	-	-	-	(918,395)	-	-	(918,395)
Past due dividends not received by shareholders		-	-	-	357	-	-	-	-	-	357
Adjustment to capital surplus arising from dividends paid to subsidiaries		-	-	40,571	-	-	-	-	-	-	40,571
Reversal of special reserve		-	-	-	-	-	(4,526)	4,526	-	-	-
Balance at December 31, 2023		\$ 6,322,630	\$ 54,751	\$ 40,571	\$ 2,067	\$ 2,282,456	\$ 34,207,562	\$ 3,666,842	(\$ 4,564,310)	(\$ 829,200)	\$ 41,183,369

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

CLEVO CO.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

		Year ended December 31	
	Notes	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		\$ 1,205,856	\$ 947,917
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation	6(6)(23)	19,962	12,640
Depreciation of right-of-use assets	6(7)(23)	59,023	51,451
Amortisation	6(23)	24,085	12,368
Net (gain) loss on financial assets measured at fair value through profit or loss	6(21)	(595,066)	127,644
Interest expense	6(22)	410,191	284,646
Interest income	6(19)	(195,187)	(54,423)
Dividend income	6(20)	(58,256)	(49,020)
Share of (profit) loss of associates and joint ventures accounted for under the equity method	6(5)	(206,880)	396,175
Gain on sublease of right-of-use assets	6(7)(21)	(3,916)	(95,066)
Gain on disposal of property, plant and equipment	6(21)	-	(32)
Changes in operating assets and liabilities			
Changes in operating assets			
Financial assets measured at fair value through profit or loss		(376,845)	140,849
Accounts receivable, net		(522,956)	2,745,570
Inventories		161,122	(51,278)
Prepayments		(21,193)	(16,144)
Net defined benefit asset, non-current		(10,221)	(8,728)
Other current assets		(125,040)	20,094
Changes in operating liabilities			
Financial liabilities measured at fair value through profit or loss		24,212	-
Contract liabilities		(93,278)	88,766
Notes payable		(20,927)	43,094
Accounts payable		64,418	3,709
Accounts payable to related parties		(429,219)	429,219
Other payables		22,012	(190,611)
Other current liabilities		9,862	4,062
Cash (outflow) inflow generated from operations		(658,241)	4,842,902
Interest received		181,342	34,402
Dividends received		58,256	49,020
Cash dividends received from subsidiaries		43,917	23,948
Income taxes paid		(212,390)	(116,535)
Interest paid		(413,412)	(277,974)
Net cash flows (used in) from operating activities		(1,000,528)	4,555,763

(Continued)

CLEVO CO.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31	
		2023	2022
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Proceeds from disposal of property, plant and equipment and investment property		\$ -	\$ 200
Acquisition of investments accounted for under the equity method		(1,181,010)	(590,000)
Acquisition of property, plant and equipment	6(6)	(9,969)	(106,429)
Acquisition of intangible assets		(9,630)	(54,119)
Increase in financial assets at amortised cost - current		(921,810)	-
Decrease (increase) in financial assets at amortised cost - non-current		24,380	(34,419)
Increase in refundable deposits		(640)	(14,053)
Net cash flows used in investing activities		(2,098,679)	(798,820)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Increase in short-term borrowings		46,113,000	41,509,431
Decrease in short-term borrowings		(45,335,000)	(43,475,908)
Increase in long-term borrowings		41,715,000	35,760,231
Repayments of long-term borrowings		(40,019,000)	(32,960,231)
(Decrease) increase in guarantee deposit		(2,448)	14,976
Payments of lease liabilities	6(27)	(103,373)	(84,004)
Cash dividends paid	6(16)	(918,395)	(1,285,752)
Past due dividends not received by shareholders		357	727
Net cash flows from (used in) financing activities		1,450,141	(520,530)
Net (decrease) increase in cash and cash equivalents		(1,649,066)	3,236,413
Cash and cash equivalents at beginning of year		5,249,460	2,013,047
Cash and cash equivalents at end of year		\$ 3,600,394	\$ 5,249,460

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

CLEVO CO.
NOTES TO THE PARENT COMPANY ONLY FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022

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

1. HISTORY AND ORGANIZATION

Clevo Co. (the “Company”) was incorporated as a company limited by shares under the provisions of the Company Act of the Republic of China (R.O.C.). The Company is primarily engaged in the design, manufacture and sales of VDUs, computers and peripheral devices.

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

These parent company only financial statements were authorised for issuance by the Board of Directors on March 14, 2024.

3. APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS

(1) Effect of the adoption of new issuances of or amendments to International Financial Reporting Standards (“IFRS[®]”) Accounting Standards that came into effect as endorsed by the Financial Supervisory Commission (“FSC”)

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

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IAS 1, ‘Disclosure of accounting policies’	January 1, 2023
Amendments to IAS 8, ‘Definition of accounting estimates’	January 1, 2023
Amendments to IAS 12, ‘Deferred tax related to assets and liabilities arising from a single transaction’	January 1, 2023
Amendments to IAS 12, ‘International tax reform - pillar two model rules’	May 23, 2023

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

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

New standards, interpretations and amendments endorsed by the FSC and will become effective from 2024 are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IFRS 16, 'Lease liability in a sale and leaseback'	January 1, 2024
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
Amendments to IAS 7 and IFRS 7, 'Supplier finance arrangements'	January 1, 2024

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

(3) IFRS Accounting Standards issued by IASB but not yet endorsed by the FSC

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

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IFRS 10 and IAS 28, 'Sale or contribution of assets between an investor and its associate or joint venture'	To be determined by International Accounting Standards
IFRS 17, 'Insurance contracts'	January 1, 2023
Amendments to IFRS 17, 'Insurance contracts'	January 1, 2023
Amendment to IFRS 17, 'Initial application of IFRS 17 and IFRS 9 – comparative information'	January 1, 2023
Amendments to IAS 21, 'Lack of exchangeability'	January 1, 2025

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

4. SUMMARY OF MATERIAL ACCOUNTING POLICIES

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

(1) Compliance statement

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

(2) Basis of preparation

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

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

- (b) Investment property measured at fair value.
- (c) Defined benefit liabilities recognised based on the net amount of pension fund assets less present value of defined benefit obligation.
- B. The preparation of financial statements in conformity with International Financial Reporting Standards, International Accounting Standards, IFRIC[®] Interpretations, and SIC[®] Interpretations as endorsed by the FSC (collectively referred herein as the “IFRSs”) requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 5.

(3) Foreign currency translation

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

A. Foreign currency transactions and balances

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

B. Translation of foreign operations

- (a) The operating results and financial position of all the Company entities, associates and joint arrangements that have a functional currency different from the presentation currency are translated into the presentation currency as follows:
 - i. Assets and liabilities for each balance sheet presented are translated at the closing exchange

rate at the date of that balance sheet;

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

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

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

(4) Classification of current and non-current items

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

- (a) Assets arising from operating activities that are expected to be realised, or are intended to be sold or consumed within the normal operating cycle;
- (b) Assets held mainly for trading purposes;
- (c) Assets that are expected to be realised within twelve months from the balance sheet date;
- (d) Cash and cash equivalents, excluding restricted cash and cash equivalents and those that are to be exchanged or used to settle liabilities more than twelve months after the balance sheet date.

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

- (a) Liabilities that are expected to be settled within the normal operating cycle;
- (b) Liabilities arising mainly from trading activities;
- (c) Liabilities that are to be settled within twelve months from the balance sheet date;
- (d) Liabilities for which the repayment date cannot be extended unconditionally to more than twelve months after the balance sheet date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

(5) Cash equivalents

Cash equivalents refer to short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Time deposits that

meet the definition above and are held for the purpose of meeting short-term cash commitments in operations are classified as cash equivalents.

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

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

(7) Financial assets at amortised cost

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

(8) Accounts and notes receivable

- A. Accounts and notes receivable entitle the Company a legal right to receive consideration in exchange for transferred goods or rendered services.
- B. The short-term accounts and notes receivable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.
- C. The Company initially measures accounts and notes receivable at fair value and subsequently recognises the amortised interest income over the period of circulation using the effective interest method and the impairment loss. A gain or loss is recognised in profit or loss.

(9) Impairment of financial assets

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

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

(10) Derecognition of financial assets

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

- A. The contractual rights to receive the cash flows from the financial asset expire.
- B. The contractual rights to receive cash flows of the financial asset have been transferred and the Company has transferred substantially all risks and rewards of ownership of the financial asset.
- C. The contractual rights to receive cash flows of the financial asset have been transferred; however, the Company has not retained control of the financial asset.

(11) Leasing arrangements (lessor) – lease receivables / operating leases

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

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

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

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

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

(12) Inventories

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

(13) Investments accounted for using equity method / subsidiaries

A. Subsidiaries refer to the entities (including special purpose entities) that the Company has control

over their financial and operating policies and own more than 50% of voting shares directly or indirectly. The Company evaluates investments in subsidiaries accounted under equity method in these parent company only financial statements.

- B. Unrealised profit (loss) occurred from the transactions between the Company and subsidiaries have been offset. The accounting policies of the subsidiaries have been adjusted to comply with the Company's accounting policies.
- C. The Company's share of its subsidiaries' post-acquisition profits or losses is recognised in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income. When the Company's share of losses in a subsidiary equals or exceeds its interest in the subsidiary, the Company continues to recognise losses proportionate to its ownership.
- D. Pursuant to the Regulations Governing the Preparation of Financial Reports by Securities Issuers, profit (loss) of the current period and other comprehensive income in the parent company only financial statements shall equal to the amount attributable to owners of the parent in the consolidated financial statements. Owners' equity in the parent company only financial statements shall equal to equity attributable to owners of the parent in the consolidated financial statements.

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

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

Investment accounted for using equity method - joint ventures

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

(15) Property, plant and equipment

- A. Property, plant and equipment are initially recorded at cost. Borrowing costs incurred during the construction period are capitalised.
- B. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.
- C. Land is not depreciated. Other property, plant and equipment apply cost model and are

depreciated using the straight-line method to allocate their cost over their estimated useful lives. Each part of an item of property, plant, and equipment with a cost that is significant in relation to the total cost of the item must be depreciated separately.

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

Machinery and equipment	3 ~ 5 years
Computer and communication Equipment	2 ~ 5 years
Transportation equipment	1 ~ 5 years
Other equipment	3 ~ 5 years

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

- A. Leases are recognised as a right-of-use asset and a corresponding lease liability at the date at which the leased asset is available for use by the Company. For short-term leases or leases of low-value assets, lease payments are recognised as an expense on a straight-line basis over the lease term.
- B. Lease liabilities include the net present value of the remaining lease payments at the commencement date, discounted using the incremental borrowing interest rate. Lease payments are fixed payments, less any lease incentives receivable. The Company subsequently measures the lease liability at amortized cost using the interest method and recognises interest expense over the lease term. The lease liability is remeasured and the amount of remeasurement is recognised as an adjustment to the right-of-use asset when there are changes in the lease term or lease payments and such changes do not arise from contract modifications.
- C. At the commencement date, the right-of-use asset is stated at cost comprising the following:
- (a) The amount of the initial measurement of lease liability;
 - (b) Any lease payments made at or before the commencement date; and
 - (c) Any initial direct costs incurred by the lessee.

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

(17) Investment property

An investment property is stated initially at its cost and measured subsequently using the fair value model. A gain or loss arising from a change in the fair value of investment property is recognised in profit or loss.

(18) Intangible assets

Computer software

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

(19) Impairment of non-financial assets

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

(20) Borrowings

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

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

(21) Notes and accounts payable

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

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

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

A. Financial liabilities are classified in this category of held for trading if acquired principally for the purpose of repurchasing in the short-term. Derivatives are also categorised as financial liabilities held for trading unless they are designated as hedges.

B. At initial recognition, the Company measures the financial liabilities at fair value. All related transaction costs are recognised in profit or loss. The Company subsequently measures these financial liabilities at fair value with any gain or loss recognised in profit or loss.

(23) Bonds payable

Ordinary corporate bonds issued by the Company are initially recognised at fair value less

transaction costs. Any difference between the proceeds (net of transaction costs) and the redemption value is presented as an addition to or deduction from bonds payable, which is amortised to profit or loss over the period of bond circulation using the effective interest method as an adjustment to 'finance costs'.

(24) Derecognition of financial liabilities

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

(25) Offsetting financial instruments

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

(26) Financial guarantee contracts

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

(27) Non-hedging derivatives

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

(28) Provisions

Warranties provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, and it is probable that an outflow of economic resources will be required to settle the obligation and the amount of the obligation can be reliably estimated.

(29) Employee benefits

A. Short-term employee benefits

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

B. Pensions

(a) Defined contribution plans

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

(b) Defined benefit plans

- i. Net obligation under a defined benefit plan is defined as the present value of an amount of pension benefits that employees will receive on retirement for their services with the Company in current period or prior periods. The liability recognised in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets. The net defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The rate used to discount is determined by using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability; when there is no deep market in high-quality corporate bonds, the Company uses interest rates of government bonds (at the balance sheet date) instead.
 - ii. Remeasurements arising on defined benefit plan are recognised in other comprehensive income in the period in which they arise and are recorded as retained earnings.
 - iii. Past service costs are recognised immediately in profit or loss.
- C. Employees' compensation and directors' and supervisors' remuneration
- Employees' compensation and directors' and supervisors' remuneration are recognised as expense and liability, provided that such recognition is required under legal or constructive obligation and those amounts can be reliably estimated. Any difference between the resolved amounts and the subsequently actual distributed amounts is accounted for as changes in estimates. If employee compensation is paid by shares, the Company calculates the number of shares based on the closing price at the previous day of the board meeting resolution.

(30) Income tax

- A. The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or items recognised directly in equity, in which cases the tax is recognised in other comprehensive income or equity.
- B. The current income tax expense is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in accordance with applicable tax regulations. It establishes provisions where appropriate based on the amounts expected to be paid to the tax authorities. An additional tax is levied on the unappropriated retained earnings and is recorded as income tax expense in the year the stockholders resolve to retain the earnings.
- C. Deferred tax is recognised, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated balance sheet. However, the deferred tax is not accounted for if it arises from initial recognition of goodwill or of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or

loss and does not give rise to equal taxable and deductible temporary differences. Deferred tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Company and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

- D. Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. At each balance sheet date, unrecognised and recognised deferred tax assets are reassessed.
- E. Current income tax assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. Deferred tax assets and liabilities are offset on the balance sheet when the entity has the legally enforceable right to offset current tax assets against current tax liabilities and they are levied by the same taxation authority on either the same entity or different entities that intend to settle on a net basis or realise the asset and settle the liability simultaneously.
- F. A deferred tax asset shall be recognised for the carryforward of unused tax credits resulting from acquisitions of equipment or technology, research and development expenditures and equity investments to the extent that it is possible that future taxable profit will be available against which the unused tax credits can be utilised.

(31) Share capital

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

(32) Dividends

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

(33) Revenue recognition

- A. Sales of goods
 - (a) The Company designs, manufactures and sells a range of video display devices, computers and peripheral products. Sales are recognised when control of the products has transferred,

being when the products are delivered to the customer, the customer has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract, or the Company has objective evidence that all criteria for acceptance have been satisfied. The sales usually are made with a credit term of 30 days to 120 days. As the time interval between the transfer of committed goods or service and the payment of customer does not exceed one year, the Company does not adjust the transaction price to reflect the time value of money.

- (b) The Company's obligation to provide a refund for faulty products under the standard warranty terms is recognised as a provision.
- (c) A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

B. Incremental costs of obtaining a contract

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

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

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

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

None.

(2) Critical accounting estimates and assumptions

A. Evaluation of inventories

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

As of December 31, 2023, the carrying amount of inventories was \$305,021.

B. Investment property measured at fair value

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

6. DETAILS OF SIGNIFICANT ACCOUNTS

(1) Cash and cash equivalents

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Cash on hand and revolving funds	\$ 262	\$ 291
Checking accounts and demand deposits	865,429	1,657,971
Time deposits	2,734,703	3,591,198
	<u>\$ 3,600,394</u>	<u>\$ 5,249,460</u>

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

B. Time deposits that do not meet the definition of cash equivalent and pledged to others as collateral for borrowings and bonds payable totaling \$1,937,776 and \$0 were classified as ‘financial assets at amortised cost - current’ as of December 31, 2023 and 2022, respectively.

B. Demand deposits pledged to others as collateral for bonds payable amounting to \$6,243 and \$1,046,589 were classified as ‘financial assets at amortised cost - current’ as of December 31, 2023 and 2022, respectively.

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

<u>Assets items</u>	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Current items:		
Financial assets mandatorily measured at fair value through profit or loss		
Listed stocks	\$ 947,254	\$ 647,964
Beneficiary certificates	551,228	374,841
Valuation adjustment	753,702	257,468
	<u>\$ 2,252,184</u>	<u>\$ 1,280,273</u>

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

	Year ended December 31, 2023	Year ended December 31, 2022
Financial assets mandatorily measured at fair value through profit or loss		
Equity instruments	\$ 627,472	(\$ 128,518)
Beneficiary certificates	(8,194)	3,601
	<u>\$ 619,278</u>	<u>(\$ 124,917)</u>
Financial liabilities held for trading		
Derivatives	(\$ 24,212)	(\$ 2,727)

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

	December 31, 2023	
	Contract amount (notional principal)	Contract period
Derivative financial instruments		
Current items:		
Forward foreign exchange contracts	<u>USD \$21,000</u>	2023/11/06-2024/05/22

As of December 31, 2022: None.

Forward foreign exchange contracts / Foreign exchange swaps

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

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

D. Information relating to credit risk of financial assets at fair value through profit or loss is provided in Note 12(2).

(3) Accounts receivable

	December 31, 2023	December 31, 2022
Accounts receivable	\$ 2,762,859	\$ 2,370,867
Accounts receivable - related parties	130,964	-
Less: Allowance for uncollectible accounts	(5,326)	(5,326)
	<u>\$ 2,888,497</u>	<u>\$ 2,365,541</u>

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

	December 31, 2023	December 31, 2022
Not past due	\$ 2,205,948	\$ 1,827,946
Up to 30 days	533,861	523,367
31 to 90 days	9,502	18,884
91 to 180 days	12,897	-
Over 181 days	651	670
	<u>\$ 2,762,859</u>	<u>\$ 2,370,867</u>

The above aging analysis was based on past due date.

- B. As of December 31, 2023, December 31, 2022 and January 1, 2022, the balances of receivables from contracts with customers amounted to \$2,762,859, \$2,370,867, and \$5,116,437, respectively.
- C. The Company has no accounts receivable pledged to others.
- D. As at December 31, 2023 and 2022, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the Company's accounts receivable were \$2,888,497 and \$2,365,541, respectively.
- E. The Company has taken out credit insurance on accounts receivable from some of the main clients. The Company will get compensation based on the proportion of the agreements.
- F. Information relating to credit risk of accounts receivable is provided in Note 12(2).

(4) Inventories

	December 31, 2023		
	Cost	Allowance for valuation loss	Book value
Raw materials	\$ 323,275	(\$ 18,259)	\$ 305,016
Semi-finished goods	6	(1)	5
	<u>\$ 323,281</u>	<u>(\$ 18,260)</u>	<u>\$ 305,021</u>
	December 31, 2022		
	Cost	Allowance for valuation loss	Book value
Raw materials	\$ 484,795	(\$ 18,661)	\$ 466,134
Semi-finished goods	9	-	9
	<u>\$ 484,804</u>	<u>(\$ 18,661)</u>	<u>\$ 466,143</u>

The cost of inventories recognized as expense for the years ended December 31, 2023 and 2022 was \$19,548,456 and \$16,845,333, respectively, including the amount of \$0 and \$6,751, respectively, that the Company wrote down inventories from cost to net realizable value accounted for as cost of goods sold.

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

A. Investments accounted for using equity method

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Subsidiaries:		
Kapok Computer Co., Ltd.	\$ 79,214	\$ 77,847
Clevo Investment Co., Ltd.	101,758	79,032
Clevo (Cayman Islands) Holding Company	42,653,466	43,142,281
Kapok Computer (Samoa) Corporation	7,656,911	7,805,693
Clevo Computer Singapore Pte. Ltd.	1,771,355	1,660,391
Buynow On-line Holding Corporation	4,869	4,878
Joint venture:		
TAIPEI TWIN CORPORATION	2,120,628	1,029,182
Tua Tiann Co., Ltd.	493,451	491,065
	<u>\$ 54,881,652</u>	<u>\$ 54,290,369</u>

The related information on subsidiaries is provided in Note 4(3) of the 2023 consolidated financial statements.

B. Joint ventures

(a) The basic information of the joint ventures that are material to the Company is as follows:

<u>Company name</u>	<u>Principal place of business</u>	<u>Shareholding ratio</u>		<u>Nature of relationship</u>	<u>Method of measurement</u>
		<u>December 31, 2023</u>	<u>December 31, 2022</u>		
TAIPEI TWIN CORPORATION	New Taipei City	50%	50%	Financial investment	Equity method
Tua Tiann Co., Ltd.	Taipei City	24.5%	24.5%	Financial investment	Equity method

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

Balance sheet

TAIPEI TWIN CORPORATION		
	December 31, 2023	December 31, 2022
Cash and cash equivalents	\$ 201,914	\$ 228,937
Other current assets	1,094	144,823
Current assets	203,008	373,760
Prepaid contract payments	9,648,562	2,808,441
Other non-current assets	535,646	258,636
Non-current assets	10,184,208	3,067,077
Total assets	\$ 10,387,216	\$ 3,440,837
Other payables	(\$ 198,002)	(\$ 398,222)
Lease liabilities	(76,532)	(7,879)
Other current liabilities	(3,848)	(9,640)
Current liabilities	(278,382)	(415,741)
Long-term borrowings	(2,900,000)	(940,000)
Lease liabilities - non-current	(88,303)	(26,732)
Other non-current liabilities	(2,879,274)	-
Non-current liabilities	(5,867,577)	(966,732)
Total liabilities	(6,145,959)	(1,382,473)
Total net assets	\$ 4,241,257	\$ 2,058,364
Share in joint venture's net assets	\$ 2,120,628	\$ 1,029,182
Carrying amount of the joint venture	\$ 2,120,628	\$ 1,029,182

Statement of comprehensive income

TAIPEI TWIN CORPORATION		
	Year ended December 31, 2023	Year ended December 31, 2022
Other operating expenses	(\$ 113,565)	(\$ 72,109)
Depreciation and amortisation	(7,745)	(6,688)
Interest income	4,666	2,842
Other gains and losses	(464)	(272)
Loss before income tax	(117,108)	(76,227)
Income tax expense	-	-
Profit or loss, net of tax	(\$ 117,108)	(\$ 76,227)
Total comprehensive loss	(\$ 117,108)	(\$ 76,227)
Dividends received from joint venture	\$ -	\$ -

The Company and EPOQUE CORPORATION participated in the land development project

of Taipei City Western District Gateway Project-Taipei Main Station Special Zone C1/D1(Eastern Part) to jointly establish TAIPEI TWIN CORPORATION. The investments amounting to \$2.25 billion from both the Company and EPOQUE CORPORATION account for 50% of the total investment and the shareholding ratio is 50% for each as at December 31, 2023. TAIPEI TWIN CORPORATION would be jointly controlled by both parties based on the joint venture agreement.

