Ticker number:5287TT

ADDcn Technology Co., Ltd

2023 Annual Report

Notice to readers

This English-version annual report is a summary translation of the Chinese version and is not an official document of the shareholders' meeting. If there is any discrepancy between the English and Chinese versions, the Chinese version shall prevail.



ADDcn Annual Report is available at: http://mops.twse.com.tw
ADDcn website: https://www.addcn.com
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N/A

VI. Corporate Website

https://www.addcn.com

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591房屋交易 台灣領先租屋交易平台

8891汽車 台灣熱門車類交易平台

518熊班 台灣知名人力媒合平台

8591寶物交易.com.tw 台灣知名線上遊戲交易平台

100室內設計 Interior Design 台灣室內設計媒合平台

出任務 專業外包接案平台

找師傅 專業水電叫修媒合平台

小雞上工 全台最大學生打工平台

Marry結婚吧 一站式婚禮服務平台

I. Letter to Shareholders

Dear Shareholders,

Thank you all for the support to ADDcn Technology in the previous year and for being at the 2024 annual general shareholders' meeting. You are welcome to give your valuable advice to us.

1. Business results in 2023:

(1) Results of the business plan:
In 2023, the consolidated operating revenue of the Company was NT$2,149,875 thousand and the operating profit reached NT$834,789 thousand while the net profit after tax in the current period and EPS was NT$705,450 thousand and NT$12.74, respectively. We have an EPS of more than NT$10 every year.

While Taiwan's market has gradually recovered from the impact of the pandemic in 2023, the international outlook is less optimistic. Negative factors such as inflation and potential interest rate hikes are beginning to affect Taiwan. Coupled with the crucial period of the election approaching in the latter half of the year, there is a decrease in consumer willingness to spend. Nonetheless, despite these challenges, the management team capitalized on the economic recovery in the first half of the year to optimize pricing strategy, thereby establishing a firm footing for the latter half of the year and achieving outstanding performance. 591 (Property Trading) continues to strengthen its diverse payment channels while enhancing its services in the pre-owned properties segment, aiming to gain competitive advantages for the website. Continuing its pricing strategy from the previous year, 8891 (Car Trading) remains committed to expanding its range of services in the new car market while also enhancing capabilities in data application to improve its lead accuracy. In terms of newly launched platform, Chickpt (Part-Time Human Resource) has performed beyond expectations since the initiation of charging mechanism. Not only has its market visibility significantly increased, but its matchmaking efficiency has also been praised for fully meeting user demands. Meanwhile, as a result of brand repositioning, Tasker (Outsourcing) and master945 have been separated, with each focusing on enhancing the user experience of its own distinctive customer base and introducing a new pricing strategy. Although the market operation was very difficult due to the impact of the significant changes in the internal and external situation of Hong Kong, the overall operation of Hong Kong 591 and Hong Kong 8591 still developed steadily in such an environment.

(2) Revenue and profitability analysis:
For the consolidated revenue, gross profit, operating profit, net profit after tax in the current period, and the EPS after tax in 2023, please refer to the following table:

Unit: NT$ thousands

Year / Item	2023	2022
Operating revenue	2,149,875	1,958,380
Gross profit	1,502,868	1,383,413
Operating profit	834,789	757,731
Net profit after tax	705,450	651,303
EPS after tax (NT$)	12.74	11.93

(3) Research and development:
The Company has been deeply immersed in the field of data application and AI algorithms

for years, serving more than ten million members. Leveraging consumer behavioral data as our cornerstone, we aim to enhance the precision of artificial intelligence. Additionally, we are committed to expanding the ecological chain of our group's services and enhancing the capabilities of our data application and AI algorithm to maximize the benefits derived from our data resources.

2. Summary of 2024 Business Plan:

   Impacted by the global interest rate hikes, consumer spending worldwide has weakened, leading to challenges in the Taiwanese consumer market. Guided by our founding intentions, we are committed to expanding our operational systems and enhancing our ecological chain by leveraging the wealth of expertise and resources accumulated over preceding years. In 2024, our focus will be on expanding the application of accumulated data and AI algorithms to improve operational efficiency and widen the gap with competitors. Recognizing the susceptibility of new websites to macro environmental factors, we will continue to refine our market positioning, and offer user-friendly experiences with flexible pricing mechanisms, thereby solidifying our presence across various fields. Intending to make a breakthrough in foreign markets, we center our focus around providing a wider variety of services, in hope to take the leading position in the market. We expect the arrangement and promotion stated above will significantly benefit the operation of the Company.

3. Impacts of the external competitive environment, regulatory environment, and macroeconomic business environment:

   Taiwan's network market is booming, with the overall regulations progressively opening up, domestic startups gradually emerging, and continuous efforts of foreign companies, Taiwan's network services industry has significantly grown. The Company upholds an innovative attitude to face increasingly harsh challenges and continues to develop multiple convenient services to maintain the growth momentum of the Company. The management team of the Company has rich experience in practice and pays adequate attention to grasp the competitive, regulatory, and macroeconomic business environments in the market.

4. Future development strategies:

   Network technology develops and changes every day. Thus, the Company will constantly invest in research and development, improve the data algorithm and AI and provide a better user experience to satisfy consumer demand via our technology. The market in Taiwan is the foundation of the Company, and therefore we will strengthen the business in Hong Kong based on our experience to explore more markets and build a growing business model with stability for the Company.

Thank you all for your participation. We also appreciate the hard work of our employees. In the future, all the employees of the Company will strive to boost the performance to create higher profits and value for all the shareholders and adopt the sustainable operation as the final objective.

We wish each of you good health and all the best.

Chairman: Liao, Shih-Fang

General Manager: Wu, Tsung-Hsien

Chief Accountant: Chang, Chiao-Ni

II. Company Profile

1. Date of Incorporation:Jan 23, 2007

2. Company History:

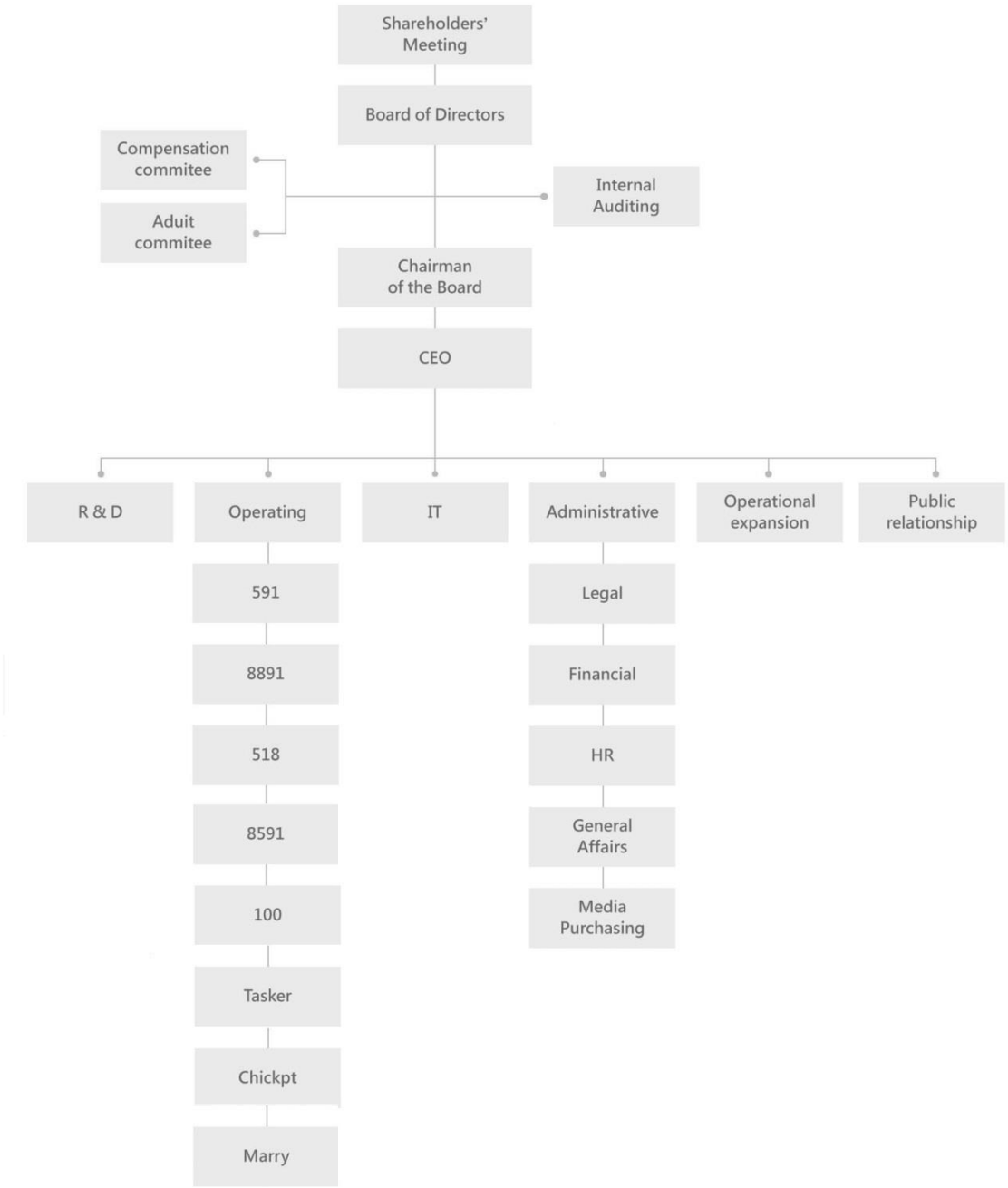
Time	Milestones
2007/01	The Ministry of Economic Affairs approved the establishment of ADDcn Technology Co., Ltd with the capital of NT$ 15 million.
2007/05	8591 (virtual treasure trade) has become the Company's website.
2007/06	Founding 591(Property Trading).
2009/01	Founding 1796 website.
2009/08	Founding 8891(Cars Trading).
2009/09	Founding 518 (Human Resource).
2011/05	The business and assets transfer of 518 (Human Resource).
2011/11	Founding 101 (Online T-Shirt selling website).
2012/07	Share certificates had been publicly issued.
2012/08	Shut down 1796 website.
2012/10	591(Property Trading) won The 9th National Yushan Brand Award –The Most Popular Brand.
2012/11	Shut down TWBBS website.
2012/11	591(house trade) won The 12th Golden Network Award of the Ministry of Economic Affairs - Service Platform Silver Award.
2013/03	Business Next magazine published the 2013 Top 100 list of Taiwan Internet: 591(Property Trading) ranked 57th in the "2013 Business Next Web100 List" and 8591 (virtual treasure trade) ranked 78th.
2013/10	8591 (virtual treasure trade) and 8891(Cars Trading) won The 10th National Yushan Brand Award –The Most Popular Brand.
2014/01	List on the OTC market.
2014/03	Business Next magazine published the 2014 Top 100 list of Taiwan Internet: 591(Property Trading) ranked 53th in the "2014 Business Next Web100 List".
2014/06	Founding VIP Brands Outlet website.
2014/06	518 (Human Resource) won the Commercial Times Bronze Medal Award of The Best Service in Taiwan.
2014/07	Won the Deloitte & Touche 2014 Deloitte Asia Pacific Technology Fast500 Award.
2014/08	Founding 591 in HK.
2014/11	Merging 518(human resources).
2015/03	Business Next magazine published the 2015 Top 100 list of Taiwan Internet: 591(Property Trading) ranked 45th in the "2015 Business Next Web100 List" and 3rd in the most eye-catching website.
2015/06	518 (Human Resource) won the Commercial TimesSilver Medal Award of The Best Service in Taiwan.
2015/11	Won Forbes Asia’s 200 Best Listed SMEs.
2015/11	591(Property Trading) won The 12th National Yushan Brand Award –The Most

Time	Milestones
	Popular Brand First Prize Award. 8891(Cars Trading) and 518 (Human Resource) won The 12th National Yushan Brand Award –The Most Popular Brand.
2016/01	Google announced 2015 Taiwan Brand Search Rank: 591(Property Trading) ranked 8th.
2016/02	Business Next magazine published the 2016 Top 100 list of Taiwan Network Traffic: 8591 (virtual treasure trade) ranked 57th and 591(Property Trading) ranked 67th.
2016/05	Achieved the British Standards Institution (BSI) BS 10012:2009 Personal Information Management System (PIMS) international standard certification.
2016/06	Founding 100 (interior design website).
2016/08	Founding Marry (Wedding Service).
2017/06	101 Original Design was out of ADDCN.
2017/06	518 (Human Resource) won the Commercial Times Bronze Medal Award of The Best Service in Taiwan.
2018/02	Founding Chickpt APP.
2018/06	Chickpt APP, Marry APP and 100 (Interior Design) APP won The 15th National Yushan Brand Award –The Best Product.
2018/07	518 (Human Resource) won the Commercial Times Bronze Medal Award of The Best Service in Taiwan.
2018/10	Set up 8591 (virtual treasure trade) website in HK.
2019/05	Revised Tasker outsourcing.
2019/10	518 (Human Resource) won the " 2018 Evaluation of the Quality of Private Employment Service Institutions Engaged in Multinational Manpower Intermediary Service-A, etc. " by the Ministry of Labor.
2019/12	Chickpt APP won the Google Play "2019 Most Popular APP " and "Most Potential APP".
2019/12	ADDcn won the " 2019 ASIA’S MOST TRUSTED COMPANY ".
2020/04	ADDcn selected by the ministry of finance as an outstanding business entity for using electronic uniform invoices in 2020.
2021/02	Revised 518 (Human Resource).
2022/04	Chickpt APP won the" iF Design Award-Communication Design ".
2022/08	ADDcn won the " HR Asia - Best companies to work for in ASIA 2022 ".
2022/09	Achieved the British Standards Institution (BSI) BS 10012:2017 Personal Information Management System (PIMS) international standard certification.
2023/11	Revised Tasker outsourcing, master945 brand independence.

III. Corporate Governance Report

1. Organization

1.1 Organizational Chart:



1.2 Major Corporate Functions:

Department		Functions
President's Office		1.Executing resolutions of Board of Directors, leading the operation team to formulate operational strategies and promote various businesses. 2.To coordinate the management of the Board of Directors, the Shareholders' Meeting, the issuance of external information and public relations. 3.Responsible for the affairs related corporate governance evaluation to ensure sound corporate governance of the enterprise. 4.Promoting corporate social responsibility as well as the environmental, social, or corporate governance issues related to the Company.
Internal Auditing		To evaluate the implementation of internal control system and measure operational efficiency, and provide suggestions for improvement.
R & D		Responsible for the planning and development of websites and the device application of different platforms.
Operating		To construct a professional platform suitable for management and business.
IT		Information system backup and maintenance, network and data security; troubleshooting and software and hardware maintenance contractor liaison.
Operational expansion		To assist in various platform's business expansion and operation management of transnational organizations.
Administrative	General Affairs	Responsible for the procurement, management and maintenance of fixed assets, general and information supplies.
	HR	Responsible for human resource management and development, such as human resource planning, recruitment and appointment, salary, education and training.
	Financial	1.Budget preparation and control, implementation of accounting system, preparation of financial statements, statistics and analysis, tax planning and proceed of related project operations. 2.Responsible for fund dispatching, cash, bills and securities management and payment of various fees.
	Legal	Consultation and processing of legal issues.
	Media Purchasing	To promote our products through advertising media on various platforms.

2. Directors, Supervisors and Management Team:

2.1 Directors and Supervisors:

(1)Directors and Supervisors:

Apr. 15, 2024

Title	Nationality	Name	Gender Age	Date Elected	Term (years)	Date First elected	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Position	Executives, Directors or Supervisors who are spouses or within two degrees of kinship			Note
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Chairman	Republic of China	Liao, Shih-Fang	Male 40-60	2021. 08.26	3	2007. 01.17	3,437,142	8.00%	4,744,050	8.49%	1,979,522	3.54%	10,069,620	18.02%	Education: 1.Master of Architecture, Tam Kang University 2.Bachelor of Architecture, National Cheng Kung University Experience: 1.Architect,H.C. Chen Architects & Associates	Note 1	-	-	-	-
Director	Republic of China	Wu, Tsung-Hsien	Male 40-60	2021. 08.26	3	2009. 11.26	373,406	0.87%	700,529	1.25%	-	-	-	-	Education: 1.Bachelor of Information Management, Yu Da University of Science and Technology Experience: 1.Vice President, ADDcn Technology Co., Ltd	Note 2	-	-	-	-
Director	Republic of China	Lin, Mei-Hui	Female 40-60	2021. 11.04	3	2010. 06.17	168,470	0.39%	269,704	0.48%	-	-	-	-	Education: 1.Master of Business Administration, National Chengchi University Experience: 1.Financial Manager, i-View Process Post-Production Corp.	Note 3	-	-	-	-
Director	Republic of China	Cheng Yu investment Co., Ltd	-	2021. 08.26	3	2018. 06.14	2,254,024	5.29%	2,933,395	5.25%	-	-	-	-	-	-	-	-	-	-

Title	Nationality	Name	Gender Age	Date Elected	Term (years)	Date First elected	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Position	Executives, Directors or Supervisors who are spouses or within two degrees of kinship			Note
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Director	Republic of China	Wang, Chung-Ping	Male 40-60	2021. 08.26	3	2018. 06.14	-	-	-	-	-	-	-	-	Education: 1.PhD of Accounting Institute, Jinan University, Guangzhou 2.Master of Business Administration, Soochow University Experience: 1.Partner Accountants, Jia Wei & Co., CPAs	Note 4	-	-	-	-
Director	Republic of China	Chou, Liang-Cheng	Female 40-60	2021. 11.04	3	2021. 11.04	1.398	0.00%	1,818	0.00%	-	-	-	-	Education: 1.Bachelor of Laws, Fu Jen Catholic University Experience: 1.Root Law Office 2.Xin Fu International Law Firm	Note 5				-
Independent Director	Republic of China	Lien, Chi-Jui	Male 61-80	2021. 08.26	3	2012. 10.19	-	-	-	-	-	-	-	-	Education: 1.PhD of Science Education, University of Iowa, USA Experience: 1.Vice President, National Taipei University of Education 2.Professor, National Taipei University of Education	Note 6	-	-	-	-
Independent Director	Republic of China	Chen, Fu-Mei	Female 40-60	2021. 08.26	3	2012. 10.19	-	-	-	-	-	-	-	-	Education: 1.PhD of Business Administration, Soochow University 2.Master of Business Administration and Multimedia Information Technology Education , University of Leeds Experience: 1.Teaching Assistant, National Taipei University of Technology 2.Lecturer and Teaching Assistant, National Taitung University	Note 7	-	-	-	-

Title	Nationality	Name	Gender Age	Date Elected	Term (years)	Date First elected	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Position	Executives, Directors or Supervisors who are spouses or within two degrees of kinship			Note
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Independent Director	Republic of China	Chen,Su-Ting	Female 40-60	2021. 08.26	3	2021. 08.26	-	-	-	-	-	-	-	-	Education: 1.Master, College of Management, National Taiwan Sport University 2.Two-Year Junior College Program, Accounting Section, Takming University of Science and Technology Experience: 1. Chih,Ching-Ching CPA firm 2. Ming Yao CPA firm 3. Supervisor, Taiwan CPA 4. Supervisor, Chin Chwang Commercial Vocational High School Foundation	-	-	-	-	-

Note1: (1)Chairman and General manager, i-View Process Post-Production Corp. (2)Corporate Chairman Representative, Magcom Co., Ltd (3)Chairman, ADDWE Technology Co., Ltd (4)Chairman, Sheng Cheng investment Co., Ltd (5)Corporate Director Representative, Jia Lin investment Ltd (6)Corporate Chairman Representative, Qian Yi investment Co., Ltd (7) Corporate Director Representative, Local Scenery Film Co., Ltd (8)Corporate Director Representative, ADDcn Technology (Shenzhen) Ltd (9)Corporate Chairman Representative, ADDcn Technology (HK) Co., Ltd (10)Corporate Chairman Representative, Jia Lin III Venture Capital Co., Ltd (11)Corporate Chairman Representative, Jhen Vei Electronic Co., Ltd (12) Director, Shung Sening investment Co., Ltd

Note2: (1)General Manager, the Company (2)Director, ADDcn Technology (Shenzhen) Ltd

Note3: Associate, Administrative Division of the Company

Note4: (1)Partner Accountants, Jia Wei & Co., CPAs (2)Independent Director, Tex Year Industries Inc. (3)Corporate Supervisor Representative, Jia Lin investment Ltd

Note5: (1)Managing Attorney, Jia Hua Law Firm (2)Independent Director, TONS Lightology Inc (3)Independent Director, Shih-Kuen Plastics Co., Ltd (4)Independent Director, Chenming Electronic Tech. Corp.

Note6: Independent Director, Taiwan Taomee Co., Ltd

Note7: Manager, Incubation Center,National TaipeiUniversity of Science and Technology

Note8: (1)President, Lien Chin CPA Firm (2)Supervisor, Taiwan Provincial Accountant Association (3)Consultant, Taiwan CPA, North District Office

(2)Major shareholders of the institutional shareholders:

Apr. 15, 2024

Name of Institutional Shareholder	Major shareholder
Cheng Yu investment Co., Ltd	Lin, Hung-Chun (90.40%)

(3)Professional qualifications and independence analysis of directors and supervisors:

Issuance conditions: / Name	Professional qualifications and experience	Independence	Number of positions as an Independent Director in other public listed companies
Liao, Shih-Fang	Chairman and President of I-View Process Post-Production Corp., representative of corporate chairman of Magnetic Communication Corporation, Chairman of Addwe Technology, Co., Ltd, etc.; experienced in business administration for more than 20 years.	Please refer to the following table for the independence.	-
Wu, Tsung-Hsien	Graduated from Department of Information Management, Yu Da University of Science and Technology.Former Vice President and current President of the Company.	Please refer to the following table for the independence.	-
Lin, Mei-Hui	Master, graduated from National Chengchi University of Business Administration. Former financial manager of I-View Process Post-Production Corp.; current Assistant Vice President of the Company's Management Division.	Please refer to the following table for the independence.	-
Cheng Yu investment Ltd	-	-	-
Wang, Chung-Ping	PhD, graduated from Institute of Accounting, Guangzhou Jinan University. Partner CPA of Jia Wei & Co., CPAs. He also has experience as independent director of Tex Year Industries Inc., etc.	Please refer to the following table for the independence.	1
Chou, Liang-Cheng	Bachelor, graduated from Department of Law, Fu Jen Catholic University. Former attorney of Root Law Office and Xin Fu International Law Firm; current Managing Attorney of Jia Hua Law Firm. She also has experience as independent director of TONS Lightology Inc., etc..	Please refer to the following table for the independence.	3

Issuance conditions: / Name	Professional qualifications and experience	Independence	Number of positions as an Independent Director in other public listed companies
Lien, Chi-Jui	PhD, graduated from Scientific Educational Philosophy, The University of Iowa. Experienced in serving as an independent director of public companies for more than 10 years; current independent director of Taiwan Taomee Co., Ltd.	1. Please refer to the following table for the independence. 2. The director did not provide the Company or affiliates with commercial, legal, financial, accounting or related services in the most recent two years.	1
Chen, Fu-Mei	Dual Master's Degree of Business Administration and Multimedia Information Technology Education, The University of Leeds, UK. Former adjunct lecturer and assistant professor of the Department of Information Science and Management Systems, National Taitung University and the Department of Business, National Open University; experienced in serving as an independent director of public companies for more than 10 years; current Manager of TAIPEI TECH innovation & Incubation Center.	1. Please refer to the following table for the independence. 2. The director did not provide the Company or affiliates with commercial, legal, financial, accounting or related services in the most recent two years.	-
Chen, Su-Ting	Master, graduated from NTSU College of Management.Former Chih,Ching-Ching CPA firm ,Ming Yao CPA firm and Supervisor, Taiwan CPA ,and current President, Lien Chin CPA Firm, etc. She has rich professional capabilities and experience. And None of the circumstances under Article 30 of the Company Act are applicable.	1. Please refer to the following table for the independence. 2. The director did not provide the Company or affiliates with commercial, legal, financial, accounting or related services in the most recent two years.	-

Criteria / Name	Independence Criteria (Note)											
	1	2	3	4	5	6	7	8	9	10	11	12
Liao, Shih-Fang	✓	-	-	-	-	✓	-	-	✓	✓	✓	✓
Wu, Tsung-Hsien	-	-	-	-	✓	✓	-	-	✓	✓	✓	✓
Lin, Mei-Hui	-	-	✓	-	✓	✓	✓	✓	✓	✓	✓	✓
Cheng Yu investment Co., Ltd	✓	-	-	✓	✓	✓	✓	✓	✓	✓	✓	✓
Wang,Chung-Ping	✓	-	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Chou,Liang-Cheng	✓	-	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Lien, Chi-Jui	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Chen, Fu-Mei	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Chen,Su-Ting	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

Note:

（1） Not an employee of the company or an affiliate.