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

Tua Tiann Co., Ltd.		
	December 31, 2023	December 31, 2022
Cash and cash equivalents	\$ 52,539	\$ 8,931
Financial assets at amortised cost - current	50,000	200,000
Other current assets	10,642	7,476
Current assets	113,181	216,407
Prepaid contract payments	576,163	467,864
Other non-current assets	1,325,961	1,320,180
Total assets	<u>\$ 2,015,305</u>	<u>\$ 2,004,451</u>
Current liabilities	(1,077)	(103)
Non-current liabilities	(141)	-
Total liabilities	(1,218)	(103)
Total net assets	<u>\$ 2,014,087</u>	<u>\$ 2,004,348</u>
Share in joint venture's net assets	<u>\$ 493,451</u>	<u>\$ 491,065</u>
Carrying amount of the joint venture	<u>\$ 493,451</u>	<u>\$ 491,065</u>

Tua Tiann Co., Ltd.		
	Year ended December 31, 2023	Year ended December 31, 2022
Other operating expenses	(\$ 182)	(\$ 690)
Other gains and losses	17,350	5,038
Profit before income tax	17,168	4,348
Income tax expense	(4,303)	-
Profit or loss, net of tax	<u>\$ 12,865</u>	<u>\$ 4,348</u>
Total comprehensive income	<u>\$ 12,865</u>	<u>\$ 4,348</u>
Dividends received from joint venture	<u>\$ 766</u>	<u>\$ -</u>

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

parties based on the joint venture agreement.

(6) Property, plant and equipment

	Machinery	Computers and communication equipment	Transportation equipment	Lease improvements	Others	Total
At January 1, 2023						
Cost	\$ 20,613	\$ 6,245	\$ 2,642	\$ 74,073	\$ 24,220	\$ 127,793
Accumulated depreciation	(9,578)	(2,874)	(1,924)	(6,936)	(2,968)	(24,280)
	<u>\$ 11,035</u>	<u>\$ 3,371</u>	<u>\$ 718</u>	<u>\$ 67,137</u>	<u>\$ 21,252</u>	<u>\$ 103,513</u>
<u>2023</u>						
Opening net book amount as at January 1	\$ 11,035	\$ 3,371	\$ 718	\$ 67,137	\$ 21,252	\$ 103,513
Additions	2,038	6,810	-	689	432	9,969
Disposals (costs)	(2,420)	(1,040)	-	-	(228)	(3,688)
Disposals (accumulated depreciation)	2,420	1,040	-	-	228	3,688
Depreciation charge	(3,275)	(1,571)	(195)	(11,931)	(2,990)	(19,962)
Closing net book amount as at December 31	<u>\$ 9,798</u>	<u>\$ 8,610</u>	<u>\$ 523</u>	<u>\$ 55,895</u>	<u>\$ 18,694</u>	<u>\$ 93,520</u>
At December 31, 2023						
Cost	\$ 20,231	\$ 12,015	\$ 2,642	\$ 74,762	\$ 24,424	\$ 134,074
Accumulated depreciation	(10,433)	(3,405)	(2,119)	(18,867)	(5,730)	(40,554)
	<u>\$ 9,798</u>	<u>\$ 8,610</u>	<u>\$ 523</u>	<u>\$ 55,895</u>	<u>\$ 18,694</u>	<u>\$ 93,520</u>
	Machinery	Computers and communication equipment	Transportation equipment	Lease improvements	Others	Total
At January 1, 2022						
Cost	\$ 14,400	\$ 5,321	\$ 2,868	\$ -	\$ 2,422	\$ 25,011
Accumulated depreciation	(9,392)	(1,734)	(2,348)	-	(1,645)	(15,119)
	<u>\$ 5,008</u>	<u>\$ 3,587</u>	<u>\$ 520</u>	<u>\$ -</u>	<u>\$ 777</u>	<u>\$ 9,892</u>
<u>2022</u>						
Opening net book amount as at January 1	\$ 5,008	\$ 3,587	\$ 520	\$ -	\$ 777	\$ 9,892
Additions	8,464	924	374	74,073	22,594	106,429
Disposals (costs)	(2,251)	-	(600)	-	(796)	(3,647)
Disposals (accumulated depreciation)	2,083	-	600	-	796	3,479
Depreciation charge	(2,269)	(1,140)	(176)	(6,936)	(2,119)	(12,640)
Closing net book amount as at December 31	<u>\$ 11,035</u>	<u>\$ 3,371</u>	<u>\$ 718</u>	<u>\$ 67,137</u>	<u>\$ 21,252</u>	<u>\$ 103,513</u>
At December 31, 2022						
Cost	\$ 20,613	\$ 6,245	\$ 2,642	\$ 74,073	\$ 24,220	\$ 127,793
Accumulated depreciation	(9,578)	(2,874)	(1,924)	(6,936)	(2,968)	(24,280)
	<u>\$ 11,035</u>	<u>\$ 3,371</u>	<u>\$ 718</u>	<u>\$ 67,137</u>	<u>\$ 21,252</u>	<u>\$ 103,513</u>

A. No borrowing costs were capitalized on property, plant and equipment for the years ended December 31, 2023 and 2022.

B The Company does not provide information on real property, plant and equipment for guarantee.

(7) Leasing arrangements — lessee

- A. The Company leases various assets including office. Rental contracts are made for periods of 3 to 4 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose covenants, but leased assets may not be used as security for borrowing purposes.
- B. Printers are the low-value assets that the Company leased.
- C. The carrying amount of right-of-use assets and the depreciation charge are as follows:

	December 31, 2023	Year ended December 31, 2023	December 31, 2022	Year ended December 31, 2022
	Carrying amount	Depreciation charge	Carrying amount	Depreciation charge
Office	\$ 73,181	\$ 58,545	\$ 131,726	\$ 51,451
Transportation equipment	1,672	478	-	-
	<u>\$ 74,853</u>	<u>\$ 59,023</u>	<u>\$ 131,726</u>	<u>\$ 51,451</u>

- D. For the years ended December 31, 2023 and 2022, the additions to right-of-use assets were \$5,948 and \$175,634, respectively.
- E. The information on profit and loss accounts relating to lease contracts is as follows:

	Year ended	
	December 31, 2023	December 31, 2022
<u>Items affecting profit or loss</u>		
Interest expense on lease liabilities	\$ 3,089	\$ 3,721
Expense on short-term lease contracts	1,129	1,403
Gain on sublease of right-of-use assets	3,916	95,066

- F. For the years ended December 31, 2023 and 2022, the Company's total cash outflow for leases were \$107,591 and \$89,128, respectively.
- G. The Company sold property, plant and equipment located at Sanchong Dist., New Taipei City to TransGlobe Life in the amount of \$4,100,000 on October 15, 2021. The Company leased back the aforementioned sold assets for a lease term of 4 years, and the lease agreement does not include extension or purchase clauses. The rental payments for each year are \$47,500, \$47,500, \$48,925 and \$50,393, respectively.

(8) Leasing arrangements – lessor

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

the lease period of the building covers the main part of the economic life of the underlying asset. Information on profit or loss in relation to lease contracts is as follows:

	Year ended December 31, 2023	Year ended December 31, 2022
Finance income from the net investment in the finance lease	\$ 1,554	\$ 225

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

	December 31, 2023	December 31, 2022
2023	\$ -	\$ 43,945
2024	46,657	42,314
2025	43,163	39,581
	<u>\$ 89,820</u>	<u>\$ 125,840</u>

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

	December 31, 2023	
	Current	Non-current
Undiscounted lease payments	\$ 46,657	\$ 43,163
Unearned finance income	(985)	(225)
Net investment in the lease	<u>\$ 45,672</u>	<u>\$ 42,938</u>

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

E. For the years ended December 31, 2023 and 2022, the Company recognized rent income in the amounts of \$4,253 and \$3,970, respectively, based on the operating lease agreement, which does not include variable lease payments.

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

	December 31, 2023	December 31, 2022
2022	\$ -	\$ 3,970
2023	4,253	-
	<u>\$ 4,253</u>	<u>\$ 3,970</u>

(9) Short-term borrowings

Type of borrowings	December 31, 2023	Interest rate range	Collateral
Bank borrowings			
Bank unsecured borrowings	<u>\$ 2,548,000</u>	1.65% ~ 1.85%	Promissory note

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

(10) Bonds payable

	December 31, 2023	December 31, 2022
Secured bonds payable	\$ 5,000,000	\$ 5,000,000
Less: Current portion of secured bonds payable	(5,000,000)	-
	<u>\$ -</u>	<u>\$ 5,000,000</u>

A. On August 22, 2019, Clevo Co. issued \$5,000,000 secured bonds, as approved by the regulatory authority.

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

Type of Bonds	Issuance date	Period	Amount	Coupon rate	Payment term	Security
Secured bonds payable	2019/8/26	5 years	\$ 5,000,000	fixed rate of 0.8%	Principal is due at maturity. Interest is paid annually at simple interest rate.	Authorise Taiwan Cooperative Bank to execute corporate bond guarantee according to the guarantee agreement.

(11) Long-term borrowings

Type of borrowings	Borrowing period and repayment term	Interest rate range	Collateral	December 31, 2023
Unsecured borrowings	Borrowing period is from September 30, 2022 to December 17, 2026; interest is payable monthly, principal is payable at maturity date.	1.73% ~ 1.85%	Promissory note	\$ 9,646,000
Unsecured borrowings	Borrowing period is from March 31, 2023 to March 31, 2028; interest is payable monthly, principal is payable in installments.	1.978% ~ 2.1303%	Promissory note	6,400,000
				<u>\$ 16,046,000</u>

Type of borrowings	Borrowing period and repayment term	Interest rate range	Collateral	December 31, 2022
Unsecured borrowings	Borrowing period is from June 13, 2022 to December 17, 2026; interest is payable monthly, principal is payable at maturity date.	1.391% ~ 1.918%	Promissory note	\$ 10,350,000
Unsecured borrowings	Borrowing period is from December 28, 2018 to December 28, 2023; interest is payable monthly, principal is payable in installments.	1.9127% ~ 2.1145%	Promissory note	4,000,000
				<hr/> 14,350,000
Less: Current portion of long-term loans				(5,200,000)
				<hr/> <u>\$ 9,150,000</u>

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

(12) Pensions

A. Defined benefit pension plan

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

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

	December 31, 2023	December 31, 2022
Present value of defined benefit obligations	\$ 297,584	\$ 314,522
Fair value of plan assets	(351,134)	(353,812)
Net defined benefit assets	<u>(\$ 53,550)</u>	<u>(\$ 39,290)</u>

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

	2023		
	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit liability (assets)
Balance at January 1	\$ 314,522	(\$ 353,812)	(\$ 39,290)
Current service cost	110	-	110
Interest expense (income)	4,183	(4,705)	(522)
	<u>318,815</u>	<u>(358,517)</u>	<u>(39,702)</u>
Remeasurements:			
Return on plan assets (excluding amounts included in interest income or expense)			
Change in financial assumptions	3,057	-	3,057
Experience adjustments	(5,818)	(1,279)	(7,097)
	<u>(2,761)</u>	<u>(1,279)</u>	<u>(4,040)</u>
Pension fund contribution	-	(9,808)	(9,808)
Paid pension	(18,470)	18,470	-
Balance at December 31	<u>\$ 297,584</u>	<u>(\$ 351,134)</u>	<u>(\$ 53,550)</u>
	2022		
	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit liability (assets)
Balance at January 1	\$ 322,555	(\$ 322,555)	\$ -
Current service cost	2,305	-	2,305
Interest expense (income)	2,311	(2,290)	21
	<u>327,171</u>	<u>(324,845)</u>	<u>2,326</u>
Remeasurements:			
Return on plan assets (excluding amounts included in interest income or expense)			
Change in demographic assumptions	809	-	809
Change in financial assumptions	(4,462)	-	(4,462)
Experience adjustments	(4,955)	(24,280)	(29,235)
	<u>(8,608)</u>	<u>(24,280)</u>	<u>(32,888)</u>
Pension fund contribution	-	(8,728)	(8,728)
Paid pension	(4,041)	4,041	-
Balance at December 31	<u>\$ 314,522</u>	<u>(\$ 353,812)</u>	<u>(\$ 39,290)</u>

- (d) The Bank of Taiwan was commissioned to manage the Fund of the Company's defined benefit pension plan in accordance with the Fund's annual investment and utilisation plan and the "Regulations for Revenues, Expenditures, Safeguard and Utilisation of the Labor Retirement Fund" (Article 6: The scope of utilisation for the Fund includes deposit in domestic or foreign financial institutions, investment in domestic or foreign listed, over-the-counter, or private placement equity securities, investment in domestic or foreign real estate securitization products, etc.). With regard to the utilisation of the Fund, its minimum earnings in the annual distributions on the final financial statements shall be no less than the earnings attainable from the amounts accrued from two-year time deposits with the interest rates offered by local banks. If the earnings is less than aforementioned rates, government shall make payment for the deficit after being authorized by the Regulator. The Company has no right to participate in managing and operating that fund and hence the Company is unable to disclose the classification of plan assets fair value in accordance with IAS 19 paragraph 142. The composition of fair value of plan assets as of December 31, 2023 and 2022 is given in the Annual Labor Retirement Fund Utilisation Report announced by the government.
- (e) The principal actuarial assumptions used were as follows:

	Year ended December 31, 2023	Year ended December 31, 2022
Discount rate	1.23%	1.33%
Future salary increases	2.50%	2.50%

Future mortality rate was estimated based on 90% of the 6th Taiwan Standard Ordinary Experience Mortality Table in accordance with published statistics and experience in each territory.

Because the main actuarial assumption changed, the present value of defined benefit obligation is affected. The analysis was as follows:

	Discount rate		Future salary increases	
	Increase 0.5%	Decrease 0.5%	Increase 0.5%	Decrease 0.5%
<u>December 31, 2023</u>				
Effect on present value of defined benefit obligation	(\$ 14,884)	\$ 15,918	\$ 15,635	(\$ 14,775)
<u>December 31, 2022</u>				
Effect on present value of defined benefit obligation	(\$ 16,874)	\$ 18,101	\$ 17,797	(\$ 16,767)

The sensitivity analysis above is based on one assumption which changed while the other conditions remain unchanged. In practice, more than one assumption may change all at once. The method of analysing sensitivity and the method of calculating net pension liability in the balance sheet are the same.

The methods and types of assumptions used in preparing the sensitivity analysis were consistent with previous period.

(g) Expected contributions to the defined benefit pension plan of the Company for the year ending December 31, 2024 amount to \$9,808.

(h) As of December 31, 2023, the weighted average duration of the retirement plan is 10 years.

The analysis of timing of the future pension payment was as follows:

Within 2 years	\$	252,573
2-5 years		18,093
Over 5 years		2,638
	\$	<u>273,304</u>

B. Defined contribution plan

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

(b) The pension costs under the defined contribution pension plan of the Company for the years ended December 31, 2023 and 2022 were \$35,755 and \$35,094, respectively.

(13) Provisions

	Warranty	
	2023	2022
At January 1	\$ 58,523	\$ 58,523
Additional provisions	72,639	85,122
Used during the year	(72,639)	(85,122)
At December 31	<u>\$ 58,523</u>	<u>\$ 58,523</u>

Analysis of total provisions:

	December 31, 2023	December 31, 2022
Current	<u>\$ 58,523</u>	<u>\$ 58,523</u>

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

(14) Share capital

A. As of December 31, 2023, the Company's authorised capital was \$9,000,000, consisting of 900 million shares of ordinary stock, and the paid-in capital was \$6,322,630, consisting of 632,263 thousand shares with a par value of \$10 (in dollars) per share. The foregoing includes 20 million shares reserved for employee stock options with a par value of \$10 (in dollars) per share, which the Board of Directors are authorised to issue depending on actual demand.

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

	2023	2022
At January 1 (At December 31)	<u>585,216</u>	<u>585,216</u>

B. Treasury shares

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

Name of company holding the shares	Reason for reacquisition	December 31, 2023	
		Number of shares	Carrying amount
The Company	To be reissued to employees	20,000 thousand	\$ 625,712
Subsidiary-Kapok Computer	Long-term investment	16,966 thousand	95,306
Subsidiary-Clevo Investment	Long-term investment	10,081 thousand	108,182

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

(b) On August 12, 2022 and November 12, 2021, the Company handled the cancellation of treasury shares by the resolution of the board of directors. The amount of capital reduction was \$100,000 and \$75,000, consisting of 10,000 thousand shares and 7,500 thousand shares, respectively. The capital reduction ratios were 1.56% and 1.15%, and the capital reduction base dates were August 16, 2022 and January 14, 2021, respectively.

(c) Pursuant to the R.O.C. Securities and Exchange Act, the number of shares bought back as treasury share should not exceed 10% of the number of the Company's issued and outstanding

shares and the amount bought back should not exceed the sum of retained earnings, paid-in capital in excess of par value and realised capital surplus.

(d) Pursuant to the R.O.C. Securities and Exchange Act, treasury shares should not be pledged as collateral and is not entitled to dividends before it is reissued.

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

(15) Capital surplus

Pursuant to the R.O.C. Company Act, capital surplus arising from paid-in capital in excess of par value on issuance of common stocks and donations can be used to cover accumulated deficit or to issue new stocks or cash to shareholders in proportion to their share ownership, provided that the Company has no accumulated deficit. Further, the R.O.C. Securities and Exchange Act requires that the amount of capital surplus to be capitalised mentioned above should not exceed 10% of the paid-in capital each year. Capital surplus should not be used to cover accumulated deficit unless the legal reserve is insufficient.

(16) Retained earnings

A. Under the Company's Articles of Incorporation, the current year's earnings, if any, shall first be used to pay all taxes and offset prior years' operating losses and then 10% of the remaining amount shall be set aside as legal reserve. However, when the legal reserve amounts to the authorized capital, this shall not apply. According to the law or the authority, the special surplus reserve shall be set or reversed. If there is still surplus, the Board of Directors shall draft the allocation which shall be resolved at the shareholders' meeting. On June 15, 2022, the shareholders during their meeting passed a resolution to amend the Company's Articles of Association. In accordance with the amended Articles of Association, the special surplus reserve shall be set or reversed. If there is still surplus, the Board of Directors shall draft the allocation which shall be resolved at the shareholders' meeting.

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

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

C. Except for covering accumulated deficit or issuing new stocks or cash to shareholders in

proportion to their share ownership, the legal reserve shall not be used for any other purpose. The use of legal reserve for the issuance of stocks or cash to shareholders in proportion to their share ownership is permitted, provided that the distribution of the reserve is limited to the portion in excess of 25% of the Company's paid-in capital.

D. Special reserve

- (a) In accordance with the regulations, the Company shall set aside special reserve from the debit balance on other equity items at the balance sheet date before distributing earnings. When debit balance on other equity items is reversed subsequently, the reversed amount could be included in the distributable earnings.
- (b) The amounts previously set aside by the Company as special reserve on initial application of IFRSs in accordance with Jin-Guan-Zheng-Fa-Zi Letter No. 1010012865, dated April 6, 2012, shall be reversed proportionately when the relevant assets are used, disposed of or reclassified subsequently. Such amounts are reversed upon disposal or reclassified if the assets are investment property of land, and reversed over the use period if the assets are investment property other than land.
- (c) According to Jin-Guan-Zheng-Fa-Zi Letter No.1030006415, dated March 18, 2014, investment properties are initially and subsequently measured using fair value model. Changes of value due to appreciation as of December 31, 2013 are reflected in the increase of Appropriated Retained Earnings. The Company will recognise the reversal of earnings upon subsequent disposal or decrease of the investment properties.
- E. The appropriations of 2022 and 2021 earnings had been resolved at the stockholders' meeting on May 31, 2023 and June 15, 2022, respectively. Details are summarised below:

	2022		2021	
	Dividends per share		Dividends per share	
	Amount	(in dollars)	Amount	(in dollars)
Legal reserve	\$ 71,804		\$ 302,123	
Reverse of special reserve (974,795)		(493,824)	
Cash dividends	918,395	\$ 1.50	1,285,752	\$ 2.10
	<u>\$ 15,404</u>		<u>\$1,094,051</u>	

- F. The resolution of the appropriations of 2023 earnings was approved by the Board of Directors during its meeting on March 14, 2024 as follows:

	2023	
	Dividends per share	
	Amount	(in dollars)
Legal reserve	\$ 109,406	
Set aside special reserve	762,104	
Cash dividends	979,621	\$ 1.6
	<u>\$ 1,851,131</u>	

As of the financial report date, the Company's 2023 profit distribution proposal has not yet been resolved by the shareholders. Information about the distribution of profits as resolved by the Board of Directors will be posted in the “Market Observation Post System” at the website of the Taiwan Stock Exchange.

(17) Other equity items

	2023	2022
	Currency translation	Currency translation
At January 1	(\$ 3,771,472)	(\$ 4,628,787)
Currency translation differences:		
–The Company and subsidiaries	(792,838)	857,315
At December 31	(\$ 4,564,310)	(\$ 3,771,472)

(18) Operating revenue

	Year ended December 31, 2023	Year ended December 31, 2022
Revenue from contracts with customers	\$ 21,284,601	\$ 18,800,588

A. Disaggregation of revenue from contracts with customers

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

		China computer	Asia-Pacific computer	Other computer	
2023	products	products	products	products	Total
Total segment revenue	\$ 15,400,463	\$ 7,464,894	\$ 5,567,127	\$ 28,432,484	
Inter-segment revenue	(7,147,883)	-	-	(7,147,883)	
Revenue from external customer contracts	\$ 8,252,580	\$ 7,464,894	\$ 5,567,127	\$ 21,284,601	
Timing of revenue recognition					
At a point in time	\$ 8,252,580	\$ 7,464,894	\$ 5,567,127	\$ 21,284,601	

		China computer	Asia-Pacific computer	Other computer	
2022	products	products	products	products	Total
Total segment revenue	\$ 11,158,199	\$ 6,541,730	\$ 5,920,737	\$ 23,620,666	
Inter-segment revenue	(4,820,078)	-	-	(4,820,078)	
Revenue from external customer contracts	\$ 6,338,121	\$ 6,541,730	\$ 5,920,737	\$ 18,800,588	
Timing of revenue recognition					
At a point in time	\$ 6,338,121	\$ 6,541,730	\$ 5,920,737	\$ 18,800,588	

B. Contract assets and liabilities

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

	<u>December 31, 2023</u>	<u>December 31, 2022</u>	<u>January 1, 2022</u>
Contract liabilities:			
Contract liabilities – Advance sales receipts	\$ <u>41,378</u>	\$ <u>134,656</u>	\$ <u>45,890</u>

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

	<u>Year ended December 31, 2023</u>	<u>Year ended December 31, 2022</u>
Revenue recognised that was included in the contract liability balance at the beginning of the year		
Advance real estate receipts	\$ <u>105,625</u>	\$ <u>40,562</u>

(19) Interest income

	<u>Year ended December 31, 2023</u>	<u>Year ended December 31, 2022</u>
Interest income from bank deposits	\$ 193,234	\$ 54,026
Other interest income	<u>1,953</u>	<u>397</u>
	\$ <u>195,187</u>	\$ <u>54,423</u>

(20) Other income

	<u>Year ended December 31, 2023</u>	<u>Year ended December 31, 2022</u>
Dividend income	\$ 58,256	\$ 49,020
Rent income	4,253	3,970
Other income	<u>30,366</u>	<u>80,800</u>
	\$ <u>92,875</u>	\$ <u>133,790</u>

(21) Other gains and losses

	Year ended December 31, 2023	Year ended December 31, 2022
Gains on disposals of property, plant and equipment	\$ -	\$ 32
Foreign exchange gains	12,947	652,186
Gains on financial assets and liabilities at fair value through profit or loss	595,066	(127,644)
Income from subleasing right-of-use assets	3,916	95,066
Fee expense arising from financial liabilities not at fair value through profit or loss	(2,840)	(3,464)
Fee expense arising from trust and fiduciary activities	(5,110)	(7,827)
Other losses	-	(54)
	<u>\$ 603,979</u>	<u>\$ 608,295</u>

(22) Finance costs

	Year ended December 31, 2023	Year ended December 31, 2022
Interest expense:		
Bank borrowings	\$ 308,624	\$ 193,049
Other interest expense	101,567	91,597
Financial costs	<u>\$ 410,191</u>	<u>\$ 284,646</u>

(23) Expenses by nature

	Year ended December 31, 2023	Year ended December 31, 2022
Employee benefit expense	\$ 922,580	\$ 833,284
Depreciation charges on property, plant and equipment	19,962	12,640
Depreciation charges on right-of-use assets	59,023	51,451
Amortisation charges on intangible assets	24,085	12,368
	<u>\$ 1,025,650</u>	<u>\$ 909,743</u>

(24) Employee benefit expense

	Year ended December 31, 2023	Year ended December 31, 2022
Wages and salaries	\$ 789,148	\$ 704,622
Labour and health insurance fees	59,889	57,079
Pension costs	35,343	37,420
Other personnel expenses	38,200	34,163
	<u>\$ 922,580</u>	<u>\$ 833,284</u>

- A. In accordance with the Articles of Incorporation of the Company, a ratio of distributable profit of the current year, shall be distributed as employees' compensation and directors' and supervisors' remuneration. The ratio shall be 5%~15% for employees' compensation and shall not be higher than 1% for directors' and supervisors' remuneration.
- B. For the years ended December 31, 2023 and 2022, employees' compensation was accrued at \$129,000 and \$108,000, respectively; while directors' and supervisors' remuneration was accrued at \$12,700 and \$10,600, respectively. The aforementioned amounts were recognised in salary expenses.