（2） Not a director or supervisor of the Company or any of its affiliates (the same does not apply, however, in cases where the person is a concurrent independent director of the Company, its parent company, any subsidiary, or a subsidiary that belongs to the same parent company, as appointed in accordance with the Act or with the laws of the local country).

（3） Not a natural-person shareholder who holds shares, together with those held by the person and his/her spouse, minors, or held by the person under others' names, in an aggregate amount of 1% or more of the total number of issued shares of the Company or ranking in the top 10 in holdings.

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

（5） Not a director, supervisor, or employee that has 5% or higher ownership interest in the company, being the top-5 corporate shareholders or the institutional shareholders who designate representative as the corporate director or supervisor in accordance with Paragraph 1 or 2, Article 27 of the Company Act. (the same does not apply, however, in cases where the person is an independent director of the Company, its parent company, any subsidiary, or subsidiary of the same parent company, as appointed in accordance with the Act or with the laws of the country of the parent or subsidiary.)

（6） Not a director, supervisor, or employee of another Company in which the number of directors or more than half of the voting shares is under the control of the same person. (the same does not apply, however, in cases where the person is an independent director of the Company, its parent company, any subsidiary, or subsidiary of the same parent company, as appointed in accordance with the Act or with the laws of the country of the parent or subsidiary.)

（7） Not a director, supervisor or employee of other Company or institution in which the chairman, president, or personnel with equivalent position are the same person or have spouse relationship. (the same does not apply, however, in cases where the person is an independent director of the Company, its parent company, any subsidiary, or subsidiary of the same parent company, as appointed in accordance with the Act or with the laws of the country of the parent or subsidiary.)

（8） Not a director, supervisor, manager, or shareholder holding more than 5% of the outstanding shares of a specific company or institution in a business or financial relationship with the Company. (the same does not apply, however, in cases where the specific company or institution holds 20% or more and no more than 50% of the total number of issued shares of the company and the person is an independent director of the Company, its parent company, any subsidiary, or subsidiary of the same parent company, as appointed in accordance with the Act or with the laws of the country of the parent or subsidiary.)

（9） Not a professional who provides audits or commercial, legal, financial, or accounting services accumulating more than NT$ 500,000 of remuneration obtained in recent two years to the company or its affiliates, nor is an owner, partner, director, supervisor, or manager, or the spouse of any of the above, of a sole proprietorship, partnership, company, or organization that provides such services to the company or its affiliates. However, this shall not apply to the remuneration committee members who exercise their powers in accordance with Article 7 of the Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Taiwan Stock Exchange or the Taipei Exchange, or the members of the remuneration committee, review committee for public acquisitions or special committee for mergers executing their duties in accordance with the Securities and Exchange Act or Business Mergers and Acquisitions Act.

（10） Is not the spouse or relative within the second degree of kinship of another director.

（11） Is not a person of the conditions specified in any of the sub-paragraphs of Article 30 of the Company Act.

（12） Has not been elected as a government unit, institution, or their representative as prescribed in Article 27 of the Company Act.

(4)Diversification of the Board of Directors:

(A) Policies on diversity:

According to Article 20 of the “Corporate Governance Best Practice Principles” of the Company, the composition of the Board of Directors shall be determined by taking diversity into consideration. Besides the directors holding the position as the Company's managers concurrently shall not exceed one-third of the total number of directors, it is advisable that an appropriate policy on diversity based on the company's business operations, operating dynamics, and development needs be formulated and include, without being limited to, the following two general standards:

A. Basic requirements and values: Gender, age, nationality, and culture.

B. Professional knowledge and skills: A professional background (e.g., law, accounting, industry, finance, marketing, technology), professional skills, and industry experience.

All members of the board shall have the knowledge, skills, and experience necessary to perform their duties. To achieve the ideal goal of corporate governance, the Board of Directors shall possess the following abilities:

A. Ability to make operational judgments.

B. Ability to perform accounting and financial analysis.

C. Ability to conduct management administration.

D. Ability to conduct crisis management.

E. Knowledge of the industry.

F. An international market perspective.

G. Ability to lead.

H. Ability to make policy decisions.

(B) Management goal and implementation:

Diversification is a focus in the formation of the Board of Directors. It is comprised of elites from the industrial and academic circles. There are currently 9 Board members and 3 of them are independent director, occupying 33% of the total directors. Among the 8 individual directors, 3 are PhD and 3 are masters. The ratio of directors with doctor/master degree reaches 75%. There are 4 females directors occupying a percentage of 50%; the goal of the Company in diversification is 30% of females directors. The management goal was achieved after reelection of the Board members this time.

For the implementation of the diversity policy, please refer to page 12 of the Chinese annual report.

(5)Independence of the Board of Directors:

Independent of the Board of Directors: The 6th Board of Directors of the Company is comprised of 9 directors with extensive experience in business administration or academic specialties. There are 8 natural-person directors occupying 89% of the total directors. No government agency or any single corporate organization or its subsidiary accounts for one third of the Company's Board members. There are 3 independent directors occupying 33% of the total directors. All of them meet the independence requirements referred to in the “Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies”. No direct has a relation of spouse or relative within 2nd degree of kinship with any other directors or acts in violation of Article 26-3, Paragraph 3 and 4 of Securities and Exchange Act.

2.2 Management Team:

Apr 15,2024

Title	Nationality	Name	Gender	Date Effective	Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Position	Managers who are Spouses or Within Two Degrees of Kinship			Note
					Shares	%	Shares	%	Shares	%			Title	Name	Relation	
General Manager	Republic of China	Wu, Tsung-Hsien	Male	2007.01	700,529	1.25%	-	-	-	-	Education: Department of Information Management, Yu Da University of Science and Technology Experience: Vice President of ADDcn Technology Co., Ltd	Note 1	-	-	-	-
Associate, Administrative Division	Republic of China	Lin, Mei-Hui	Female	2007.06	269,704	0.48%	-	-	-	-	Education: Master of Business Administration, National Chengchi Experience: Financial Manager, i-View Process Post-Production Corp.	-	-	-	-	-
Associate, Business Division	Republic of China	Qiu, Jian-Ming	Male	2015.02	142,384	0.25%	1,301	0.00%	-	-	Education: Department of Commercial Design, Ming Chuan University Experience: General Manager, 518 Technology Co., Ltd	-	-	-	-	-
Director, Operational Expansion Division	Republic of China	Li,Jhong-Jhe	Male	2016.08	7,000	0.01%					Education: Bachelor of Communications Management, Shin Hsin University Experience: Director of real estate center of Apple Daily	-	-	-	-	-
Manager, Business Division	Republic of China	Hu,Bin-Jhih	Male	2014.07	2,202	0.00%					Education: Bachelor of Finance and Cooperative Management, National Taipei University Experience: Operation specialist of KuoBrothers Corp.	-	-	-	-	-
Manager, Business Division	Republic of China	Yu,Shou-Ren	Male	2011.10	525	0.00%					Education: Bachelor of Computer Science and Information Engineering, Chung Hua University Experience: Engineer od Hot Information	-	-	-	-	-
Manager, Business Division	Republic of China	Syu,Wun-Yi	Female	2018.05	5,802	0.01%					Education: Bachelor of Digital Multimedia Arts, Shin Hsin University Experience: Marketing specialist of So-net Entertainment Taiwan Limited	-	-	-	-	-

Title	Nationality	Name	Gender	Date Effective	Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Position	Managers who are Spouses or Within Two Degrees of Kinship			Note
					Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Manager, Business Division	Republic of China	Zeng, Rong-Huei	Female	2018.05	2,402	0.00%					Education: Bachelor of Business Administration, National Taipei University Experience: Website marketing planner of Vmage	-	-	-	-	-
Manager, Business Division	Republic of China	You,Jia-Ying	Female	2014.07	7,060	0.01%					Education: Bachelor of Business Administration, Soochow University Experience: Marketing manager of OAT Information.	-	-	-	-	-
Manager, Financial Division	Republic of China	Chang, Chiao-Ni	Female	2012.06	42,085	0.08%	-	-	-	-	Education: Accounting Department, Yuan Ze University Experience: Manager, KPMG	-	-	-	-	-
Manager, HR Division	Republic of China	Chen, Siou-Huei	Female	2014.08	7,326	0.01%					Education: Bachelor of Accounting Information, Chihlee University of Technology Experience: Assistant auditing manager of JSG CAP firm	-	-	-	-	-
Manager, R&D Division	Republic of China	Li,Hao-Yu	Male	2023.12	2,000	0.00%					Education: B.Sc,Computer Science, University of Canterbury, NZ Experience: Mola-Product Owner, Head of Data team.	-	-	-	-	-
Deputy Manager, Audit Division	Republic of China	Hsu, Yu-Yun	Female	2015.08	9,600	0.02%	-	-	-	-	Education: Department of Finance, Hsuan Ceuang University Experience: Audit Specialist, Taiwan Surface Mounting Technology Corp.	-	-	-	-	-
Supervisor, IT Division	Republic of China	You, Shun-Yuan	Male	2009.12	15,687	0.03%	-	-	-	-	Education: Secretarial Science, Chungyu Institue of Technology Experience: IT, Car Quality Automotive Co., Ltd	-	-	-	-	-
Manager, Public Relations	Republic of China	Yu, Chu-Yu	Male	2014.06	6,306	0.01%	-	-	-	-	Education: Department of Banking and Finance, TKU Experience: Corporate Finance Department, Cathay Financial Holdings Co. Ltd	-	-	-	-	-

Note 1: Director, ADDcn Technology (Shenzhen) Ltd

3. Remuneration of Directors, Supervisors, President, and Vice President:

3.1 Remuneration of Directors:

Unit: NT$ thousand

Title	Name	Director remuneration								The sum of A, B, C and D as a percentage of after-tax net profit		Remuneration from other jobs								The sum of A, B, C, D, E, F and G as a percentage of after-tax net profit		Remuneration from investees beyond subsidiaries or the parent company
		Remuneration (A)		Retirement pension (B)		Director remuneration (C)		Business execution expenses (D)				Remuneration, bonus and special fees (E)		Retirement pension (F)		Employee remuneration (G)						
		The Company	All companies in the consolidated financial statements	The Company	All companies in the consolidated financial statements	The Company	All companies in the consolidated financial statements	The Company	All companies in the consolidated financial statements	The Company	All companies in the consolidated financial statements	The Company	All companies in the consolidated financial statements	The Company	All companies in the consolidated financial statements	The Company		All companies in the consolidated financial statements		The Company	All companies in the consolidated financial statements	
																Cash	Stock	Cash	Stock			
Chairman	Liao, Shih-Fang	-	-	-	-	9,420	9,420	150	150	1.35%	1.36%	39,726	39,726	-	-	45,447	-	45,447	-	14.01%	14.11%	-
Director	Wu, Tsung-Hsien																					
Director	Lin, Mei-Hui																					
Director	Cheng Yu investment Co., Ltd																					
Director	Wang, Chung-Ping																					
Director	Chou, Liang-Cheng																					
Independent Director	Lien, Chi-Jui	4,000	4,000	-	-	-	-	75	75	0.57%	0.58%	-	-	-	-	-	-	-	-	0.57%	0.58%	
Independent Director	Chen, Fu-Mei																					
Independent Director	Chen,Su-Ting																					

1.Please describe the policy, system, standard, and structure of remuneration payment for independent directors, and the association with the remuneration payment amount by factors such as function of the director, risk, and involvement duration:

According to Article 17 of the Articles of Incorporation, the board of directors is authorized to determine the level of remuneration for the directors based on individual participation and contribution to the Company's operations, and in reference to industry peers. The performance evaluation of Board of Directors and individual direction is conducted every year according to the "Regulations Governing the Board of Directors' Performance Evaluation." The evaluation items include the involvement in the operation of the Company, the quality of the Board of Directors' decision making, management of internal relationship and communication, and internal control. The performance evaluation results will be the reference for the determination of individual remuneration.

2.In addition to what are disclosed in the above table, the remuneration of the Company's directors for providing services (such as assuming a non-employee consulting post of the Company / all companies in the consolidated financial statements / reinvested business) for the companies included in the financial statement in most recent years: None.

Range of Remuneration:

Range of Remuneration	Director name			
	Total amount of the first four remunerations (A+B+C+D)		Total amount of the first seven remunerations (A+B+C+D+E+F+G)	
	The Company	Companies in the consolidated financial statements H	The Company	Companies in the consolidated financial statements I
Lower than 1,000,000	-	-	-	-
1,000,000 (inclusive) - 2,000,000 (exclusive)	Liao, Shih-Fang Wu, Tsung-Hsien Lin, Mei-Hui Cheng Yu investment ltd Wang, Chung-Ping Chou, Liang-Cheng Lien, Chi-Jui Chen, Fu-Mei Chen,Su-Ting	Liao, Shih-Fang Wu, Tsung-Hsien Lin, Mei-Hui Cheng Yu investment ltd Wang, Chung-Ping Chou, Liang-Cheng Lien, Chi-Jui Chen, Fu-Mei Chen,Su-Ting	Liao, Shih-Fang Cheng Yu investment ltd Wang, Chung-Ping Chou, Liang-Cheng Lien, Chi-Jui Chen, Fu-Mei Chen,Su-Ting	Liao, Shih-Fang Cheng Yu investment ltd Wang, Chung-Ping Chou, Liang-Cheng Lien, Chi-Jui Chen, Fu-Mei Chen,Su-Ting
2,000,000 (inclusive) - 3,500,000 (exclusive)	-	-	-	-
3,000,000 (inclusive) - 5,000,000 (exclusive)	-	-	-	-
5,000,000 (inclusive) - 10,000,000 (exclusive)	-	-	-	-
10,000,000 (inclusive) - 15,000,000 (exclusive)	-	-	Lin, Mei-Hui	Lin, Mei-Hui
15,000,000 (inclusive) - 30,000,000 (exclusive)	-	-	-	-
30,000,000 (inclusive) - 50,000,000 (exclusive)	-	-	-	-
50,000,000 (inclusive) - 100,000,000 (exclusive)	-	-	Wu, Tsung-Hsien	Wu, Tsung-Hsien
100,000,000 or more	-	-	-	-
Total	9	9	9	9

3.2 Remuneration of the President and Vice President:

Unit: NT$ thousand

Title	Name	Salary (A)		Retirement pension (B)		Bonus and special fees (C)		Employee remuneration (D)				The sum of A, B, C and D as a percentage of after-tax net profit(%)		Remuneration from investees beyond subsidiaries or the parent company
		The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	The Company		Companies in the consolidated financial statements		The Company	Companies in the consolidated financial statements	
								Cash	Stock	Cash	Stock			
General Manager	Wu, Tsung-Hsien	7,305	7,305	-	-	32,604	32,604	39,843	-	39,843	-	11.22%	11.31%	-
Deputy GM	Qiu, Jian-Ming													

Note: Deputy GM, Qiu, Jian-Ming transferred to Senior Operating Manager in November, 2023 due to organization restructuring.

Range of Remuneration:

Range of Remuneration	Name of General Manager and Deputy GM	
	The Company	Companies in the consolidated financial statements
Lower than 1,000,000	-	-
1,000,000 (inclusive) - 2,000,000 (exclusive)	-	-
2,000,000 (inclusive) - 3,500,000 (exclusive)	-	-
3,000,000 (inclusive) - 5,000,000 (exclusive)	-	-
5,000,000 (inclusive) - 10,000,000 (exclusive)	Qiu, Jian-Ming	Qiu, Jian-Ming
10,000,000 (inclusive) - 15,000,000 (exclusive)	-	-
15,000,000 (inclusive) - 30,000,000 (exclusive)	-	-
30,000,000 (inclusive) - 50,000,000 (exclusive)	-	-
50,000,000 (inclusive) - 100,000,000 (exclusive)	Wu, Tsung-Hsien	Wu, Tsung-Hsien
100,000,000 or more	-	-
Total	2	2

3.3 Managers with Employee Remuneration Distribution:

Unit: NT$ thousand

	Title	Name	Stock Bonus	Cash Bonus	Total	Ratio of Total Amount to Net Income (%)
Managers	General Manager	Wu, Tsung-Hsien	-	61,605	61,605	8.67%
	Associate, Administrative Division	Lin, Mei-Hui				
	Associate, Business Division	Qiu, Jian-Ming				
	Director, Operational Expansion Division	Li,Jhong-Jhe				
	Manager, Business Division	Hu,Bin-Jhih				
	Manager, Business Division	Yu,Shou-Ren				
	Manager, Business Division	Syu,Wun-Yi				
	Manager, Business Division	Zeng,Rong-Huei				
	Manager, Business Division	You,Jia-Ying				
	Manager, Financial Division	Chang, Chiao-Ni				
	Manager, HR Division	Chen,Siou-Huei				
	Manager, R&D Division	Li,Hao-Yu				
	Deputy Manager, Audit Division	Hsu, Yu-Yun				
	Supervisor, IT Division	You, Shun-Yuan				
	Manager, Public Relations	Yu, Chu-Yu				

Note : The amount distributed approved by the board of directors.

3.4 Comparison and explanation of the analysis of the ratio of total remuneration (paid to the Directors, Supervisors, General Manager and Deputy General Managers of the Company by the Company and all the companies in the consolidated statements in the last two years to net profit after tax and the correlation among the remuneration payment policy, standards and combinations, the procedures for setting the remuneration, the business performance and future risks:

(1) Analysis of the ratio of total remuneration paid by the Company and Companies in the consolidated financial report to its Directors, Supervisors, General Manager and Deputy General Managers in the last two years to net profit after tax on parent company only or consolidated financial reports is as follows:

Unit: NT$ thousand

Title	2022				2023			
	Total Remuneration		Ratio to Net Profit after Tax		Total Remuneration		Ratio to Net Profit after Tax	
	The Company	Companies in the financial statements	The Company	Companies in the financial statements	The Company	Companies in the financial statements	The Company	Companies in the financial statements
Director	11,385	11,385	1.71%	1.75%	13,645	13,645	1.92%	1.93%
Supervisor	-	-	-	-	-	-	-	-
General Manager and Deputy General Manager	60,771	60,771	9.14%	9.33%	79,752	79,752	11.22%	11.31%

Note: Deputy GM, Qiu, Jian-Ming transferred to Senior Operating Manager in November, 2023 due to organization restructuring

(2)The policies, standards, and portfolios for the payment of remuneration, the procedures for determining remuneration, and the correlation with business performance:

(A) The policies of remuneration payment to directors and managerial officers are specified in the Articles of Corporation. According to Article 20 of the Articles, annual profits concluded by the Company shall be subject to employees' remuneration of no less than 1% and the directors' remuneration may be provided up to 3% of the annual profits. The determination of remuneration is based on certain limit of the annual earnings ratio, therefore the remuneration has high association with the business performance of the Company.

(B) The board of directors is authorized to determine the level of remuneration and travel allowance for the directors based on individual participation and contribution to the Company's operations, and in reference to industry peers. The performance evaluation of Board of Directors and individual direction is conducted every year according to the "Regulations Governing the Board of Directors' Performance Evaluation." The evaluation items include the participation in the operation of the Company, the quality of the Board of Directors' decision making, management of internal relationship and communication, and internal control. The performance evaluation results will be the reference for the determination of individual remuneration.

(C) The remuneration of the President and Vice President (level) is calculated as salary and employee's cash pay pursuant to the "Managerial Officer Remuneration Regulations." The performance of the managerial officer is evaluated every year according to the performance evaluation guidelines in the "Employee Handbook." The evaluation items include the work performance, leading ability and skill, and the evaluation is conducted in a comprehensive manner. The remuneration committee regularly evaluates the policy, system, standard and structure with respect to the performance and remuneration of the managerial officer, reports to the Board of Directors, and implements accordingly after the Board of Directors gives its approval. The remuneration committee reviews the remuneration system of directors and managerial officers, whenever necessary, with reference to the actual operational status, relevant laws and regulations, and the risk in the future.

4. Implementation of Corporate Governance:

4.1 Board of Directors:

A total of 5 meetings of the Board of Directors were held in the previous period. The attendance of director were as follows:

Title	Name	Actual no. of meetings attended (B)	No. of meetings with entrusted attendance	Actual attendance rate (%) [B/A]	Remarks
Chairman	Liao, Shih-Fang	5	0	100%	-
Director	Wu, Tsung-Hsien	5	0	100%	-
Director	Lin, Mei-Hui	5	0	100%	-
Director	Cheng Yu investment Co., Ltd	5	0	100%	-
Director	Wang, Chung-Ping	5	0	100%	-
Director	Chou, Liang-Cheng	5	0	100%	-
Independent Director	Lien, Chi-Jui	5	0	100%	-
Independent Director	Chen, Fu-Mei	5	0	100%	-
Independent Director	Chen, Su-Ting	5	0	100%	-

Other matters to be recorded:

1. The Company does not have any of the items listed in Article 14-3 of the Securities and Exchange Act or other matters that have been rejected or reserved by independent directors and have been discussed by the Board of Directors with a record or written statement.
2. Execution of directors' avoidance of interest proposals: Directors shall evade participation in discussions and voting on their remuneration related proposals.
3. Implementation status of Board of Directors evaluation:

Cycle	Period	Scope	Method	Description
Once a year	01.01.2023 - 12.31.2023	Performance evaluation of the board	Self-evaluation	Participation in the operation of the Company, the quality of the Board of Directors' decision making, the organization and structure of the Board of Directors, election and continuing education of the directors, and internal control.
Once a year	01.01.2023 - 12.31.2023	Performance evaluation of individual directors	Self-evaluation	Alignment of the goals and mission of the Company, awareness of the duties of a director, participation in the operation of the Company, management of internal relationship and communication; the director's professionalism and continuing education, and internal control.
Once a year	01.01.2023 - 12.31.2023	Performance evaluation of the Audit Committe	Self-evaluation	Participation in the operation of the Company, awareness of the duties of the functional committee, the quality of the functional committee's decision making, organization of the functional committee and election of its members, and internal control.
Once a year	01.01.2023 - 12.31.2023	Performance evaluation of the Compensation Committee	Self-evaluation	Participation in the operation of the Company, awareness of the duties of the functional committee, the quality of the functional committee's decision making, organization of the functional committee and election of its members, and internal control.
Once three years	02.01.2021 - 01.31.2022	Performance evaluation of the board	External professional-evaluation	The composition of the board of directors, the guidance of the board of directors, the authorization of the board of directors, the supervision of the board of directors, the communication of the board of directors, internal control and risk management, the self-discipline of the board of directors, other such as board of directors meetings, support systems, etc.