The employees' compensation and directors' and supervisors' remuneration were estimated and accrued based on 5%~15% and not higher than 1% of distributable profit of current year for the year ended December 31, 2023. The employees' compensation and directors' and supervisors' remuneration as resolved by the Board of Directors were in agreement with those amounts recognised in the 2023 financial statements, and the employees' compensation will be distributed in the form of cash.

Employees' compensation and directors' and supervisors' remuneration for 2023 and 2022 as resolved by the Board of Directors were in agreement with those amounts recognised in the 2023 and 2022 financial statements.

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

(25) Income tax

A. Income tax expense

(a) Components of income tax expense:

	Year ended December 31, 2023	Year ended December 31, 2022
Current tax:		
Current tax on profits for the year	\$ 136,059	\$ 182,615
Tax on undistributed surplus earnings	34,611	36,963
Prior year income tax overestimation	(1,101)	(26,641)
Total current tax	<u>169,569</u>	<u>192,937</u>
Deferred tax:		
Origination and reversal of temporary differences	(23,803)	(69,546)
Total deferred tax	(23,803)	(69,546)
Income tax expense	<u>\$ 145,766</u>	<u>\$ 123,391</u>

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

	Year ended December 31, 2023	Year ended December 31, 2022
Currency translation differences	\$ 4,631	(\$ 11,161)
Remeasurement of defined benefit obligations	(808)	(6,576)
	<u>\$ 3,823</u>	<u>(\$ 17,737)</u>

B. Reconciliation between income tax expense and accounting profit

	Year ended December 31, 2023	Year ended December 31, 2022
Tax calculated based on profit before tax and statutory tax rate	\$ 241,171	\$ 189,583
Tax exempt income by tax regulation	(128,915)	(76,514)
Prior year income tax overestimation	(1,101)	(26,641)
Tax on undistributed surplus earnings	34,611	36,963
Income tax expense	<u>\$ 145,766</u>	<u>\$ 123,391</u>

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

	2023			
	January 1	Recognised in profit or loss	Recognised in other comprehensive income	December 31
Deferred tax assets:				
Temporary differences:				
Unrealised exchange loss	\$ -	\$ 30,026	\$ -	\$ 30,026
Unrealised sales gain	1,138	(842)	-	296
Allowance for spare valuation losses	4,114	3,000	-	7,114
Allowance for inventory valuation losses	3,732	(80)	-	3,652
Allowance for bad debts	9,100	(8,034)	-	1,066
Unused compensated absences	5,065	-	-	5,065
Currency translation differences	9,237	-	4,631	13,868
	<u>\$ 32,386</u>	<u>\$ 24,070</u>	<u>\$ 4,631</u>	<u>\$ 61,087</u>

2023				
	January 1	Recognised in profit or loss	Recognised in other comprehensive income	December 31
Deferred tax liabilities:				
Temporary differences:				
Unrealised exchange gain	(\$ 6,124)	\$ 6,124	\$ -	\$ -
Foreign investment income using equity method	(505,353)	(3,086)	-	(508,439)
Net defined benefit assets	(6,599)	(3,305)	(808)	(10,712)
	(518,076)	(267)	(808)	(519,151)
	<u>(\$ 485,690)</u>	<u>\$ 23,803</u>	<u>\$ 3,823</u>	<u>(\$ 458,064)</u>
2022				
	January 1	Recognised in profit or loss	Recognised in other comprehensive income	December 31
Deferred tax assets:				
Temporary differences:				
Unrealised sales gain	\$ -	\$ 1,138	\$ -	\$ 1,138
Allowance for spare valuation losses	3,773	341	-	4,114
Allowance for inventory valuation losses	2,462	1,270	-	3,732
Allowance for bad debts	3,609	5,491	-	9,100
Unused compensated absences	5,065	-	-	5,065
Currency translation differences	20,398	-	(11,161)	9,237
	<u>\$ 35,307</u>	<u>\$ 8,240</u>	<u>(\$ 11,161)</u>	<u>\$ 32,386</u>

	2022			
		Recognised	Recognised	December
	January 1	in profit or loss	in other comprehensive income	31
Deferred tax liabilities:				
Temporary differences:				
Unrealised exchange gain	(\$ 12,215)	\$ 6,091	\$ -	(\$ 6,124)
Foreign investment income using equity method	(559,713)	54,360	-	(505,353)
Unrealised sales gain	(855)	855	-	-
Net defined benefit assets	(23)	-	(6,576)	(6,599)
	(572,806)	61,306	(6,576)	(518,076)
	<u>(\$ 537,499)</u>	<u>\$ 69,546</u>	<u>(\$ 17,737)</u>	<u>(\$ 485,690)</u>

D. The Company has not recognised taxable temporary differences associated with investment in subsidiaries as deferred tax liabilities. As of December 31, 2023 and 2022, the amounts of temporary differences unrecognised as deferred tax liabilities were \$9,408,636 and \$9,188,459, respectively.

E. The Company's income tax returns through 2021 have been assessed and approved by the Tax Authority.

(26) Earnings per share

	Year ended December 31, 2023		
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	<u>\$ 1,060,090</u>	<u>585,216</u>	<u>\$ 1.81</u>
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	1,060,090	585,216	
Assumed conversion of all dilutive potential ordinary shares			
Employees' bonus	-	3,882	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	<u>\$ 1,060,090</u>	<u>589,098</u>	<u>\$ 1.80</u>

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

(27) Changes in liabilities from financing activities

	Short-term borrowings	Long-term borrowings	Corporate bonds payable	Lease liabilities	Liabilities from financing activities- gross
At January 1, 2023	\$1,770,000	\$14,350,000	\$5,000,000	\$264,528	\$21,384,528
Changes in cash flow from financing activities	778,000	1,696,000	-	(103,373)	2,370,627
Changes in other non-cash items	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,948</u>	<u>5,948</u>
At December 31, 2023	<u>\$2,548,000</u>	<u>\$16,046,000</u>	<u>\$5,000,000</u>	<u>\$167,103</u>	<u>\$23,761,103</u>
	Short-term borrowings	Long-term borrowings	Corporate bonds payable	Lease liabilities	Liabilities from financing activities- gross
At January 1, 2022	\$3,736,477	\$11,550,000	\$5,000,000	\$172,897	\$20,459,374
Changes in cash flow from financing activities	(1,966,477)	2,800,000	-	(84,004)	749,519
Changes in other non-cash items	<u>-</u>	<u>-</u>	<u>-</u>	<u>175,635</u>	<u>175,635</u>
At December 31, 2022	<u>\$1,770,000</u>	<u>\$14,350,000</u>	<u>\$5,000,000</u>	<u>\$264,528</u>	<u>\$21,384,528</u>

7. RELATED PARTY TRANSACTIONS

(1) Names of related parties and relationship

<u>Names of related parties</u>	<u>Relationship with the Company</u>
Kent Hsu	Key management personnel
Kapok Computer (Kunshan) Co., Ltd.	Subsidiary
KAPOK COMPUTER (SAMOA) CORPORATION	Subsidiary
Hon Hui Si Yuan Co., Ltd.	Other related party
HUA TAI INVESTMENT CORPORATION	Other related party
Taipei Twin Corporation	Entity with joint control over this entity
Tua Tiann Co., Ltd.	Entity with joint control over this entity

(2) Significant related party transactions

A. Operating revenue:

- (a) The products sold to subsidiaries are not sold to other customers. The sales price cannot be compared with others. The credit term for related parties is 180 days, while the credit terms for general customers are within 1~2 months.
- (b) The Company sells materials (LCD) and semi-finished goods to subsidiaries to manufacture laptops, and the Company buys back those laptops, which will be sold to customers under a triangle trade. Materials and semi-finished goods sold to subsidiaries amounted to \$7,147,883 and \$4,820,078 for the years ended December 31, 2023 and 2022, respectively. The purchases and sales are offset and shown at net amount in the financial statements.

B. Purchases:

	<u>Year ended December 31, 2023</u>	<u>Year ended December 31, 2022</u>
Purchases of goods:		
Kapok Computer (Kunshan) Co., Ltd.	\$ <u>16,803,771</u>	\$ <u>13,897,287</u>

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

C. Receivables from related parties:

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Accounts receivable:		
Kapok Computer (Kunshan) Co., Ltd.	\$ <u>130,964</u>	\$ <u>-</u>

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

D. Payables to related parties:

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Accounts payable:		
Kapok Computer (Kunshan) Co., Ltd.	\$ -	\$ 429,219

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

E. Acquisition of financial assets:

				<u>Year ended December 31, 2023</u>
	<u>Accounts</u>	<u>No. of shares (in thousands)</u>	<u>Objects</u>	<u>Consideration</u>
TAIPEI TWIN CORPORATION	Investment accounted using the equity method	115,000	Stock	\$ 1,150,000
KAPOK COMPUTER (SAMOA) CORPORATION	Investment accounted using the equity method	1,000	Stock	31,010
				<u>\$ 1,181,010</u>
				<u>Year ended December 31, 2022</u>
	<u>Accounts</u>	<u>No. of shares (in thousands)</u>	<u>Objects</u>	<u>Consideration</u>
Tua Tiann Co., Ltd.	Investment accounted using the equity method	49,000	Stock	\$ 490,000
TAIPEI TWIN CORPORATION	Investment accounted using the equity method	10,000	Stock	100,000
				<u>\$ 590,000</u>

F. Lease transactions — lessee

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

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

	Year ended December 31, 2023	Year ended December 31, 2022
Hon Hui Si Yuan Co., Ltd.	\$ -	\$ 175,634

(c) Lease liabilities

(i) Outstanding balance:

	December 31, 2023	December 31, 2022
Hon Hui Si Yuan Co., Ltd.	\$ 76,489	\$ 134,724

(ii) Interest expense

	Year ended December 31, 2023	Year ended December 31, 2022
Hon Hui Si Yuan Co., Ltd.	\$ 1,512	\$ 1,577

G. Endorsements and guarantees provided to related parties:

- (a) The joint guarantor and co-issuer of the guarantee notes of bank borrowings is Kent Hsu in 2023 and 2022.
- (b) The Company jointly participated in the Taipei Main Station District Parcel C1/D1 (the Eastern Part) Land Development Project of Taipei City Government and jointly established Tatpei Twin Towers Limited with Epoque Corporation. Refer to Note 6(5) for further information.
- (c) On July 15, 2022, the Company's Board of Directors approved for the Company, together with KINDOM DEVELOPMENT CO., LTD. (leader) and HUA TAI INVESTMENT CORPORATION, to participate in the land development project of Taipei City Project-Taipei Main Station Special Zone E1/E2 to jointly establish Tua Tiann Co., Ltd. The related information is provided in Note 6(5).

(3) Key management compensation

	Year ended December 31, 2023	Year ended December 31, 2022
Salaries and other short-term employee benefits	\$ 45,398	\$ 54,466
Post-employment benefits	1,275	1,250
	<u>\$ 46,673</u>	<u>\$ 55,716</u>

8. PLEDGED ASSETS

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

Pledged asset	Book value		Purpose
	December 31, 2023	December 31, 2022	
Financial assets at amortised cost - current	\$ 1,015,966	\$ -	Bonds payable
Financial assets at amortised cost - non- current	6,243	1,046,589	Long-term debt payable 、 Bonds payable
	<u>\$ 1,022,209</u>	<u>\$ 1,046,589</u>	

9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNISED CONTRACT COMMITMENTS

(1) Contingencies

None.

(2) Commitments

1. As of December 31, 2023 and 2022, the Company has issued guarantee notes amounting to \$25,764,881 and \$25,321,482, respectively, for bank repayment and forward exchange trading.
2. On March 30, 2023, the Company entered into a syndicated loan agreement with 11 banks including Taiwan Cooperative Bank amounting to \$7,200,000 and provided equal amount of guarantee notes. The Company and the Chairman of the Group are the joint guarantors and co-issuers of the guarantee notes.

10. SIGNIFICANT DISASTER LOSS

None

11. SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

The Board of Directors has resolved the appropriation of 2023 earnings on March 14, 2024. Details are provided in Note 6(16) .

12. OTHERS

(1) Capital management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. The Company monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including 'current and non-current borrowings' as shown in the consolidated balance sheet) less cash and cash equivalents. Total capital is calculated as 'equity' as shown in the balance sheet plus net debt.

During the year ended December 31, 2023, the Company's strategy, which was unchanged from 2022, was to maintain the gearing ratio under 50%. The gearing ratios at December 31, 2023 and 2022 were as follows:

	December 31, 2023	December 31, 2022
Total borrowings	\$ 23,594,000	\$ 21,120,000
Less: Cash and cash equivalents	(3,600,394)	(5,249,460)
Net debt	19,993,606	15,870,540
Total equity	41,183,369	41,790,352
Total capital	\$ 61,176,975	\$ 57,660,892
Gearing ratio	33%	28%

(2) Financial instruments

A. Financial instruments by category

	December 31, 2023	December 31, 2022
<u>Financial assets</u>		
Financial assets at fair value through profit or loss	\$ 2,252,184	\$ 1,280,273
Financial assets at amortised cost	\$ 8,777,178	\$ 8,849,646
<u>Financial liabilities</u>		
Financial liabilities at fair value through profit or loss	\$ 24,212	\$ -
Financial liabilities at amortised cost	\$ 24,366,469	\$ 22,269,083
Lease liability	\$ 167,103	\$ 264,528

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

B. Financial risk management policies

The Company's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. To minimise any adverse effects on the financial performance of the Company, derivative financial instruments, such as foreign exchange forward contracts and foreign currency option contracts are used to hedge certain exchange rate risk, and interest rate swaps are used to fix variable future cash flows.

C. Significant financial risks and degrees of financial risks

(a) Market risk

Foreign exchange risk

- i. The Company's operates internationally and is exposed to foreign exchange risk arising from the transactions of the Company and its subsidiaries used in various functional currency, primarily with respect to the USD and RMB. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities.
- ii. Management has set up a policy to require group companies to manage their foreign exchange risk against their functional currency. The companies are required to hedge their entire foreign exchange risk exposure with the Company treasury. Exchange rate risk is measured through a forecast of highly probable USD and RMB expenditures. Forward foreign exchange contracts are adopted to minimise the volatility of the exchange rate affecting cost of forecast inventory purchases.
- iii. The Company hedges foreign exchange rate by using forward exchange contracts. However, the Company does not adopt hedging accounting. Details of financial assets or liabilities at fair value through profit or loss are provided in Note 6(2).
- iv. The Company's businesses involve some non-functional currency operations (the Company's and certain subsidiaries' functional currency: NTD; other certain subsidiaries' functional currency: RMB and JPY). The information on assets and liabilities denominated in foreign currencies whose values would be materially affected by the exchange rate fluctuations is as follows:

December 31, 2023			
	Foreign currency		Book value
	amount		(NTD
	(In thousands)	Exchange rate	in thousands)
(Foreign currency: functional currency)			
<u>Financial assets</u>			
<u>Monetary items</u>			
USD:NTD	\$ 270,861	30.73	\$ 8,323,559
RMB:NTD	22,907	4.34	99,416
HKD:NTD	3	3.93	12
JPY:NTD	14	0.22	3
<u>Investments accounted for under the equity method</u>			
USD:NTD	1,694,976	30.73	52,086,600
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD:NTD	19,435	30.73	597,238

December 31, 2022			
	Foreign currency	Exchange rate	Book value
	amount		(NTD
	(In thousands)		in thousands)
(Foreign currency: functional currency)			
<u>Financial assets</u>			
<u>Monetary items</u>			
USD:NTD	\$ 255,528	30.69	\$ 7,842,154
RMB:NTD	4,541	4.41	20,026
HKD:NTD	3	3.94	12
JPY:NTD	64	0.23	15
<u>Investments accounted for under the equity method</u>			
USD:NTD	1,714,345	30.69	52,613,243
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD:NTD	23,963	30.69	735,424

- v. The total exchange gain (loss), including realised and unrealised arising from significant foreign exchange variation on the monetary items held by the Company for the years ended December 31, 2023 and 2022, amounted to \$12,947 and \$652,186, respectively.
- vi. Analysis of foreign currency market risk arising from significant foreign exchange variation:

Year ended December 31, 2023			
	Sensitivity analysis		
	Degree of variation	Effect on profit or loss	Effect on other comprehensive income
(Foreign currency: functional currency)			
<u>Financial assets</u>			
<u>Monetary items</u>			
USD:NTD	1%	\$ 66,588	\$ -
RMB:NTD	1%	795	-
HKD:NTD	1%	-	-
JPY:NTD	1%	-	-
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD:NTD	1%	4,778	-

Year ended December 31, 2022			
Sensitivity analysis			
	Degree of variation	Effect on profit or loss	Effect on other comprehensive income
(Foreign currency: functional currency)			
<u>Financial assets</u>			
<u>Monetary items</u>			
USD:NTD	1%	\$ 62,737	\$ -
RMB:NTD	1%	160	-
HKD:NTD	1%	-	-
JPY:NTD	1%	-	-
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD:NTD	1%	5,883	-

Price risk

- i. The Company's equity securities, which are exposed to price risk, are the held financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income. To manage its price risk arising from investments in equity securities, the Company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Company.
- ii. The Company's investments in equity securities comprise shares and open-end funds issued by the domestic companies. The prices of equity securities would change due to the change of the future value of investee companies. If the prices of these equity securities had increased/decreased by 1% with all other variables held constant, post-tax profit for the years ended December 31, 2023 and 2022 would have increased/decreased by \$17,824 and \$10,242, respectively, as a result of gains/losses on equity securities classified as at fair value through profit or loss.

Cash flow and fair value Interest rate risk

- i. The Company's main interest rate risk arises from long-term borrowings with variable rates, which expose the Company to cash flow interest rate risk. During 2023 and 2022, the Company's borrowings at variable rate were mainly denominated in New Taiwan dollars.
- ii. The Company's borrowings are measured at amortised cost. The borrowings are periodically contractually repriced and to that extent are also exposed to the risk of future changes in market interest rates.
- iii. If the borrowing interest rate had increased/decreased by 1% with all other variables held constant, profit, net of tax for the years ended December 31, 2023 and 2022 would have decreased/increased by \$188,752 and \$128,960, respectively. The main factor is that

changes in interest expense result from floating rate borrowings.

(b) Credit risk

- i. Credit risk refers to the risk of financial loss to the Company arising from default by the clients or counterparties of financial instruments on the contract obligations. The main factor is that counterparties could not repay in full the accounts receivable based on the agreed terms, and the contract cash flows of debt instruments stated at amortised cost.
- ii. According to the Company's credit policy, each local entity in the Company is responsible for managing and analysing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. Internal risk control assesses the credit quality of the customers, taking into account their financial position, past experience and other factors.
- iii. Individual risk limits are set based on internal or external ratings in accordance with limits set by the management of credit manage. The utilisation of credit limits is regularly monitored.
- iv. For banks and financial institutions, only independently rated parties with a best rating are accepted.
- v. The Company adopts following assumptions under IFRS 9 to assess whether there has been a significant increase in credit risk on that instrument since initial recognition:
 - (i) If the contract payments were past due over 90 days based on the terms, there has been a significant increase in credit risk on that instrument since initial recognition.
 - (ii) If any external credit rating agency rates these bonds as investment grade, the credit risk of these financial assets is low.
- vi. The Company assumes that if the contract payments were past due over 90 days based on the terms, there has been a significant increase in credit risk on that instrument since initial recognition; if past due over 270 days, a default has occurred.
- vii. The following indicators are used to determine whether the credit impairment of debt instruments has occurred:
 - (i) It becomes probable that the issuer will enter bankruptcy or other financial reorganization due to their financial difficulties;
 - (ii) The disappearance of an active market for that financial asset because of financial difficulties;
 - (iii) Default or delinquency in interest or principal repayments;
 - (iv) Adverse changes in national or regional economic conditions that are expected to cause a default.
- viii. The Company classifies customer's accounts receivable in accordance with customer types. The Company applies the modified approach using provision matrix to estimate expected credit loss under the provision matrix basis.

- ix. The Company used the forecastability to adjust historical and timely information to assess the default possibility of accounts receivable, contract assets and lease payments receivable. On December 31, 2023 and 2022, the provision matrix is as follows:

	Not past due	1~90 days past due	91~180 days past due
<u>At December 31, 2023</u>			
Expected loss rate	0.05%	0.08%	10.35%
Total book value	\$ 2,336,912	\$ 543,363	\$ 12,897
Loss allowance	(1,875)	(699)	(2,101)
	181~270 days past due	Over 270 days past due	Total
Expected loss rate	100%	100%	
Total book value	\$ -	\$ 651	\$ 2,893,823
Loss allowance	-	(651)	(5,326)
	Not past due	1~90 days past due	91~180 days past due
<u>At December 31, 2022</u>			
Expected loss rate	0.06%	0.10%	12.63%
Total book value	\$ 1,827,946	\$ 542,251	\$ -
Loss allowance	(1,128)	(3,528)	-
	181~270 days past due	Over 270 days past due	Total
Expected loss rate	100.00%	100.00%	
Total book value	\$ -	\$ 670	\$ 2,370,867
Loss allowance	-	(670)	(5,326)

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

	2023 Accounts receivable
At January 1	\$ 5,326
Provision	-
Write-offs	-
At December 31	<u>\$ 5,326</u>

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

(c) Liquidity risk

- i. Cash flow forecasting is performed in the operating entities of the Company and aggregated by Company treasury. Company treasury monitors rolling forecasts of the Company's liquidity requirements to ensure it has sufficient cash to meet operational needs.
- ii. The table below analyses the Company's non-derivative financial liabilities and net-settled or gross-settled derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date for nonderivative financial liabilities and to the expected maturity date for derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows:

December 31, 2023	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
<u>Non-derivative financial liabilities</u>				
Long-term notes payable	\$ -	\$ 7,229	\$ -	\$ -
Bonds payable	5,025,973	-	-	-
Long-term borrowings (including current portion)	20,020	3,768,873	12,575,811	-
Lease liabilities	108,996	59,393	244	-
December 31, 2022	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
<u>Non-derivative financial liabilities</u>				
Bonds payable	\$ 40,000	\$5,025,973	\$ -	\$ -
Long-term borrowings (including current portion)	5,200,094	3,509,265	5,797,916	-
Lease liabilities	105,211	163,830	-	-

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

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

(3) Fair value information

- A. The different levels that the inputs to valuation techniques are used to measure fair value of financial and non-financial instruments have been defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. A market is regarded as active where a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The fair value of the Company's investment in listed stocks and beneficiary certificates is included in Level 1.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. The fair value of the Company's investment in off-the-run beneficiary certificates, bank debentures, convertible bonds and derivative instruments is included in Level 2.