4. The goals of enhancing the Board of Directors' function (e.g. Establishment of an audit committee and improvement of the information transparency) in the current or most recent year and the implementation status.
   (1) Establishment of Audit Committee: The Company established the Audit Committee on August 26, 2021.
   (2) The Audit Committee and Remuneration Committee are formed by all the independent directors of the Company. They have the responsibility of supervision to enhance the function of the Board of Directors. The chairpersons of the committees report regularly to the Board of Directors regarding their operations.
   (3) Evaluation of Board of Directors: The Board of Directors adopted the "Regulations Governing the Board of Directors' Performance Evaluation" and the "Process the Board of Directors" in 2019. The self-evaluation of the Board's performance is conducted every year. Taiwan Corporate Governance Association was commissioned as an external institution to evaluate the performance of the Board of Directors this year. The implementation the result of the evaluation were reported to the Board of Directors and disclosed on the website of the Company.
   (4) The Company implements diversification of the Board of Directors on an ongoing basis to enhance its structure. Two females directors, including one in dependent director, are elected for the 6th Board of Directors to achieve the goal of the diversification.
   (5) Implementation of corporate governance and improvement of information transparency: The Board of Directors operates in accordance with the Rules of Procedure for Shareholder Meetings and convenes the Board of Directors' meeting of the Company accordingly. The implementation status is excellent.

4.2 Audit Committee or Attendance of Supervisors at Board Meetings:

(1) Audit Committee:

(A) The Audit Committee of the Company is composed of three members.

(B) A total of 4 meetings of the Audit Committee were held in the previous period. The attendance of the independent directors to the meeting is shown below:

Title	Name	Actual no. of meetings attended (B)	No. of meetings with entrusted attendance	Actual attendance rate (%) [B/A]	Remarks
Convener/ Independent Director	Lien, Chi-Jui	4	0	100%	-
Independent Director	Chen, Fu-Mei	4	0	100%	-
Independent Director	Chen, Su-Ting	4	0	100%	-

Other matters to be recorded:

1. Where any of the following circumstances occur to the operation of the Audit Committee, the date, term and proposal of the Audit Committee meeting as well as the dissent, reservation or major suggestion of any independent director, the Audit Committee resolution, and how the Company manage the Committee's opinions shall be described:
   (1) The matters referred to in Article 14-5 of the Securities and Exchange Act.
   (2) Other than the those described above, any resolutions unapproved by the Audit Committee but passed by more than two-thirds of directors.
   : Refer to the next page for the information on the Audit Committee meeting.
2. Where the implementation status of recusal bearing on the interest of an independent director is involved, the name of the independent director, proposal, reasons for the recusal, and participation in the voting shall be described: None.
3. Communication between independent directors and internal chief audit/CPAs (major matters, methods and results of communication on the Company's financial and business conditions, etc. should be included):
   (1) Communication of independent directors with internal chief auditor
      (A) Regular: Submit the completed "audit report" to the independent directors and for review via email every month. If there are any questions or instructions, ask the chief auditor or communicate the instructions to him/her for implementation via email or phone. After the Board of Directors holds the quarterly meeting, the independent directors and shall hold a separate meeting with the internal chief auditor and the "internal audit implementation status" of the previous quarter shall be reported to the meeting. The contents of the submission include the implementation status of the Company's audit matters, findings during the audit, and implementation of improvements for any nonconformities; report on the planned methods for inspection of the items in the current quarter.
      (B) Irregular: Routine separate communication with independent directors for improving the Company's audit value and enhancing the operating efficiency and achievement is conducted by phone, via email, or by

convening meetings. Independent directors are informed of any major violations, if any, according to laws and regulations. There are multiple and smooth communication channels between the Company's chief auditor and each independent director.

(2) Communication of independent directors with CPAs

As KPMG Taiwan's answers to our question indicate, communication of the independent directors with CPAs is conducted mainly through the annual audit meeting and annual audit completion meeting or by conference call. The separate communication with the independent directors mainly focuses on accounting and financial report issues.

(3) Summary with respect to the communication of the independent directors with the internal chief auditor in most recent year

Date	Communication Focus	Result
03.24.2023 Communication meeting with independent directors	2022 Q4 audit plan implementation status. 2023 Q1 internal audit plan.	No objection
05.12.2023 Communication meeting with independent directors	2023 Q1 audit plan implementation status. 2023 Q2 internal audit plan.	No objection
08.11.2023 Communication meeting with independent directors	2023 Q2 audit plan implementation status. 2023 Q3 internal audit plan.	No objection
11.13.2023 Communication meeting with independent directors	2023 Q3 audit plan implementation status. 2023 Q4 internal audit plan. Taipei Exchange Directions for Compliance Introduction to the new law "Requirements for the Appointment and Exercise of Powers of the Boards of Directors of TPEx Listed Companies ".	No objection

(4) Summary with respect to the communication of the independent directors with CPAs in most recent year

Date	Communication Focus	Result
12.12.2023 Communication meeting with independent directors	audit plan and major regulatory updates.	No objection

(C) Audit Committee's annual operation focus and important resolution in the most recent year:

Date	Proposal	Independent directors' opinions expressing objections or reservations, and significant recommendations	Result of resolution	The Company's response to Audit Committee's opinions
03.24.2023	1. 2023 business report and financial statements. 2. 2023 earning distribution. 3. Proposal of new shares issued from capital reserve.. 4. To commission KPMG Taiwan to conduct audit and certification of 2023 financial. 5. 2022 "Effectiveness Evaluation of the Company's Internal Control System" and " Statement on Internal Control System. 6. Amendment to the "Internal Control System" of the Company. 7. Amendment to the "Internal Audit	None	Approved by all present committee members unanimously.	Proposed to board of directors for resolution, and approved by all present directors unanimously.

Date	Proposal	Independent directors' opinions expressing objections or reservations, and significant recommendations	Result of resolution	The Company's response to Audit Committee's opinions
	System Implementation Rules" of the Company.			
05.12.2023	1. 2023 Q1 Financial Statements. 2. Amendment to the "Internal Control System" of the Company.	None	Approved by all present committee members unanimously.	Proposed to board of directors for resolution, and approved by all present directors unanimously.
08.11.2023	1. 2023 Q2 Financial Statements. 2. Determination of earning distribution for cash dividend in the first half of 2023. 3. Determination of record date of capitalization of earnings for issuing new shares. 4. Amendment to the "Internal Control System" of the Company. 5. Amendment to the "Internal Audit System Implementation Rules" of the Company	None	Approved by all present committee members unanimously.	Proposed to board of directors for resolution, and approved by all present directors unanimously.
11.13.2023	1. 2023 Q3 Financial Statements. 2. Capital increase for ADDcn HK. 3. Plan of establishment of subsidiary in Singapore. 4. Amendment to the "Internal Control System" of the Company.	None	Approved by all present committee members unanimously.	Proposed to board of directors for resolution, and approved by all present directors unanimously.

4.3 Corporate Governance Implementation Status and Deviations from "the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies":

Scope of Assessment	Status (Note 1)			Deviations from "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies" and reasons
	Yes	No	Summary	
1. Has the Company established and disclosed the governance practice principles according to the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies?	✓		The Company has established its "Corporate Governance Practice Principles" resolved and approved by the Board of Directors, and reported to the Board of Directors when any amendment was made. The latest amendment was resolved and approved by the Board of Directors on March 24th,2023.	No major difference
2. Equity structure and shareholders' rights of the Company (1) Does the Company have the internal procedures regulated to handle shareholders' proposals, doubts, disputes, and litigation matters; also, have the procedures implemented accordingly?	✓		The Company has established a responsible unit to deal with the suggestions, questions, disputes and legal actions from shareholders and designed a shareholder section and contact on the Company website.	No major difference
(2) Does the Company possess the list of the Company's major shareholders and the list of the ultimate controllers of the major shareholders?	✓		The Company periodically updates the roster of shareholders with the shareholder services agent and the obtains the list of major shareholders and the ultimate controllers of such shareholders of the Company.	No major difference
(3) Does the Company establish and implement the risk control and firewall mechanism with the related parties?	✓		The Company has established relevant systems in the internal control system in accordance with the laws and effectively controlled the risks between the Company and its affiliates.	No major difference
(4) Has the Company established internal regulations to prohibit Company insiders from using information not available to the market to trade securities?	✓		The Company has established the "Operating Procedures for Prevention of Insider Trading" to prevent insider trading and disclosed them on the company's official website.	No major difference
3. Composition and responsibilities of board of directors (1) Has the Company formulated a policy of diversity for the formation of the Board of Directors and implemented it	✓		The Company has established a policy of diversity for the formation of the Board of Directors. For the objectives and implementation of the	No major difference

Scope of Assessment	Status (Note 1)			Deviations from "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies" and reasons
	Yes	No	Summary	
thoroughly?			policy, Please refer to page 13.	
(2) Is the Company, in addition to establishing the remuneration committee and audit committee, pursuant to laws, willing to voluntarily establish any other functional committees?	✓		Besides establishing the remuneration committee based on the regulations, the Company also established the special committee for mergers in 2016.	No major difference
(3) Has the Company established guidelines and methods for evaluating the performance of the Board of Directors, conducted regular performance evaluations every year and reported the results to the Board of Directors? Has the Company utilized the results as the reference for the individual remuneration and reelection nomination of directors?	✓		The Company has established the "Regulations Governing the Board of Directors' Performance Evaluation" and the "Process the Board of Directors" approved by the Board of Directors and assessed the Board of Directors and the functional committee. Please refer to page 21 for the evaluation method and contents.The unit responsible for board meetings collects and analyzes the evaluation results and submits the evaluation report to the Board of Directors. The Company has completed the performance evaluation of the Board of Directors and the functional committee in 2023 and reported the results at the directors' meeting on Mar. 14, 2024. All evaluation results are well-performing in each aspect. Aan external professional-evaluation is carried out every three years, and an external organization - Taiwan Corporate Governance Association has been entrusted to conduct a 2021 performance evaluation of the board of directors in 2022.The preceding regulations and evaluation results were also disclosed on the Company website. In addition, the regulations specified that the performance evaluation results of the Board of Directors shall be used as reference for the election or nomination of directors; the performance evaluation results of	No major difference

Scope of Assessment	Status (Note 1)			Deviations from "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies" and reasons
	Yes	No	Summary	
			individual directors shall be the reference for the determination of individual remuneration.	
(4) Does the Company assess the CPAs for their independence on a regular basis?	✓		According to the "Corporate Governance Practice Principles" of the Company, the Company assesses the CPAs for their independence and competency at least once a year, and refers to "Audit Quality Indicator (AQI) Disclosure Framework and Template", which set out 13 indicators covering five scopes to propose assessment to the Board of Directors for approval on March 14th 2024. Content: 1.Professionalism (1)Audit Experience (2)Training Hours (3)Attrition Rate (4 Professional Support 2.Quality Control (1)Workload (2)Involvement (3)EQCR (4)Quality Support Capacity 3.Independence (1)Non-Audit Service (2)Familiarity 4.Monitoring (1)External Inspection Result & Enforcement (2)Number of Official Improvement Letters Issued by Authority 5. Innovation	No major difference
4. Does the Company have qualified governance personnel in an appropriate number and designate one chief corporate governance officer to oversee corporate governance affairs (including but not limited to provide the directors and supervisors with information	✓		In 2022, the Company has appointed Corporate Governance Officer responsible for corporate governance affairs to protect shareholders' rights and strengthen the functions of the Board of Directors.	No major difference

Scope of Assessment	Status (Note 1)			Deviations from "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies" and reasons
	Yes	No	Summary	
required for business execution, handle matters relating to board meetings and shareholders' meetings according to laws, handle company and change registration and produce minutes of board and shareholders' meetings, etc.)?				
5. Does the Company establish channels for communication with stakeholders (including but not limited to shareholders, employees, customers, and suppliers), design special web pages for the stakeholders on the website, and appropriately respond to important CSR issues of interest to the stakeholders?	✓		The Company has established special web pages for the stakeholders on the website and provided contact information for the spokesperson and each stakeholder contact person to maintain smooth communication channels with the shareholders, employees, customers and suppliers. Major concerns of the stakeholders and the respond of the Company: 1. Shareholders/investors: Issues concerning the business performance, financial and business conditions and market image of the Company. The Company communicates with the investors via the annual shareholders' meeting and irregular investor conferences. In addition, the Company establishes the spokesperson system to answer the questions of the investors to provide financial and business information with high transparency for the investors. 2. Employees: Issues concerning the employee welfare and educational training. The Company communicates with the employees via the intranet, internal communication software, face-to-face, telephone and the employee opinion mailbox and responds to the needs of the employees. 3. Customers: Issues concerning the website operations. The Company	No major difference

Scope of Assessment	Status (Note 1)			Deviations from "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies" and reasons
	Yes	No	Summary	
			provides contact information for members of each website on the Company website and responds to the questions of the customers via consumer hotline and mailbox. 4. Suppliers: Issues concerning the equipment maintenance. The Company provides contact channels on the Company website and communicates with the suppliers via conferences, conference calls, telephone and mails.	
6. Does the Company commission a professional registrar to deal with the affairs of shareholders' meetings?	✓		The Company has appointed the Capital Securities Corporation to handle the shareholders service affairs on behalf of the Company.	No major difference
7. Information Disclosure (1) Has the Company built a website to disclose the financial and corporate governance information of the Company?	✓		The Company has built a website maintained by designated personnel to disclose relevant information regularly.	No major difference
(2) Does the Company use other information disclosure methods (e.g. English website, assignment of specific personnel to collect and disclose corporate information, implementation of a spokesperson system, and the broadcasting of investor conferences via the company website)?	✓		The Company has designated personnel responsible for the collection and disclosure of the Company's information, such as the establishment of Chinese and English investor section and implementation of the spokesperson and deputy spokesperson system in accordance with the regulations.	No major difference
(3) Does the Company publicly announce and file the annual financial report within two months after the close of fiscal year and announce and file the financial reports of the first, second and third quarters and the monthly operation status prior to the regulated deadline?	✓		The Company has publicly announced and filed the annual and quarterly financial reports along with the monthly operation status which are audited and certified by a certified public accountant, approved by the Board of Directors and recognized by the supervisors within the regulated deadline based on the "Securities and Exchange Act." The Company also publicly announced and filed the financial information	No major difference

Scope of Assessment	Status (Note 1)			Deviations from "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies" and reasons
	Yes	No	Summary	
			mentioned above prior to the regulated deadline permitted by relevant operation process.	
8. Does the Company have additional important information that is helpful to understand the operation of the corporate governance (including but not limited to the interests and care of employees, investor relationships, supplier relationships, rights of stakeholders, further education of directors and supervisors, implementation of risk management policies and risk assessment standards, implementation of customer policies, and liability insurance coverage for directors and supervisors)?	✓		The Company has established the "Corporate Governance Best Practice Principles" resolved and approved by the Board of Directors and disclosed it on the Company website. 1. Employee rights and employee care: The Company establishes the Employee Welfare Committee which consist of members elected by the employees to handle the employee welfare matters and contribute pension fund according to the Labor Pension Act. Relevant laws including the Labor Standards Act, Act of Gender Equality in Employment, Sexual Harassment Prevention Act are adopted as the minimal standard for the establishment of all regulations and measures of the Company related to the relations between laborers and employer to ensure the employee's rights. The status of implementation remains good. All addition or amended measures related to the relations between laborers and employer are determined after sufficient negotiation and communication between the employers and employees to achieve the win-win situation. The Company also holds labor-management conference regularly and builds open communication channel to timely understand the thoughts and suggestions of the employees and use it as reference for each benefit adjustment and system optimization of the Company. 2. Investor relations: The Company designates the responsible unit to collect and disclose information	No major difference

Scope of Assessment	Status (Note 1)			Deviations from "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies" and reasons
	Yes	No	Summary	
			related to the Company and establishes the spokesperson, deputy spokesperson and shareholder service agent for the shareholders and investors to consult questions related to the Company. 3. Supplier relations: For the supplier management procedure of the Company, besides maintaining the purchase quality, the Company establishes long-term close relationship, cooperation and mutual trust with the suppliers to jointly pursue sustainable growth and win-win situation. 4. Rights of stakeholders: The Company maintains open communication channels with correspondent banks, employees, customers and suppliers to respect and protect their legal rights. The Company also establishes the spokesperson system to answer the questions of the investors to provide financial and business information with high transparency for the investors and stakeholders. 5. Continuing education for directors: The directors have taken continuing education according to the "Directions for the Implementation of Continuing Education for Directors of TWSE Listed and TPEx Listed Companies." The Company also arranges appropriate irregular continuing courses for the directors. 6. Implementation of risk management policies and risk evaluation measures: The Company establishes various rules and regulations in	

Scope of Assessment	Status (Note 1)			Deviations from "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies" and reasons
	Yes	No	Summary	
			accordance with the laws so as to carry out risk assessment and implement internal audit operation. 7. Implementation of customer policies: The Company strives to provide comprehensive services and protection for the customers. When customers has complains, the Company not only proceeds sufficient communication immediately with the customers to understand their needs and promote interaction between the Company and the customers but also irregularly reviews and improves the implementation at the internal conference of the Company. 8. Liability insurance coverage for directors: The Company has bought liability insurance for the directors to strengthen the protection of the shareholder's equity. 9. Operation of the Board of Directors: The directors of the Company both has high attendance rate in the meeting to faithfully supervise the operation status of the corporate governance. The directors of the Company uphold high self-disciplined principles. If the director is an interested party in relation to motions proposed at a directors' meeting which may impair the interest of the Company, they shall not participate in the voting.	

9. Please specify the status of the improvement made, based on the corporate governance assessment report released by the Corporate Governance Center of TWSE in the most recent year, and the priority corrective actions and measures for any issues that are yet to be rectified:
The Company has completed the corporate governance self-evaluation in 2023, conducted review and improvement according to the evaluation results and acquired the balance between corporate operations to constantly promote the compliance with relevant regulations.

10. The succession planning of the Board members and important management and its implementation:

(1) Succession plan for members of the Board of Directors

There are 9 directors, including 3 independent directors in the company currently who are equipped with diversified legal, financial, accounting or management abilities for corporate business. Two of directors are in the senior management position of the Company concurrently. The structure and members' background of the Board of Directors will last in the future.

The Company trains senior managers for their participation in the Board of Directors and proficiency in the operation. Besides, the Company arranges for managers to attend the Board of Directors training courses jointly to enhance their relevant abilities. There are several senior managers in the company for selection of directors in the future. In addition to diversity, the number of directors who are also managers in the company shall not exceed one-third of the whole number of directors, and gender equality, knowledge, experiences, skills, and morals will be emphasized. Independent directors have to be equipped with the required working experience in business, legal, finance, or accounting according to law, and the supply of these professionals in Taiwan is sufficient. The Company will utilize the talent database of independent directors to select professionals who are familiar with the industry for succession.

(2) Succession plans for major management levels

The Company's major management levels are young and middle-aged people who will not retire in the near future, so the risk of succession is low. The Company has a series of succession plans for all major management levels to complete job descriptions and assign deputies for training them with professional knowledge, management ability, cross-departmental communication skills by different project tasks in the long term. In addition, there are various courses every year for supervisors at all levels who can get on-job trained once a year. Total 40 supervisors completed the courses in 2023 and total training hours are 360. The Company also enhances team leadership, management, and professional capabilities through external courses for the succession plans.

4.4 Composition, Responsibilities and Operations of the Remuneration Committee:

(1)Professional Qualifications and Independence Analysis of Remuneration Committee Members:

Apr 15,2024

Issuance conditions / Title	Name	Professional qualifications and experience	Independence	Number of positions as an Independent Director in other public listed companies
Independent Director	Lien, Chi-Jui	Please refer pages 11-12 for Professional qualifications and independence analysis of directors and supervisors.		1
Independent Director	Chen, Fu-Mei			-
Independent Director	Chen, Su-Ting			-

(2)Duties of the Remuneration Committee:

The competence of the Committee is to evaluate the Company's policies and systems of remuneration to directors and managers, in a professional and optimistic manner, and submit suggestions to the Board of Directors as the reference for decision-making.

The duties of the Committee are as follows:

(A) Periodically review the Company's Remuneration Policy and propose recommendations for amendments.

(B) Establish and conduct periodic reviews of the policies, systems, standards, and structures for performance appraisal and remuneration of the Company's directors, and managerial officers.

(C) Periodically evaluate the salary and remuneration of the Company's directors, and managerial officers.

(3)Attendance of Members at Remuneration Committee Meetings:

(A) The Company's Compensation committee is composed of three people.

(B) Current member's tenure: From Aug. 26, 2021 to Aug. 25, 2024. A total of 4 meetings of the Remuneration Committee were held in the previous period., and the member qualifications and attendance are as follows:

Title	Name	Actual no. of meetings attended (B)	No. of meetings with entrusted attendance	Actual attendance rate (%) (B/A)	Remarks
Convener	Chen, Fu-Mei	5	0	100%	-
Member	Lien, Chi-Jui	5	0	100%	-
Member	Lu, Fang-Jung	5	0	100%	-

Other matters to be recorded:

1. If the board of directors did not adopt or amend the suggestion of the Compensation committee, please indicate the date and session number of the board meeting, the contents of the motion, the result of the resolution and the Company's handling of the suggestion of the Compensation committee (if the remuneration passed by the board is better than the suggestion of the Compensation committee, please state the difference and the reasons): None.
2. If any member had objections or reservations about the resolution of the Compensation committee and there is a record or a written statement, please indicate the date and session number of the Compensation committee meeting, the contents of the motion, all the opinions of the members and how the opinions were handled: None.

(C) Important resolutions of the Remuneration Committee in the most recent year:

Date	Proposal	Result of resolution	Dealing with the opinion from the Remuneration Committee
03.24.2023	1. Review the plan of the distribution of remuneration to directors, managers, and employees in 2022. 2. Review the plan of the distribution of performance bonus to the managers of the subsidiaries in 2022.	Approved by all present committee members unanimously.	Proposed to board of directors for resolution, and approved by all present directors unanimously.
05.12.2023	Review the annual appointment, promotion, and salary adjustment of managers.	Approved by all present committee members unanimously.	Proposed to board of directors for resolution, and approved by all present directors unanimously.
08.11.2023	1. Establishment of "Employee Incentive Bonus Regulations". 2. Review the plan of the distribution of performance bonus to the managers (including in the Company and the	Approved by all present committee members unanimously.	Proposed to board of directors for resolution, and approved by all present directors unanimously.

Date	Proposal	Result of resolution	Dealing with the opinion from the Remuneration Committee
	subsidiaries) in the first half of 2023.		
11.11.2023	1. Review the standards of the evaluation indicators for the performance of the board of directors, board members, and functional committees. 2. Propose the annual work plan of the following year. 3. Review the amount of the restricted phantom shares for the managers of subsidiaries in 2023. 4. Amend the "Managers' Remuneration Management Rules". 5. Review the annual appointment, promotion, and salary adjustment of managers.	Approved by all present committee members unanimously.	Proposed to board of directors for resolution, and approved by all present directors unanimously.
12.21.2023	1. Review the annual appointment, promotion, and salary adjustment of managers(including the subsidiaries). 2. Review the annual bonus of the managers(including the subsidiaries).	Approved by all present committee members unanimously.	Proposed to board of directors for resolution, and approved by all present directors unanimously.