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

B. Financial instruments not measured at fair value

The carrying amounts of cash and cash equivalents, accounts receivable(including related parties), other receivables, financial assets at amortised cost, short-term borrowings, notes payable, accounts payable (including related parties), other payables, corporate bonds payable and long-term borrowings (including current portion) are approximate to their fair values.

C. The related information on financial and non-financial instruments measured at fair value by level on the basis of the nature, characteristics and risks of the assets and liabilities at December 31, 2023 and 2022 is as follows:

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

<u>December 31, 2023</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets				
<u>Recurring fair value measurements</u>				
Financial assets at fair value through profit or loss				
Equity securities	\$ 1,632,569	\$ -	\$ -	\$ 1,632,569
Beneficiary certificates	305,306	314,309	-	619,615
Liabilities				
<u>Recurring fair value measurements</u>				
Forward exchange contracts	-	(24,212)	-	(24,212)
	<u>\$ 1,937,875</u>	<u>\$ 290,097</u>	<u>\$ -</u>	<u>\$ 2,227,972</u>

<u>December 31, 2022</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets				
<u>Recurring fair value measurements</u>				
Financial assets at fair value through profit or loss				
Equity securities	\$ 829,159	\$ -	\$ -	\$ 829,159
Beneficiary certificates	<u>81,377</u>	<u>369,737</u>	<u>-</u>	<u>451,114</u>
	<u>\$ 910,536</u>	<u>\$ 369,737</u>	<u>\$ -</u>	<u>\$ 1,280,273</u>

- (b) The methods and assumptions the Company used to measure fair value are as follows:
- The instruments the Company used market quoted prices as their fair values (that is, Level 1) are listed below by characteristics:

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

- Except for financial instruments with active markets, the fair value of other financial instruments is measured by using valuation techniques or by reference to counterparty quotes. The fair value of financial instruments measured by using valuation techniques can be referred to current fair value of instruments with similar terms and characteristics in substance, discounted cash flow method or other valuation methods, including calculated by applying model using market information available at the balance sheet date (i.e. yield curves on the Taipei Exchange, average commercial paper interest rates quoted from Reuters).
- When assessing non-standard and low-complexity financial instruments, for example, debt instruments without active market, interest rate swap contracts, foreign exchange swap contracts and options, the Company adopts valuation technique that is widely used by market participants. The inputs used in the valuation method to measure these financial instruments are normally observable in the market.
- The valuation of derivative financial instruments is based on valuation model widely accepted by market participants, such as present value techniques and option pricing models. Forward exchange contracts are usually valued based on the current forward exchange rate.
- The output of valuation model is an estimated value and the valuation technique may not be able to capture all relevant factors of the Company's financial and non-financial instruments. Therefore, the estimated value derived using valuation model is adjusted accordingly with additional inputs, for example, model risk or liquidity risk and etc. In accordance with the Company's management policies and relevant control procedures relating to the valuation models used for fair value measurement, management believes adjustment to valuation is necessary in order to reasonably represent the fair value of

financial and non-financial instruments at the balance sheet. The inputs and pricing information used during valuation are carefully assessed and adjusted based on current market conditions.

vi. The Company takes into account adjustments for credit risks to measure the fair value of financial and non-financial instruments to reflect credit risk of the counterparty and the Company's credit quality.

D. For the years ended December 31, 2023 and 2022, there was no transfer between Level 1 and Level 2.

E. For the years ended December 31, 2023 and 2022, there was no transfer into or out from Level 3.

13. SUPPLEMENTARY DISCLOSURES

(1) Significant transactions information

A. Loans to others: Refer to table 1.

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

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

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

E. Acquisition of real estate reaching \$300 million or 20% of paid-in capital or more: Refer to table 4.

F. Disposal of real estate reaching \$300 million or 20% of paid-in capital or more: None.

G. Purchases or sales of goods from or to related parties reaching \$100 million or 20% of paid-in capital or more: Refer to table 5.

H. Receivables from related parties reaching \$100 million or 20% of paid-in capital or more: Refer to table 6.

I. Trading in derivative instruments undertaken during the reporting period: Refer to Note 6(2).

J. Significant inter-company transactions during the reporting periods: Refer to table 7.

(2) Information on investees

Names, locations and other information of investee companies (not including investees in Mainland China) : Refer to table 8.

(3) Information on investments in Mainland China

A. Basic information: Refer to table 9.

B. Significant transactions, price, payment term and unrealised gain or loss, either directly or indirectly through a third area, with investee companies in the Mainland Area: Refer to table 7.

(4) Major shareholders information

Major shareholders information: Refer to table 10.

14. SEGMENT INFORMATION

None.

CLEVO CO. and Subsidiaries
Loans to others
Year ended December 31, 2023

Table 1

Expressed in thousands of NTD
(Except as otherwise indicated)

No. (Note 1)	Creditor	Borrower	General ledger account (Note 2)	Is a related party	Maximum outstanding balance during the year ended December 31, 2023 (Note 3)	Balance at December 31, 2023 (Note 8)	Actual amount drawn down	Interest rate range	Nature of loan (Note 4)	Amount of transactions with the borrower (Note 5)	Reason for short- term financing (Note 6)	Allowance for doubtful account	Collateral		Limit on loans granted to a single party (Note 7)	Ceiling on total loans granted (Note 7)	Footnote
													Name	Value			
1	Buynow (Hangzhou) Electronic Information Co., Ltd.	Changsha Hungyu Business Management Co., Ltd.	Other receivables - related parties - current	Yes	\$ 164,205	\$ 107,807	\$ 107,807	4.50%	2	\$ -	Additional operating capital	\$ -	-	\$ -	\$ 16,473,348	\$ 41,183,369	Note 8
1	Buynow (Hangzhou) Electronic Information Co., Ltd.	Shanghai Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	335,047	317,694	317,694	4.50%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8
1	Buynow (Hangzhou) Electronic Information Co., Ltd.	Buynow (Xian) Industry Co., Ltd.	Other receivables - related parties - current	Yes	50,324	50,324	50,324	4.50%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8
1	Buynow (Hangzhou) Electronic Information Co., Ltd.	Anshan Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	224,507	90,020	90,020	4.50%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8
1	Buynow (Hangzhou) Electronic Information Co., Ltd.	Guiyang Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	141,862	141,862	141,862	4.50%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8
1	Buynow (Hangzhou) Electronic Information Co., Ltd.	Suzhou Jinzuo Industry Co., Ltd.	Other receivables - related parties - current	Yes	110,627	-	-	4.50%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8
2	Buynow (Chengdu) Electronic Information Co., Ltd.	Shanghai Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	380,035	39,479	39,479	3.45%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8
2	Buynow (Chengdu) Electronic Information Co., Ltd.	Buynow (Nanchang) Industry Co., Ltd.	Other receivables - related parties - current	Yes	26,030	-	-	3.45%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8
2	Buynow (Chengdu) Electronic Information Co., Ltd.	Zibo Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	110,410	88,718	88,718	3.45%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8
2	Buynow (Chengdu) Electronic Information Co., Ltd.	Buynow Electronic Information (Huizhou) Co., Ltd.	Other receivables - related parties - current	Yes	126,592	126,592	126,592	3.45%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8
2	Buynow (Chengdu) Electronic Information Co., Ltd.	Clevo (China) Investment Co., Ltd.	Other receivables - related parties - current	Yes	164,855	108,458	108,458	3.45%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8
2	Buynow (Chengdu) Electronic Information Co., Ltd.	Guiyang Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	311,707	311,707	311,707	3.45%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8
2	Buynow (Chengdu) Electronic Information Co., Ltd.	Dezhou Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	41,214	41,214	41,214	1.65%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8
2	Buynow (Chengdu) Electronic Information Co., Ltd.	Luoyang Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	62,905	52,060	52,060	3.45%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8
3	Buynow (Nanjing) Facility Leasing And Management Co., Ltd.	Buynow (Xian) Industry Co., Ltd.	Other receivables - related parties - current	Yes	475,695	475,695	475,695	3.45%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8
3	Buynow (Nanjing) Facility Leasing And Management Co., Ltd.	Buynow (Harbin) Industry Co., Ltd.	Other receivables - related parties - current	Yes	163,337	142,947	142,947	3.45%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8
3	Buynow (Nanjing) Facility Leasing And Management Co., Ltd.	Luoyang Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	31,670	31,670	31,670	3.45%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8
4	Kapok Computer (Kunshan) Co., Ltd.	Shanghai Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	173,532	173,532	173,532	4.50%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8
4	Kapok Computer (Kunshan) Co., Ltd.	Buynow (Nanchang) Industry Co., Ltd.	Other receivables - related parties - current	Yes	190,668	190,668	190,668	4.50%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8
4	Kapok Computer (Kunshan) Co., Ltd.	Buynow(Guangzhou) Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	170,495	170,495	170,495	4.50%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8
4	Kapok Computer (Kunshan) Co., Ltd.	Buynow (Xian) Industry Co., Ltd.	Other receivables - related parties - current	Yes	170,582	170,582	170,582	4.50%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8
4	Kapok Computer (Kunshan) Co., Ltd.	Buynow (Harbin) Industry Co., Ltd.	Other receivables - related parties - current	Yes	644,541	644,541	644,541	4.50%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8
4	Kapok Computer (Kunshan) Co., Ltd.	Daqing Buynow Electronic Information Corporation	Other receivables - related parties - current	Yes	97,178	97,178	97,178	4.50%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8
4	Kapok Computer (Kunshan) Co., Ltd.	Zibo Buynow Electronic Information Co., Ltd	Other receivables - related parties - current	Yes	88,501	88,501	88,501	4.50%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8

No. (Note 1)	Creditor	Borrower	General ledger account (Note 2)	Is a related party	Maximum outstanding balance during the year ended December 31, 2023 (Note 3)	Balance at December 31, 2023 (Note 8)	Actual amount drawn down	Interest rate range	Nature of loan (Note 4)	Amount of transactions with the borrower (Note 5)	Reason for short- term financing (Note 6)	Allowance for doubtful account	Collateral		Limit on loans granted to a single party (Note 7)	Ceiling on total loans granted (Note 7)	Footnote
													Name	Value			
4	Kapok Computer (Kunshan) Co., Ltd.	Shantou Buynow Mall Co., Ltd.	Other receivables - related parties - current	Yes	\$ 482,072	\$ 482,072	\$ 482,072	4.50%	2	\$ -	Additional operating capital	\$ -	-	\$ -	\$ 16,473,348	\$ 41,183,369	Note 8
4	Kapok Computer (Kunshan) Co., Ltd.	Clevo (China) Investment Co., Ltd.	Other receivables - related parties - current	Yes	173,532	173,532	173,532	4.50%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8
4	Kapok Computer (Kunshan) Co., Ltd.	Yingkou Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	82,428	82,428	82,428	4.50%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8
4	Kapok Computer (Kunshan) Co., Ltd.	Guiyang Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	431,661	431,661	431,661	4.50%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8
4	Kapok Computer (Kunshan) Co., Ltd.	Taizhou Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	193,488	193,488	193,488	4.50%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8
4	Kapok Computer (Kunshan) Co., Ltd.	Dezhou Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	549,663	549,663	549,663	4.50%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8
4	Kapok Computer (Kunshan) Co., Ltd.	Buynow (Jinzhou) Industry Co., Ltd.	Other receivables - related parties - current	Yes	260,298	260,298	260,298	4.50%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8
5	Buynow (Nanchang) Industry Co., Ltd.	Buynow(Guangzhou) Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	106,939	96,093	96,093	4.50%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8
5	Buynow (Nanchang) Industry Co., Ltd.	Anshan Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	258,693	231,795	231,795	4.50%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8
5	Buynow (Nanchang) Industry Co., Ltd.	Guiyang Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	130,670	124,162	124,162	4.50%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8
5	Buynow (Nanchang) Industry Co., Ltd.	Suzhou Jinzuo Industry Co., Ltd.	Other receivables - related parties - current	Yes	20,824	14,316	14,316	4.50%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8
5	Buynow (Nanchang) Industry Co., Ltd.	Taizhou Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	82,211	68,328	68,328	4.50%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8
5	Buynow (Nanchang) Industry Co., Ltd.	Buynow (Jinzhou) Industry Co., Ltd.	Other receivables - related parties - current	Yes	194,443	137,177	137,177	4.50%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8
6	Buynow (Zhengzhou) Electronic Information Co., Ltd.	Changsha Hungyu Business Management Co., Ltd.	Other receivables - related parties - current	Yes	137,828	137,828	137,828	3.45%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8
6	Buynow (Zhengzhou) Electronic Information Co., Ltd.	Buynow (Harbin) Industry Co., Ltd.	Other receivables - related parties - current	Yes	104,943	65,942	65,942	3.45%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8
6	Buynow (Zhengzhou) Electronic Information Co., Ltd.	Clevo (China) Investment Co., Ltd.	Other receivables - related parties - current	Yes	145,333	49,890	49,890	3.45%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8
6	Buynow (Zhengzhou) Electronic Information Co., Ltd.	Anshan Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	30,368	-	-	3.45%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8
6	Buynow (Zhengzhou) Electronic Information Co., Ltd.	Guiyang Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	102,688	31,106	31,106	3.45%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8
6	Buynow (Zhengzhou) Electronic Information Co., Ltd.	Dezhou Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	184,378	184,378	184,378	1.65%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8
6	Buynow (Zhengzhou) Electronic Information Co., Ltd.	Luoyang Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	21,692	21,692	21,692	3.45%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8
7	Buynow Electronic Information (Shenyang) Co., Ltd.	Changsha Hungyu Business Management Co., Ltd.	Other receivables - related parties - current	Yes	107,373	75,270	75,270	3.45%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8
7	Buynow Electronic Information (Shenyang) Co., Ltd.	Zibo Buynow Electronic Information Co., Ltd	Other receivables - related parties - current	Yes	156,179	154,443	154,443	3.45%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8
7	Buynow Electronic Information (Shenyang) Co., Ltd.	Yingkou Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	132,665	132,665	132,665	3.45%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8
7	Buynow Electronic Information (Shenyang) Co., Ltd.	Anshan Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	112,796	112,796	112,796	3.45%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8
7	Buynow Electronic Information (Shenyang) Co., Ltd.	Guiyang Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	52,060	47,721	47,721	3.45%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8
8	Buynow (Fujian) Electronic Technology Development Co., Ltd.	Buynow(Guangzhou) Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	71,842	71,842	71,842	3.45%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8
8	Buynow (Fujian) Electronic Technology Development Co., Ltd.	Buynow (Harbin) Industry Co., Ltd.	Other receivables - related parties - current	Yes	207,371	207,371	207,371	3.45%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8

No. (Note 1)	Creditor	Borrower	General ledger account (Note 2)	Is a related party	Maximum outstanding balance during the year ended December 31, 2023 (Note 3)	Balance at December 31, 2023 (Note 8)	Actual amount drawn down	Interest rate range	Nature of loan (Note 4)	Amount of transactions with the borrower (Note 5)	Reason for short- term financing (Note 6)	Allowance for doubtful account	Collateral		Limit on loans granted to a single party (Note 7)	Ceiling on total loans granted (Note 7)	Footnote
													Name	Value			
8	Buynow (Fujian) Electronic Technology Development Co., Ltd.	Daqing Buynow Electronic Information Corporation	Other receivables - related parties - current	Yes	\$ 122,731	\$ 111,451	\$ 111,451	3.45%	2	\$ -	Additional operating capital	\$ -	-	\$ -	\$ 16,473,348	\$ 41,183,369	Note 8
9	Buynow (Changchun) Industry Co., Ltd.	Buynow (Xian) Industry Co., Ltd.	Other receivables - related parties - current	Yes	206,069	206,069	206,069	3.45%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8
9	Buynow (Changchun) Industry Co., Ltd.	Buynow (Chongqing) Industry Co., Ltd.	Other receivables - related parties - current	Yes	4,338	-	-	3.45%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8
9	Buynow (Changchun) Industry Co., Ltd.	Anshan Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	32,537	10,846	10,846	3.45%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8
9	Buynow (Changchun) Industry Co., Ltd.	Taizhou Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	77,656	77,656	77,656	3.45%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8
9	Buynow (Changchun) Industry Co., Ltd.	Dezhou Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	21,692	21,692	21,692	1.65%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8
9	Buynow (Changchun) Industry Co., Ltd.	Luoyang Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	39,045	34,706	34,706	3.45%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8
10	Buynow (Wuxi) Electronic Technology Development Co., Ltd.	Buynow (Harbin) Industry Co., Ltd.	Other receivables - related parties - current	Yes	135,268	135,268	135,268	3.45%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8
10	Buynow (Wuxi) Electronic Technology Development Co., Ltd.	Anshan Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	240,993	176,352	176,352	3.45%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8
11	Quality Trust Property Management Co., Ltd.	Qingdao Buynow Technology Industry Co., Ltd.	Other receivables - related parties - current	Yes	31,670	31,670	31,670	3.00%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8
11	Quality Trust Property Management Co., Ltd.	Daqing Buynow Electronic Information Corporation	Other receivables - related parties - current	Yes	198,043	187,631	187,631	3.00%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8
11	Quality Trust Property Management Co., Ltd.	Anshan Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	22,125	7,809	7,809	3.00%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8
12	Kalor Buynow (Heifei) Electronic Information Co., Ltd.	Buynow (Xian) Industry Co., Ltd.	Other receivables - related parties - current	Yes	250,320	239,474	239,474	3.45%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8
12	Kalor Buynow (Heifei) Electronic Information Co., Ltd.	Buynow (Harbin) Industry Co., Ltd.	Other receivables - related parties - current	Yes	274,614	263,769	263,769	3.45%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8
12	Kalor Buynow (Heifei) Electronic Information Co., Ltd.	Luoyang Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	194,824	194,824	194,824	3.45%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8
12	Kalor Buynow (Heifei) Electronic Information Co., Ltd.	Buynow (Jinzhou) Industry Co., Ltd.	Other receivables - related parties - current	Yes	32,537	32,537	32,537	3.45%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8
13	Wuxi Quntai Property Management Co., Ltd.	Anshan Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	28,633	28,633	28,633	3.00%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8
14	Beijing Kaiye Electronic Technology Co., Ltd.	Clevo (China) Investment Co., Ltd.	Other receivables - related parties - current	Yes	26,030	-	-	0.00%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8
15	Buynow (Chongqing) Industry Co., Ltd.	Taizhou Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	49,457	20,390	20,390	4.50%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8
16	Shanghai Buynow Electronic Products Market Management Co., Ltd.	Buynow (Hangzhou) Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	147,068	-	-	4.50%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8
16	Shanghai Buynow Electronic Products Market Management Co., Ltd.	Shanghai Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	81,560	51,192	51,192	4.50%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8
16	Shanghai Buynow Electronic Products Market Management Co., Ltd.	Qingdao Buynow Technology Industry Co., Ltd.	Other receivables - related parties - current	Yes	283,681	275,786	275,786	4.50%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8
16	Shanghai Buynow Electronic Products Market Management Co., Ltd.	Anshan Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	114,618	-	-	4.50%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8
16	Shanghai Buynow Electronic Products Market Management Co., Ltd.	Luoyang Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	500,206	500,206	500,206	4.50%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8
16	Shanghai Buynow Electronic Products Market Management Co., Ltd.	Buynow (Jinzhou) Industry Co., Ltd.	Other receivables - related parties - current	Yes	236,090	236,090	236,090	4.50%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8
17	Tianjin Buynow Electronic Information Co., Ltd.	Shanghai Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	156,613	134,921	134,921	3.45%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8

No. (Note 1)	Creditor	Borrower	General ledger account (Note 2)	Is a related party	Maximum outstanding balance during the year ended December 31, 2023 (Note 3)	Balance at December 31, 2023 (Note 8)	Actual amount drawn down	Interest rate range	Nature of loan (Note 4)	Amount of transactions with the borrower (Note 5)	Reason for short- term financing (Note 6)	Allowance for doubtful account	Collateral		Limit on loans granted to a single party (Note 7)	Ceiling on total loans granted (Note 7)	Footnote
													Name	Value			
17	Tianjin Buynow Electronic Information Co., Ltd.	Buynow (Xian) Industry Co., Ltd.	Other receivables - related parties - current	Yes	\$ 68,111	\$ 57,266	\$ 57,266	3.45%	2	\$ -	Additional operating capital	\$ -	-	\$ -	\$ 16,473,348	\$ 41,183,369	Note 8
17	Tianjin Buynow Electronic Information Co., Ltd.	Qingdao Buynow Technology Industry Co., Ltd.	Other receivables - related parties - current	Yes	269,018	269,018	269,018	3.45%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8
17	Tianjin Buynow Electronic Information Co., Ltd.	Zibo Buynow Electronic Information Co., Ltd	Other receivables - related parties - current	Yes	152,899	150,730	150,730	3.45%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8
18	Buynow (Yancheng) Electronoc Information Technology Development Co. Ltd.	Daqing Buynow Electronic Information Corporation	Other receivables - related parties - current	Yes	30,368	30,368	30,368	0.00%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8
18	Buynow (Yancheng) Electronoc Information Technology Development Co. Ltd.	Shantou Buynow Mall Co., Ltd.	Other receivables - related parties - current	Yes	266,155	-	-	0.00%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8
18	Buynow (Yancheng) Electronoc Information Technology Development Co. Ltd.	Clevo (China) Investment Co., Ltd.	Other receivables - related parties - current	Yes	21,692	21,692	21,692	0.00%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8
18	Buynow (Yancheng) Electronoc Information Technology Development Co. Ltd.	Anshan Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	266,155	266,155	266,155	0.00%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8
18	Buynow (Yancheng) Electronoc Information Technology Development Co. Ltd.	Dezhou Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	342,726	342,726	342,726	0.00%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8
18	Buynow (Yancheng) Electronoc Information Technology Development Co. Ltd.	Luoyang Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	24,511	24,511	24,511	0.00%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8
19	Beijing Clevo Investment Management Consultant Co.,Ltd.	Qingdao Buynow Technology Industry Co., Ltd.	Other receivables - related parties - current	Yes	267,022	126,461	126,461	4.80%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8
19	Beijing Clevo Investment Management Consultant Co.,Ltd.	Buynow Electronic Information (Huizhou) Co., Ltd.	Other receivables - related parties - current	Yes	299,777	291,968	291,968	4.80%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8
19	Beijing Clevo Investment Management Consultant Co.,Ltd.	Suzhou Jinzuo Industry Co., Ltd.	Other receivables - related parties - current	Yes	21,692	17,353	17,353	4.80%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8
20	Guangdong Buynow Real Estate Management Co., Ltd.	Shanghai Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	350,491	333,138	333,138	3.45%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8
20	Guangdong Buynow Real Estate Management Co., Ltd.	Buynow (Nanchang) Industry Co., Ltd.	Other receivables - related parties - current	Yes	67,244	-	-	3.45%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8
20	Guangdong Buynow Real Estate Management Co., Ltd.	Buynow(Guangzhou) Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	64,163	-	-	3.45%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8
20	Guangdong Buynow Real Estate Management Co., Ltd.	Qingdao Buynow Technology Industry Co., Ltd.	Other receivables - related parties - current	Yes	152,101	139,086	139,086	3.45%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8
20	Guangdong Buynow Real Estate Management Co., Ltd.	Buynow (Harbin) Industry Co., Ltd.	Other receivables - related parties - current	Yes	30,151	22,776	22,776	3.45%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8
20	Guangdong Buynow Real Estate Management Co., Ltd.	Zibo Buynow Electronic Information Co., Ltd	Other receivables - related parties - current	Yes	10,846	10,846	10,846	3.45%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8
20	Guangdong Buynow Real Estate Management Co., Ltd.	Buynow Electronic Information (Huizhou) Co., Ltd.	Other receivables - related parties - current	Yes	12,581	12,581	12,581	3.45%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8
20	Guangdong Buynow Real Estate Management Co., Ltd.	Shantou Buynow Mall Co., Ltd.	Other receivables - related parties - current	Yes	3,471	-	-	3.45%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8
20	Guangdong Buynow Real Estate Management Co., Ltd.	Clevo (China) Investment Co., Ltd.	Other receivables - related parties - current	Yes	4,338	-	-	3.45%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8
20	Guangdong Buynow Real Estate Management Co., Ltd.	Guiyang Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	251,621	216,915	216,915	3.45%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8
20	Guangdong Buynow Real Estate Management Co., Ltd.	Dezhou Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	86,766	17,353	17,353	1.65%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8
20	Guangdong Buynow Real Estate Management Co., Ltd.	Luoyang Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	223,422	223,422	223,422	3.45%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8
20	Guangdong Buynow Real Estate Management Co., Ltd.	Buynow (Jinzhou) Industry Co., Ltd.	Other receivables - related parties - current	Yes	271,144	262,901	262,901	3.45%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8