4.5 Corporate Social Responsibility:

Scope of Assessment	Status			Deviations from "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies" and reasons
	Yes	No	Summary	
1. Does the Company have a governance structure that promotes sustainable development, and establish a special unit or designate an existing unit for the task of sustainable development promotion? Does the Board of Directors of the Company authorize the management to handle relevant matters and supervise the Board?	✓		The Company has established the"Sustainable Development Best Practice Principles" and the"Corporate Sustainable Development Group" with the General Manager as the convener in 2022 to convene the heads of each division to be responsible for the Corporate Governance Group, Employee Care Group, Social Care Group, Environmental Sustainability Group and Customer Care Group. They coordinate the promotion of sustainable development and corporate social responsibility of the company, and prepare a sustainability report of the implementation results to the board of directors' review. The Board of Directors review the company's progress in sustainable development and make recommendations on the	No major difference

Scope of Assessment	Status			Deviations from "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies" and reasons
	Yes	No	Summary	
			direction of implementation and planning for the next year.	
2. Does the Company implement the risk assessment of environmental, social, and corporate governance issues related to corporate operation and establish relevant risk management policies or strategies based on the principle of materiality?	✓		The Company reviewed the industry to which the Company belongs and integrated the information from each department and domestic and overseas organizations (e.g. GRI) to raise strategies for each material issue, in the hope to reduce the impact of the risk on the Company by implementing effective management. 1. Environment: The Company runs the transaction platform online without engaging in any product manufacture. Therefore, there is no process that causes environmental pollution easily. In addition, the Company plans to adopt ISO 14046-1 to understand more about the greenhouse gas generated during the operation, subsequent management, and reduction of the emissions, hoping to control the GHG emissions effectively and reduce the impact of the climate change on the environment and ecology. 2. Society: The online transaction platform is the main business of the Company and, thus, there is no machinery or equipment that may cause material damage to the work environment. The Company improves the safety and comfort in the work environment on an ongoing basis, including adequate lighting and monitoring and maintenance of air quality. The Company also arranges regular fire drills, physical examination and health consultation activities. 3. Corporate governance: (1) The Company has established an internal control system to implement legal compliance	No major difference

Scope of Assessment	Status			Deviations from "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies" and reasons
	Yes	No	Summary	
			properly. (2) All the Board members must participate in the internal corporate governance courses and the Company takes out liability insurance for the directors. (3) The Company conducts self-evaluation of the Board of Directors every year and performs external evaluation once every three years. 4. Information security: The Company has endeavored to ensure the control and management of the information security and the personal data protection. We established the committee for assessment of information management which is responsible to promote, coordinate, and supervise the matters relating to the protection of information of the Company in 2013. Meanwhile, we also engaged the third-party certification unit to regularly assess the information security of the Company. The Company passed the SGS international certification and BS 10012 PIMS (Personal Information Management System) in 2017. We maintain the information security regularly every year and continue to pass the certification to preserve its effectiveness to ensure the highest-level protection of the clients' information under multi-layers information security controls.	
3. Environment issue (1) Has the Company established environmental management policies suitable for the Company's industrial characteristics?	✓		The Company has established the applicable system subject to the industry characteristics and complied with relevant environmental protection laws without any violation against the environmental protection laws. In addition, the company conducts an	No major difference

Scope of Assessment	Status			Deviations from "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies" and reasons
	Yes	No	Summary	
			inventory of greenhouse gas emissions in accordance with the ISO 14046-1 rules every year to understand more about the greenhouse gas generated during the operation, subsequent management, and reduction of the emissions, hoping to control the GHG emissions effectively and reduce the impact of the climate change on the environment and ecology.	
(2) Is the Company dedicated to enhancing energy efficiency and using recycled materials with low impact on the environment?	✓		The Company has executed the classification of waste and promoted paperless process to increase the reuse efficiency of resources.	No major difference
(3) Does the Company assess the present and future potential risk and opportunities of climate change in relation to the Company and adopt corresponding countermeasures?	✓		the Company assess the present and future potential risk and opportunities of climate change in relation to the Company and adopt corresponding countermeasures.please refer to page 52 of the annual report and Chapter 2.4 of the ESG Report And disclosed in the ESG Report, for risk assessment and management measures related to climate change.	No major difference
(4) Does the Company gather statistics of the greenhouse gas emission, water consumption and the gross weight of the waste in the past 2 years and establish policies for reduction of greenhouse gas emission and water consumption or other waste management?	✓		The company was conduct an inventory of greenhouse gas emissions in 2022. Please refer to Chapter 3 of the ESG report for details.The Company runs the transaction platform online without engaging in any product manufacture. Therefore, there is no process causing environmental pollution nor discharge of waste water or air pollution. The Company currently takes the following management policies: 1. Use department exclusive folders to deliver internal documents, promote paperless processing and reuse of papers to reduce the usage of paper resources. 2. Use energy-saving tubes inside the Company, regularly promote living	No major difference

Scope of Assessment	Status			Deviations from "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies" and reasons
	Yes	No	Summary	
			habits to save water and electricity and reduce the impact on the environment in compliance with the government policies. 3. Outsource daily cleaning to professional cleaning company and set recycling bin for resource classification. 4. Execute regular environment sterilization and cleaning of the fan-coil unit to maintain the clean environment. 5. Regularly perform drinking water quality inspection inside the Company.	
4. Social issue (1) Does the Company develop management policies and procedures in accordance with relevant regulations and international human rights conventions?	✓		The Company adopts the "ADDcn Technology Co., Ltd Work Rules", "Employee Handbook", and related management policies and procedures pursuant to the "Labor Standards Act", "Regulations of Leave-Taking of Workers", "Labor Safety and Health Act", "Act of Gender Equality in Employment", and "Employment Service Act", adopts and voluntarily abides by international recognized human rights standards such as "UN Universal Declaration of Human Rights", "UN Global Compact", "UN Guiding Principles on Business and Human Rights", and "UN International Labor Organization", and observes laws and human rights conventions. Human rights management policy of the Company and details are summarized below: 1. Provide safe and healthy working environment: Please refer to page 44 "Employees' safe and healthy working environments" 2. Assist employees to stay physical and mental health and work-life balance: Reduce working hours per	No major difference

Scope of Assessment	Status			Deviations from "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies" and reasons
	Yes	No	Summary	
			day to 7.5 hours from 8 hours since 2024, and provide employees proper rest times with lunch break 1.5 hours. 3. Prohibit to force labor and comply with local labor laws: and regulations: Implement a leave policy and provide annual leave over it in compliance with applicable laws and regulations to encourage employees to enjoy their work and life.	
(2) Does the Company establish and implement proper employee welfare measures (including the salary, holidays and other welfare) and reflect the corporate business performance or achievements in the employee remuneration?	✓		1. The Company has established the work rules with the employee handbook and regulations, including the remuneration standard, holiday regulations, pension contribution, labor and health insurance payments and approved payment of occupational disaster for the employees of the Company. All of these regulations stated above comply with the relevant regulations of the Labor Standards Act. 2. Employee remuneration: The average starting salary of the Company is higher than the lowest wage specified in the Labor Standards Act. The Company reviews the level of the salary every year and regularly updates the competitive salary level as a reference for the adjustment of the salary. The company puts aside and distributes annual bonus depending on the profitability of the Company. 3. Diversification and equality at the workplace: The Company places importance on the diversification and equality at the workplace by assuring equal pay for equal work and the same promotion opportunity between the male and female employees. The average percentage of female employees in 2023 was	No major difference

Scope of Assessment	Status			Deviations from "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies" and reasons
	Yes	No	Summary	
			57% and female supervisors occupies 50% on average. 4. Leave: The Company provides annual leave according to the Labor Standards Act based on two days off a week. The employee who caring for a baby, suffers from serious injury or sickness, or encounters a severe accident and needs to take long leave may apply for leave without pay to meet the personal and family demands. 5. Employee welfare: The Company establishes the Employee Welfare Committee which consist of members elected by the employees to handle the allowance, cash gift, subvention, and other employee welfare matters and various activities such as quarterly staff dinner party, irregular movie day, family day, and sports meet. Please refer to Page 62 of the Chinese Annual Report for the complete description of the employee welfare. 6. The Company establishes a performance evaluation system. The immediate supervisor communicates with the employee personally and formulates the work goals. The employee performance evaluation is conducted twice a year as a reference for adjustment of salary, promotion and remuneration payment. 7. The Company establishes the "Employee Remuneration Implementation Rules" and encourages employees to strive for more profit of the Company, stimulate their morale, provides incentives for their endeavor and contribution to the Company according to the Rules, and by doing so, spirit up the Company to keep	

Scope of Assessment	Status			Deviations from "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies" and reasons
	Yes	No	Summary	
			growing and promote sustainable development.	
(3) Does the Company provide a safe and healthy work environment for its employees? Does the Company regularly provide its employees with safety and health education?	✓		1. The Company installs adequate lighting equipment and well-designed emergency evacuation routes and exits, and sets up first-aid kits, AED devices, and carbon dioxide detectors. The elevators and fire-fighting facilities of the office building are maintained at least once a year. The Company conducts environmental disinfection every month and implements training on fire equipment operation and maintenance once a year. Employees are arranged to take CPR emergency rescue training once a year to help them obtain their CPR licenses. Both face recognizing and security systems are used to provide a dual management mechanism for entrance control to ensure a secure working environment for all the employees. 2. Physical examination services and follow-up actions are provided for the employees every year to ensure their physical and mental health. Physicians specialized in occupational medicine are invited to visit the Company for health inspection and interview with the employees every two years. Occupational health nurses are arranged to provide one-on-one healthcare consulting service twice a month to help employees mitigate existing and potential health problems. The idea of independent health management is introduced to the employees to improve their health in multiple Arranging for Title. 3. The Company sets up lactation rooms to provide female employees	No major difference

Scope of Assessment	Status			Deviations from "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies" and reasons
	Yes	No	Summary	
			with comfortable lactation environment and required consumables. The Company also offers open cafe areas and the latest magazines, between-meal nibbles and beverage cabinets to provide employees with healthy and safety work environment. 4. The Company establishes the "Workplace Bullying Control, Reporting and Punishment Regulations" and specifies the sexual harassment prevention measures and reporting channels in the "Work Rules" to protect the physical and mental health as well as work safety of the employees. 5. The Company belongs to the Class III business referred to in the "Occupational Safety and Health Management Regulations". We have appointed a "class-1 manager of occupational safety and health affairs" and acquired the approval from the Occupational Safety and Health Administration, Ministry of Labor, to protect the work environment and the safety of the employees and avoid occurrence of occupational accidents. In addition, four employees of the Company have acquired the "Safety & Health Training for First Aiders" to cope with emergencies. 6. Number of occupational accidents in 2023: Case: 3; number of affected employees: 3; percentage in total employees: 1.6%. The primary reason of the accidents was traffic accidents during riding motorcycles from and to the office. Improvement measures were enhanced dissemination of safety in walking and riding motorcycles. 7. There was no fire incident in 112	

Scope of Assessment	Status			Deviations from "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies" and reasons
	Yes	No	Summary	
			years.	
(4) Has the Company established some effective career development training plan for employees?	✓		The Company provides comprehensive career development training for employees and managers at all levels, including new staff training and advanced professional training. In addition, the Company arranges courses for med-level and high-level managers and provide employees with external training information on an irregular basis. Employees are encouraged to take education courses and multiple channels are provided for their career development training. In addition to the regular courses on personal data and information security, employees may apply for educational training to meet their personal career requirements (primarily online courses) with the consideration of the their health as the first priority in response to the COVID-19 in 2022. The Company also provides a subsidy of NT$10,000 per person for the education training every year. Details are prescribed in the Employee Handbook. 40 grassroots supervisor finished the supervisor training courses for them in 2023 to a total of 360 hours.	No major difference
(5) Does the Company take customer's health and safety into account and market and label products and services in accordance with the related laws and international practices? Does the Company establish policies and complaint procedures to protect the rights and interests of the consumer?	✓		As explicitly specified in the "Procedures for Ethical Management and Guidelines for Conduct", the Company shall collect and understand the applicable laws and regulations and international standards governing its products and services which it shall observe and gather all guidelines for announcement to cause personnel of the Company to ensure the transparency of information about and safety of the products and services in the course of their research and development, procurement, manufacture, provision, or sale of products and services.	No major difference

Scope of Assessment	Status			Deviations from "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies" and reasons
	Yes	No	Summary	
			The Company shall establish and publish on its website a policy on the protection of the rights and interests of consumers or other stakeholders to prevent its products and services from directly and indirectly damaging the rights and interests, health, and safety of consumers or other stakeholders. Where there are media reports or sufficient facts to determine that the Company's products or services are likely to pose any hazard to the safety and health of consumers or other stakeholders and it is within the scope of responsibility borne by the Company specified in the "Service terms," "Disclaimer" and "Privacy Statement" of the Company website, the Company shall recall those products or suspend the services within 14 workdays, verify the facts and present a review and improvement plan. The responsible unit of the Company shall report the event as in the preceding paragraph, actions taken, and subsequent reviews and corrective measures taken to the board of directors. A dedicated mailbox and a customer service phone number are provided on the website of the Company as communication channels and designated customer service personnel are also available to deal with these matters. Consumers can protect their rights and interests pursuant to the complaint procedures. The Company entered into a MOU with the Development of Land Administration, Taipei City Government, in 2019 to assist the government with full prevention of illegal and violating advertisements to	

Scope of Assessment	Status			Deviations from "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies" and reasons
	Yes	No	Summary	
			secure real-estate transactions.	
(6) Does the Company establish supplier management policies and ask them to follow relevant regulations on the issues of environmental protection, occupational safety and health, or labor rights? What is the implementation status?	✓		As explicitly specified in the "Sustainable Development Best Practice Principles", it is advisable for the Company to assess the effect on the procurement behavior on the environment of the community and the society, and work with the suppliers to implement the corporate social responsibility properly. It is advisable for the Company to establish supplier management policies and request suppliers to comply with relevant regulations on the issues of environmental protection, occupational safety and health, or labor rights. It is also advisable to assess the record of the supplier with respect to the impact on the environment and society and avoid transactions with the suppliers acting in violation of the CSR policies of the Company. When entering an agreement with a major supplier, it shall contain the compliance with the CSR policies of both parties and the clause that the agreement may be terminated or revoked at any time when the supplier acts in violation of the policies and produces a significant effect on the environment of the community and the society. The supplier evaluation process and operation procedure are specified in the "Procurement Management Procedure". It requires the supplier to incorporate the observance of the Company's CSR policies in the agreement to ensure that the products or services provided by the suppliers meet the requirements of the Company and the regulations of the government. For this, the audit unit of the Company shall conduct audit every year. Please refer to Chapter 3 of the ESG report for details.	No major difference

Scope of Assessment	Status			Deviations from "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies" and reasons
	Yes	No	Summary	
5. Does the Company compile the sustainability report or other reports that disclose non-financial information of the Company with reference to internationally accepted report preparation guidelines or guides? Does the report mentioned above have been assured, verified or certified by a third party?		✓	The company has been preparing the sustainability report based on the GRI standards since 2022, and disclosing it on the official website.	The company plan to obtain the certification by the third-party unit for annual sustainability report in the next two years.
6. In the event that the Company has established sustainable development best practice principles in accordance with the "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies", please describe the differences between the implementation and the established principles:No major difference.				
7. Other important information useful to the understanding of the sustainable development implementation: Please refer to the ESG report for details on the sustainable development implementation.				

4.6 The execution status of climate related information：

Item	Status
1. Describe the Board's and managers' supervision and governance of climate related risks and opportunities.	The Board of Directors is the supreme supervisory authority which reviews not only sustainable development and greenhouse gas report quarterly, but also inventory of greenhouse gas and ESG report yearly. The Board of Directors shall review the progress of sustainable development, and propose the plan and recommendation of execution in the next year.
2. Describe how risks and opportunities of climate change have an influence on the business, strategies and finance. (short-term, medium-term, long-term)	Please refer to the ESG report 2.4 Risk Management for the risks and opportunities of climate change.
3. Describe the financial impact of extreme weather events and transition action.	The Company runs the online transaction platform which is not affected by extreme weather events, but we continue to focus the risks and opportunities.
4. Describe the identification, evaluation of climate risk , and how to integrate management process into risk management system.	Please refer to the ESG report 2.4 for details of risk management.
5. Explain the scenarios, parameters, assumptions, analytical factors and main financial impacts if situational analysis is applied to assess resilience of climate change risks.	Not applicable.
6. Explain the details and targets for identifying and managing physical/transition risks if there is any transition plan for responding climate risks.	No plan for transition.
7. Explain the base of pricing if internal carbon pricing is applied.	Not applicable.
8. Explain the activities, scope of greenhouse gas emissions, schedule and achieved progress if there is any climate-related targets. Explain the source of carbon offset credit or number of RECs if carbon offset or RECs is applied.	Please refer to Chapter 3 Eco-friendly of the ESG report for management policy of climate and greenhouse gas emissions.
9. Inventory of greenhouse gas emissions and assurance. Policy, strategies, and specific plan for reduction of greenhouse gas emissions. (Please refer to 1-1 and 1-2)	The company was self-conducted an inventory of greenhouse gas emissions since 2022, and conduct early assurance of 2023 inventory of greenhouse gas emissions. Detailed inventory data and assurance information will be disclosed in ESG report.

4.7 Ethical Corporate Management:

Scope of Assessment	Status			Deviations from "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies" and reasons
	Yes	No	Summary	
1. Enactment of ethical management policy and program (1) Does the Company establish ethical corporate management policies that are adopted by the Board of Directors and explicitly state such policies and the implementation methods in its Articles of Incorporation and external documents? Do the Board of Directors and top management actively implement their commit to implementing the operating policies?	✓		The company has established the "Ethical Corporate Management Best Practice Principles" and "Procedures for Ethical Management and Guidelines for Conduct" that have been adopted by the Board of Directors and explicitly stated such policies and the implementation methods in its Articles of Incorporation. The Board of Directors and top management actively implement their commitment to implementing the operating policies. The Board of Directors and the management team fully understand their importance in the creation of a benchmark for good business operation and ethical corporate culture and to march toward the goals collaboratively.	No major difference
(2) For the risk of unethical conduct, does the Company establish the assessment mechanism and regularly analyze and assess the business activities within its business scope which are possibly at a higher risk of being involved in an unethical conduct to establish preventive solutions that at least cover the conducts specified in Article 7, Paragraph 2, Subparagraph 1~7 of the "Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies"?	✓		The Company has taken preventative measures against the conducts under Article 7, Paragraph 2, Subparagraph 1~7 of the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies" and other business activities within its business scope which are possibly at a higher risk of being involved in an unethical conduct. An effective and strict internal control system has been established and irregular review is conducted to ensure ongoing effectiveness of implementation.	No major difference
(3) Whether the Company explicitly defines procedures, guides of conduct, and disciplinary and reporting systems in case of violation in the preventive	✓		The Company has explicitly defined relevant requirements in the "Ethical Corporate Management Best Practice Principles" and "Procedures for	No major difference

Scope of Assessment	Status			Deviations from "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies" and reasons
	Yes	No	Summary	
solutions of unethical conducts, implements accordingly, and carries out review and modification of these solutions?			Ethical Management and Guidelines for Conduct." The Company has regularly audited and evaluated the implementation status of the preventive solutions, evaluated the compliance status in each relevant business process, and reported to the Board of Directors.	
2. Implementation of ethical management (1) Has the Company assessed a record of the trading counterpart's ethical conduct, and expressly states the clauses of ethical conduct in the contract to be signed with the trading counterpart?	✓		According to the "Procedures for Ethical Management and Guidelines for Conduct," the Company must establish thorough understanding of the integrity of the counterparty prior to entering into any contract, and include compliance with the ethical corporate management policies into the contract where possible.	No major difference
(2) Whether the Company establishes a unit dedicated to promoting ethical corporate management under supervision by the Board of Directors and whether such unit reports the ethical corporate management policies and the preventive solutions of unethical conductas well as the supervision of the implementation effectiveness to the Board of Directors (at least once a year)?	✓		The Company designates the President's Office to establish the ethical corporate management policies and preventive solutions as well as supervise their implementation effectiveness. The President's Office assists the Board of Directors and management in auditing and evaluating the implementation of the preventive solutions, and reports to the Board of Directors once a year about the ethical corporate management policies and the preventive solutions of unethical conductas well as the supervision of the implementation effectiveness.	No major difference
(3) Has the Company defined any policy against conflict of interest, provides adequate channel thereof, and fulfills the same precisely?	✓		The "Ethical Corporate Management Best Practice Principles" and "Procedures for Ethical Management and Guidelines for Conduct" of the Company explicitly require that directors having a conflict of interest in any proposal raised by the Board of Directors may express	No major difference

Scope of Assessment	Status			Deviations from "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies" and reasons
	Yes	No	Summary	
			their opinions and answer inquires and shall not participate in discussion and voting. Where any conflict of interest exists during execution of duties, the employee concerned shall report to the immediate supervisor.	
(4) Has the Company fulfilled the ethical management by establishing an effective accounting system and internal control system, and had an internal audit unit develop relevant audit plans according to the risk assessment result of unethical conductand audit the compliance with the preventive solutions of unethical conduct accordingly, or appointed a CPA to do so?	✓		The Company has established an effective accounting system and internal control system. The internal audit unit is responsible for auditing the compliance with the above-mentioned systems.	No major difference
(5) Has the Company organized internal/external educational training program for ethical management periodically?	✓		The Company organizes external educational training courses every year to improve the understanding and enhance the awareness of ethical management among employees.	No major difference
3. Status of the Company's complaint system (1) Has the Company defined a specific complaint and rewarding system, and established convenient reporting channels, and assigned competent dedicated personnel to deal with the situation?	✓		The Company has set up reporting mailboxes and hotlines on the Company's official and internal websites. These websites are available internally and externally. The complaint and rewarding system are specified in the "Procedures for Ethical Management and Guidelines for Conduct."	No major difference
(2) Has the Company defined the standard operating procedure for investigation after acceptance of a complaint, the follow-up actions to be taken after the investigation, and relevant nondisclosure mechanism?	✓		The Company has defined the standard operating procedure for investigation after acceptance of a complaint and relevant nondisclosure mechanism in the "Procedures for Ethical Management and Guidelines for Conduct."	No major difference

Scope of Assessment	Status			Deviations from "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies" and reasons
	Yes	No	Summary	
(3) Has the Company adopted any measures to prevent the complainants from being abused after filing complaints?	✓		The Company has undertaken in relevant regulations that no one that files a complaint will be treated inappropriately, and the designated unit will deal with the matter in accordance with relevant regulations.	No major difference
4. Enhancing Information Disclosure Has the Company has disclosed the Ethical Management Best Practice Principles and the effect of implementation thereof on its website and Market Observation Post System?	✓		The Company has built a website maintained by designated personnel to disclose relevant information regularly.	No major difference
5. If the Company has established ethical management best practice principles based on "Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies," please describe any discrepancy between the principles and their implementation: None.				
6. Additional important information that is helpful to understand the operation of the Company's ethical management: The Company will at all times pay attention to the development of relevant regulations on ethical corporate management and, based on which, review and improve the "Ethical Corporate Management Best Practice Principles" and "Procedures for Ethical Management and Guidelines for Conduct" of the Company to improve the effectiveness of ethical corporate management.				

4.8 Corporate Governance Guidelines and Regulations:.

The Company has its Corporate Governance Best Practice Principles which can be checked on MOPS or the Company's website by investors.

4.9 Other Important Information Regarding Corporate Governance:

Please refer to MOPS: https://mops.twse.com.tw (corporate governance)

Or refer to the company's website: https://www.addcn.com

4.10 Internal Control Systems:

Please refer to page 40 of the Chinese annual report.

4.11 The company and its internal personnel were punished according to law in the most recent year and as of the date of publication of the annual report, the company's internal personnel violated internal control system regulations, major deficiencies and improvements: None.

4.12 Major Resolutions of Shareholders' Meeting and Board Meetings:

(1)Important resolutions of the shareholders' meeting in 2023 and as of the date of publication of the annual report:

Date	Proposal	Implementation status
06.14.2023 Annual Shareholders' Meeting	1. 2022 Business Report and Financial Statements.	Implemented as resolved.
	2. 2022 Surplus Earning Distribution.	Implemented as resolved.
	3. New share issue through capitalization of earnings.	Implemented as resolved.