No. (Note 1)	Creditor	Borrower	General ledger account (Note 2)	Is a related party	Maximum outstanding balance during the year ended December 31, 2023 (Note 3)	Balance at December 31, 2023 (Note 8)	Actual amount drawn down	Interest rate range	Nature of loan (Note 4)	Amount of transactions with the borrower (Note 5)	Reason for short- term financing (Note 6)	Allowance for doubtful account	Collateral		Limit on loans granted to a single party (Note 7)	Ceiling on total loans granted (Note 7)	Footnote
													Name	Value			
21	Shantou Buynow Mall Co., Ltd.	Buynow Electronic Information (Huizhou) Co., Ltd.	Other receivables - related parties - current	Yes	\$ 69,413	\$ 69,413	\$ 69,413	4.50%	2	\$ -	Additional operating capital	\$ -	-	\$ -	\$ 16,473,348	\$ 41,183,369	Note 8
21	Shantou Buynow Mall Co., Ltd.	Anshan Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	607,188	332,791	332,791	4.50%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8
21	Shantou Buynow Mall Co., Ltd.	Suzhou Jinzuo Industry Co., Ltd.	Other receivables - related parties - current	Yes	339,906	339,906	339,906	4.50%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8
21	Shantou Buynow Mall Co., Ltd.	Taizhou Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	75,053	74,185	74,185	4.50%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8
22	Quanzhou Buynow Industry Co., Ltd.	Clevo (China) Investment Co., Ltd.	Other receivables - related parties - current	Yes	77,872	77,872	77,872	3.45%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8
23	Kunshan Kaishuo Trading Co., Ltd.	Anshan Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	21,692	-	-	0.00%	2	-	Additional operating capital	-	-	-	16,473,348	41,183,369	Note 8

Note 1: The numbers filled in for the loans provided by the Company or subsidiaries are as follows:

- (1) The Company is ‘0’.
- (2) The subsidiaries are numbered in order starting from ‘1’.

Note 2: Fill in the name of account in which the loans are recognised, such as receivables–related parties, current account with stockholders, prepayments, temporary payments, etc.

Note 3: Fill in the maximum outstanding balance of loans to others during the year ended December 31, 2023.

Note 4: The nature of loans :

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

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

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

Note 7: According to the Company’s “Procedures for Provision of Loans”

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

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

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

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

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

CLEVO CO. and Subsidiaries
Provision of endorsements and guarantees to others
Year ended December 31, 2023

Table 2

Expressed in thousands of NTD
(Except as otherwise indicated)

No. (Note 1)	Endorser/guarantor	Party being endorsed/ guaranteed		Limit on endorsements/ guarantees provided for a single party (Note 3)	Maximum outstanding endorsement/ guarantee amount as of December 31, 2023 (Note 4)	Outstanding endorsement/ guarantee amount at December 31, 2023 (Note 5)	Actual amount drawn down (Note 6)	Amount of endorsements/ guarantees secured with collateral	Ratio of accumulated endorsement/ guarantee amount to net asset value of the Endorser/guarantor company	Ceiling on total amount of endorsements/ guarantees provided (Note 3)	Provision of endorsements/ guarantees by parent company to subsidiary (Note 7)	Provision of endorsements/ guarantees by subsidiary to parent company (Note 7)	Provision of endorsements/ guarantees to the party in Mainland China (Note 7)	Footnote
		Company name	Relationship with the investor (Note 2)											
1	Changsha Hungyu Business Management Co., Ltd.	Luoyang Buynow Electronic Information Co., Ltd.	3	\$ 41,183,369	\$ 765,276	\$ 765,276	\$ 498,106	\$ 765,276	1.86%	\$ 41,183,369	N	N	Y	-
2	Buynow (Hangzhou) Electronic Information Co., Ltd.	Buynow (Xian) Industry Co., Ltd.	3	41,183,369	173,532	-	-	-	-	41,183,369	N	N	Y	-
2	Buynow (Hangzhou) Electronic Information Co., Ltd.	Buynow (Chongqing) Industry Co., Ltd.	3	41,183,369	342,726	-	-	-	-	41,183,369	N	N	Y	-
2	Buynow (Hangzhou) Electronic Information Co., Ltd.	Buynow (Wuxi) Electronic Technology Development Co., Ltd.	3	41,183,369	130,149	130,149	122,817	130,149.00	0.32%	41,183,369	N	N	Y	-
3	Buynow (Nanjing) Facility Leasing And Management Co., Ltd.	Buynow (Xian) Industry Co., Ltd.	3	41,183,369	1,084,575	824,277	634,757	824,277	2.00%	41,183,369	N	N	Y	-
4	Buynow (Zhengzhou) Electronic Information Co., Ltd.	Dezhou Buynow Electronic Information Co., Ltd.	3	41,183,369	1,561,788	1,561,788	1,193,033	1,561,788	3.79%	41,183,369	N	N	Y	-
4	Buynow (Zhengzhou) Electronic Information Co., Ltd.	Luoyang Buynow Electronic Information Co., Ltd.	3	41,183,369	765,276	765,276	498,106	-	1.86%	41,183,369	N	N	Y	-
5	Buynow Electronic Information (Shenyang) Co., Ltd.	Anshan Buynow Electronic Information Co., Ltd.	3	41,183,369	1,084,575	1,084,575	976,118	1,084,575.00	2.63%	41,183,369	N	N	Y	-
6	Zibo Buynow Electronic Information Co., Ltd	Anshan Buynow Electronic Information Co., Ltd.	3	41,183,369	199,562	-	-	-	-	41,183,369	N	N	Y	-
6	Zibo Buynow Electronic Information Co., Ltd	Luoyang Buynow Electronic Information Co., Ltd.	3	41,183,369	134,487	-	-	-	-	41,183,369	N	N	Y	-
7	Buynow (Wuxi) Electronic Technology Development Co., Ltd.	Guangdong Buynow Real Estate Management Co., Ltd.	3	41,183,369	433,830	-	-	-	0.00%	41,183,369	N	N	Y	-
7	Buynow (Wuxi) Electronic Technology Development Co., Ltd.	Buynow (Jinzhou) Industry Co., Ltd.	3	41,183,369	416,477	416,477	333,181	416,477	1.01%	41,183,369	N	N	Y	-
7	Buynow (Wuxi) Electronic Technology Development Co., Ltd.	Buynow (Xian) Industry Co., Ltd.	3	41,183,369	138,826	138,826	128,414	138,826	0.34%	41,183,369	N	N	Y	-
7	Buynow (Wuxi) Electronic Technology Development Co., Ltd.	Buynow (Chongqing) Industry Co., Ltd.	3	41,183,369	299,343	299,343	284,376	299,343	0.73%	41,183,369	N	N	Y	-
8	Kalor Buynow (Heifei) Electronic Information Co., Ltd.	Kapok Computer (Kunshan) Co., Ltd.	3	41,183,369	843,860	843,860	607,362	843,860	2.05%	41,183,369	N	N	Y	-
9	Buynow (Chongqing) Industry Co., Ltd.	Buynow (Xian) Industry Co., Ltd.	3	41,183,369	173,532	-	-	-	0.00%	41,183,369	N	N	Y	-
10	Buynow (Changchun) Industry Co., Ltd.	Qingdao Buynow Technology Industry Co., Ltd.	3	41,183,369	485,890	485,890	388,814	485,890	1.18%	41,183,369	N	N	Y	-
10	Buynow (Changchun) Industry Co., Ltd.	Buynow (Fujian) Electronic Technology Development Co., Ltd.	3	41,183,369	156,179	156,179	112,796	156,179	0.38%	41,183,369	N	N	Y	-
11	Tianjin Buynow Electronic Information Co., Ltd.	Anshan Buynow Electronic Information Co., Ltd.	3	41,183,369	1,084,575	1,084,575	976,118	1,084,575	2.63%	41,183,369	N	N	Y	-
12	Guangdong Buynow Real Estate Management Co., Ltd.	Kapok Computer (Kunshan) Co., Ltd.	3	41,183,369	2,304,525	768,175	735,530	768,175	1.87%	41,183,369	N	N	Y	-
13	Buynow (Harbin) Industry Co., Ltd.	Suzhou Jinzuo Industry Co., Ltd.	3	41,183,369	390,447	390,447	97,612	390,447	0.95%	41,183,369	N	N	Y	-

No. (Note 1)	Endorser/guarantor	Party being endorsed/ guaranteed		Limit on endorsements/ guarantees provided for a single party (Note 3)	Maximum outstanding endorsement/ guarantee amount as of December 31, 2023 (Note 4)	Outstanding endorsement/ guarantee amount at December 31, 2023 (Note 5)	Actual amount drawn down (Note 6)	Amount of endorsements/ guarantees secured with collateral	Ratio of accumulated endorsement/ guarantee amount to net asset value of the Endorser/guarantor company	Ceiling on total amount of endorsements/ guarantees provided (Note 3)	Provision of endorsements/ guarantees by parent company to subsidiary (Note 7)	Provision of endorsements/ guarantees by subsidiary to parent company (Note 7)	Provision of endorsements/ guarantees to the party in Mainland China (Note 7)	Footnote
		Company name	Relationship with the investor (Note 2)											
14	Taizhou Buynow Electronic Information Co., Ltd.	Anshan Buynow Electronic Information Co., Ltd.	3	\$ 41,183,369	\$ 173,532	\$ 173,532	\$ 169,194	\$ 173,532	0.42%	\$ 41,183,369	N	N	Y	-
15	Suzhou Jinzuo Industry Co., Ltd.	Buynow (Xian) Industry Co., Ltd.	3	41,183,369	433,830	433,830	-	433,830	1.05%	41,183,369	N	N	Y	-

Note 1: The numbers filled in for the loans provided by the Company or subsidiaries are as follows:

- (1) The Company is ‘0’.
- (2) The subsidiaries are numbered in order starting from ‘1’.

Note 2: Relationship between the endorser/guarantor and the party being endorsed/guaranteed is classified into the following six categories; fill in the number of category each case belongs to:

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

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

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

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

Note 6: Fill in the actual amount of endorsements/guarantees used by the endorsed/guaranteed company.

Note 7: Fill in ‘Y’ for those cases of provision of endorsements/guarantees by listed parent company to subsidiary and provision by subsidiary to listed parent company, and provision to the party in Mainland China.

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

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

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

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

CLEVO CO. and Subsidiaries
Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures)
Year ended December 31, 2023

Table 3

Expressed in thousands of NTD

(Except as otherwise indicated)

Securities held by	Marketable securities (Note 1)	Relationship with the securities issuer (Note 2)	General ledger account	Ending Balance				Footnote (Note 4)
				No. of shares	Book value (Note 3)	(%)	Fair Value	
	Stock							
Clevo Co.	CHICONY ELECTRONICS CO., LTD.	Same chairman as the Company	Financial assets at fair value through profit or loss - current	4,627,000	\$ 809,725	0.61%	\$ 809,725	-
Clevo Co.	BOE Technology Group Co., Ltd.	-	Financial assets at fair value through profit or loss - current	200,000	3,384	0.01%	3,384	-
Clevo Co.	HOTA INDUSTRIAL MFG. CO., LTD.	-	Financial assets at fair value through profit or loss - current	2,000	119	0.00%	119	-
Clevo Co.	YIEH PHUI ENTERPRISE CO.,LTD.	-	Financial assets at fair value through profit or loss - current	375,000	6,694	0.02%	6,694	-
Clevo Co.	DELTA ELECTRONICS, INC.	-	Financial assets at fair value through profit or loss - current	78,000	24,453	0.00%	24,453	-
Clevo Co.	Taiwan Semiconductor Manufacturing Co., Ltd.	-	Financial assets at fair value through profit or loss - current	35,000	20,755	0.00%	20,755	-
Clevo Co.	Winbond Electronics Corporation	-	Financial assets at fair value through profit or loss - current	242,944	7,398	0.01%	7,398	-
Clevo Co.	SDI CORPORATION	-	Financial assets at fair value through profit or loss - current	110,000	12,485	0.06%	12,485	-
Clevo Co.	ASUSTEK COMPUTER INC.	-	Financial assets at fair value through profit or loss - current	23,000	11,259	0.00%	11,259	-
Clevo Co.	GIGA-BYTE TECHNOLOGY CO., LTD.	-	Financial assets at fair value through profit or loss - current	60,000	15,960	0.01%	15,960	-
Clevo Co.	NANYA TECHNOLOGY CORPORATION	-	Financial assets at fair value through profit or loss - current	296,000	23,088	0.01%	23,088	-
Clevo Co.	AUO Corporation	-	Financial assets at fair value through profit or loss - current	824,391	14,963	0.01%	14,963	-
Clevo Co.	MediaTek Inc.	-	Financial assets at fair value through profit or loss - current	12,000	12,180	0.00%	12,180	-
Clevo Co.	EVA AIRWAYS CORPORATION	-	Financial assets at fair value through profit or loss - current	300,000	9,435	0.01%	9,435	-
Clevo Co.	TAIWAN BUSINESS BANK,LTD.	-	Financial assets at fair value through profit or loss - current	8,735,435	119,675	0.11%	119,675	-
Clevo Co.	Fubon Financial Holding Co., Ltd.	-	Financial assets at fair value through profit or loss - current	12,200	791	0.00%	791	-
Clevo Co.	CTBC FINANCIAL HOLDING CO., LTD.	-	Financial assets at fair value through profit or loss - current	2,250,000	63,788	0.01%	63,788	-
Clevo Co.	Elite Semiconductor Microelectronics Tech Inc	-	Financial assets at fair value through profit or loss - current	235,000	23,030	0.08%	23,030	-
Clevo Co.	Tripod Technology Corporation	-	Financial assets at fair value through profit or loss - current	20,000	3,900	0.00%	3,900	-
Clevo Co.	GRAND PROCESS TECHNOLOGY CORPORATION	-	Financial assets at fair value through profit or loss - current	9,000	5,364	0.03%	5,364	-
Clevo Co.	Advanced Ceramic X Corporation	-	Financial assets at fair value through profit or loss - current	30,000	7,350	0.04%	7,350	-
Clevo Co.	Wistron Corporation	-	Financial assets at fair value through profit or loss - current	100,000	9,860	0.00%	9,860	-
Clevo Co.	Xintec Inc.	-	Financial assets at fair value through profit or loss - current	44,000	5,610	0.02%	5,610	-
Clevo Co.	Global Unichip Corp.	-	Financial assets at fair value through profit or loss - current	20,000	34,800	0.01%	34,800	-
Clevo Co.	Universal Microwave Technology,Inc.	-	Financial assets at fair value through profit or loss - current	25,000	4,063	0.04%	4,063	-
Clevo Co.	VIKING TECH CORPORATION	-	Financial assets at fair value through profit or loss - current	153,000	8,553	0.13%	8,553	-
Clevo Co.	Eris Technology Corp.	-	Financial assets at fair value through profit or loss - current	1,300	349	0.00%	349	-
Clevo Co.	ASE Technology Holding Co., Ltd.	-	Financial assets at fair value through profit or loss - current	120,000	16,200	0.00%	16,200	-
Clevo Co.	TaiMed Biologics Inc.	-	Financial assets at fair value through profit or loss - current	1,000	82	0.00%	82	-
Clevo Co.	ONENESS BIOTECH CO., LTD.	-	Financial assets at fair value through profit or loss - current	24,000	4,668	0.01%	4,668	-
Clevo Co.	Primax Electronics Ltd.	-	Financial assets at fair value through profit or loss - current	63,000	4,265	0.01%	4,265	-
Clevo Co.	Nuvoton Technology Corporation	-	Financial assets at fair value through profit or loss - current	102,000	14,484	0.02%	14,484	-
Clevo Co.	Zhen Ding Technology Holding Limited	-	Financial assets at fair value through profit or loss - current	380,000	41,420	0.04%	41,420	-
Clevo Co.	Fitipower Integrated Technology Inc.	-	Financial assets at fair value through profit or loss - current	50,000	12,875	0.04%	12,875	-
Clevo Co.	Parade Technologies, Ltd.	-	Financial assets at fair value through profit or loss - current	8,000	9,600	0.01%	9,600	-
Clevo Co.	Sercomm Corporation	-	Financial assets at fair value through profit or loss - current	80,000	10,760	0.03%	10,760	-
Clevo Co.	TAIWAN SEMICONDUCTOR CO., LTD.	-	Financial assets at fair value through profit or loss - current	49,000	4,484	0.02%	4,484	-
Clevo Co.	Sino-American Silicon Products Inc.	-	Financial assets at fair value through profit or loss - current	45,000	8,820	0.01%	8,820	-
Clevo Co.	GENESYS LOGIC, INC.	-	Financial assets at fair value through profit or loss - current	125,000	15,000	0.14%	15,000	-
Clevo Co.	Anpec Electronics Corporation	-	Financial assets at fair value through profit or loss - current	30,000	6,645	0.04%	6,645	-
Clevo Co.	TONG HSING ELECTRONIC INDUSTRIES ,LTD.	-	Financial assets at fair value through profit or loss - current	59,000	9,293	0.03%	9,293	-
Clevo Co.	ENNOCONN CORPORATION	-	Financial assets at fair value through profit or loss - current	20,000	5,360	0.02%	5,360	-
Clevo Co.	Silergy Corp.	-	Financial assets at fair value through profit or loss - current	24,000	12,000	0.01%	12,000	-
Clevo Co.	M31 Technology Corporation	-	Financial assets at fair value through profit or loss - current	3,000	3,180	0.01%	3,180	-
Clevo Co.	uPI Semiconductor Corp.	-	Financial assets at fair value through profit or loss - current	22,000	6,908	0.03%	6,908	-

Securities held by	Marketable securities (Note 1)	Relationship with the securities issuer (Note 2)	General ledger account	Ending Balance				Footnote (Note 4)
				No. of shares	Book value (Note 3)	(%)	Fair Value	
Clevo Co.	Sports Gear Co., Ltd.	-	Financial assets at fair value through profit or loss - current	70,000	\$ 4,683	0.04%	\$ 4,683	-
Clevo Co.	AES Holding Co., Ltd.	-	Financial assets at fair value through profit or loss - current	8,000	6,024	0.01%	6,024	-
Clevo Co.	SHINFOX ENERGY CO., LTD.	-	Financial assets at fair value through profit or loss - current	180,000	19,170	0.08%	19,170	-
Clevo Co.	ALLIED CIRCUIT CO.,LTD	-	Financial assets at fair value through profit or loss - current	19,000	2,945	0.04%	2,945	-
Clevo Co.	ACTRON TECHNOLOGY CORPORATION	-	Financial assets at fair value through profit or loss - current	53,693	9,960	0.05%	9,960	-
Clevo Co.	Phison Electronics Corp.	-	Financial assets at fair value through profit or loss - current	44,000	22,879	0.02%	22,879	-
Clevo Co.	MERIDA INDUSTRY CO.,LTD.	-	Financial assets at fair value through profit or loss - current	35,000	6,387	0.01%	6,387	-
Clevo Co.	Foxconn Industrial Internet Co., Ltd.	-	Financial assets at fair value through profit or loss - current	1,760,000	115,446	0.01%	115,446	-
	Beneficiary certificate							
Clevo Co.	UG Greater China Multi-Strategy Fund	-	Financial assets at fair value through profit or loss - current	78,788	314,309	-	314,309	-
Clevo Co.	Invesco 3 to 6 Year Maturity Emerging Market Bond Fund Acc	-	Financial assets at fair value through profit or loss - current	1,500,000	14,962	-	14,962	-
Clevo Co.	Cathay Global Autonomous and Electric Vehicles ETF	-	Financial assets at fair value through profit or loss - current	3,000,000	53,790	-	53,790	-
Clevo Co.	President ICE FactSet Asia Semiconductor Net Total Return Index ETN	-	Financial assets at fair value through profit or loss - current	5,000,000	44,150	-	44,150	-
Clevo Co.	JPMorgan Funds – America Equity Fund	-	Financial assets at fair value through profit or loss - current	54,984	192,404	-	192,404	-
	Stock							
Kapok Computer Co., Ltd.	CHICONY ELECTRONICS CO., LTD.	Same chairman as the Company	Financial assets at fair value through profit or loss - current	40,862	7,151	0.01%	7,151	-
Kapok Computer Co., Ltd.	CLEVO CO.	The Company	Financial asset measured at fair value through other comprehensive income- non-current	16,966,596	690,540	2.68%	690,540	-
	Beneficiary certificate							
Kapok Computer Co., Ltd.	Yuanta Japan Leaders Equity Fund	-	Financial assets at fair value through profit or loss - current	2,014,099	20,141	-	20,141	-
Kapok Computer Co., Ltd.	UPAMC Taiwan High Dividend and Growth Fund	-	Financial assets at fair value through profit or loss - current	2,000,000	21,960	-	21,960	-
	Stock							
Clevo Investment Co., Ltd.	CHICONY ELECTRONICS CO., LTD.	Same chairman as the Company	Financial assets at fair value through profit or loss - current	162,072	28,363	0.02%	28,363	-
Clevo Investment Co., Ltd.	CLEVO CO.	The Company	Financial asset measured at fair value through other comprehensive income- non-current	10,080,669	410,283	1.59%	410,283	-
	Beneficiary certificate							
Clevo Investment Co., Ltd.	Yuanta Taiwan High-yield Leading Company Fund	-	Financial assets at fair value through profit or loss - current	1,000,000	16,210	-	16,210	-
Clevo Investment Co., Ltd.	Yuanta Japan Leaders Equity Fund	-	Financial assets at fair value through profit or loss - current	1,007,049	10,070	-	10,070	-
Clevo Investment Co., Ltd.	Fubon US Treasury Bond ETF Umbrella Fund-Fubon 20+ Years US Treasury Bond ETF	-	Financial assets at fair value through profit or loss - current	500,000	16,290	-	16,290	-
Clevo Investment Co., Ltd.	UPAMC US Treasury 20 Plus Year ETF	-	Financial assets at fair value through profit or loss - current	1,000,000	15,210	-	15,210	-
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	UG Hidden Dragon Special Opportunity Fund	-	Financial assets at fair value through profit or loss - current	59,195	168,315	-	168,315	-
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	UG Great Wall Absolute Return Fund	-	Financial assets at fair value through profit or loss - current	120,943	83,844	-	83,844	-
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	UG Greater China Multi-Strategy Fund	-	Financial assets at fair value through profit or loss - current	59,297	236,552	-	236,552	-
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	KGI Next Generation Multi-Asset Fund	-	Financial assets at fair value through profit or loss - current	384,911	134,238	-	134,238	-
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	BlackRock Global Funds - ESG Multi Asset Fund	-	Financial assets at fair value through profit or loss - current	18,939	29,458	-	29,458	-

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

Note 2: Leave the column blank if the issuer of marketable securities is non-related party.

Note 3: Fill in the amount after adjusted at fair value and deducted by accumulated impairment for the marketable securities measured at fair value; fill in the acquisition cost or amortised cost deducted by accumulated impairment for the marketable securities not measured at fair value.

Note 4: The number of shares of securities and their amounts pledged as security or pledged for loans and their restrictions on use under some agreements should be stated in the footnote if the securities presented herein have such conditions.

CLEVO CO. and Subsidiaries
Acquisition of real estate reaching NT\$300 million or 20% of paid-in capital or more
Year ended December 31, 2023

Table 4

Expressed in thousands of NTD
(Except as otherwise indicated)

Real estate acquired by	Real estate acquired	Transaction date or date of the event	Transaction amount	Status of payment	Counterparty	Relationship with the counterparty	If the counterparty is a related party, information as to the last transaction of the real estate is disclosed below:				Basis or reference used in setting the price	Reason for acquisition of real estate and status of the real estate	Other commitments
							Original owner who sold the real estate to the counterparty	Relationship between the original owner and the acquirer	Date of the original transaction	Amount			
Buynow (Xian) Industry Co., Ltd.	Construction in Progress, Prepayments and Land Use Right	2005~Fourth Quarter of 2023	\$ 1,837,486	\$ 1,582,006	Xi'an Xinxiaozhai Old Village Reconstruction and Construction Development Co., Ltd. etc.	-	-	-	-	\$ -	Mutual agreement	Department store; under construction	-
Yingkou Buynow Electronic Information Co., Ltd.	Construction in Progress and Land Use Right	Second Quarter of 2011~Fourth Quarter of 2023	746,657	723,319	Bureau of Land and Resources of Yingkou City etc.	-	-	-	-	-	Mutual agreement	Department store; under construction	-
Guiyang Buynow Electronic Information Co., Ltd.	Construction in Progress and Land Use Right	Fourth Quarter of 2011~Fourth Quarter of 2023	1,434,231	1,350,207	Guiyang Municipal Bureau of Land and Resources etc.	-	-	-	-	-	Mutual agreement	Department store; under construction	-
Buynow (Jinzhou) Industry Co., Ltd.	Buildings and Land Held for Sale, Construction in Progress and Land Use Right	Second Quarter of 2013~Fourth Quarter of 2023	1,746,163	1,728,180	Jinzhou Municipal Bureau of Land and Resources etc.	-	-	-	-	-	Mutual agreement	Department store; under construction	-

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

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

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

CLEVO CO. and Subsidiaries
Purchases or sales of goods from or to related parties reaching NT\$100 million or 20% of paid-in capital or more
Year ended December 31, 2023

Table 5

Expressed in thousands of NTD
(Except as otherwise indicated)

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction				Compared to third party transactions (Note 1)		Notes/accounts receivable (payable)		Footnote (Note 2)
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit Price	Credit term	Balance at December 31, 2023	Percentage of total notes/accounts receivable (payable)	
Clevo Co.	Kapok Computer (Kunshan) Co., Ltd.	The Company's ultimate parent company	Purchases	\$ 16,803,771	63.64%	30 days after monthly billings and offset between creditor's rights and debt obligation. Prepayment is allowed when there is a fund requirement.	The selling price is reduced by 5%~15%. However, it can be adjusted according to market conditions.	1~5 months for normal customers due to fund requirements.	\$ -	-	-
Clevo Co.	Kapok Computer (Kunshan) Co., Ltd.	The Company's ultimate parent company	Sales	(7,147,883)	25.14%	180 days	The goods are not sold to other customers, so the prices cannot be compared.	1~2 months for normal customers due to fund requirements.	130,964	4.44%	-
Kapok Computer (Kunshan) Co., Ltd.	Clevo Co.	The Company as the ultimate parent company	Sales	(16,803,771)	99.99%	30 days after monthly billings	It is the only customer, so the price cannot be compared.	-	-	-	-
Kapok Computer (Kunshan) Co., Ltd.	Clevo Co.	The Company as the ultimate parent company	Purchases	7,147,883	46.41%	180 days	It is the only supplier, so the price cannot be compared.	-	(130,964)	4.80%	-

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

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

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

CLEVO CO. and Subsidiaries
Receivables from related parties reaching NT\$100 million or 20% of paid-in capital or more
Year ended December 31, 2023

Table 6

Expressed in thousands of NTD
(Except as otherwise indicated)

Creditor	Counterparty	Relationship with the counterparty	Balance as at December 31, 2023 (Note 1)	Turnover rate	Overdue receivables		Amount collected subsequent to the balance sheet date	Allowance for doubtful accounts
					Amount	Action taken		
Clevo Co.	Kapok Computer (Kunshan) Co., Ltd.	The transaction object is a subsidiary of the company.	\$ 130,964	109.16	-	Reclassified to other receivables - related parties - current	\$ 130,964	\$ -

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

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

CLEVO CO. and Subsidiaries
Significant inter-company transactions during the reporting period
Year ended December 31, 2023

Table 7

Expressed in thousands of NTD

(Except as otherwise indicated)

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			
				General ledger account	Amount	Transaction terms	Percentage of consolidated total operating revenues or total assets (Note 3)
0	CLEVO CO.	Kapok Computer (Kunshan) Co., Ltd.	1	Purchases	\$ 16,803,771	The selling price is reduced by 5%~15%. However, it can be adjusted according to market conditions. The payment period is 30 days after monthly billings.	68.93%
0	CLEVO CO.	Kapok Computer (Kunshan) Co., Ltd.	1	Sales	7,147,883	It is the only customer, so the price cannot be compared. The payment period is 180 days.	29.32%
0	CLEVO CO.	Kapok Computer (Kunshan) Co., Ltd.	3	Accounts Payable - related parties	130,964	-	0.14%
1	Buynow (Hangzhou) Electronic Information Co., Ltd.	Changsha Hungyu Business Management Co., Ltd.	3	Other receivables - related parties - current	107,807	4.50%	0.11%
1	Buynow (Hangzhou) Electronic Information Co., Ltd.	Shanghai Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	317,694	4.50%	0.34%
1	Buynow (Hangzhou) Electronic Information Co., Ltd.	Buynow (Xian) Industry Co., Ltd.	3	Other receivables - related parties - current	50,324	4.50%	0.05%
1	Buynow (Hangzhou) Electronic Information Co., Ltd.	Anshan Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	90,020	4.50%	0.10%
1	Buynow (Hangzhou) Electronic Information Co., Ltd.	Guiyang Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	141,862	4.50%	0.15%
1	Buynow (Hangzhou) Electronic Information Co., Ltd.	Shanghai Buynow Electronic Information Co., Ltd.	3	Receivables - related parties	61,392	-	0.07%
2	Buynow (Chengdu) Electronic Information Co., Ltd.	Zibo Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	88,718	3.45%	0.09%
2	Buynow (Chengdu) Electronic Information Co., Ltd.	Buynow Electronic Information (Huizhou) Co., Ltd.	3	Other receivables - related parties - current	126,592	3.45%	0.13%
2	Buynow (Chengdu) Electronic Information Co., Ltd.	Clevo (China) Investment Co., Ltd.	3	Other receivables - related parties - current	108,458	3.45%	0.11%
2	Buynow (Chengdu) Electronic Information Co., Ltd.	Guiyang Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	311,707	3.45%	0.33%
2	Buynow (Chengdu) Electronic Information Co., Ltd.	Luoyang Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	52,060	3.45%	0.06%
2	Buynow (Chengdu) Electronic Information Co., Ltd.	Buynow (Fujian) Electronic Technology Development Co., Ltd.	3	Receivables - related parties	59,933	-	0.06%
2	Buynow (Chengdu) Electronic Information Co., Ltd.	Shanghai Buynow Electronic Information Co., Ltd.	3	Receivables - related parties	89,217	-	0.09%
2	Buynow (Chengdu) Electronic Information Co., Ltd.	Guiyang Buynow Electronic Information Co., Ltd.	3	Receivables - related parties	61,315	-	0.06%
3	Buynow (Nanjing) Facility Leasing And Management Co., Ltd.	Buynow (Xian) Industry Co., Ltd.	3	Other receivables - related parties - current	475,695	3.45%	0.50%
3	Buynow (Nanjing) Facility Leasing And Management Co., Ltd.	Buynow (Harbin) Industry Co., Ltd.	3	Other receivables - related parties - current	142,947	3.45%	0.15%

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			
				General ledger account	Amount	Transaction terms	Percentage of consolidated total operating revenues or total assets (Note 3)
3	Buynow (Nanjing) Facility Leasing And Management Co., Ltd.	Buynow (Harbin) Industry Co., Ltd.	3	Receivables - related parties	\$ 73,167	-	0.08%
3	Buynow (Nanjing) Facility Leasing And Management Co., Ltd.	Buynow (Xian) Industry Co., Ltd.	3	Receivables - related parties	75,391	-	0.08%
4	Kapok Computer (Kunshan) Co., Ltd.	Shanghai Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	173,532	4.50%	0.18%
4	Kapok Computer (Kunshan) Co., Ltd.	Buynow (Nanchang) Industry Co., Ltd.	3	Other receivables - related parties - current	190,668	4.50%	0.20%
4	Kapok Computer (Kunshan) Co., Ltd.	Buynow(Guangzhou) Electronic Information Co., Ltd.	3	Other receivables - related parties - current	170,495	4.50%	0.18%
4	Kapok Computer (Kunshan) Co., Ltd.	Buynow (Xian) Industry Co., Ltd.	3	Other receivables - related parties - current	170,582	4.50%	0.18%
4	Kapok Computer (Kunshan) Co., Ltd.	Buynow (Harbin) Industry Co., Ltd.	3	Other receivables - related parties - current	644,541	4.50%	0.68%
4	Kapok Computer (Kunshan) Co., Ltd.	Daqing Buynow Electronic Information Corporation	3	Other receivables - related parties - current	97,178	4.50%	0.10%
4	Kapok Computer (Kunshan) Co., Ltd.	Zibo Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	88,501	4.50%	0.09%
4	Kapok Computer (Kunshan) Co., Ltd.	Shantou Buynow Mall Co., Ltd.	3	Other receivables - related parties - current	482,072	4.50%	0.51%
4	Kapok Computer (Kunshan) Co., Ltd.	Clevo (China) Investment Co., Ltd.	3	Other receivables - related parties - current	173,532	4.50%	0.18%
4	Kapok Computer (Kunshan) Co., Ltd.	Yingkou Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	82,428	4.50%	0.09%
4	Kapok Computer (Kunshan) Co., Ltd.	Guiyang Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	431,661	4.50%	0.46%
4	Kapok Computer (Kunshan) Co., Ltd.	Taizhou Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	193,488	4.50%	0.20%
4	Kapok Computer (Kunshan) Co., Ltd.	Dezhou Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	549,663	4.50%	0.58%
4	Kapok Computer (Kunshan) Co., Ltd.	Buynow (Jinzhou) Industry Co., Ltd.	3	Other receivables - related parties - current	260,298	4.50%	0.28%
5	Buynow (Nanchang) Industry Co., Ltd.	Buynow(Guangzhou) Electronic Information Co., Ltd.	3	Other receivables - related parties - current	96,093	4.50%	0.10%
5	Buynow (Nanchang) Industry Co., Ltd.	Anshan Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	231,795	4.50%	0.25%
5	Buynow (Nanchang) Industry Co., Ltd.	Guiyang Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	124,162	4.50%	0.13%
5	Buynow (Nanchang) Industry Co., Ltd.	Taizhou Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	68,328	4.50%	0.07%
5	Buynow (Nanchang) Industry Co., Ltd.	Buynow (Jinzhou) Industry Co., Ltd.	3	Other receivables - related parties - current	137,177	4.50%	0.15%
6	Buynow (Zhengzhou) Electronic Information Co., Ltd.	Changsha Hungyu Business Management Co., Ltd.	3	Other receivables - related parties - current	137,828	3.45%	0.15%
6	Buynow (Zhengzhou) Electronic Information Co., Ltd.	Buynow (Harbin) Industry Co., Ltd.	3	Other receivables - related parties - current	65,942	3.45%	0.07%

Table 7, Page 2

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			
				General ledger account	Amount	Transaction terms	Percentage of consolidated total operating revenues or total assets (Note 3)
6	Buynow (Zhengzhou) Electronic Information Co., Ltd.	Dezhou Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	\$ 184,378	1.65%	0.20%
6	Buynow (Zhengzhou) Electronic Information Co., Ltd.	Buynow (Harbin) Industry Co., Ltd.	3	Receivables - related parties	52,046	-	0.06%
7	Buynow Electronic Information (Shenyang) Co., Ltd.	Changsha Hungyu Business Management Co., Ltd.	3	Other receivables - related parties - current	75,270	3.45%	0.08%
7	Buynow Electronic Information (Shenyang) Co., Ltd.	Zibo Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	154,443	3.45%	0.16%
7	Buynow Electronic Information (Shenyang) Co., Ltd.	Yingkou Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	132,665	3.45%	0.14%
7	Buynow Electronic Information (Shenyang) Co., Ltd.	Anshan Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	112,796	3.45%	0.12%
7	Buynow Electronic Information (Shenyang) Co., Ltd.	Yingkou Buynow Electronic Information Co., Ltd.	3	Receivables - related parties	90,284	-	0.10%
8	Buynow (Fujian) Electronic Technology Development Co., Ltd.	Buynow(Guangzhou) Electronic Information Co., Ltd.	3	Other receivables - related parties - current	71,842	3.45%	0.08%
8	Buynow (Fujian) Electronic Technology Development Co., Ltd.	Buynow (Harbin) Industry Co., Ltd.	3	Other receivables - related parties - current	207,371	3.45%	0.22%
8	Buynow (Fujian) Electronic Technology Development Co., Ltd.	Daqing Buynow Electronic Information Corporation	3	Other receivables - related parties - current	111,451	3.45%	0.12%
8	Buynow (Fujian) Electronic Technology Development Co., Ltd.	Daqing Buynow Electronic Information Corporation	3	Receivables - related parties	55,803	-	0.06%
9	Buynow (Changchun) Industry Co., Ltd.	Buynow (Xian) Industry Co., Ltd.	3	Other receivables - related parties - current	206,069	3.45%	0.22%
9	Buynow (Changchun) Industry Co., Ltd.	Taizhou Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	77,656	3.45%	0.08%
10	Buynow (Wuxi) Electronic Technology Development Co., Ltd.	Buynow (Harbin) Industry Co., Ltd.	3	Other receivables - related parties - current	135,268	3.45%	0.14%
10	Buynow (Wuxi) Electronic Technology Development Co., Ltd.	Anshan Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	176,352	3.45%	0.19%
11	Quality Trust Property Management Co., Ltd.	Daqing Buynow Electronic Information Corporation	3	Other receivables - related parties - current	187,631	3.00%	0.20%
12	Kalor Buynow (Heifei) Electronic Information Co., Ltd.	Buynow (Xian) Industry Co., Ltd.	3	Other receivables - related parties - current	239,474	3.45%	0.25%
12	Kalor Buynow (Heifei) Electronic Information Co., Ltd.	Buynow (Harbin) Industry Co., Ltd.	3	Other receivables - related parties - current	263,769	3.45%	0.28%
12	Kalor Buynow (Heifei) Electronic Information Co., Ltd.	Luoyang Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	194,824	3.45%	0.21%
13	Buynow (Chongqing) Industry Co., Ltd.	Guiyang Buynow Electronic Information Co., Ltd.	3	Receivables - related parties	63,680	-	0.07%
14	Shanghai Buynow Electronic Products Market Management Co., Ltd.	Shanghai Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	51,192	4.50%	0.05%
14	Shanghai Buynow Electronic Products Market Management Co., Ltd.	Qingdao Buynow Technology Industry Co., Ltd.	3	Other receivables - related parties - current	275,786	4.50%	0.29%
14	Shanghai Buynow Electronic Products Market Management Co., Ltd.	Luoyang Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	500,206	4.50%	0.53%

Table 7, Page 3

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			
				General ledger account	Amount	Transaction terms	Percentage of consolidated total operating revenues or total assets (Note 3)
14	Shanghai Buynow Electronic Products Market Management Co., Ltd.	Buynow (Jinzhou) Industry Co., Ltd.	3	Other receivables - related parties - current	\$ 236,090	4.50%	0.25%
14	Shanghai Buynow Electronic Products Market Management Co., Ltd.	Qingdao Buynow Technology Industry Co., Ltd.	3	Receivables - related parties	123,283	-	0.13%
14	Shanghai Buynow Electronic Products Market Management Co., Ltd.	Luoyang Buynow Electronic Information Co., Ltd.	3	Receivables - related parties	68,909	-	0.07%
14	Shanghai Buynow Electronic Products Market Management Co., Ltd.	Anshan Buynow Electronic Information Co., Ltd.	3	Receivables - related parties	77,684	-	0.08%
15	Tianjin Buynow Electronic Information Co., Ltd.	Shanghai Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	134,921	3.45%	0.14%
15	Tianjin Buynow Electronic Information Co., Ltd.	Buynow (Xian) Industry Co., Ltd.	3	Other receivables - related parties - current	57,266	3.45%	0.06%
15	Tianjin Buynow Electronic Information Co., Ltd.	Qingdao Buynow Technology Industry Co., Ltd.	3	Other receivables - related parties - current	269,018	3.45%	0.28%
15	Tianjin Buynow Electronic Information Co., Ltd.	Zibo Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	150,730	3.45%	0.16%
15	Tianjin Buynow Electronic Information Co., Ltd.	Qingdao Buynow Technology Industry Co., Ltd.	3	Receivables - related parties	67,430	-	0.07%
15	Tianjin Buynow Electronic Information Co., Ltd.	Luoyang Buynow Electronic Information Co., Ltd.	3	Receivables - related parties	62,811	-	0.07%
16	Buynow (Yancheng) Electronoc Information Technology Development Co. Ltd.	Anshan Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	266,155	0.00%	0.28%
16	Buynow (Yancheng) Electronoc Information Technology Development Co. Ltd.	Dezhou Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	342,726	0.00%	0.36%
17	Beijing Clevo Investment Management Consultant Co.,Ltd.	Qingdao Buynow Technology Industry Co., Ltd.	3	Other receivables - related parties - current	126,461	4.80%	0.13%
17	Beijing Clevo Investment Management Consultant Co.,Ltd.	Buynow Electronic Information (Huizhou) Co., Ltd.	3	Other receivables - related parties - current	291,968	4.80%	0.31%
17	Beijing Clevo Investment Management Consultant Co.,Ltd.	Buynow Electronic Information (Huizhou) Co., Ltd.	3	Receivables - related parties	67,623	-	0.07%
17	Beijing Clevo Investment Management Consultant Co.,Ltd.	Qingdao Buynow Technology Industry Co., Ltd.	3	Receivables - related parties	59,187	-	0.06%
18	Guangdong Buynow Real Estate Management Co., Ltd.	Shanghai Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	333,138	3.45%	0.35%
18	Guangdong Buynow Real Estate Management Co., Ltd.	Qingdao Buynow Technology Industry Co., Ltd.	3	Other receivables - related parties - current	139,086	3.45%	0.15%
18	Guangdong Buynow Real Estate Management Co., Ltd.	Guiyang Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	216,915	3.45%	0.23%
18	Guangdong Buynow Real Estate Management Co., Ltd.	Luoyang Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	223,422	3.45%	0.24%
18	Guangdong Buynow Real Estate Management Co., Ltd.	Buynow (Jinzhou) Industry Co., Ltd.	3	Other receivables - related parties - current	262,901	3.45%	0.28%
18	Guangdong Buynow Real Estate Management Co., Ltd.	Shanghai Buynow Electronic Information Co., Ltd.	3	Receivables - related parties	163,358	-	0.17%
18	Guangdong Buynow Real Estate Management Co., Ltd.	Buynow (Jinzhou) Industry Co., Ltd.	3	Receivables - related parties	50,092	-	0.05%

Table 7, Page 4

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			
				General ledger account	Amount	Transaction terms	Percentage of consolidated total operating revenues or total assets (Note 3)
18	Guangdong Buynow Real Estate Management Co., Ltd.	Luoyang Buynow Electronic Information Co., Ltd.	3	Receivables - related parties	\$ 74,128	-	0.08%
18	Guangdong Buynow Real Estate Management Co., Ltd.	Guiyang Buynow Electronic Information Co., Ltd.	3	Receivables - related parties	98,350	-	0.10%
19	Shantou Buynow Mall Co., Ltd.	Buynow Electronic Information (Huizhou) Co., Ltd.	3	Other receivables - related parties - current	69,413	4.50%	0.07%
19	Shantou Buynow Mall Co., Ltd.	Anshan Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	332,791	4.50%	0.35%
19	Shantou Buynow Mall Co., Ltd.	Suzhou Jinzuo Industry Co., Ltd.	3	Other receivables - related parties - current	339,906	4.50%	0.36%
19	Shantou Buynow Mall Co., Ltd.	Taizhou Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	74,185	4.50%	0.08%
19	Shantou Buynow Mall Co., Ltd.	Anshan Buynow Electronic Information Co., Ltd.	3	Receivables - related parties	72,279	-	0.08%
20	Quanzhou Buynow Industry Co., Ltd.	Clevo (China) Investment Co., Ltd.	3	Other receivables - related parties - current	77,872	3.45%	0.08%

Note 1: The numbers filled in for the transaction company in respect of inter-company transactions are as follows:

- (1) Parent company is '0'.
- (2) The subsidiaries are numbered in order starting from '1'.

Note 2: Relationship between transaction company and counterparty is classified into the following three categories; fill in the number of category each case belongs to (If transactions between parent company and subsidiaries or between subsidiaries refer to the same transaction, it

- (1) Parent company to subsidiary.
- (2) Subsidiary to parent company.
- (3) Subsidiary to subsidiary.