(2)Important resolutions of the board meetings in 2023 and as of the date of publication of the annual report:

Date	Description of Proposal
03.24.2023	1. Review the plan of the distribution of remuneration to directors, managers, and employees in 2022.
	2. 2022 business report and financial statements.
	3. 2022 earning distribution.
	4. Proposal of new shares issued from capital reserve.
	5. To commission KPMG Taiwan to conduct audit and certification of 2023 financial statements and profit-seeking enterprise income tax as well as relevant fees.
	6. 2022 "Effectiveness Evaluation of the Company's Internal Control System" and "Statement on Internal Control System".
	7. Amendment to the "Internal Control System" of the Company.
	8. Amendment to the "Internal Audit System Implementation Rules" of the Company.
	9. Amendment to the "Corporate Governance Best Practice Principles "of the Company.
	10. Amendment to the "Sustainable Development Best Practice Principles".
	11. Amendment to the "Standard Procedures of Treatment for Directors' Requests.
	12. Review the plan of the distribution of performance bonus to the managers of the subsidiaries in 2022.
	13. Establishment of the matters related to the "Period of Public Announcement on Acceptance of Shareholders' Proposals" for the 2023 annual shareholders' meeting.
	14. Convene 2023 annual shareholders' meeting.
05.12.2023	1. 2023 Q1 financial reports.
	2. Planned cancellation of new restricted shares to employees.
	3. Amendment to the "Internal Control System" of the Company.
	4. Change of the CPA responsible for auditing the Company's financial statements.
	5. Review the annual appointment, promotion, and salary adjustment of managers (including the subsidiaries).
08.11.2023	1. 2023 Q2 financial reports.
	2. Determination of record date of capitalization of earnings for issuing new shares.
	3. Determination of earning distribution for cash dividend in the first half of 2023.
	4. Application for loans from Cathay United Bank.
	5. Amendment to the "Internal Control System" of the Company.

Date	Description of Proposal
	6. Amendment to the "Internal Audit System Implementation Rules" of the Company.
	7. Establishment of "Employee Incentive Bonus Regulations".
	8. Review the plan of the distribution of performance bonus to the managers, including the subsidiaries, in the first half of 2023.
11.13.2023	1. 2023 Q3 financial reports.
	2. Planned cancellation of new restricted shares to employees.
	3. Application for loans from Cathay United Bank.
	4. Capital increase for ADDcn HK.
	5. Plan of establishment of subsidiary in Singapore.
	6. Amendment to the "Internal Control System" of the Company.
	7. Amendment of the "Managers' Remuneration Management Rules" Rules".
	8. 2024 Audit Plan of the Company.
	9. Review the amount of the 2023 restricted phantom shares for the managers of subsidiaries.
	10. Review the annual appointment, promotion, and salary adjustment of managers (including the subsidiaries).
12.22.2023	1. 2023 business plan of the Company.
	2. Renewal of the liability insurance for the directors and supervisors of the Company.
	3. Application for loans from Cathay United Bank.
	4. Amendment to the "Internal Control System" of the Company.
	5. Amendment to the "Internal Audit System Implementation Rules" of the Company.
	6. Amendment to the "Corporate Governance Best Practice Principles "of the Company.
	7. Amendment of the "Managers' Remuneration Management Rules" Rules".
	8. Review the annual bonus of the managers.
03.14.2024	1. Review the plan of the distribution of remuneration to directors, managers, and employees in 2023.
	2. 2023 business report and financial statements.
	3. 2023 earning distribution.
	4. Proposal of new shares issued from earning.
	5. To commission KPMG Taiwan to conduct audit and certification of 2024 financial statements and profit profit-seeking enterprise income tax as well as relevant fees.
	6. Amendment to the "Articles of Incorporation" of the Company.
	7. Amendments to the "Rules of Procedure for Board Meetings" of the Company.
	8. Amendments to the "Audit Committee Charter".
	9. Amendments of "Preparation of ESG Report and Procedure of verification" and rename it to "Preparation of ESG Report and Procedure of Assurance".
	10. 2023 "Effectiveness Evaluation of the Company's Internal Control System" and "Statement on Internal Control System".
	11. Proposal of subscription of employee stock options.
	12. Plan of subsidiary of Singapore subsidiary.
	13. Review the plan of the distribution of performance bonus to the managers of the subsidiaries in the second half of 2023.
	14. Proposal of directors re-election.

Date	Description of Proposal
	15. Acceptance of shareholders' proposals and nominations of directors and independent directors candidates.
	16. Release of the new directors' and corporation representatives non-competition Obligation.
	17. Convene 2024 annual shareholders' meeting.

4.13 If the directors or supervisors have different opinions about important resolutions adopted by the board in the latest year and as of the date of publication of the annual report, and there are records or written statements: None.

4.14 Resignation of Chairman, President, Chief Accounting Officer, Chief Financial Officer, Chief Internal Auditor, Chief Corporate Governance Officer, and Chief R&D Officer in the most recent year until the publication date of this annual report: None.

5. Audit Fee:

Unit: NT$ thousand

Accounting firm	CPA name	Audit period	Audit fee	Non-audit fee	Total	Remarks
KPMG	Luo, Re-Chih	01.01.2023 - 12.31.2023	3,625	1,130	4,755	1. Transfer pricing reporting. 2. Employee remuneration checklist reexamination. 3. Translation of 2022 comprehensive and individual statements. 4. Tax compliance audit. 5. Service fee of new shares dividends application review
	Yu, Sheng-Ho					

6. Replacement of CPA:Note.

7. The Employment of the Company's Chairman, General Manager, Financial or Accounting Manager with the Auditing CPA Firm or Its Affiliated Businesses in the ast Year: None.

8. Changes in Shareholding of Directors, Supervisors, Managers and Major Shareholders:

Unit: share

Title	Name	2022		as of Apr. 15, 2024	
		Shareholding Increase/ (Decrease)	Pledged share Increase/ (Decrease)	Shareholding Increase/ (Decrease)	Pledged share Increase/ (Decrease)
Chairman	Liao, Shih-Fang	431,280	-	-	-
Director and General Manager and R&D Supervisor	Wu, Tsung-Hsien	140,253	-	-	-
Director and Associate, Administrative Division	Lin, Mei-Hui	31,200	-	-	-
Director	Cheng Yu investment Co., Ltd	266,674	-	-	-
Director	Wang, Chung-Ping	-	-	-	-

Title	Name	2022		as of Apr. 15, 2024	
		Shareholding Increase/ (Decrease)	Pledged share Increase/ (Decrease)	Shareholding Increase/ (Decrease)	Pledged share Increase/ (Decrease)
Director	Chou, Liang-Cheng	165	-	-	-
Independent Director	Lien, Chi-Jui	-	-	-	-
Independent Director	Chen, Fu-Mei	-	-	-	-
Independent Director	Chen, Su-Ting	-	-	-	-
Associate, Business Division	Qiu, Jian-Ming	20,421	-	-	-
Director, Operational expansion Division	Li,Jhong-Jhe	-	-	-	-
Manager, Business Division	Hu,Bin-Jhih	-	-	-	-
Manager, Business Division	Yu,Shou-Ren	-	-	-	-
Manager, Business Division	Syu,Wun-Yi	-	-	-	-
Manager, Business Division	Zeng,Rong-Huei	-	-	-	-
Manager, Business Division	You,Jia-Ying	-	-	(1,000)	-
Manager, Financial Division	Chang, Chiao-Ni	5,416	-	-	-
Manager, HR Division	Chen,Siou-Huei	-	-	-	-
Manager, R&D Division	Li,Hao-Yu	-	-	-	-
Deputy Manager, Audit Division	Hsu, Yu-Yun	1,350	-	-	-
Supervisor, IT Division	You, Shun-Yuan	1,744	-	-	-
Manager, Public Relations	Yu, Chu-Yu	891	-	-	-

Note:Director, Operational expansion Division-Li,Jhong-Jhe, Manager, Business Division- Hu,Bin-Jhih, Manager, Business Division-Yu,Shou-Ren, Manager, Business Division- Syu,Wun-Yi, Manager, Business Division-Zeng,Rong-Huei, Manager, Business Division You,Jia-Ying, Manager, HR Division-Chen,Siou-Huei and Manager, R&D Division Li,Hao-Yu were promoted to managers in Nov. 2023, so only the Changes in Shareholding after Nov. 2023 were disclosed.

9. Relationship among the Top Ten Shareholders:

Apr. 15, 2024 Unit: thousand share

Name	Own shareholding		Shareholdings of the spouse and minor children		Shareholding in other people's names		Name and relationship of top 10 shareholder who has the interested-party, a spouse or relative within the second degree of kinship		Remarks
	Shareholding	Shareholding %	Shareholding	Shareholding %	Shareholding	Shareholding %	Name	Relationship	
Sheng Cheng investment Co., Ltd Representative:Liao, Shih-Fang	5,060	9.06%	-	-	-	-	Liao, Shih-Fang	Responsible person	-
Qian Yi investment Co., Ltd Representative:Liao, Shih-Fang	5,010	8.97%	-	-	-	-	Liao, Shih-Fang	Responsible person	-

Name	Own shareholding		Shareholdings of the spouse and minor children		Shareholding in other people's names		Name and relationship of top 10 shareholder who has the interested-party, a spouse or relative within the second degree of kinship		Remarks
	Shareholding	Shareholding %	Shareholding	Shareholding %	Shareholding	Shareholding %	Name	Relationship	
Liao, Shih-Fang	4,744	8.49%	1,980	3.54%	10,070	18.02%	Lin, Shu-Hui Sheng Cheng investment Co., Ltd Qian Yi investment Co., Ltd i-View Process Post-Production Corp.	Spouse Responsible person Responsible person Responsible person	-
Fidelity Series International Small Cap Fund	3,115	5.57%	-	-	-	-	-	-	
Cheng Yu investment Co., Ltd Representative: Lin, Hung-Chun	2,933	5.25%	-	-	-	-	Lin, Hung-Chun	Responsible person	-
Lin, Shu-Hui	1,980	3.54%	4,744	8.49%	-	-	Liao, Shih-Fang	Spouse	
Lin, Hung-Chun	1,482	2.65%	55	0.10%	2,933	5.25%	Cheng Yu investment Co., Ltd	Responsible person	
Swedban Robur global Fund	1,400	2.51%	-	-	-	-	-	-	-
i-View Process Post-Production Corp.	1,388	2.48%	-	-	-	-	Liao, Shih-Fang	Responsible person	-
Fidelity Series Featured International Small Cap Fund	1,296	2.32%	-	-	-	-	-	-	-

10. Ownership of Shares in Affiliated Enterprises:

Dec. 31, 2022 Unit: thousand shares; %

Re-invested businesses	The Company's investment		Investment by directors, supervisors, managers or directly or indirectly controlled businesses		Total investment	
	Shareholding	Shareholding %	Shareholding	Shareholding %	Shareholding	Shareholding %
ADDcn Technology (Samoa) Co., Ltd	33,760	100%	-	-	33,760	100%
ADDcn Technology (Shenzhen) Ltd	-	100%	-	-	-	100%
ADDcn Technology (HK)	11,000	79.79%	1,486	10.78%	12,486	90.57%

IV. Capital Overview

1. Capital and Shares:

1.1 Source of Capital:

(1)Issued Shares in the past five years:

Unit: thousand shares; NT$ thousand

Date	Par Value (NT$)	Approved Capital		Paid-in Capital		Remarks		
		Shares	Amount	Shares	Amount	Source of Capital	Capital Increased by Assets Other than Cash	Others
Jun. 2019	10	50,000	500,000	42,576	425,755	Retrieved New restricted employee shares	-	-
Nov. 2020	10	50,000	500,000	42,939	429,385	New restricted employee shares	-	-
Aug. 2021	10	50,000	500,000	42,937	429,370	Retrieved New restricted employee shares	-	-
Feb. 2022	10	100,000	1,000,000	50,799	507,985	Earnings transferred to increase	-	-
Jun. 2022	10	100,000	1,000,000	50,796	507,958	Retrieved New restricted employee shares	-	-
Sep. 2022	10	100,000	1,000,000	50,795	507,950	Retrieved New restricted employee shares	-	-
Jun. 2023	10	100,000	1,000,000	50,795	507,947	Retrieved New restricted employee shares	-	-
Oct. 2023	10	100,000	1,000,000	55,874	558,742	Earnings transferred to increase	-	-
Dec. 2023	10	100,000	1,000,000	55,874	558,739	Retrieved New restricted employee shares	-	-

(2)Type of Stock:

Unit: share

Share Type	Authorized Capital			Remark
	Issued Shares	Un-issued Shares	Total	
Common Stock	55,873,850	44,126,150	100,000,000	Outstanding shares are TPEx listed.

1.2 Status of Shareholders:

Apr. 15, 2024 Unit: person; share

Status / Quantity	Government Agencies	Financial Institutions	Other Juridical Persons	Domestic Natural Persons	Foreign Institutions and Foreigners	Total
Number	0	0	67	10,303	93	10,463
Shareholding	0	0	16,293,090	27,809,291	11,771,469	55,873,850
%	0.00%	0.00%	29.16%	49.77%	21.07%	100.00%

1.3 Shareholding Distribution Status:

Apr. 15, 2024 Unit: person; share

Shareholding Tiers	No., of Shareholders	Shareholding	%
1 to 999	5,602	1,148,658	2.06%
1,000 to 5,000	4,164	7,714,177	13.81%
5,001 to 10,000	432	2,954,953	5.29%
10,001 to 15,000	103	1,245,194	2.23%
15,001 to 20,000	43	735,984	1.32%
20,001 to 30,000	41	1,004,929	1.80%
30,001 to 40,000	9	288,432	0.52%
40,001 to 50,000	8	378,583	0.68%
50,001 to 100,000	21	1,464,615	2.62%
100,001 to 200,000	9	1,306,879	2.34%
200,001 to 400,000	9	2,322,764	4.15%
400,001 to 600,000	8	4,136,849	7.40%
600,001 to 800,000	3	1,962,837	3.51%
800,001 to 1,000,000	1	802,089	1.43%
1,000,001 or more	10	28,406,907	50.84%
合計	10,463	55,873,850	100.00%

1.4 List of Major Shareholders:

Apr. 15, 2024 Unit: thousand shares;%

Name \ Shares	Shareholding	%
Sheng Cheng investment Co., Ltd Representative:Liao, Shih-Fang	5,060	9.06%
Qian Yi investment Co., Ltd Representative:Liao, Shih-Fang	5,010	8.97%
Liao, Shih-Fang	4,744	8.49%
Fidelity Series International Small Cap Fund	3,115	5.57%
Cheng Yu investment Co., Ltd Representative:Lin, Hung-Chun	2,933	5.25%
Lin, Shu-Hui	1,980	3.54%
Lin, Hung-Chun	1,482	2.65%
Swedban Robur global Fund	1,400	2.51%
i-View Process Post-Production Corp.	1,388	2.48%
Fidelity Series Featured International Small Cap Fund	1,296	2.32%

1.5 Market Price, Net Worth, Earnings, and Dividends per Share:

Unit: NT$ thousand; thousand shares

Item \ Year			2022	2023	as of Mar. 31, 2024
Market price per share	Highest		279.5	225.0	211
	Lowest		177.0	189.0	198.5
	Average		203.3	202.07	203.83
Net worth per share	Before distribution		36.8	36.4	-
	After distribution		26.7	(Note1)	-
Earnings per share	Weighted average number of shares (Note 5)		50,637	55,716	-
	Earnings per share	Before adjusting	$13.12	$12.74	-
		After adjusting	$11.93	(Note1)	
Dividend per share	Cash dividend		$9	$10	-
	Bonus shares	Stock dividend from retained earnings	$1	(Note1)	-
		Stock dividend from capital reserve	-	-	-
	Accumulated undistributed dividends		-	-	-
Investment return analysis	Price / Earnings ratio (Note 2)		15.50	15.86	-
	Price / Dividend ratio (Note 3)		22.59	20.21	-
	Cash dividend yield rate (Note 4)		4.71%	4.95%	-

Note 1: The 2023 annual earnings distribution has yet to be approved by the shareholders' meeting.
Note 2: Price / Earnings Ratio = Average Market Price / Earnings per Share
Note 3: Price / Dividend Ratio = Average Market Price / Cash Dividends per Share
Note 4: Cash Dividend Yield Rate = Cash Dividends per Share / Average Market Price

1.6 Dividend Policy and Implementation Status:

(1)Dividend Policy:

According to the Company's Articles of Incorporation, if the Company has a profit at the year's final accounting, it shall first pay profit-seeking enterprise income tax and make up any losses from past years, and then make contribution of 10% of the balance to the statutory reserve, unless the statutory reserve reaches the amount of the Company paid-in capital. Special reserves may be set aside depending on the Company's operational needs pursuant to the laws and regulations. The remaining profits deducting the dividend distribution amount with the undistributed earnings at beginning of period (if any) shall be proposed for a distribution by the board of directors. The proposal shall then be submitted to the shareholders meeting for a resolution for the distribution.

The Company defined the allocation of dividend based on operation status, demands for funds, capital expenses and budgets, changes to internal and external environment, and the shareholder's equity. If no special circumstances must be considered, the allocation proportion should be more than 50% of distributable earnings of the current year. The dividend will be distributed in the form of stock dividends or cash dividends based on the Company's demand for funds in the future and the level of dilution of the capital stock. In principle the cash dividends shall not be lower than 10% of the total amount of the

dividends. Only that the dividend type and percentage to be distributed are based on actual profits of the year and the status of the funds. The final result is subject to the resolution of the shareholders meeting.

(2)Proposed Distribution of Dividend:

2023 earnings distribution:

Unit: NT$ thousand

2023	Approval Date	Payment Date	dividend per share (NT$)	Total dividend (NT$)
Cash Dividends, 1st half	08.11.2023	03.10.2023	5.6	284,448,500
Cash Dividends, 2nd half	03.14.2024	05.15.2024	4.4	245,844,280
Stock Dividends	03.14.2024	-	0.74(Note1)	41,263,000
Total			10.0	507,948,625

Note1:The stock dividend is 0.7385048779, which is presented to 2 decimal places in the table.

Note2:The earnings distribution has been approved by the Board of Directors, pending resolution by the Shareholders' Meeting.

1.7 Impact of the Proposed Bonus Shares on the Company's Operating Performance and Earnings per Share by the Shareholders' Meeting:

<table>
<tr><td colspan="3">Item/Year</td><td>2024 (estimate)</td></tr>
<tr><td colspan="2">Initial paid-up capital</td><td></td><td>558,739</td></tr>
<tr><td rowspan="3">Distribution of shares and dividends (Note 1)</td><td colspan="2">Cash dividend per share</td><td>10</td></tr>
<tr><td colspan="2">Earnings allocated to increase capital dividend per share</td><td>0.7385048779</td></tr>
<tr><td colspan="2">Capital reserve to capital increase stock dividend per share</td><td rowspan="11">Note 2</td></tr>
<tr><td rowspan="7">Changes in business performance</td><td colspan="2">Operating profit</td></tr>
<tr><td colspan="2">Operating profit increase (decrease) ratio over the same period last year</td></tr>
<tr><td colspan="2">Net income</td></tr>
<tr><td colspan="2">Ratio of increase (decrease) in net profit after tax compared with the same period in previous year</td></tr>
<tr><td colspan="2">Earnings per share</td></tr>
<tr><td colspan="2">Earnings per share increase (decrease) ratio over the same period last year</td></tr>
<tr><td colspan="2">Average annual return on investment (annual average inverse of the P/E ratio)</td></tr>
<tr><td rowspan="6">Pro forma earnings per share and P/E ratio</td><td rowspan="2">If earned surplus-turned capital increase is completely replaced by distribution of cash dividends</td><td>Pro forma earnings per share</td></tr>
<tr><td>Pro forma average annual return on investment (%)</td></tr>
<tr><td rowspan="2">If capital reserve is not used for capital increase</td><td>Pro forma earnings per share</td></tr>
<tr><td>Pro forma average annual return on investment (%)</td></tr>
<tr><td rowspan="2">If capital increase from capital reserve has not been processed and changed to cash dividend issuance</td><td>Pro forma earnings per share</td></tr>
<tr><td>Pro forma average annual return on investment (%)</td></tr>
</table>

Note1:The distribution of shares and dividends shall be determined in a resolution of the general shareholders'

meeting this year.

Note2:According to the "Regulations Governing the Publication of Financial Forecasts of Public Companies", the Company is not required to disclose its financial forecasts for 2024.

1.8 Bonuses of Employees, Directors and Supervisors:

(1)The percentage or scope of the bonuses of employees, directors stipulated in the Articles of Incorporation:

If there is a profit for the year, the Company shall allocate not less than 1% of it for the employee bonus and not more than 3% for the directors' bonus. However, if there is still a cumulative loss, an amount to make up for the loss should be retained in advance.

Qualification requirements of employees, including the employees of subsidiaries meeting certain specific requirements, entitled to receive shares or cash in accordance with the preceding provisions.

(2)The basis for the estimation of the amount of bonus of employees, directors and supervisors in the current period, and the accounting treatment if there is a difference between the actual employee bonus paid in shares or cash and the estimated amount:

The amount of remuneration for employees, directors in the current period is estimated appropriately in accordance with the Articles of Incorporation and past experience of the Company before deducting the remuneration for employees and directors from the income from continuing operations before income tax of the current year.

(3)Bonus distribution as passed by the board meeting:

(A) Recommended Distribution of Employee Bonus and Directors' and Supervisors' Remuneration:

Unit: NT$ thousand

Item ＼ Status	Remuneration of employees			Remuneration of directors and supervisors
	Cash	Stock	Total	
Annual recognized amount of estimated expenses (A)	77,860	0	77,860	9,420
Proposed allocation of the Board of Directors (B)	77,860	0	77,860	9,420
Discrepancy (B)-(A)	0	0	0	0

(B) If there is any discrepancy between such an amount and the estimated figure for the fiscal year these expenses are recognized, the discrepancy, reasons therefor, and how it is treated shall be disclosed.: There is no discrepancy between such an amount and the estimated figure for the fiscal year these expenses are recognized, so not applicable。

(C) Employee bonus paid in shares as a percentage of the total amount of the current net profit after tax and the total employee bonus of the parent company only or each of companies' financial statements: The board of directors pays in cash through the allocation of remuneration, so it is not applicable.

(4)If there is a difference between the actual distribution of bonus of employees, directors and supervisors (including the number of shares, the amount and the share price) in the previous year and the provision for the bonus, please describe the difference, the reason and the accounting treatment:

Unit: NT$ thousand

Item	Shareholders' Meeting resolution	Actual allocation	Discrepancy
Employee remuneration	61,200	61,200	-
Directors and Supervisors' remuneration	8,000	8,000	-

1.9 Buyback of Treasury Stock:None.

2. Bonds:None.

3. Preferred Shares:None.

4. Global Depository Receipts:None.

5. Issuance of Employee Stock Options:None.

6. Issuance of New Restricted Employee Shares:

6.1 Issuance of New Restricted Employee Shares:

May 10, 2024

Type of new restricted employee shares	2020 New restricted employee shares
Effective date	Sep.04,2020
Issuance date	Nov.15,2020
Number of new restricted employee shares distributed	363,000
Issuance price	Gratuitously distributed
Ratio of restricted employee shares issued to total shares issued	0.85%
New restricted employee shares and vesting conditions	Employees may exercise their subscription rights based on the following schedule if they remain employed by the Company from the date the new restricted employee shares are allotted to the following dates, and if they have attained excellent ratings or above in their performance evaluation in the year before the dates: 1 year of service starting from the allotment date: 50% 2 years of service starting from the allotment date: 25% 3 years of service starting from the allotment date: 15% 4 years of service starting from the allotment date: 10%
Restrictions on of new restricted employee shares	1.After receiving new restricted employee shares and before meeting vesting conditions, employees, except for inheritance, may not sell, pledge, transfer, give as a gift, use as collateral, or dispose of the new restricted employee shares or in any other means. 2.The rights to attend, propose, speak, and vote in the shareholders' meetings and any other rights of shareholders are assigned to the custodian to be exercised on behalf of the employees. 3.Except for the restrictions by the trust agreement, before the vesting conditions are met, employees' rights to restricted employee shares allotted in accordance with regulations, including but not limited to dividends, bonuses, the allotment rights of capital surplus, the subscription rights of capital increase by cash, and voting rights, are the same with the Company's outstanding ordinary shares without restrictions. Employees are entitled to receive cash dividends and stock dividends distributed by the Company. The cash and stock dividends distributed are deemed to have met the vesting conditions and are not required to be deposited in a trust. 4.Except for the aforementioned restrictions, the new restricted employee shares allotted to the employees in this round are the same as the ordinary shares issued by the Company before the vesting conditions are met.
Custody of new restricted employee shares	Declared trust management
Methods for processing employees' failure to meet vesting conditions after the allotment or subscription of new shares	After the allotment or subscription of restricted employee shares, employees who have yet to meet the vesting conditions may have their shares repurchased and extinguished by the Company without charge, unless the said employees have special conditions approved by the Company.
Number of new restricted employee shares recovered or repurchased	5,625
Number of new stocks with restricted rights released	322,175
Number of new stocks with restricted rights not yet released	35,200
Ratio of the number of unreleased restricted shares to the total number of issued shares (%)	0.06%
Impact on shareholder equity	The company attracts and retains the professional talents required by the company, and enhances the Company's coherence and sense of belonging among employees to jointly create benefits for the Company and shareholders. The policies have a positive impact on shareholders' equity.

6.2 The names and acquisitions of the managers and the top ten employees who acquired the New restricted employee shares:

May 10, 2024

	Title	Name	Acquired stock subscription shares	Acquired stock subscription shares to total issued shares ratio	Implemented				Not implemented			
					Stock subscription shares	Stock subscription price	Stock subscription amount	Stock subscription shares to total issued shares ratio	Stock subscription shares	Stock subscription price	Stock subscription amount	Stock subscription shares to total issued shares ratio
Manager	General Manager	Wu, Tsung-Hsien	264,000	0.47%	237,600	-	-	0.43%	26,400	-	-	0.05%
	Associate, Administrative Division	Lin, Mei-Hui										
	Associate, Business Division	Qiu, Jian-Ming										
	Director, Operational Expansion Division	Li,Jhong-Jhe										
	Manager, Business Division	Hu,Bin-Jhih										
	Manager, Business Division	Yu, Shou-Ren										
	Manager, Business Division	Syu,Wun-Yi										
	Manager, Business Division	Zeng, Rong-Huei										
	Manager, Business Division	You, Jia-Ying										
	Manager, Financial Division	Chang, Chiao-Ni										
	Manager, HR Division	Chen, Siou-Huei										
	Deputy Manager, Audit Division	Hsu, Yu-Yun										
	Supervisor, IT Division	You, Shun-Yuan										
	Manager, Public Relations	Yu, Chu-Yu										
Employee	Editor, Operational Expansion Division	Zhong, ○-Xuan	42,000	0.08%	37,800	-	-	0.07%	4,200	-	-	0.01%
	Deputy Editor, Operational Expansion Division	Xie, ○-Ming										
	Deputy Editor, Operational Expansion Division	Cai, ○-Jiang										
	Deputy Manager,, Business Division	Lin, ○-Ji										
	Supervisor, Business Division	Hua, ○-Gang										
	Supervisor, Operational Expansion Division	Lin, ○-Ji										

	Title	Name	Acquired stock subscription shares	Acquired stock subscription shares to total issued shares ratio	Implemented				Not implemented			
					Stock subscription shares	Stock subscription price	Stock subscription amount	Stock subscription shares to total issued shares ratio	Stock subscription shares	Stock subscription price	Stock subscription amount	Stock subscription shares to total issued shares ratio
	Supervisor, Business Division	Zeng, ○-Hua										
	Team Leader, Business Division	Li, ○-Long										
	Supervisor, Business Division	Li, ○-You										
	Deputy Editor, Operational Expansion Division	Syu, ○-Sin										

7. Status of New Shares Issuance in Connection with Mergers and Acquisitions:None.

8. Financing Plans and Implementation:None.

V. Operational Highlights

1. Business Activities:

1.1 Business Scope:

(1)Main areas of business operations:

The Company mainly deals in online trading platforms. The main entrance websites are: 591(Property Trading), 8891(Cars Trading), 518(Human Resource), 8591(Virtual Treasure Trading), 100(Interior Design), Tasker(Outsourcing), master945, Chickpt(Part-Time Human Resource), Marry(Wedding Service), 591.HK, 8591.HK.

(2)Revenue distribution:

Unit: NT$ thousand

Product Type	2022		2023	
	Revenue	%	Revenue	%
Internet service income	1,580,460	80.70	1,802,341	83.83
Internet platform commission income	377,920	19.30	347,534	16.17
Total	1,958,380	100.00	2,149,875	100.00

(3)Main products:

(A) 591 (Property Trading) (https://www.591.com.tw) providing property leasing, property trading and new project advertising and inquiry services for Taiwan's leading property and home service platform.

(B) 8891 (Cars Trading) (https://www.8891.com.tw) provide information release and query of the trading of preowned cars, preowned car dealers online shop services, new car information inquiry.

(C) 518 (Human Resource) (https://www.518.com.tw) committed to providing a fast, accurate and simple human resources search platform, so that business owners can easily and quickly find suitable talents, and job seekers can quickly find suitable jobs.

(D) 8591 (Virtual Treasure Trading) (https://www.8591.com.tw) is the largest online virtual treasure trading platform in Taiwan. C2C business model is adopted to provide a safe, fast and rich treasure trading platform for online game players.

(E) 100 (Interior Design) (https://www.100.com.tw) provides many excellent interior design companies' representative design case pictures, matching decorators and consumers, so that owners can easily find interior design inspiration.

(F) Tasker (Outsourcing)（https://www.tasker.com.tw）is the professional outsourcing platform is designed to matchmake the owner and talent. It dedicates itself to solving all the outsourcing demands quickly and effectively and allows talents to receive a good case.

(G) master945（https://www.945.com.tw）includes professional stores of plumbing, electrical, repairing, cleaning, etc. in Taiwan. Customers can receive a quotation from the master within 3 minutes after calling, and the masters can also post their album and information to rise the probability for the owner to initiate contact.

(H) Chickpt (Part-Time Human Resource) (https://www.chickpt.com.tw) is the largest part-time job APP in Taiwan designed for matching college students and employers for part-time jobs. It is dedicated to creating a fast and safe job matching platform.

(I) Marry (Wedding Service) (https://www.marry.com.tw) is a one-stop wedding service platform for wedding-related services such as wedding photography, records and planners.

(4)New products development:

With the growing number of users and transactions/publications, each of platforms has different functional requirements in terms of cash flow, user experience and information needs. Therefore, new services development planned for future will be developed on existing infrastructure to provide better services for users of various platforms.

1.2 Industry Overview:

Please refer to page 54 of the Chinese annual report for the current situation and development of the industry, the relationship between the upstream and downstream industries, the development trends of products and the competition situation.

1.3 Research and Development:

(1)R&D Expenses in latest year:

Unit: NT$ thousand；%

Item \ Year	2023	as of Mar. 31, 2024
R&D Expense	103,871	(Note)

Note:There were remaining financial analysis has not been reviewed by accountants in the first quarter of 2024 as of the date of publication of the Annual Report.

(2)Technology or products successfully developed in the most recent years:

The company’s main products and technology are developed and designed by R&D team. All company’s R&D staffs have professional capabilities in the website and e-commerce, and more than 10 years relative experience to track new application constantly. We expect to the application in integration of different devices and core capabilities of design, development, testing, and website setting-up under the scope expansion and business strategies. Most systems, including email systems, online advertisement management systems, telephone systems, etc., are developed and designed by in-house engineers.

Please refer to Chapter 4.2 Product Innovation and Service Quality in the ESG Report for more technology or products successfully developed in the recent years.

1.4 Long-term and Short-term Development:

(1)Short -term Development:

(A) The Company implements payment plans for new platforms and continues to increase brand awareness to expand the user base and number of paid users and generate profits on the new platforms.

(B) The Company continues to develop diversified contents such as industry information and video contents to attract users with contents, increase user loyalty, and increase the traffic of each platform.

(C) The Company actively introduces more new services to mature platforms and uses advantages such as AI technology and lead in mobile applications to provide comprehensive information services and explore diverse forms of platform development.

(2)Long-term Development:

(A) The Company continues to develop new services and new businesses by leveraging the Company's business advantages and core competencies accumulated on online platforms. We integrate the developments with existing businesses to expand the ecosystem of the Group's services.

(B) The Company has more than 10 million members, and their consumer behavior data will become important assets for the future development of the platform. We will improve the algorithms for data processing and increase the benefits of data resources in order to provide a better user experience and satisfy consumer demand through technologies.

(C) The Taiwanese market is the foundation of the Company. In the future, we will use our experience in Taiwan to develop the Hong Kong market and other overseas markets. By focusing on technology, the Company will expand into more markets and create a business model with stable growth for the Company.

2. Market and Sales Overview:

2.1 Market Analysis:

(1)Service Region:

The Company is engaged in online trading platforms. In addition to serve domestic consumers, we have established 591 property trading platforms and 8591 virtual treasure trading platforms in Hong Kong to provide more online trading services for Hong Kong users.

(2)Market Share (%) of Major Product Categories in the Last Two Years:

Unit: billion;%

Item	2022	2023
ADDcn Technology revenue	1.96	2.15
Information services revenue	129.40	149.90
ADDcn Technology market share	1.51%	1.43%

Date source: Collated from Department of Statistics of Ministry of Economic Affairs and MOPS.

(3)Market Analysis of Major Product Categories:

Housing is an inelastic demand of the general public. The transaction volume of houses were increased to 300 thousand cases in 2019, and keeps it for five consecutive years. The demand in the real estate market is still strong and the rental housing market is also quite active because about half of the population in Taiwan has the need to rent a house. rental housing market is quite active. With the rapid growth of the internet usage rate in recent years, the users on both supply and demand sides of housing have changed their habit from off off-line to on on-line application. The postings on the Internet are not only effective but also have a wider coverage. Everyone can browse houses in any region of Taiwan via the Internet. The supply of the real real-estate platform will grow for potential demand.

The transaction volume of new cars in the recent years remained at a high level of 400 thousand although it shrank in 2021 and 2022 due to the inadequate supply of automotive chips and the extended delivery period of new cars. It exceeded 470 thousand of record high in 2023. The transaction volume of used car grew steadily in the recent five years and increased to 900 thousand of record high in 2023.

The online human resources market has been operated for 20 years and almost become matured. Over 80% of the candidates use online platform to send resumes, which has become the necessary approach to entering the job market. The population of the smart phones and mobile networking systems in recent years pushes the competition platform to the mobile device market. The 518 Human Resource has overcome many challenges. With the support of the AI technology and the advantages at the mobile end. It creates 518 Human Resource with the talents in the service sector as the core and provides companies with total solutions of recruitment by working tightly with Chickpt (Part-Time Human Resource) and Tasker Outsourcing.

Taiwan’s game industry is classified into PC and mobile games. Currently, the market has been matured, and there is a fierce competition between manufacturers. Therefore, differentiation must be the important market strategy of the games that will be introduced to the market. Mobile games industry has grown since 2014. According to the estimation of Newzoo, the global game market in 2023 was about USD 184 billion, and mobile games have accounted for 49% of this figure. As more and more people entered the mobile game industry, the game transaction platform must also keep up with the trend of market transfer.

(4)Competitive niches:

(A) The management team has rich experience.:

The company's operating team has more than 10 years of experience in network platform development and operation, with a complete technical team and flexible marketing team. The company's management team is sensitive to the market and is good at differentiating marketing and product design with creativity. Its vertical website has a place in Taiwan's Internet industry.

(B) Website has high brand awareness/huge membership advantages:

The total number of members of ADDcn websites is more than 15 million, which has laid the competitive advantage of the Company described as follows:

①591(Property Trading): The platform uses an extensive database of property owners, tenants, and buyers to create competitive advantages for the Company. It also expanded the scope of services to real estate transactions such as new housing projects, actual price registration, and financial services for mortgages to provide industry-leading service contents and superior user experience.

②8891(Cars Trading): A second-hand car trading website must have high credibility. The Company therefore advocates the integrity of car sales and website operation convenience, and we also provide professional car reviews for new cars, unboxing videos, reliable tests and reviews, and other services to strengthen the Company's competitive advantage.

③518 (Human Resource): With a large database of small and medium-sized enterprise owners and job applicants, the platform leverages mobile R&D technologies to provide corporate customers in the services industry with an optimized mobile device user experience. We created the first "Bear Rapid CV Delivery" function to

optimize the complicated procedures for providing information that were required for job seekers in the past. We also use AI technologies to increase the matchmaking accuracy and efficiency for service professionals.

④8591(Virtual Treasure Trading): Accumulating the advantages of the vast number of players database to form the competitive advantage of the Company. In addition, we strengthened comprehensive website security system, such as membership authentication, membership login IP judgment system, to ensure the equity of members and transaction security.

(5)Favorable and Unfavorable Factors in the Long Term:

【Favorable Factors】

(A) We accumulated over 10 million members of the brand loyalty by unique multi-brand website business model, and continue to invest in the development of new livelihood website, create more new trading markets, in order to enhance the sustainable development of matchmaking transaction markets.

(B) The Internet market in Southeast Asia's is growing fast and local Internet services are in course of starting. There is a lack of professional platforms such as virtual treasure trading, rental and automobile website at present, which is an opportunity for us to layout Southeast Asia.

(C) With the rapid growth of mobile Internet penetration, we have continuously launched mobile version web pages and APPs on various platforms in recent years. With the convenience of any time mobile Internet access, we can further improve the traffic and customer stickiness of the websites.

(D) Cooperating with banks to provide a variety of cash flow services, providing consumers and website operators with an excellent and perfect payment mechanism.

【Unfavorable Factors】

(A) Smart phones have become popular and mobile APP has been on the market in recent years, changing the mode of people's communication and Internet access. If we cannot adjust to the current situation, the advantages of information monopoly of the future website platform will be divided in succession.

(B) The domestic Internet market is limited, and the lack of Internet talents makes it difficult to select and cultivate talents.

(C) The Company accumulates a large amount of member information. If the information security situation occurs, the Company may face the risk and loss of operation.

【Countermeasures】

In terms of information security countermeasures, the Company has adopted a large number of control and prevention measures to prevent hackers from intruding the database and Internet information security protection mechanism, including strict security management measures, password management measures, data management measures. It has also introduced a personal capital management system and established a rigorous personal capital management manual and education system. It was certified by BSI BS

10012:2009 Personnel Information Management System (PIMS) international standard in May 2016, which guarantees our members on international level.

In terms of operational strategies, the Company continues to take "food, clothing, housing, transportation education and entertainment" as its blueprint for development. Intelligent APP applications have been developed in succession to try to open up the mobile Internet market. As people spend different time and using different smart phone interfaces on browsing Internet, we are launching exclusive browsing web sites that are compatible with mobile devices. We believed that only those who are at the forefront of the trend can lay a solid market foundation. With the continuous emphasis on seamless interaction with consumers, we can deepen our customer relationship and further highlight our differences in competition and comprehensive growth potential.

In terms of global strategy, the international vertical website companies in recent years have been quite aggressive and successful in expanding the international market. However, the new network market needs to cooperate with local network companies in order to obtain good development support and achieve a comprehensive effect of 1 plus 1 over 2. In the future, we will first contact the more familiar Southeast Asian market, as the beginning of the company's development of global layout. We hope to gain a firm foothold in the Taiwan market, and then start looking for suitable partners in Southeast Asia to formally expand overseas layout distribution.

2.2 Important Usages and Production Processes of Our Main Products:

(1)Important usage of major products:

The online transaction platform is the main business of the Company.

(2)Production processes for major products:

The online transaction platform is the main business of the Company and, thus, it is not applicable.

2.3 Supply Status of Main Materials:

The online transaction platform is the main business of the Company and, thus, it is not applicable.

2.4 Major Suppliers and Clients:

(1)Names of customers who accounted for more than 10% of the total amount of goods purchased/sold in the past two years, the amounts and percentages of the goods purchased/sold and the reasons for the increase or decrease:

The online transaction platform is the main business of the Company and, thus, it is not applicable.

(2)Major clients in the last two calendar years:

The Company belongs to e-commerce, and its sales target is mainly general consumers, so there are no customers who account for more than 10% of the total sales.

2.5 Production in the Last Two Years:

The Company is an E-Commerce company and there is no definite output and sales volume.

2.6 Shipments and Sales in the Last Two Years:

Unit: NT$ thousand

Year / Shipment / Major product	2022				2023			
	Import		Export		Import		Export	
	Volume	Value	Volume	Value	Volume	Value	Volume	Value
Internet service revenue	-	1,580,460	-	-	-	1,802,341	-	-
Platform commission revenue	-	377,920	-	-	-	347,534	-	-
Total	-	1,958,380	-	-	-	2,149,875	-	-

3. Human Resources:

Item / Year		2022	2023	as of Mar. 31, 2024
Number of employees	Manager	18	21	21
	Staff	445	445	445
	Total	463	466	466
Average age		31.09	34.60	33.92
Average service year		4.58	5.27	5.32
Academic distribution	Master's degree	3.24%	3.43%	3.86%
	College	82.72%	83.69%	83.26%
	high school	7.99%	7.08%	7.08%
	Below high school	6.05%	5.79%	5.79%

4. Environmental Protection Expenditure:

The Company did not suffer from any loss or penalty due to environmental pollution in the past year and as of the date of publication of the annual report.

5. Labor Relations:Please refer to page 62 of the Chinese annual report.

6. Cyber Security Management: Please refer to page 64 of the Chinese annual report.

7. Important Contracts:

Contract Type	Counterparty	Contract Start and Ending Dates	Contents	Restrictions
Supply of labor	ADDcn Technology (Shenzhen) Ltd	Jan.01,2023~ Dec.31,2023	Offshore labor	-
Trust contract for collection and payment transfer of online transactions	Trust Division, E.Sun Bank	Sep.21, 2016 to Dec.31, 2017. If both parties have no written objection to the renewal of the contract for one month after the expiration of the contract, the contract will be automatically extended for one year from the expiration date of the contract, and will be the same afterwards.	Collection and payment transfer of online transactions	-

VI. Financial Information

1. Five-Year Financial Summary:

1.1 Condensed Balance Sheet:

(1)Concise Individual Balance Sheet - Adopting International Financial Reporting Standards:

Unit: NT$ thousand

Item \ Year		inancial Summary for The Last Five Years					as of Mar. 31, 2024
		2019	2010	2021	2022	2023	
Current assets		1,158,712	1,224,665	1,452,761	1,369,159	1,497,890	Note 2
Investment by Equity method		801,956	875,211	897,723	955,565	955,466	
Property, plant and equipment		319,884	308,783	449,364	449,977	440,618	
Intangible assets		100,736	92,082	82,715	73,583	64,673	
Other assets		288,410	299,725	327,116	350,702	517,592	
Total assets		2,669,698	2,800,466	3,209,679	3,198,986	3,476,239	
Current liabilities	Before distribution	874,812	930,817	1,054,288	1,152,143	1,177,329	
	After distribution	1,419,778	1,446,079	1,628,291	1,665,168	Note 1	
Non-current liabilities		43,895	52,572	180,326	178,638	262,834	
Total liabilities	Before distribution	918,707	983,389	1,234,614	1,330,781	1,440,163	
	After distribution	1,463,673	1,498,651	1,808,617	1,843,806	Note 1	
Interests attributable to parent company owner		1,750,991	1,817,077	1,975,065	1,868,205	2,036,076	
Capital stock(Note 3)		425,755	429,385	507,985	507,950	558,739	
Capital surplus		341,866	378,336	380,740	382,425	383,929	
Retained earnings	Before distribution	1,207,146	1,345,987	1,364,536	1,296,516	1,435 ,052	
	After distribution	662,180	830,725	790,533	783,491	Note 1	
Other equity interest		(223,776)	(336,631)	(278,196)	(318,686)	(341,644)	
Treasury stock		-	-	-	-	-	
Noncontrolling interests		-	-	-	-	-	
Total equity	Before distribution	1,750,991	1,817,077	1,975,065	1,868,205	2,036,076	
	After distribution	1,206,025	1,301,815	1,401,062	1,355,180	Note 1	

Note1:The earnings distribution in 2023 has been approved by the Board of Directors, pending resolution by the Shareholders' Meeting.

Note2:There were remaining financial analysis has not been reviewed by accountants in the first quarter of 2024 as of the date of publication of the Annual Report.

Note3:2021 Capital stock includes stock dividends paid in 2022.

Note4:No assets revaluation was conducted in each year.

(2)Concise Consolidated Balance Sheet - Adopting International Financial Reporting Standards:

Unit: NT$ thousand

Item \ Year		Financial Summary for The Last Five Years					as of Mar. 31, 2024
		2019	2010	2021	2022	2023	
Current assets		1,409,304	1,449,099	1,666,087	1,616,711	1,803,317	Note 2
Property, plant and equipment		783,078	826,785	892,452	890,198	1,109,175	
Intangible assets		102,208	93,832	85,695	76,393	67,135	
Other assets		452,982	527,945	630,820	669,279	616,236	
Total assets		2,747,572	2,897,661	3,275,054	3,252,581	3,595,863	
Current liabilities	Before distribution	932,270	1,013,125	1,111,539	1,186,231	1,277,049	
	After distribution	1,477,236	1,528,387	1,685,542	1,699,256	Note 1	
Non-current liabilities		44,202	53,431	182,466	183,656	265,112	
Total liabilities	Before distribution	976,472	1,066,556	1,294,005	1,369,887	1,542,161	
	After distribution	1,521,438	1,581,818	1,868,008	1,882,912	Note 1	
Interests attributable to parent company owner		1,750,991	1,817,077	1,975,065	1,868,205	2,036,076	
Capital stock(Note 3)		425,755	429,385	507,985	507,950	558,739	
Capital surplus		341,866	378,336	380,740	382,425	383,929	
Retained earnings	Before distribution	1,207,146	1,345,987	1,364,536	1,296,516	1,435,052	
	After distribution	662,180	830,725	790,533	783,491	Note 1	
Other equity interest		(223,776)	(336,631)	(278,196)	(318,686)	(341,644)	
Treasury stock		-	-	-	-	-	
Noncontrolling interests		20,109	14,028	5,984	14,489	17,626	
Total equity	Before distribution	1,771,100	1,831,105	1,981,049	1,882,694	2,053,702	
	After distribution	1,226,134	1,315,843	1,407,046	1,369,669	Note 1	

Note1:The earnings distribution in 2023 has been approved by the Board of Directors, pending resolution by the Shareholders' Meeting.

Note2:There were remaining financial analysis has not been reviewed by accountants in the first quarter of 2024 as of the date of publication of the Annual Report.

Note3: 2021 Capital stock includes stock dividends paid in 2022.

Note4:No assets revaluation was conducted in each year.