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

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

CLEVO CO. and Subsidiaries
Information on investees
Year ended December 31, 2023

Table 8

Expressed in thousands of NTD
(Except as otherwise indicated)

Investor	Investee (Notes 1 and 2)	Location	Main business activities	Initial investment amount		Shares held as at December 31, 2023			Net profit (loss) of the investee for the year ended December 31, 2023 (Note 2(2))	Investment income (loss) recognised by the Company for the year ended December 31, 2023 (Note 2(3))	Footnote
				Balance as at December 31, 2023	Balance as at December 31, 2022	No. of shares	Ownership (%)	Book value			
Clevo Co.	CLEVO COMPUTER SINGAPORE PTE LTD.	Singapore	Investment	\$ 420,061	\$ 420,061	22,325,453	100.00	\$ 7,656,911	\$ 48,266	\$ 48,266	The subsidiary of the Company
Clevo Co.	CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	Cayman Islands	Investment	15,754,974	15,754,974	369,370,000	100.00	42,653,466	81,149	81,149	The subsidiary of the Company
Clevo Co.	KAPOK COMPUTER (SAMOA) CORPORATION	Samoa	Investment	520,995	489,985	17,000,000	100.00	1,771,355	106,254	106,168	The subsidiary of the Company
Clevo Co.	BUYNOW ON-LINE HOLDING CORPORATION	Samoa	Investment	35,513	35,513	1,100,000	100.00	4,869	24	24	The subsidiary of the Company
Clevo Co.	Clevo Investment Co., Ltd.	Taiwan	Investment	140,000	140,000	14,000,000	100.00	101,758	36,594	21,473	The subsidiary of the Company
Clevo Co.	Kapok Computer Co., Ltd.	Taiwan	Design and sale of computers and computer peripherals	80,000	80,000	8,000,000	100.00	79,214	30,651	5,201	The subsidiary of the Company
Clevo Co.	Taipei Twin Corporation	Taiwan	Commercial real estate development	2,250,000	1,100,000	225,000,000	50.00	2,120,628	(117,108)	(58,554)	Long-term equity investment accounted for using equity method
Clevo Co.	Tua Tiann Co., Ltd.	Taiwan	Commercial real estate development	490,000	490,000	49,000,000	24.50	493,451	12,865	3,152	Long-term equity investment accounted for using equity method
CLEVO COMPUTER SINGAPORE PTE LTD.	BUYNOW (CHENGDU) CORPORATION	Samoa	Investment	278,468	278,468	7,000,000	100.00	3,437,737	(2,172)	(2,172)	The Company as the ultimate parent company
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	BUYNOW GLOBAL CORPORATION	British Virgin Islands	Investment	92,651	118,490	2,800,000	100.00	960,808	13,332	13,332	The Company as the ultimate parent company
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	BUYNOW (HANGZHOU) CORPORATION	British Virgin Islands	Investment	173,107	173,107	5,000,000	100.00	3,657,828	92,903	92,903	The Company as the ultimate parent company
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	BUYNOW (ZHENGZHOU) CORPORATION	Samoa	Investment	103,185	103,185	3,000,000	100.00	3,385,341	108,651	108,651	The Company as the ultimate parent company
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	BUYNOW GROUP (CHANGSHA) CORPORATION	British Virgin Islands	Investment	136,180	136,180	4,000,000	100.00	242,142	12,643	12,643	The Company as the ultimate parent company
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	BUYNOW (NANCHANG) CORPORATION	Samoa	Investment	104,484	104,484	3,000,000	100.00	1,118,898	80,099	80,099	The Company as the ultimate parent company
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	BUYNOW (GUANGZHOU) CORPORATION	Samoa	Investment	161,745	161,745	5,000,000	100.00	2,238,408	(572)	(572)	The Company as the ultimate parent company
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	FLYING WOLF INVESTMENT LIMITED	British Virgin Islands	Investment	96,141	96,141	3,000,000	100.00	3,188,604	27,621	27,621	The Company as the ultimate parent company
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	BUYNOW (XIAMEN) CORPORATION	Samoa	Investment	95,502	95,502	3,000,000	100.00	1,982,652	27,372	27,372	The Company as the ultimate parent company
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	BUYNOW GROUP (XIAN) CORPORATION	Samoa	Investment	96,543	96,543	3,000,000	100.00	647,328	(215,009)	(215,009)	The Company as the ultimate parent company
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	BUYNOW (CHANGCHUN) CORPORATION	Samoa	Investment	64,064	64,064	2,000,000	100.00	3,087,262	99,055	99,055	The Company as the ultimate parent company
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	BUYNOW GROUP (QINGDAO) CORPORATION	Samoa	Investment	115,648	115,648	3,500,000	100.00	108,873	12,318	12,318	The Company as the ultimate parent company

Investor	Investee (Notes 1 and 2)	Location	Main business activities	Initial investment amount		Shares held as at December 31, 2023			Net profit (loss) of the investee for the year ended December 31, 2023 (Note 2(2))	Investment income (loss) recognised by the Company for the year ended December 31, 2023 (Note 2(3))	Footnote
				Balance as at December 31, 2023	Balance as at December 31, 2022	No. of shares	Ownership (%)	Book value			
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	BUYNOW (CHONGQING) LIMITED	Hong Kong	Investment	\$ 169,140	\$ 169,140	5,000,000	100.00	\$ 982,321	(\$ 49,463)	(\$ 49,463)	The Company as the ultimate parent company
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	FLYING INTERNATIONAL INVESTMENT LIMITED	Samoa	Investment	178,968	178,968	3,000,000	100.00	2,299,945	(24,842)	(24,842)	The Company as the ultimate parent company
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	BUYNOW (WUXI) CORPORATION	Samoa	Investment	64,054	64,054	2,000,000	100.00	1,380,925	41,186	41,186	The Company as the ultimate parent company
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	BUYNOW (HARBIN) CORPORATION	Samoa	Investment	99,012	99,012	3,000,000	100.00	114,558	(157,247)	(157,247)	The Company as the ultimate parent company
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	BUYNOW (DAQING) CORPORATION	Samoa	Investment	96,894	96,894	3,000,000	100.00	(107,567)	3,379	3,379	The Company as the ultimate parent company
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	BUYNOW (ZIBO) CORPORATION	Samoa	Investment	95,805	95,805	3,000,000	100.00	(172,253)	(8,166)	(8,166)	The Company as the ultimate parent company
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	BUYNOW (BEIJING) CORPORATION	Samoa	Investment	244,256	244,256	6,000,000	100.00	2,288,480	367,252	367,252	The Company as the ultimate parent company
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	SKILL DEVELOP INTERNATIONAL LIMITED	Samoa	Investment	581,916	581,916	9,350,000	100.00	5,131,189	59,781	59,781	The Company as the ultimate parent company
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	BUYNOW (YANCHENG) CORPORATION	Samoa	Investment	931,920	931,920	31,500,000	100.00	735,036	-	-	The Company as the ultimate parent company
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	BUYNOW (HUIZHOU) CORPORATION	Samoa	Investment	200,737	200,737	1,500,000	100.00	(118,760)	(11,391)	(11,391)	The Company as the ultimate parent company
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	BUYNOW (YINGKOU) CORPORATION	Samoa	Investment	434,082	434,082	15,000,000	100.00	411,327	(390)	(390)	The Company as the ultimate parent company
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	BUYNOW (ANSHAN) CORPORATION	Samoa	Investment	1,119,393	1,119,393	38,000,000	100.00	774,743	(70,396)	(70,396)	The Company as the ultimate parent company
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	BUYNOW (GUIYANG) CORPORATION	Samoa	Investment	301,236	301,236	20,000,000	100.00	256,482	(1,427)	(1,427)	The Company as the ultimate parent company
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	CHICONY SQUARE (WUHAN) INC.	British Virgin Islands	Investment	123,204	123,204	3,600,000	30.00	1,275,404	(48,034)	(14,410)	Long-term equity investment accounted for using equity method
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	CHICONY SQUARE (CAYMAN) INC.	Cayman Islands	Investment	86,886	86,886	3,000,000	30.00	(31,827)	63,236	18,971	Long-term equity investment accounted for using equity method
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	BUYNOW (WUHAN) CORPORATION	Samoa	Investment	-	-	4,500,000	30.00	106,980	(77,584)	(23,275)	Long-term equity investment accounted for using equity method
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	CHICONY CHENGDU INTERNATIONAL INC.	British Virgin Islands	Investment	362,866	362,866	1,500,000	3.75	53,008	289,853	10,869	Long-term equity investment accounted for using equity method
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	BUYNOW (TAIZHOU) CORPORATION	Samoa	Investment	505,786	505,786	17,000,000	100.00	301,862	(9,388)	(9,388)	The Company as the ultimate parent company
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	SMARTER CAPITAL LIMITED	Samoa	Investment	1,013,693	1,013,693	14,900,000	100.00	1,025,163	13,954	13,954	The Company as the ultimate parent company
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	BUYNOW (DEZHOU) CORPORATION	Samoa	Investment	881,914	881,914	30,000,000	100.00	348,764	(100,104)	(100,104)	The Company as the ultimate parent company
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	BUYNOW (LUOYANG) CORPORATION	Samoa	Investment	894,346	894,346	30,000,000	100.00	(68,448)	(96,145)	(96,145)	The Company as the ultimate parent company
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	BUYNOW (FUJIAN QUANZHOU) CORPORATION	Samoa	Investment	446,195	446,195	15,000,000	100.00	76,795	(13,951)	(13,951)	The Company as the ultimate parent company
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	BUYNOW (JINZHOU) CORPORATION	Samoa	Investment	448,081	448,081	15,000,000	100.00	(55,086)	(96,705)	(96,705)	The Company as the ultimate parent company

Table 8, Page 2

Investor	Investee (Notes 1 and 2)	Location	Main business activities	Initial investment amount		Shares held as at December 31, 2023			Net profit (loss) of the investee for the year ended December 31, 2023 (Note 2(2))	Investment income (loss) recognised by the Company for the year ended December 31, 2023 (Note 2(3))	Footnote
				Balance as at December 31, 2023	Balance as at December 31, 2022	No. of shares	Ownership (%)	Book value			
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	BUYNOW (SHANTOU) CORPORATION	Samoa	Investment	\$ 578,224	\$ 578,224	20,000,000	100.00	\$ 470,296	(\$ 52,263)	(\$ 52,263)	The Company as the ultimate parent company
SKILL DEVELOP INTERNATIONAL LIMITED	WELL ASIA INVESTMENT LIMITED	Hong Kong	Investment	277,817	277,817	9,200,000	100.00	5,131,189	59,781	59,781	The Company as the ultimate parent company
SMARTER CAPITAL LIMITED	BUYNOW SZ. CORPORATION	Samoa	Investment	452,081	452,081	14,900,000	100.00	1,025,163	13,954	13,954	The Company as the ultimate parent company
BUYNOW ON-LINE HOLDING CORPORATION	BUYNOW ON-LINE LIMITED	Hong Kong	Investment	35,483	35,483	1,100,000	100.00	4,869	24	24	The Company as the ultimate parent company

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

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

- (1) The columns of 'Investee', 'Location', 'Main business activities', 'Initial investment amount' and 'Shares held as at December 31, 2023' should fill orderly in the Company's (public company's) information on investees and every directly or indirectly controlled investee's investment information, and note the relationship between the Company (public company) and its investee each (ex. direct subsidiary or indirect subsidiary) in the 'footnote' column.
- (2) The 'Net profit (loss) of the investee for the year ended December 31, 2023' column should fill in amount of net profit (loss) of the investee for this period.
- (3) The 'Investment income (loss) recognised by the Company for the year ended December 31, 2023' column should fill in the Company (public company) recognised investment income (loss) of its direct subsidiary and recognised investment income (loss) of its investee accounted for under the equity method for this period. When filling in recognised investment income (loss) of its direct subsidiary, the Company (public company) should confirm that direct subsidiary's net profit (loss) for this period has included its investment income (loss) which shall be recognised by regulations.

CLEVO CO. and Subsidiaries
Information on investments in Mainland China
Year ended December 31, 2023

Table 9

Expressed in thousands of NTD

(Except as otherwise indicated)

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2023	Amount remitted from Taiwan to Mainland China/Amount remitted back to Taiwan for the year ended December 31, 2023		Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2023	Net income of investee for the year ended December 31, 2023	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended December 31, 2023 (Note 2)	Book value of investments in Mainland China as of December 31, 2023	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2023	Footnote
					Remitted to Mainland China	Remitted back to Taiwan							
Buynow (Chengdu) Electronic Information Co., Ltd.	Manufacturing, sale, maintenance service, research and development of computers and computer peripherals and digital products, and property management of buildings	\$ 278,468	(2)	\$ 278,468	\$ -	\$ -	\$ 278,468	(\$ 2,172)	100.00	(\$ 2,172)	\$ 3,437,737	\$ -	-
Buynow (Nanjing) Facility Leasing And Management Co., Ltd.	Manufacturing, sale, research and development of computers and computer peripherals and services for related electronic products	58,159	(2)	37,522	-	-	37,522	(4,487)	100.00	(4,487)	1,965,295	-	-
Kalor Buynow (Heifei) Electronic Information Co., Ltd.	Manufacturing, sale, research and development of computers and computer peripherals and services for related electronic products	69,491	(2)	-	-	-	-	49,929	100.00	49,929	2,346,740	-	-
Kapok Computer (Kunshan) Co., Ltd.	Manufacturing, sale, research and development and maintenance service of computer, notebook, tablet, information and communication products and computer components	238,599	(2)	238,599	-	-	238,599	123,790	100.00	123,790	1,744,710	-	-
Kunshan Kaiming Trading Co., Ltd.	Provide market management services for operators of laptop computer, tablet, desktop computer, palmtop computer, information and communication products and computer components	17,746	(3)	-	-	-	-	(54)	100.00	(54)	6,146	-	-
Chicony Industry (Wuhan) Co.,Ltd.	Research, development, production and sales of computer software and hardware, electronic products; sales services, non-staple food; coffee shop operations; venue rental	1,927,049	(2) CHICONY SQUARE (WUHAN) INC.	526,552	-	-	526,552	127,635	30.00	38,291	821,950	-	-
Wuhan Qunbai Industry Co., Ltd.	Research, development and sales of computer software, hardware and electronic products; sales services; venue rental	58,904	(2) CHICONY SQUARE (WUHAN) INC.	-	-	-	-	(35,102)	30.00	(10,531)	23,179	-	-
Chicony Square (Wuhan) Management Co., Ltd.	Sales of service and non-staple food; cafe operation; venue rental	14,414	(3)	-	-	-	-	4,987	24.99	1,246	8,828	-	-
Qunguang Industrial (Xian) Co., Ltd.	Research, development, production and sales of computer software and hardware, electronic products; sales services, nonstaple food; coffee shop operations; venue rental; catering services; parking lot management and retail	4,053,756	(3)	-	-	-	-	(414,075)	30.00	(124,223)	193,447	-	-
Buynow (Hangzhou) Electronic Information Co., Ltd.	Manufacturing, sale, maintenance service, research and development of computers and computer peripherals and digital products, and property management of buildings	198,848	(2)	198,848	-	-	198,848	92,903	100.00	92,903	3,657,828	-	-
Shanghai Buynow Electronic Information Co., Ltd.	Rental of the display venues of computer and related electronic products; information consultation; maintenance services; property management	521,418	(2)(3)	56,778	-	-	56,778	7,109	100.00	7,109	3,189,235	-	-

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2023	Amount remitted from Taiwan to Mainland China/Amount remitted back to Taiwan for the year ended December 31, 2023		Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2023	Net income of investee for the year ended December 31, 2023	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended December 31, 2023 (Note 2)	Book value of investments in Mainland China as of December 31, 2023	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2023	Footnote
					Remitted to Mainland China	Remitted back to Taiwan							
Quality Trust Property Management Co., Ltd	Property management, advisory of real estate, building leasing, housekeeping service, parking lot service, car wash service and business service	\$ 24,975	(2)	\$ 21,645	-	-	\$ 21,645	\$ 15,630	100.00	\$ 15,630	\$ 283,902	\$ -	-
Wuxi Quntai Property Management Co., Ltd.	Property management, advisory of real estate, building leasing, housekeeping service, parking lot service, car wash service and business service	2,402	(3)	-	-	-	-	2,668	100.00	2,668	33,670	-	-
Shanghai Buynow Electronic Products Market Management Co., Ltd.	Provide market management services for operators of electronic products	504,484	(3)	-	-	-	-	49,827	100.00	49,827	4,772,004	-	-
Beijing Kaiye Electronic Technology Co., Ltd.	Technology-extension services, computer maintenance, public parking lot service for motorcycle, property management, business management, business management and advisory, business building leasing, wholesale of computer and computer peripherals, hardware electronic and daily appliance	359,053	(3)	-	-	-	-	27,068	100.00	27,068	3,908	-	-
Buynow (Nanchang) Industry Co., Ltd.	Manufacturing, sale, maintenance service, research and development of computers and computer peripherals and digital products, and property management of buildings	293,328	(2)(3)	119,297	-	-	119,297	215,550	100.00	215,550	3,426,945	-	-
Changsha Hungyu Business Management Co., Ltd.	Manufacturing, sale, maintenance service, research and development of computers and computer peripherals and digital products, and property management of buildings	119,297	(2)	119,297	-	-	119,297	12,643	100.00	12,643	242,142	-	-
Buynow (Zhengzhou) Electronic Information Co., Ltd.	Manufacturing, sale, maintenance service, research and development of computers and computer peripherals and digital products	119,123	(2)	119,123	-	-	119,123	108,651	100.00	108,651	3,385,341	-	-
Buynow(Guangzhou) Electronic Information Co., Ltd.	Manufacturing, sale, maintenance service, research and development of computers and computer peripherals and digital products	198,670	(2)	198,670	-	-	198,670	(588)	100.00	(588)	2,237,042	-	-
Tianjin Buynow Electronic Information Co., Ltd.	Development, production and sales of computer hardware and software and electronic digital technology products	224,794	(2)	206,061	-	-	206,061	(24,842)	100.00	(24,842)	2,299,945	-	-
Beijing Clevo Investment Management Consultant Co.,Ltd.	Business advisory of investment management, wholesale agency of electronic products, import and export of goods and property management	305,459	(2)(3)	314,567	-	-	314,567	483,226	100.00	483,226	3,011,158	-	-
Buynow (Yancheng) Electronoc Information Technology Development Co. Ltd.	Manufacturing, sale, maintenance service, research and development of computers and computer peripherals and digital products, and advisory of business management	942,511	(2)	942,511	-	-	942,511	-	100.00	-	735,036	-	-
Buynow (Xian) Industry Co., Ltd	Manufacturing, sale, maintenance service, research and development of computers and computer peripherals and digital products	116,528	(2)	116,528	-	-	116,528	(215,009)	100.00	(215,009)	647,328	-	-
Buynow (Fujian) Electronic Technology Development Co., Ltd.	Manufacturing, sale, maintenance service, research and development of computers and computer peripherals and digital products	119,117	(2)	119,117	-	-	119,117	27,372	100.00	27,372	1,982,652	-	-
Chicony Dalu Enterprise (Chengdu) Co., Ltd.	Developing and manufacturing computers, hardware, electronic products; production and sales of cosmetics and daily necessities; rental business	2,291,275	(2) CHICONY CHENGDU INTERNATIONAL INC.	687,382	-	-	687,382	289,853	30.00	86,956	424,057	-	-

Table 9, Page 2

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2023	Amount remitted from Taiwan to Mainland China/Amount remitted back to Taiwan for the year ended December 31, 2023		Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2023	Net income of investee for the year ended December 31, 2023	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended December 31, 2023 (Note 2)	Book value of investments in Mainland China as of December 31, 2023	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2023	Footnote
					Remitted to Mainland China	Remitted back to Taiwan							
Buynow Electronic Information (Shenyang) Co., Ltd.	Research and development of computers and computer peripherals and electronic products, and advisory of economic information	\$ 119,298	(2)	\$ 119,298	-	-	\$ 119,298	\$ 6,197	100.00	\$ 6,197	\$ 2,481,975	\$ -	-
Guangdong Buynow Real Estate Management Co., Ltd.	Self-owned property management and leasing, manufacturing, sale, research and development of computer software and hardware and digital products	442,167	(2)(3)	363,300	-	-	363,300	92,169	100.00	92,169	7,893,788	-	-
Buynow (Changchun) Industry Co., Ltd.	Manufacturing, sale, maintenance service, research and development of computers and computer peripherals and digital products, and property management of buildings	81,539	(2)	77,656	-	-	77,656	104,005	100.00	104,005	3,241,560	-	-
Buynow (Wuhan) Industry Co., Ltd.	Manufacturing, sale, maintenance service, research and development of computer software and digital products, and property management of buildings	468,580	(2) BUYNOW(WUHAN) CORPORATION	-	-	-	- (77,584)	30.00	(23,275)	106,979	-	-	-
Qingdao Buynow Technology Industry Co., Ltd.	Manufacturing, sale, research and development of computers and computer peripherals. Display, advisory and after-sales service of digital products. Property management of self-owned buildings	551,402	(2)(3)	133,021	-	-	133,021	59,824	100.00	59,824	528,766	-	-
Buynow (Wuxi) Electronic Technology Development Co., Ltd.	Manufacturing, sale, maintenance service, research and development of computer software and digital products	106,622	(2)	76,158	-	-	76,158	57,660	100.00	57,660	1,933,256	-	-
Wuxi Buynow Electronic Market Co., Ltd.	Leasing of facility, market management service, catering management, property management, parking lot management	2,454	(3)	-	-	-	-	18	100.00	18	2,416	-	-
Buynow (Harbin) Industry Co., Ltd.	Manufacturing, sale, maintenance service, research and development of computers and computer peripherals and digital products	111,364	(2)	111,364	-	-	111,364 (157,293)	100.00	(157,293)	110,699	-	-	-
Buynow (Chongqing) Industry Co., Ltd.	Manufacturing, sale, research and development of computers and computer peripherals (not including electronic publishing), shopping mall management, wholesale and retail of electronic products, property management and parking lot service	164,167	(2)	164,167	-	-	164,167 (49,463)	100.00	(49,463)	982,320	-	-	-
Shanghai Buynow Online Information Technology Co., Ltd.	Wholesale and retail, import and export, and after-sales service of household appliances, computer and computer components, communication equipment, electrical devices, office supplies and complementary products; development, technology transfer, advisory, service and training of Internet, computer software and hardware and communication equipment	48,158	(2)(3)	32,630	-	-	32,630	57	100.00	57	3,083	-	-
Daqing Buynow Electronic Information Corporation	Manufacturing, retail and wholesale of computers and computer peripherals, and electronic information shopping mall management	98,158	(2)	98,158	-	-	98,158	3,379	100.00	3,379 (107,567)	-	-	-
Buynow Electronic Information (Huizhou) Co., Ltd.	Manufacturing, sale, research and development and after-sales service of computers and computer peripherals; property management of buildings	120,115	(2)(3)	211,996	-	-	211,996 (28,478)	100.00	(28,478)	(296,899)	-	-	-
Shantou Buynow Mall Co., Ltd.	Investment in companies primarily engaged in research and development and advisory service	574,562	(2)	574,562	-	-	574,562 (52,263)	100.00	(52,263)	470,296	-	-	-