1.2 Condensed Statement of Income:

(1)Concise Individual Income Statement - Adopting International Financial Reporting Standards:

Unit: NT$ thousand

Year / Item	Financial Summary for The Last Five Years					as of Mar. 31, 2024
	2019	2010	2021	2022	2023	
Operating revenue	1,413,137	1,487,428	1,618,270	1,894,507	2,097,523	Note 1
Gross profit	1,047,684	1,099,409	1,113,476	1,255,811	1,374,800	
Operating income	698,970	730,374	721,662	787,923	825,817	
Non-operating income and expenses	51,952	48,565	43,524	35,403	62,888	
Income from continuing operations before income tax	750,922	778,939	765,186	823,326	888,705	
Net income of continuing business units	601,159	627,399	612,426	664,547	710,779	
Loss of suspended business unit	-	-	-	-	-	
Net income	601,159	627,399	612,426	664,547	710,779	
Other comprehensive income, net of tax	(23,499)	(25,073)	18,477	39,346	(26,846)	
Total comprehensive income	577,660	602,326	630,903	703,893	683,933	
Net income attributable to stockholders of the parent	601,159	627,399	612,426	664,547	710,779	
Net income attributable to non-controlling interests	-	-	-	-	-	
Total comprehensive income attributable to stockholders of the parent	577,660	602,326	630,903	703,893	683,933	
Total comprehensive income attributable to non-controlling interests	-	-	-	-	-	
Earnings per share	14.14	14.74	12.13	13.12	12.74	

Note1:There were remaining financial analysis has not been reviewed by accountants in the first quarter of 2024 as of the date of publication of the Annual Report.

(2)Concise Consolidated Income Statement - Adopting International Financial Reporting Standards:

Unit: NT$ thousand

Item \ Year	Financial Summary for The Last Five Years					as of Mar. 31, 2024
	2019	2010	2021	2022	2023	
Operating revenue	1,468,031	1,539,775	1,684,586	1,958,380	2,149,875	Note 1
Gross profit	1,155,098	1,195,047	1,234,749	1,383,413	1,502,868	
Operating income	717,142	721,558	707,973	757,731	834,789	
Non-operating income and expenses	38,412	57,235	56,913	61,861	64,099	
Income from continuing operations before income tax	755,554	778,793	764,886	819,592	898,888	
Net income of continuing business units	600,852	622,171	604,536	651,303	705,450	
Loss of suspended business unit	-	-	-	-	-	
Net income	600,852	622,171	604,536	651,303	705,450	
Other comprehensive income, net of tax	(23,798)	(25,926)	18,323	61,095	(18,380)	
Total comprehensive income	577,054	596,245	622,859	712,398	687,070	
Net income attributable to stockholders of the parent	601,159	627,399	612,426	664,547	710,779	
Net income attributable to non-controlling interests	(307)	(5,228)	(7,890)	(13,244)	(5,329)	
Total comprehensive income attributable to stockholders of the parent	577,660	602,326	630,903	703,893	683,933	
Total comprehensive income attributable to non-controlling interests	(606)	(6,081)	(8,044)	8,505	3,137	
Earnings per share	14.14	14.74	12.13	13.12	12.74	

Note1:There were remaining financial analysis has not been reviewed by accountants in the first quarter of 2024 as of the date of publication of the Annual Report.

1.3 Auditors' Opinions in the past five years:

Year	Accounting firm	Auditing CPAs	Audit opinion
2019	KPMG	Chen,Cheng-Chien、Huang ,Yung-Hua	Unqualified opinion
2020	KPMG	Chen,Cheng-Chien、Huang ,Yung-Hua	Unqualified opinion
2021	KPMG	Chen,Cheng-Chien、Huang ,Yung-Hua	Unqualified opinion
2022	KPMG	Yu, Sheng-Ho、Huang ,Yung-Hua	Unqualified opinion
2023	KPMG	Luo, Re-Chih、Yu, Sheng-Ho	Unqualified opinion

2. Five-Year Financial Analysis:

2.1 Individual Financial Analysis - Adopting International Financial Reporting Standards:

Item \ Year		Financial analysis for the past five years					as of Mar. 31, 2024
		2019	2010	2021	2022	2023	
Financial structure (%)	Debt to asset ratio	34.41	35.11	38.46	41.60	41.42	Note 1
	Long term capital to property, plant and equipment ratio	561.10	605.48	479.65	454.87	521.74	
Solvency (%)	Current ratio	132.45	131.56	137.79	118.83	127.22	
	Quick ratio	132.08	131.03	136.94	118.13	125.67	
	Interest coverage ratio	2,889.16	5,299.90	918.49	457.14	322.99	
Operating capacity	Receivable turnover rate (times)	8.80	9.18	10.94	13.28	14.62	
	Average cash recovery day	41.47	39.76	33.36	27.48	24.96	
	Inventory turnover rate (times)	55.72	-	-	-	-	
	Payable turnover rate (times)	4.90	5.87	8.27	7.31	9.69	
	Days sales outstanding	6.55	-	-	-	-	
	Property, plant and equipment turnover rate (times)	5.13	4.73	4.26	4.21	4.71	
	Total asset turnover rate (times)	0.53	0.54	0.53	0.59	0.62	
Profitability	Return on assets (%)	22.80	22.94	20.40	20.78	21.36	
	Return on equity (%)	34.81	35.16	32.29	34.58	36.41	
	Pre-tax net profit to paid-in capital ratio (%)	176.37	181.40	178.21	162.08	159.05	
	Net profit rate (%)	42.54	42.18	37.84	35.07	33.88	
	Earnings per share (NT$)	14.14	14.74	12.13	13.12	12.74	
Cash flow	Cash flow ratio (%)	70.77	76.84	73.09	67.06	59.73	
	Cash flow adequacy ratio (%)	122.80	120.42	107.14	108.08	110.49	
	Cash reinvestment ratio (%)	6.14	11.37	14.57	(1.84)	10.92	
Leverage	Operating leverage	1.22	1.25	1.33	1.28	1.28	
	Financial leverage	1.00	1.00	1.00	1.00	1.00	

Note 1: There were remaining financial analysis has not been reviewed by accountants in the first quarter of 2023 as of the date of publication of the Annual Report.

(1) The change of times interest earned resulted from interest increased by the loans from banks for the purchase of offices.

(2) An increase of accounts receivables turnover ratio resulted from less accounts payable to subsidiaries.

(3) The change of cash reinvestment ratio resulted from semi-annual cash dividend distribution which was amendment of articles of incorporation, so the cash dividends of previous year were distributed in the same period of last year and cash dividends in the first half of this year.

2.2 Consolidated Financial Analysis - Adopting International Financial Reporting Standards:

Item	Year	Financial analysis for the past five years					as of Mar. 31, 2024
		2019	2020	2021	2022	2023	
Financial structure (%)	Debt to asset ratio	35.54	36.81	39.51	42.12	42.89	Note 1
	Long term capital to property, plant and equipment ratio	231.81	227.93	242.42	232.12	209.05	
Solvency (%)	Current ratio	151.16	143.03	149.89	136.28	141.20	
	Quick ratio	150.55	142.43	148.93	135.38	140.04	
	Interest coverage ratio	2,615.37	4,692.52	906.19	444.50	322.26	
Operating capacity	Receivable turnover rate (times)	8.89	9.23	11.03	13.19	14.24	
	Average cash recovery day	41.05	39.54	33.09	27.67	25.63	
	Inventory turnover rate (times)	47.71	-	-	-	-	
	Payable turnover rate (times)	159.74	181.19	235.76	4,852.04	22,702.00	
	Days sales outstanding	7.65	-	-	-	-	
	Property, plant and equipment turnover rate (times)	1.95	1.91	1.95	2.19	2.15	
	Total asset turnover rate (times)	0.53	0.54	0.54	0.60	0.62	
Profitability	Return on assets (%)	22.10	22.04	19.60	20.00	20.66	
	Return on equity (%)	34.39	34.54	31.71	33.71	35.84	
	Pre-tax net profit to paid-in capital ratio (%)	177.46	181.37	178.14	161.35	160.87	
	Net profit rate (%)	40.92	40.40	35.88	33.25	32.81	
	Earnings per share (NT$)	14.14	14.74	12.13	13.12	12.74	
Cash flow	Cash flow ratio (%)	68.95	75.03	69.04	63.11	62.15	
	Cash flow adequacy ratio (%)	97.96	114.74	105.80	102.81	111.58	
	Cash reinvestment ratio (%)	8.30	16.14	16.60	(3.82)	15.95	
Leverage	Operating leverage	1.16	1.54	1.67	1.74	1.77	
	Financial leverage	1.00	1.00	1.00	1.00	1.00	

Note 1: There were remaining financial analysis has not been reviewed by accountants in the first quarter of 2024 as of the date of publication of the Annual Report.。

(1) The variation in the interest protection ratio was mainly due to purchase of a new office using bank borrowings and the resultant increase of the interest expenses.

(2) The receivable turnover rate was mainly due to the receivables determined to be irrecoverable after collection were written off, resulting in a decrease in the amount of receivables and an increase in the turnover rate..

(3) The Cash reinvestment ratio was mainly due to The company's articles of association have been amended, and the cash dividend has been changed to a semi-annual distribution. Therefore, the cash dividend for 2021 and first half of 2022 are distributed simultaneously in last year.

The above financial analysis is calculated as follows:

1. Financial structure
   (1) Debt to asset ratio = total liabilities / total assets
   (2) Long term capital to property, plant and equipment ratio = (total equity + non-current liabilities) / net property, plant and equipment
2. Solvency
   (1) Current ratio = current assets / current liabilities
   (2) Quick ratio = (current assets - inventory - prepaid expenses) / current liabilities
   (3) Interest coverage ratio = net profit before income tax and interest expense / interest expense in the current period
3. Operating capacity
   (1) Receivable (including accounts receivable and notes receivable due to business) turnover rate = net sales / average receivables for each period (including accounts receivable and notes receivable due to business)
   (2) Average cash recovery date = 365 / receivables turnover rate
   (3) Inventory turnover rate = sales cost / average inventory
   (4) Payable (including accounts payable and notes payable due to business) turnover rate = cost of sales / average balance payable on each period (including accounts payable and notes payable due to business)
   (5) Days sales outstanding = 365 / inventory turnover rate
   (6) Property, plant and equipment turnover = net sales / net average property, plant and equipment value
   (7) Total asset turnover rate = net sales / average total assets
4. Profitability
   (1) Return on assets = [after tax profit and loss + interest expense × (1 - tax rate)] / average total assets
   (2) Return on equity = after tax profit and loss / average equity
   (3) Net profit rate = after tax profit and loss / net sales
   (4) Earnings per share = (profit or loss attributable to parent company owner - special dividend) / weighted average number of issued shares
5. Cash flow
   (1) Cash flow ratio = net cash flow from operating activities / current liabilities.
   (2) Cash flow adequacy ratio = net cash flow from operating activities in the last five years / (capital expenditure + inventory increase + cash dividend) in the last five years
   (3) Cash reinvestment ratio = (net cash flow from operating activities - cash dividends) / (gross property, plant and equipment + long term investment + other non-current assets + working capital)
6. Leverage:
   (1) Operating leverage = (net operating income - changing operating costs and expenses) / operating profit.
   (2) Financial leverage = operating profit / (operating profit - interest expense)

3. Audit committee’ s Report for the Most Recent Year:

   Please refer to page 73 of the Chinese annual report.

4. Latest Financial Statements:

   Please refer to Appendix A.

5. Latest Parent Company Only Financial Statements Audited and Certified by CPAs:

   Please refer to Appendix B.

6. If the company and its affiliated companies had financial turnover difficulties in the most recent year and up to the date of publication of the annual report, the impact on the company's financial status should be listed: None.

VII. Review of Financial Conditions, Operating Results, and Risk Management

1. Analysis of Financial Status:

Unit: NT$ thousand; %

Item \ Year	2022	2023	Difference	
			Amount	%
Current assets	1,616,711	1,803,317	186,606	11.54%
Investment by Equity method	75,299	93,238	17,939	23.82%
Property, plant and equipment	890,198	1,109,175	218,977	24.60%
Intangible assets	76,393	67,135	(9,258)	(12.12)%
Other assets	593,980	522,998	(70,982)	(11.95)%
Total assets	3,252,581	3,595,863	343,282	10.55%
Current liabilities	1,186,231	1,277,049	90,818	7.66%
Non-current liabilities	183,656	265,112	81,456	44.35%
Total liabilities	1,369,887	1,542,161	172,274	12.58%
Interests attributable to parent company owner	1,868,205	2,036,076	167,871	8.99%
Capital stock(Note 1)	507,950	558,739	50,789	10.00%
Capital surplus	382,425	383,929	1,504	0.39%
Retained earnings	1,296,516	1,435,052	138,536	10.69%
Other equity interest	(318,686)	(341,644)	(22,958)	7.20%
Non-controlling interests	14,489	17,626	3,137	21.65%
Total equity	1,882,694	2,053,702	171,008	9.08%

Variations exceeding 20% in the most recent two years to the amount of more than NT$ 10 million:

1. The investment change under the equity method resulted from the profit of the Company's reinvestment.
2. The change of property, plant, equipment, and non-current liability resulted from the loans from banks for the purchase of offices and the subsidiary's leased office which was repossessed for self-use upon expiration.

2. Analysis of Financial Performance:

Unit: NT$ thousand; %

Item \ Year	2022	2023	Difference	% of change
Operating revenues	1,958,380	2,149,875	191,495	9.78%
Operating costs	574,967	647,007	72,040	12.53%
Gross profit	1,383,413	1,502,868	119,455	8.63%
Operating expenses	625,682	668,079	42,397	6.78%
Operating income	757,731	834,789	77,058	10.17%
Non-operating income and expenses	61,861	64,099	2,238	3.62%
Income from continuing operations before income tax	819,592	898,888	79,296	9.68%
Income tax expense	168,289	193,438	25,149	14.94%
Continued business unit net income	651,303	705,450	54,147	8.31%
Closed business unit profit (loss)	-	-	-	-
Net income	651,303	705,450	54,147	8.31%
Other comprehensive income (net after tax)	61,095	(18,380)	(79,475)	(130.08)%
Total comprehensive income	712,398	687,070	(25,328)	(3.56)%
Net profit attributable to the Stockholders of the parent	664,547	710,779	46,232	6.96%
Total comprehensive income (loss) attributable to the Stockholders of the parent	703,893	683,933	(19,960)	(2.84)%

Variations exceeding 20% in the most recent two years to the amount of more than NT$ 10 million:

1. Main reasons other comprehensive income:
   (1) The exchange rate fluctuates violently, resulting in large exchange differences in the translation of financial statements of foreign operating institutions
   (2) Due to the investment evaluation of equity instruments measured at fair value through other comprehensive profit and loss, among them, the sale of the shares of Cherri Tech, Inc last year. generated a large evaluation benefit, resulting in large changes .

The Company establishes the annual performance goals with reference to the environment of the industry, future supply and demand on the market, the number of the members, and previous operating performance. The Company also enhances internal management efficiency, improve operating performance, and develop new business. Continuous growth of the sales amount is expected in the coming year.

3. Analysis of Cash Flow:

3.1 Cash Flow Analysis for the Current Year:

Unit: NT$ thousand; %

Item	2022	2023	% of change	
			Amount	%
Operating activity	748,693	793,705	45,012	6.01%
Investing activity	(19,431)	(197,590)	(178,159)	916.88%
Financing activity	(829,134)	(457,621)	371,513	(44.81)%
Foreign exchange rate effect	23,601	5,356	(18,245)	(77.31)%
Net cash flow	(76,271)	143,850	220,121	(288.60)%

The main reasons for the recent changes in cash flow are as follows:

1. The variation in the investment activities was mainly due to purchase of an office and the resultant cash outflow in this period.
2. The variation in the financing activities was mainly due to The company's articles of association have been amended, and the cash dividend has been changed to a semi-annual distribution. Therefore, the cash dividend for 2021 and first half of 2022 are distributed simultaneously in last period.
3. The Foreign exchange rate effect was mainly due to the large change in exchange rate in last period.

3.2 Improvement plan for lack of liquidity:

It was net inflow this year, so there is no shortage of cash.

3.3 Liquidity analysis for the next year:

It is expected that the revenue of the next year will continue to increase. Meanwhile, the Company is in the growing and profit-making stage and there is no likelihood of insufficient capital liquidity or cash deficiency.

4. Major Capital Expenditure Items:

Since the Company’s operation status is in good condition, the cash inflow from the business operation is stable, and the fund of major capital expenditure for purchase of real-estate for own use in the most recent years came from the working capital of the Company, there was no significant impact on the Company’s finance.

5. Investment Policy in the Last Year, Main Causes for Profits or Losses, Improvement Plans and Investment Plans for the Coming Year:

5.1 Reinvestment policy in the past year:

Based on the operation needs and consideration of future development, the Company is going to invest in the companies related to the main business of the Company, and an improved overall operating performance is expected by doing so.

Unit: NT$ thousand

Invested company	Shareholding percentage	Gain (loss) recognized in the most recent years	Policy	Main causes of profit or loss	Rectification	Investment plans for the next year
ADDcn Technology (Samoa) Co., Ltd	100%	6,209	Offshore holding company	Investment income recognized for investee’s profit.	-	-
ADDcn Technology (Shenzhen) Ltd	100%	30,917	Provision of maintenance, operations, and customer services for ADDcn Technology Co., Ltd	Providing labor services and proper cost control	-	-

Invested company	Shareholding percentage	Gain (loss) recognized in the most recent years	Policy	Main causes of profit or loss	Rectification	Investment plans for the next year
ADDcn Technology (HK) Co., Ltd	79.79%	(18,192)	Development of oversea markets	The advertising budget declined because agents tend to be conservatives due to the market environment.	-	-
digit marketing Co., Ltd	30.29%	37,221	Advertising for the platform’s operation	This company's deep commitment to the industry is complemented by the company's reputation of brand to increased profitability.	-	-

5.2 Main reasons for profit or loss and improvement plan:

Loss from investment of the Company: ADDcn Technology (HK) Co., Ltd built the new platform 8591, which has not achieve the goal of market share at the current stage but organized marketing and advertising events on an irregular basis. These were the main factors leading to the slight loss of the company; The advertising budget of 591.com declined to result in a decrease in revenue because agents tend to be conservatives due to the market environment.

5.3 Investment plan in the coming year: None.

6. Analysis of Risk Management:

6.1 Impact of Changes in Interest Rates, Foreign Exchange Rates and Inflation on Corporate Finance, and Future Response Measures:

(1)Interest rate

The Company applied for bank loans for purchase of an office in the current period. The interest rate was about 1.82% ~ 2.05% and the generated interest cost was NT$2,600 thousand, occupying 0.12% of the net operating revenue. The ratio was very low and, thus, the change of the interest rate would not increase the expenses of the Company.

The Group mainly deposits the funds in current and time deposits. The interest revenue in 2022 and 2023 was NT$ 4,665 thousand and NT$ 10,737 thousand accounting for 0.24% and 0.50%, respectively, of the operating revenue. Since the ratios were quite small, the impact on the Group’s profit was limited.

(2)Exchange rates

The Group’s amounts of purchase and sale are denominated in NT$. The exchange gain (loss) in each year is mainly from the collection and payment of service costs between affiliates. The consolidated exchange gains (losses) in the most recent two years accounted for less than 1% of the net operating revenue and operating profit, respectively, showing that variation of the exchange rate did not have any material effect on the Group’s profit.

(3)Inflation

The Group has not been significantly affected by inflation so far. We will continue to pay attention to the overall price level and the changes in the market, and will appropriately adjust the price and control the cost structure in response to the market condition.

6.2 Policy on high-risk, high-leverage investments, loaning of funds, endorsements and guarantees as well as derivatives transactions, major causes for profits or losses and future countermeasures:

The Group focuses on the operation of the main business. Our financial management is based on the principle of conservation and stability, and we are not engaged in any high-risk and high-leverage investment. The Group has established regulations for loaning funds to others, endorsements, guarantees, and derivatives trading. Up to the prospectus' publication date, the Group had never been engaged in loaning funds to others, endorsements, guarantees, and derivatives trading.

6.3 Future research and development projects, and expenditures expected in connection therewith:

The Group’s future research and development plans will utilize the knowledge and technology related to the network structure accumulated by the Group to continue optimizing the service of the original portal and developing new application services. By providing novel, various, convenient functions on the website, we can enhance customers’ loyalty, attract new members, and expand the market share continuously to become a network operator that combines the development, operations, and promotion of websites.

The Group's R&D expenses in 2022 and 2023 were NT$ 69,227 thousand and NT$ 103,871 thousand accounting for 3.53% and 4.83%, respectively, of the revenue in the current year. In the future, we will depend on the operation status, profit-seeking targets in line with the product development plan of the Company to use our resources in R&D to develop new products that meet the market trend and customer’s needs. The Company plans to invest approximately 3% to 10% of the total revenue for the year in R&D expenditures in 2024.

6.4 Financial impacts and responsive measures in the event of changes in local and foreign regulations:

The Group not only follows relevant domestic and foreign laws and regulations to conduct the operation, but also pays constant attention to the policy development trends and changes of laws and regulations in Taiwan and foreign countries. We assign professional personnel to attend internal and external training courses irregularly to understand the changes of the political and economic situation in Taiwan and foreign countries. So far, the Group’s financial operations have not been significantly affected by the changes in domestic and foreign policies or regulations.

6.5 The impact on the Company's financial operations of developments in science, technology, and industry, and the measures the Company plans to adopt in response:

With the improvement of technology, the fast growth of the global computer usage, and the upgrade of broadband service in recent years, the penetration rate of the computer and Internet becomes higher and the living style changes as a result. Since the establishment, the Group has continued to improve the service quality and made efforts to provide new online new functions. We have also looked for new applications of related information services to provide convenient, service-oriented and completed platforms. Meanwhile, we have paid constant attention to the changes in the industrial technology and the development trend of e-commerce to quickly response to the situation and grasp opportunities to increase profit. Hence, the development in science, technology, and industry has a positive impact on the Group’s financial operations.

The Company has endeavored to ensure the control and management of the information security and the personal data protection. We established the committee for assessment of information management which is responsible to promote, coordinate, and supervise the

matters relating to the protection of information of the Company in 2013. Meanwhile, we also engaged the third-party certification unit to regularly assess the information security of the Company. Also, the Company passed the SGS international certification and BS 10012 PIMS (Personal Information Management System) in 2017. We maintain the information security regularly every year and continue to pass the certification to preserve its effectiveness to ensure the highest-level protection of the clients' information under multi-layers information security controls. In addition, to protect clients' rights of privacy, the Company set up the 'Privacy Policy' page on the official website that reports the collection, process, use of clients' information which comply with the regulations related to 'Personal Data Protection Act'. We also established "Personal Data, Document and Record Management Procedure," "Personal Data Inventory and Risk Management Procedure," "Accident Response Management Procedure," "Personal Data Audit and Corrective/Preventive Management Procedure" and "Personal Data Outsourcing Management Procedure." All persons must only process and use the necessary information based on the well-defined authorized regulation. The information must be properly preserved according to the regulation of the inventory form and be deleted effectively depending on the retention period. In addition, we have engaged a third-party certification unit to scan the internal and external information security of the Company every year since 2014 to ensure the information environment and technology is secure. Since the same year, the inspection overview and the planning of information security of the current year have been regularly submitted to the board of directors meeting.

The Company adopted the best technology to guarantee the security of the clients' personal data. Currently, we use the Secure Sockets Layer (SSL) mechanism (256Bit) to encrypt the data transmission, and install firewall to prevent the clients' personal data from illegal access by illegal attacks. Meanwhile, we cooperated with the Internet service provider to expand network resources to further prevent Distributed Denial-Of-Service attack, and provided Content Distribution Network to be able to transmit the service contents to the users more quickly, reliably and efficiently. To provide the service that is more suitable to the clients, we use Cookie to receive and record the servers' data including IP Address and Cookies which to be used in the work of updating products and optimizing Internet service. To improve the network security, we have equipped the websites with HTTPS which is an encrypted transfer protocol secure to protect the privacy of transaction information in 2014. Since the establishment, the Company has never received incidents that could have impact on the personal data security, which sufficiently proves that the Company takes the establishment and fulfillment of the information security policy very seriously.