Table 9, Page 3

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2023	Amount remitted from Taiwan to Mainland China/Amount remitted back to Taiwan for the year ended December 31, 2023		Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2023	Net income of investee for the year ended December 31, 2023	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended December 31, 2023 (Note 2)	Book value of investments in Mainland China as of December 31, 2023	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2023	Footnote
					Remitted to Mainland China	Remitted back to Taiwan							
Zibo Buynow Electronic Information Co., Ltd	Manufacturing, sale, maintenance service, research and development of computers and computer peripherals and digital products. Advisory of business management, leasing of self-owned buildings, parking lot management, shopping mall management and property management	\$ 98,012	(2)	\$ 98,012	-	-	\$ 98,012	(\$ 8,166)	100.00	(\$ 8,166)	(\$ 172,253)	\$ -	-
Yingkou Buynow Electronic Information Co., Ltd.	Manufacturing, sale, maintenance service, research and development of computers and computer peripherals and digital products, and advisory of business management	464,194	(2)	464,194	-	-	464,194	(390)	100.00	(390)	411,327	-	-
Anshan Buynow Electronic Information Co., Ltd.	Manufacturing, sale, maintenance service, research and development of computers and computer peripherals and digital products, and advisory of business management	1,150,017	(2)	1,150,017	-	-	1,150,017	(70,396)	100.00	(70,396)	774,743	-	-
Clevo (China) Investment Co., Ltd.	Investment in companies primarily engaged in research and development and advisory service	897,135	(2)	897,135	-	-	897,135	(15,017)	100.00	(15,017)	2,699,738	-	-
Guiyang Buynow Electronic Information Co., Ltd.	Research and development and maintenance service of computers and computer peripherals and electronic products; advisory service of business management and shopping mall management	303,271	(2)	303,271	-	-	303,271	(1,427)	100.00	(1,427)	256,481	-	-
Taizhou Buynow Electronic Information Co., Ltd.	Manufacturing, sale, maintenance service, research and development of computers and computer peripherals and digital products, and advisory of business management	507,871	(2)	507,871	-	-	507,871	(9,388)	100.00	(9,388)	301,860	-	-
Suzhou Jinzuo Industry Co., Ltd.	Business affairs and property management business	480,460	(2)	1,008,954	-	-	1,008,954	13,954	100.00	13,954	1,025,163	-	-
Dezhou Buynow Electronic Information Co., Ltd.	Research and development and maintenance service of computers and computer peripherals and electronic products; advisory service of business management and shopping mall management	1,748,220	(2)(3)	881,914	-	-	881,914	(205,975)	100.00	(205,975)	717,622	-	-
Luoyang Buynow Electronic Information Co., Ltd.	Research and development and maintenance service of computers and computer peripherals and electronic products; advisory service of business management and shopping mall management	893,922	(2)	893,922	-	-	893,922	(96,145)	100.00	(96,145)	(68,448)	-	-
Quanzhou Buynow Industry Co., Ltd.	Research and development and maintenance service of computers and computer peripherals and electronic products; advisory service of business management and shopping mall management	446,195	(2)	446,195	-	-	446,195	(13,951)	100.00	(13,951)	76,795	-	-
Buynow (Jinzhou) Industry Co., Ltd.	Manufacturing of computer software and hardware and consumer electronic products, advisory of business management and shopping mall management	448,342	(2)	448,342	-	-	448,342	(96,705)	100.00	(96,705)	(55,086)	-	-

Table 9, Page 4

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2023	Amount remitted from Taiwan to Mainland China/Amount remitted back to Taiwan for the year ended December 31, 2023		Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2023	Net income of investee for the year ended December 31, 2023	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended December 31, 2023 (Note 2)	Book value of investments in Mainland China as of December 31, 2023	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2023	Footnote
					Remitted to Mainland China	Remitted back to Taiwan							
Kunshan Kaishuo Trading Co., Ltd.	Mechanical equipment and accessories, wire and cable, air conditioning equipment, building and decoration material, lighting equipment, kitchen appliance, water cleaner, pipeline and accessories, fire safety equipment, compressor and accessories, wholesale of elevators and appliances, import and export and advisory services	\$ -	(2)	\$ 30,198	-	-	\$ 30,198	(\$ 7)	100.00	(\$ 7)	\$ -	\$ -	-
Shanghai Huihei Advertisment Co., Ltd.	Advertising design and marketing	-	(3)	-	-	-	-	66	100.00	66	-	-	-
Shanghai Huizhuan Restaurant Management Co., Ltd.	Catering business management	-	(3)	-	-	-	-	(33)	100.00	(33)	-	-	-

Note 1: Investment methods are classified into the following three categories; fill in the number of category each case belongs to:

(1) Directly invest in a company in Mainland China.

(2) Through investing in an existing company in the third area, which then invested in the investee in Mainland China. For the investee in the third area of consolidated subsidiaries, please refer to Note 4(3)B. Others has been shown in the table.

(3) Others: Through investing in investees in the third areas, which then invested in the investee in Mainland China or were split.

Note 2: In the ‘Investment income (loss) recognised by the Company for the year ended December 31, 2023, the amount recognised in the financial statements of the investee that were reviewed by its CPA.

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

Company name	Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2023	Investment amount approved by the Investment Commission of the Ministry of Economic Affairs (MOEA)	Ceiling on investments in Mainland China imposed by the Investment Commission of MOEA
Clevo Co.	\$ 13,393,300 (USD 421,680 thousand)	\$ 15,908,300 (USD 456,227 thousand)	\$ 24,710,021

Note 1: According to the MOEA Regulation No. 09704604680, "Regulations Governing the Permission of Investment or Technical Cooperation in Mainland Area", announced on August 29, 2008, limit on accumulated amount of investment in Mainland China is the higher of 60% of net assets and consolidated net assets. The ultimate limit of investment is 60% of the consolidated net worth. (41,183,369 x 60% = 24,710,021)

Note 2: It has been liquidated as of December 31, 2023, and has been approved to invest US\$4,120,000 by the Ministry of Economic Affairs.

Note 3: As of December 31, 2023, the capital increased by the earnings extension which has been approved by the Ministry of Economic Affairs for an investment of US\$30,426,900.

CLEVO CO. and Subsidiaries
Major shareholders information
Year ended December 31, 2023

Table 10

Name of major shareholders	Shares	
	Name of shares held	Ownership (%)
Kent Hsu	46,701,335	7.39%
Huatai Investment Co., Ltd.	37,326,144	5.90%
EPOQUE CORPORATION	33,567,888	5.31%
Fu-Chia Hsu	33,527,454	5.25%

CLEVO CO.
DETAILS OF CASH AND CASH EQUIVALENTS
DECEMBER 31, 2023

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

Table 1

Items	Description	Amount
Cash on hand and petty cash		\$ 262
Deposit		
Check deposits		18,681
Demand deposits		345,698
Foreign exchange deposits	USD 12,759 thousand, rate 30.727	392,045
	CNY 22,907 thousand, rate 4.327	99,376
	other currency	9,629
Time deposits	USD 89,000 thousand, rate 30.727	2,734,703
		<u>\$ 3,600,394</u>

CLEVO CO.
DETAILS OF CURRENT FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS
DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Table 2

Financial instrument name	Summary	Number of shares	Book value	Gross amount	Interest rate	Acquisition cost	Fair Value	
							Unit Price	Gross amount
<u>Marketable securities</u>								
CHICONY ELECTRONICS CO., LTD.		4, 627, 000				\$ 204, 238	\$ 175. 00	\$ 809, 725
BOE Technology Group Co., Ltd.		200, 000				5, 031	16. 92	3, 384
HO TA INDUSTRIAL MFG. CO., LTD.		2, 000				166	59. 50	119
YIEH PHUI ENTERPRISE CO., LTD.		375, 000				6, 261	17. 85	6, 694
DELTA ELECTRONICS, INC.		78, 000				27, 115	313. 50	24, 453
Taiwan Semiconductor Manufacturing Co., Ltd.		35, 000				20, 092	593. 00	20, 755
Winbond Electronics Corporation		242, 944				6, 809	30. 45	7, 398
SDI CORPORATION		110, 000				13, 047	113. 50	12, 485
ASUSTEK COMPUTER INC.		23, 000				9, 538	489. 52	11, 259
GIGA-BYTE TECHNOLOGY CO., LTD.		60, 000				17, 406	266. 00	15, 960
NANYA TECHNOLOGY CORPORATION		296, 000				22, 473	78. 00	23, 088
AUO Corporation		824, 391				33, 456	18. 15	14, 963
MediaTek Inc.		12, 000				8, 576	1, 015. 00	12, 180
EVA AIRWAYS CORPORATION		300, 000				9, 668	31. 45	9, 435
TAIWAN BUSINESS BANK, LTD.		8, 735, 435				53, 155	13. 70	119, 675
Fubon Financial Holding Co., Ltd.		12, 200				750	64. 84	791
CTBC FINANCIAL HOLDING CO., LTD.		2, 250, 000				52, 367	28. 35	63, 788
Elite Semiconductor Microelectronics Tech Inc.		235, 000				22, 364	98. 00	23, 030

CLEVO CO.
DETAILS OF CURRENT FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (Cont.)
DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Table 2

Financial instrument name	Summary	Number of shares	Book value	Gross amount	Interest rate	Acquisition cost	Fair Value	
							Unit Price	Gross amount
Tripod Technology Corporation		20,000				\$ 2,391	\$ 195.00	\$ 3,900
GRAND PROCESS TECHNOLOGY CORPORATION		9,000				5,266	596.00	5,364
Advanced Ceramic X Corporation		30,000				6,193	245.00	7,350
Wistron Corporation		100,000				10,354	98.60	9,860
Xintec Inc.		44,000				6,076	127.50	5,610
Global Unichip Corp.		20,000				30,729	1,740.00	34,800
Universal Microwave Technology, Inc.		25,000				4,386	162.52	4,063
VIKING TECH CORPORATION		153,000				8,674	55.90	8,553
Eris Technology Corp.		1,300				338	268.46	349
ASE Technology Holding Co., Ltd.		120,000				14,340	135.00	16,200
TaiMed Biologics Inc.		1,000				86	82.00	82
ONENESS BIOTECH CO., LTD.		24,000				5,142	194.50	4,668
Primax Electronics Ltd.		63,000				4,198	67.70	4,265
Nuvoton Technology Corporation		102,000				14,624	142.00	14,484
Zhen Ding Technology Holding Limited		380,000				46,832	109.00	41,420
Fitipower Integrated Technology Inc.		50,000				13,563	257.50	12,875
Parade Technologies, Ltd.		8,000				8,784	1,200.00	9,600
Sercomm Corporation		80,000				11,114	134.50	10,760

CLEVO CO.
DETAILS OF CURRENT FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (Cont.)
DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Table 2

Financial instrument name	Summary	Number of shares	Book value	Gross amount	Interest rate	Acquisition cost	Fair Value	
							Unit Price	Gross amount
TAIWAN SEMICONDUCTOR CO., LTD.		49,000				\$ 4,282	\$ 91.51	\$ 4,484
Sino-American Silicon Products Inc.		45,000				8,715	196.00	8,820
GENESYS LOGIC, INC.		125,000				16,566	120.00	15,000
Anpec Electronics Corporation		30,000				6,628	221.50	6,645
TONG HSING ELECTRONIC INDUSTRIES, LTD.		59,000				9,149	157.51	9,293
ENNOCONN CORPORATION		20,000				5,687	268.00	5,360
Silergy Corp.		24,000				9,838	500.00	12,000
M31 Technology Corporation		3,000				2,852	1,060.00	3,180
uPI Semiconductor Corp.		22,000				5,957	314.00	6,908
Sports Gear Co., Ltd.		70,000				5,597	66.90	4,683
AES Holding Co., Ltd.		8,000				5,904	753.00	6,024
SHINFOX ENERGY CO., LTD.		180,000				19,980	106.50	19,170
ALLIED CIRCUIT CO., LTD.		19,000				2,699	155.00	2,945
ACTRON TECHNOLOGY CORPORATION		53,693				9,749	185.50	9,960
Phison Electronics Corp.		44,000				21,062	519.98	22,879
MERIDA INDUSTRY CO., LTD.		35,000				6,198	182.49	6,387
Foxconn Industrial Internet Co., Ltd.		1,760,000				100,789	65.59	115,446

CLEVO CO.
DETAILS OF CURRENT FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (Cont.)
DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Table 2

Financial instrument name	Summary	Number of shares	Book value	Gross amount	Interest rate	Acquisition cost	Fair Value	
							Unit Price	Gross amount
<u>Funds</u>								
Greater China Multi-Strategy Fund		78,788				\$ 271,652	\$ 3,989.30	\$ 314,309
Invesco 3 to 6 Year Maturity Emerging Market Bond Fund Acc		1,500,000				15,000	9.97	14,962
Cathay Global Autonomous and Electric Vehicles ETF		3,000,000				43,452	17.93	53,790
President ICE FactSet Asia Semiconductor Net Total Return Index ETN		5,000,000				38,682	8.83	44,150
JPMorgan Funds – America Equity Fund		54,984				<u>182,442</u>	3,499.27	<u>192,404</u>
						<u>\$ 1,498,482</u>		<u>\$ 2,252,184</u>

CLEVO CO.
DETAILS OF ACCOUNTS RECEIVABLE
DECEMBER 31, 2023

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

Table 3

Client Name	Summary	Amount	Remark
Accounts receivable			
Client A		\$ 410,133	
Client B		380,702	
Client C		312,572	
Client D		224,277	
Client E		216,445	
Client F		182,906	
Client G		173,355	
Client H		150,704	
			None of the balances of each remaining account is greater than 5% of this account balance.
Others		<u>711,765</u>	
		\$ 2,762,859	
Less:			
Allowance for doubtful accounts		(<u>5,326</u>)	
		<u>\$ 2,757,533</u>	
<u>Account receivables-related parties</u>			
Kapok Computer (Kunshan) Co., Ltd.		<u>\$ 130,964</u>	

CLEVO CO.
MOVEMENT DETAILS OF RECOGNITION OF INVESTMENT UNDER EQUITY METHOD AND PREPAID INVESTMENT
FOR THE YEAR ENDED DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Table 4

Name	Balance as at January 1, 2023		Additions		Deductions		Balance as at December 31, 2023			Market Value or Net Assets Value			
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount	Number of shares	Ownership	Amount	Unit Price	Gross price	Collateral	Remark
<u>Equity method</u>													
KAPOK COMPUTER CO.,	8,000,000	\$ 77,847	-	\$ 1,367 (Note 1&2)	-	\$ -	8,000,000	100%	\$ 79,214	-	\$ 769,964	None	
CLEVO INVESTMENT CO., LTD.	14,000,000	79,032	-	22,726 (Note 1&2)	-	-	14,000,000	100%	101,758	-	512,043	"	
CLEVO (CAYMAISLANDS) HOLDING COMPANY	369,370,000	43,142,281	-	-	-	(488,815) (Note 1)	369,370,000	100%	42,653,466	-	42,644,667	"	
KAPOK COMPUTER (SAMOA) CORPORATION	16,000,000	1,660,391	1,000,000	110,964 (Note 1&3)	-	-	17,000,000	100%	1,771,355	-	1,772,948	"	
CLEVO COMPUTER SINGAPORE PTE LTD.	22,325,453	7,805,693	-	-	-	(148,782) (Note 1)	22,325,453	100%	7,656,911	-	7,666,418	"	
BUYNOW ON-LINE HOLDING CORPORATION	1,100,000	4,878	-	-	-	(9) (Note 1)	1,100,000	100%	4,869	-	4,869	"	
TAIPEI TWIN CORPORATION	110,000,000	1,029,182	115,000,000	1,091,446 (Note 1&3)	-	-	225,000,000	50%	2,120,628	-	2,120,628	"	
Tua Tiann Co. Ltd.	49,000,000	491,065	-	2,386 (Note 1&2)			49,000,000	24.5%	493,451		493,451		
Totals		<u>\$ 54,290,369</u>		<u>\$ 1,228,889</u>		<u>(\$ 637,606)</u>			<u>\$ 54,881,652</u>		<u>\$ 55,984,988</u>		

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

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

Note 3: Indicating the acquisition of investments accounted for under the equity method.

CLEVO CO.
STATEMENT OF SHORT-TERM BORROWINGS
DECEMBER 31, 2023

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

Table 5

Nature	Description	Ending Balance	Contract Period	Range of Interest		Credit Line	Collateral	Note
				Rate				
Credit loans	Taiwan Cooperative Bank	\$ 600,000	2023.12.11~ 2024.02.07	1.68%		\$ 600,000	None	Promissory Note
"	DBS Bank (Taiwan) Ltd.	600,000	2023.12.27~ 2024.01.26	1.65%		600,000	"	"
"	Cathay United Bank	571,000	2023.12.27~ 2024.01.26	1.65%		1,000,000	"	"
"	Chang Hwa Commercial Bank	500,000	2023.09.25~ 2024.03.23	1.68%		700,000	"	"
"	Bank Sinopac Company Limited	277,000	2023.12.27~ 2024.01.03	1.85%		1,000,000	"	"
		<u>\$ 2,548,000</u>						

CLEVO CO.
STATEMENT OF LONG-TERM BORROWINGS
DECEMBER 31, 2023

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

Table 6

Creditor	Description	Amount	Contract Period	Interest Rate	Collateral	Note
Export–Import Bank of the Republic of China	Credit loans	\$ 1,200,000	2023.07.14~2025.01.17	1.73%	None	Promissory Note
Taipei Fubon Commercial Bank Co., Ltd.	"	350,000	2023.10.08~2025.04.18	1.82%	"	"
Taiwan Business Bank	"	2,596,000	2023.09.22~2026.12.24	1.75%	"	"
Bank Sinopac Company Limited	"	1,000,000	2023.12.27~2025.06.28	1.85%	"	"
E. SUN Commercial Bank	"	1,500,000	2023.03.24~2026.12.17	1.78%~1.85%	"	"
Hua Nan Commercial Bank Ltd.	"	900,000	2023.12.22~2025.12.22	1.82%	"	"
Taiwan Shin Kong Commercial Bank Co., Ltd.	"	600,000	2023.11.16~2026.04.12	1.75%	"	"
Chang Hwa Commercial Bank	"	500,000	2022.09.30~2025.05.31	1.75%	"	"
Far Eastern International Bank Co., Ltd.	"	1,000,000	2023.11.09~2026.06.11	1.80%	"	"
Taiwan Cooperative Bank	"	6,400,000	2023.03.31~2028.03.31	1.978%~2.1303%	"	"
		<u>\$ 16,046,000</u>				

CLEVO CO.
DETAILS OF OPERATING REVENUE
FOR THE YEAR ENDED DECEMBER 31, 2023

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

Table 7

Items	Quantity	Amount	Remark
Sales revenue			
Net operating revenue	1,676,652	\$ <u>21,284,601</u>	Laptop

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CLEVO CO.
DETAILS OF OPERATING COST
FOR THE YEAR ENDED DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Table 8

Items	Summary	Amount	Remark
Materials at January 1		\$ 484,804	
Add : Materials purchased for the year		9,762,698	
Others	(400)	
Less : Materials at December 31	(323,281)	
Transferred to operating expenses	(8,424)	
Cost of materials sold	(3,527,536)	
Others		2,492	
Materials used for the year		6,390,353	
Manufacturing expenses		137,168	
Manufacturing cost		6,527,521	
Cost of goods manufactured and sold		6,527,521	
Cost of goods manufactured and sold		6,527,521	
Cost of goods purchased and sold		9,493,399	
Cost of materials sold		3,527,536	
Operating cost		\$ 19,548,456	

CLEVO CO.
DETAILS OF MANUFACTURING COST
FOR THE YEAR ENDED DECEMBER 31, 2023

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

Table 9

Items	Description	Amount	Remark
After-sales service		\$ 72,639	
Wages and salaries		44,012	
			None of the balances of each remaining accounts is greater than 5% of this account balance
Others		20,517	
		<u>\$ 137,168</u>	

CLEVO CO.
DETAILS OF MARKETING COST
FOR THE YEAR ENDED DECEMBER 31, 2023

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

Table 10

Items	Description	Amount	Remark
Wages and salaries		\$ 97,936	
Import/Export expense		22,922	
Traveling expense		11,129	
Depreciation expense		10,679	
			None of the balances of each remaining accounts is greater than 5% of this account balance
Others		42,216	
		<u>\$ 184,882</u>	

CLEVO CO.
GENERAL AND ADMINISTRATIVE EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2023

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

Table 11

Items	Description	Amount	Remark
Wages and salaries		\$ 234,127	
Professional service fees		29,460	
			None of the balances of each remaining accounts is greater than 5% of this account balance
Others		70,716	
		<u>\$ 334,303</u>	

CLEVO CO.
DETAILS OF RESEARCH AND DEVELOPMENT EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Table 12

Items	Description	Amount	Remark
Wages and salaries		\$ 448,416	
Research and development expenses		60,664	
Depreciation expenses		52,715	
Insurance expenses		35,237	
			None of the balances of each remaining accounts is greater than 5% of this account balance
Others		107,011	
		<u>\$ 704,043</u>	

CLEVO CO.
SUMMARY OF EMPLOYEE BENEFITS, DEPRECIATION, AND AMORTISATION
FOR THE YEAR ENDED DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Table 13

Function Nature	2023			2022		
	Classified as Operating Costs	Classified as Operating Expenses	Total	Classified as Operating Costs	Classified as Operating Expenses	Total
Employee Benefit Expense						
Wages and salaries	\$ 42,026	\$ 734,422	\$ 776,448	\$38,515	\$655,507	\$694,022
Labour and health insurance fees	3,756	56,133	59,889	3,431	53,648	57,079
Pension costs	1,986	33,357	35,343	2,109	35,311	37,420
Directors' remuneration	-	12,700	12,700	-	10,600	10,600
Other employee benefit expenses	2,293	35,907	38,200	2,149	32,014	34,163
Depreciation	1,770	77,215	78,985	1425	62,666	64,091
Amortisation	-	24,085	24,085	-	12,368	12,368

Note:

1. As at December 31, 2023 and 2022, the Company had 624 and 625 employees, including 4 and 5 non-employee directors, respectively.
2. A company whose stock is listed for trading on the stock exchange or over-the-counter securities exchange shall additionally disclose the following information :
 - (1) Average employee benefit expense in current year was \$1,468 thousand ((Total employee benefit expense in current year - Total directors' compensation in current year) / (Number of employees in current year - Number of non-employee directors in current year)).
Average employee benefit expense in previous year was \$1,327 thousand ((Total employee benefit expense in previous year - Total directors' compensation in previous year) / (Number of employees in previous year - Number of non-employee directors in previous year)).
 - (2) Average employee salaries in current year was \$1,252 thousand (Total employee salaries in current year / (Number of employees in current year - Number of non-employee directors in current year)).
Average employee salaries in previous year was \$ 1,119 thousand (Total employee salaries in previous year / (Number of employees in previous year - Number of non-employee directors in previous year)).

CLEVO CO.
SUMMARY OF EMPLOYEE BENEFITS, DEPRECIATION, AND AMORTISATION (Cont.)
FOR THE YEAR ENDED DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Table 13

- (3) Adjustments of average employee salaries was 11.89% ((Average employee salaries in current year - Average employee salaries in previous year)/ Average employee salaries in previous year).
3. The Company has set up the audit committee to replace supervisors, and thus it has no supervisors' remuneration.
4. In accordance with the Articles of Incorporation of the Company, a ratio of distributable profit of the current year (being the profit before tax, employees' compensation and directors' remuneration) shall be distributed as employees' compensation and directors' remuneration. The ratio shall not be 5% ~ 15% for employees' compensation and shall not be higher than 1% for directors' remuneration. However, If the Company has accumulated deficit (including adjusting the unappropriated earnings), earnings shall be retained to cover losses.
5. The Remuneration Policy for directors and managers are set out according to the Regulations Governing Salaries and Bonuses and take into account the general pay levels in the same industry, individual performance assessment results, the time spent by the individual and their responsibilities, the extent of goal achievement, their performance in other positions, and the compensation paid to employees holding equivalent positions in recent years. Also, the Company evaluates the reasonableness of the correlation between the individual's performance and this Company's operational performance and future risk exposure, with respect to the achievement of short-term and long-term business goals and the financial position of this Company.
6. According to the Company's Remuneration Policy for employees, in addition to the 12-month base salary, employees are rewarded with bonuses based on the achievement of the operating performance of the Group (Company) or business unit in the year and the individual performance assessment results.