In addition, the occurrence of the network and information security incident could have partially evolved into the personal data breach. Therefore, the Company brought in 'Face Recognition System' and 'Employee Internet Access Identification System' to strength control over the personnel access in 2019. Meanwhile, we actively found an insurance company to insure 'Cyber Insurance' to effectively reduce the losses and damages caused by the occurrence of incidents.

6.6 The Impact of Changes in Corporate Image on Corporate Risk Management, and the Company's Response Measures:

Since the establishment, the Group has focused on operating the main business, developing products, taking internal management seriously and complying with relevant laws and regulations strictly; so far, no impact that damaged the Group's image has occurred. We will completely comply with relevant laws and regulations, implement every requirement of the corporate governance and consult with experts timely to lower the risk and the impact on the Group's financial operations as a result thereof.

6.7 Expected Benefits from, Risks Relating to and Response to Merger and Acquisition Plans:

The Group did not have in-progress merger projects or plans of merging other companies in the most recent year and up to the publication date of the prospectus. The Company has established the "Audit committee." We will consider the synergy of merger with prudent assessment if there is any merging plan, and submit it to the Audit committee for review to secure shareholders' interests.

6.8 Expected Benefits from, Risks Relating to and Response to Factory Expansion Plans:

The Group is not a manufacturer; thus expansion of plants is not applicable. Also, for the platform expansion plan, the Group will utilize the operation planning, market assessment, product design and financial estimation to assess the risk and provide responsive strategies for them.

6.9 Risks Relating to and Response to Excessive Concentration of Purchasing Sources and Excessive Customer Concentration:

(1)Purchase

The Group's 8591 Virtual Treasure Trading, 591 Property Trading, 8891 Cars Trading and 518 Human Resource are online transaction platforms that do not procure or manufacture physical product. Hence, there is no purchase consolidation risk.

(2)Sales

Due to the characteristics of the Group's business, there is no specific buyer. The total revenue of top-10 customers only accounts for less than 10% of the consolidated operating revenue and, thus, there is no sales consolidation risk.

6.10 Effects of, Risks Relating to and Response to Large Share Transfers or Changes in Shareholdings by Directors, Supervisors, or Shareholders with Shareholdings of over 10%:

In the most recent year and up to the publication date of the prospectuses, there is no major transfer of shareholding by directors or major shareholders with more than 10% of shareholding.

6.11 Effects of, Risks Relating to and Response to the Changes in Management Rights:

The Company's shares are mainly held by directors and employees who have a strong sense of mission toward the Company and participate in significant decisions on a long-term basis, maintaining a high-growth and best operating performance of the Company in recent years. We will also uphold an operational and ethical belief of steadiness and integrity to obtain the recognition from all shareholders towards the management team. Therefore, the Company will not have impact and risk due to changes of the management power.

6.12 Litigation or Non-litigation Matters:

(1)Major ongoing lawsuits, non-lawsuits or administrative lawsuit:None.

(2)Major ongoing lawsuits, non-lawsuits or administrative lawsuits caused by directors or shareholders with over 10% shareholdings:None.

6.13 Other significant risks and corresponding countermeasures:None

7. Other Major Risks:None.

VIII. Special Disclosure

1. Summary of Affiliated Companies:Please refer to page 86 of the Chinese annual report.
2. Private Placement Securities in the Most Recent Years: None.
3. Shares in the Company Held or Disposed of by Subsidiaries in the Most Recent Years:None.
4. Other Necessary Supplementary Notes: None.

Stock Code:5287

(English Translation of Consolidated Financial Statements and Report Originally Issued in Chinese)

Addcn Technology Co., Ltd AND SUBSIDIARIES

Consolidated Financial Statements

With Independent Auditors' Report
For the Years Ended December 31, 2023 and 2022

Address: 10F, No.12, ln. 609, Sec. 5, Chongxin Rd., Sanchong Dist., New Taipei City 241, Taiwan (R.O.C.)
Telephone: +886-2-2999-5691

The independent auditors' report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' report and consolidated financial statements, the Chinese version shall prevail.

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Representation Letter

The entities that are required to be included in the combined financial statements of Addcn Technology Co., Ltd as of and for the year ended December 31, 2023 under the Criteria Governing the Preparation of Affiliation Reports, Consolidated Business Reports, and Consolidated Financial Statements of Affiliated Enterprises are the same as those included in the consolidated financial statements prepared in conformity with International Financial Reporting Standards No. 10, "Consolidated Financial Statements." endorsed by the Financial Supervisory Commission of the Republic of China. In addition, the information required to be disclosed in the combined financial statements is included in the consolidated financial statements. Consequently, Addcn Technology Co., Ltd and Subsidiaries do not prepare a separate set of combined financial statements.

Company name: Addcn Technology Co., Ltd
Chairman: Shi-Fang Liao
Date: March 14, 2024

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Independent Auditors' Report

To the Board of Directors of Addcn Technology Co., Ltd:

Opinion

We have audited the consolidated financial statements of Addcn Technology Co., Ltd and its subsidiaries ("the Group"), which comprise the consolidated balance sheet as of December 31, 2023 and 2022, the consolidated statement of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of material accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2023 and 2022, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the International Financial Reporting Standards ("IFRSs"), International Accounting Standards ("IASs"), Interpretations developed by the International Financial Reporting Interpretations Committee ("IFRIC") or the former Standing Interpretations Committee ("SIC") endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

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 Consolidated Financial Statements section of our report. We are independent of the Group in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

Key Audit Matters

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

KPMG, a Taiwan partnership and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee.

1. Revenue recognition

   Please refer to note 4(n) for the accounting policy of "Revenue" and note 6(s) for composition of revenue.

   Description of key audit matter:

   Sales Revenue of the Group is mainly generated from operating online platforms. The way of revenue recognition varies by different types of transactions and its economic substances. Also, there is a large volume of transactions through the online platforms day-by-day with system-controlled trading information and procedures.

   Therefore, transaction information and the timing of revenue recognition is an important issue in our audit of the consolidated financial statements.

   How the matter was addressed in our audit:

   Our principal audit procedures included: understanding trading model of each online platform and its principal system-based application control and manual control, including involving ITA specialist in testing the general information technology environment and related application control of their main transaction processes; obtaining the monthly income statement generated by the system of online platforms, assessing whether the system processes transaction information appropriately, and inspecting some samples of accounting vouchers to see if they agree with the monthly income statement generated by the system.

Other Matter

Addcn Technology Co., Ltd has prepared its parent-company-only financial statements as of and for the years ended December 31, 2023 and 2022, on which we have issued an unmodified opinion.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

The engagement partners on the audit resulting in this independent auditors' report are Luo, Re-Chih and Yu, Sheng-Ho.

KPMG

Taipei, Taiwan (Republic of China)
March 26, 2024

Notes to Readers

The accompanying consolidated financial statements are intended only to present the consolidated financial position, financial performance and cash flows in accordance with the accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such consolidated financial statements are those generally accepted and applied in the Republic of China.

The independent auditors' audit report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' audit report and consolidated financial statements, the Chinese version shall prevail.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

Addcn Technology Co., Ltd AND SUBSIDIARIES

Consolidated Balance Sheets

December 31, 2023 and 2022

(expressed in thousands of New Taiwan Dollar)

		December 31, 2023		December 31, 2022	
	Assets	**Amount**	**%**	**Amount**	**%**
	Current assets:				
1100	Cash and cash equivalents (note 6(a))	$ 924,884	26	781,034	24
1170	Notes and trade receivable, net (notes 6(d) and (s))	96,178	3	83,584	3
1181	Trade receivable due from related parties (note 7)	57,461	1	64,547	2
1476	Other current financial assets (notes 6(i), 7 and 8)	679,451	19	664,079	20
1479	Other current assets, others (note 6(j))	45,343	1	23,467	1
		1,803,317	50	1,616,711	50
	Non-current assets:				
1510	Non-current financial assets at fair value through profit or loss (note 6(b))	121,712	3	61,282	2
1518	Equity investment at fair value through other comprehensive income (note 6(c))	113,367	3	128,843	4
1521	Debt investment at fair value through other comprehensive income (note 6(c))	11,773	-	11,184	-
1550	Investments accounted for using equity method (note 6(e))	93,238	3	75,299	2
1600	Property, plant and equipment (notes 6(f) and 8)	1,109,175	31	890,198	28
1760	Investment property, net (notes 6(g) and 8)	241,100	7	374,405	12
1780	Intangible assets (note 6(h))	67,135	2	76,393	2
1840	Deferred income tax assets (note 6(o))	4,602	-	7,206	-
1995	Other non-current assets, others (note 6(j))	30,444	1	11,060	-
		1,792,546	50	1,635,870	50
	Total assets	**$ 3,595,863**	**100**	**3,252,581**	**100**

		December 31, 2023		December 31, 2022	
	Liabilities and Equity	**Amount**	**%**	**Amount**	**%**
	Current liabilities:				
2151	Notes payable and trade payables	$ 36	-	21	-
2200	Other payables (notes 6(k)and 7)	392,473	11	349,667	11
2130	Contract liabilities (note 6(s))	316,275	9	295,166	9
2320	Long-term borrowings, current portion (notes 6(l)and 8)	13,242	-	8,868	-
2335	Receipts under custody (note 6(k))	545,846	15	526,100	16
2399	Other current liabilities, others	9,177	-	6,409	-
		1,277,049	35	1,186,231	36
	Non-Current liabilities:				
2540	Long-term borrowings (notes 6(l)and 8)	172,116	5	111,189	4
2645	Guarantee deposits received	73,191	2	68,274	2
2670	Other non-current liabilities, others	19,805	1	4,193	-
		265,112	8	183,656	6
	Total liabilities	1,542,161	43	1,369,887	42
	Equity attributable to owners of parent (notes 6(p) and (q)):				
3100	Ordinary Shares	558,739	16	507,950	16
3200	Capital surplus	383,929	11	382,425	12
3300	Retained earnings	1,435,052	40	1,296,516	40
3400	Other equity interest	(341,644)	(10)	(318,686)	(10)
	Total equity attributable to owners of parent:	2,036,076	57	1,868,205	58
36XX	Non-controlling interests	17,626	-	14,489	-
	Total equity	2,053,702	57	1,882,694	58
	Total liabilities and equity	**$ 3,595,863**	**100**	**3,252,581**	**100**

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

Addcn Technology Co., Ltd AND SUBSIDIARIES

Consolidated Statements of Comprehensive Income

For the years ended December 31, 2023 and 2022

(expressed in thousands of New Taiwan Dollar , except earnings per share)

		2023		2022	
		Amount	%	Amount	%
4000	**Operating revenue (notes 6(s) and 7)**	$ 2,149,875	100	1,958,380	100
5000	**Operating costs (notes 6(n) and (t))**	647,007	30	574,967	29
5900	**Gross profit from operations**	1,502,868	70	1,383,413	71
6000	**Operating expenses (notes 6(n), (t) and 7):**				
6100	Selling expenses	266,182	12	277,110	14
6200	Administrative expenses	298,026	14	279,345	14
6300	Research and development expenses	103,871	5	69,227	4
	Total operating expenses	668,079	31	625,682	32
6900	**Net operating income**	834,789	39	757,731	39
	Non-operating income and expenses (notes 6(u) and 7):				
7100	Interest income	10,737	-	4,665	-
7010	Other income	19,873	1	33,303	2
7020	Other gains and losses, net	(934)	-	(2,336)	-
7050	Finance costs	(2,798)	-	(1,848)	-
7375	Share of profit of associates accounted for using equity method (note 6(e))	37,221	2	28,077	1
	Total non-operating income and expenses	64,099	3	61,861	3
	Profit before income tax	898,888	42	819,592	42
7951	**Less: income tax expenses (note 6(o))**	193,438	9	168,289	9
	Profit	705,450	33	651,303	33
8300	**Other comprehensive income:**				
8310	**Items that may not be reclassified subsequently to profit or loss :**				
8316	Unrealized losses from investments in equity instruments measured at fair value through other comprehensive income	(11,600)	(1)	30,628	2
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	-	-	-	-
		(11,600)	(1)	30,628	2
8360	**Items that may be reclassified subsequently to profit or loss :**				
8361	Exchange differences on translation	(7,358)	-	33,945	2
8367	Unrealized gains (losses) from investments in debt instruments measured at fair value through other comprehensive income	578	-	(3,478)	-
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	-	-	-	-
		(6,780)	-	30,467	2
8300	**Other comprehensive income**	(18,380)	(1)	61,095	4
	Comprehensive income	**$ 687,070**	**32**	**712,398**	**37**
	Profit attributable to:				
8610	Owners of parent	$ 710,779	33	664,547	34
8620	Non-controlling interests	(5,329)	-	(13,244)	(1)
		$ 705,450	**33**	**651,303**	**33**
	Comprehensive income attributable to:				
8710	Owners of parent	$ 683,933	32	703,893	37
8720	Non-controlling interests	3,137	-	8,505	-
		$ 687,070	**32**	**712,398**	**37**
	Basic earnings per share (NT dollars) (note 6(r))	**$**	**12.74**		**11.93**
	Diluted earnings per share (NT dollars) (note 6(r))	**$**	**12.62**		**11.83**

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

Addcn Technology Co., Ltd AND SUBSIDIARIES

Consolidated Statements of Changes in Equity

For the years ended December 31, 2023 and 2022

(expressed in thousands of New Taiwan Dollar)

	Equity attributable to owners of parent														
	Share capital				Retained earnings				Total other equity interest						
	Ordinary shares	Stock dividend to be distributed	Total share capital	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Total retained earnings	Unrealized Exchange differences on translation of foreign financial statements	Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	Unearned compensation	Total other equity interest	Total equity attributable to owners of parent	Non-controlling interests	Total equity
Balance at January 1, 2022	$ 429,370	78,615	507,985	380,740	463,468	280,437	620,631	1,364,536	(100,558)	(161,403)	(16,235)	(278,196)	1,975,065	5,984	1,981,049
Appropriation and distribution of retained earnings:															
Legal reserve	-	-	-	-	61,243	-	(61,243)	-	-	-	-	-	-	-	-
Special reserve	-	-	-	-	-	10,453	(10,453)	-	-	-	-	-	-	-	-
Cash dividends of ordinary shares	-	-	-	-	-	-	(802,581)	(802,581)	-	-	-	-	(802,581)	-	(802,581)
Stock dividends of ordinary shares	78,615	(78,615)	-	-	-	-	-	-	-	-	-	-	-	-	-
Reversal of special reserve	-	-	-	-	-	(18,477)	18,477	-	-	-	-	-	-	-	-
	78,615	(78,615)	-	-	61,243	(8,024)	(855,800)	(802,581)	-	-	-	-	(802,581)	-	(802,581)
Profit for the year ended December 31, 2022	-	-	-	-	-	-	664,547	664,547	-	-	-	-	664,547	(13,244)	651,303
Other comprehensive income for the year ended December 31, 2022	-	-	-	-	-	-	-	-	12,196	27,150	-	39,346	39,346	21,749	61,095
Comprehensive income for the year ended December 31, 2022	-	-	-	-	-	-	664,547	664,547	12,196	27,150	-	39,346	703,893	8,505	712,398
Other changes in capital surplus:															
Changes in ownership interests in subsidiaries	-	-	-	-	-	-	(21,027)	(21,027)	-	-	-	-	(21,027)	-	(21,027)
Share-based payments	-	-	-	2,366	-	-	-	-	-	-	10,489	10,489	12,855	-	12,855
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	-	-	91,041	91,041	-	(91,041)	-	(91,041)	-	-	-
Experation of restricted stock awards	(35)	-	(35)	(681)	-	-	-	-	-	-	716	716	-	-	-
Balance at December 31, 2022	507,950	-	507,950	382,425	524,711	272,413	499,392	1,296,516	(88,362)	(225,294)	(5,030)	(318,686)	1,868,205	14,489	1,882,694
Appropriation and distribution of retained earnings:															
Special reserve	-	-	-	-	-	76,679	(76,679)	-	-	-	-	-	-	-	-
Cash dividends of ordinary shares	-	-	-	-	-	-	(513,025)	(513,025)	-	-	-	-	(513,025)	-	(513,025)
Stock dividends of ordinary shares	50,795	-	50,795	-	-	-	(50,795)	(50,795)	-	-	-	-	-	-	-
	50,795	-	50,795	-	-	76,679	(640,499)	(563,820)	-	-	-	-	(513,025)	-	(513,025)
Profit for the year ended December 31, 2023	-	-	-	-	-	-	710,779	710,779	-	-	-	-	710,779	(5,329)	705,450
Other comprehensive income for the year ended December 31, 2023	-	-	-	-	-	-	-	-	(15,824)	(11,022)	-	(26,846)	(26,846)	8,466	(18,380)
Comprehensive income for the year ended December 31, 2023	-	-	-	-	-	-	710,779	710,779	(15,824)	(11,022)	-	(26,846)	683,933	3,137	687,070
Changes in ownership interests in subsidiaries	-	-	-	-	-	-	(8,423)	(8,423)	-	-	-	-	(8,423)	-	(8,423)
Share-based payments	-	-	-	1,625	-	-	-	-	-	-	3,761	3,761	5,386	-	5,386
Expiration of restricted stock awards	(6)	-	(6)	(121)	-	-	-	-	-	-	127	127	-	-	-
Balance at December 31, 2023	**$ 558,739**	**-**	**558,739**	**383,929**	**524,711**	**349,092**	**561,249**	**1,435,052**	**(104,186)**	**(236,316)**	**(1,142)**	**(341,644)**	**2,036,076**	**17,626**	**2,053,702**

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

Addcn Technology Co., Ltd AND SUBSIDIARIES

Consolidated Statements of Cash Flows

For the years ended December 31, 2023 and 2022

(expressed in thousands of New Taiwan Dollar)

	2023	2022
Cash flows from operating activities:		
Profit before tax	$ 898,888	819,592
Adjustments:		
Adjustments to reconcile profit:		
Depreciation expense	51,644	45,682
Amortization expense	9,576	9,804
Net loss (gain) on financial assets or liabilities at fair value through profit or loss	(362)	5,895
Interest expense	2,798	1,848
Interest income	(10,737)	(4,665)
Dividend income	-	(1,548)
Share-based payments	5,386	12,855
Share of profit of associates transactions accounted for using equity method	(37,221)	(28,077)
Loss from disposal of property, plan and equipment	92	2
Loss from disposal of investments	-	507
Unrealized foreign exchange gain	(79)	(2,342)
Total adjustments to reconcile profit	21,097	39,961
Changes in operating assets and liabilities:		
Changes in operating assets:		
Decrease (increase) in trade receivables	(12,594)	6,881
Trade receivables due from related parties	7,086	(27,363)
Other current assets	649	(1,302)
Other financial assets	(21,876)	1,824
Total changes in operating assets	(26,735)	(19,960)
Changes in operating liabilities:		
Notes payable and trade payables	15	(195)
Other payables	34,590	35,315
Contract liabilities	21,109	22,689
Receipts under custody	19,746	4,953
Other current liabilities	141	(506)
Total changes in operating liabilities	75,601	62,256
Total changes in operating assets and liabilities	48,866	42,296
Total adjustments	69,963	82,257

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

Addcn Technology Co., Ltd AND SUBSIDIARIES

Consolidated Statements of Cash Flows

For the years ended December 31, 2023 and 2022

(expressed in thousands of New Taiwan Dollar)

	2023	2022
Cash inflow generated from operations	968,851	901,849
Interest received	10,726	4,641
Interest paid	(2,791)	(1,821)
Income taxes paid	(183,081)	(155,976)
Net cash flows from operating activities	793,705	748,693
Cash flows from (used in) investing activities:		
Acquisition of financial assets at fair value through other comprehensive income	-	(63,836)
Proceeds from disposal of financial assets at fair value through other comprehensive income	-	103,362
Proceeds from capital reduction of financial assets at fair value through other comprehensive income	2,000	3,000
Acquisition of financial assets at fair value through profit or loss	(60,000)	(50,000)
Proceeds from disposal of financial assets at fair value through profit or loss	-	4,831
Acquisition of property, plant and equipment	(39,047)	(23,538)
Decrease (increase) in refundable deposits	(867)	(2,024)
Acquisition of intangible assets	(364)	(457)
Acquisition of investment properties	(104,459)	-
Increase in other financial assets	(16,010)	(6,910)
Dividends received	21,157	16,141
Net cash flows used in investing activities	(197,590)	(19,431)
Cash flows from (used in) financing activities:		
Proceeds from long-term debt	75,490	-
Repayments of long-term debt	(10,189)	(8,868)
Increase in guarantee deposits received	4,917	8,870
Payment of lease liabilities	(6,391)	(5,528)
Cash dividends paid	(513,025)	(802,581)
Contribution by non-controlling interests	(8,423)	(21,027)
Net cash flows used in financing activities	(457,621)	(829,134)
Effect of exchange rate changes on cash and cash equivalents	5,356	23,601
Net increase (decrease) in cash and cash equivalents	143,850	(76,271)
Cash and cash equivalents at beginning of period	781,034	857,305
Cash and cash equivalents at end of period	**$ 924,884**	**781,034**

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

Addcn Technology Co., Ltd AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

For the years ended December 31, 2023 and 2022

(expressed in thousands of New Taiwan Dollar, unless otherwise specified)

(1) Company history

Addcn Technology Co., Ltd (the "Company") was incorporated in January 23, 2007 as a company limited by shares under the Company ACT of the Republic of China (ROC). The Company was registered in 10F, No.12, Lane 609, Sec 5, Chungshin Rd., Sanchung Dist., New Taipei City. The consolidated financial statements of the Company as of and for the year ended December 31, 2023 comprised the Company and subsidiaries (together referred to as the "Group" and individually as "Group entities"). The major business activities of the Group are online trade platform operation and services. Please refer to note 14 for related information of the Group entities' main business activities. The Company's common shares were listed on the Taiwan Exchange (TPEx) in January 20, 2014.

(2) Approval date and procedures of the consolidated financial statements

These consolidated financial statements were authorized for issue by the Board of Directors on March 14, 2024.

(3) New standards, amendments and interpretations adopted:

(a) The impact of the International Financial Reporting Standards ("IFRSs") endorsed by the Financial Supervisory Commission, R.O.C. which have already been adopted.

The Group has initially adopted the following new amendments, which do not have a significant impact on its consolidated financial statements, from January 1, 2023:

- Amendments to IAS 1 "Disclosure of Accounting Policies"
- Amendments to IAS 8 "Definition of Accounting Estimates"
- Amendments to IAS 12 "Deferred Tax related to Assets and Liabilities arising from a Single Transaction"

The Group has initially adopted the new amendment, which do not have a significant impact on its consolidated financial statements, from May 23, 2023:

- Amendments to IAS 12 "International Tax Reform—Pillar Two Model Rules"

(b) The impact of IFRS issued by the FSC but not yet effective

The Group assesses that the adoption of the following new amendments, effective for annual period beginning on January 1, 2024, would not have a significant impact on its consolidated financial statements:

- Amendments to IAS 1 "Classification of Liabilities as Current or Non-current"
- Amendments to IAS 1 "Non-current Liabilities with Covenants"
- Amendments to IAS 7 and IFRS 7 "Supplier Finance Arrangements"

(Continued)

Addcn Technology Co., Ltd AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

- Amendments to IFRS 16 “Lease Liability in a Sale and Leaseback”

(c) The impact of IFRS issued by IASB but not yet endorsed by the FSC

The Group does not expect the following new and amended standards, which have yet to be endorsed by the FSC, to have a significant impact on its consolidated financial statements:

- Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets Between an Investor and Its Associate or Joint Venture”
- IFRS 17 “ Insurance Contracts” and amendments to IFRS 17 “ Insurance Contracts”
- Amendments to IAS21 “Lack of Exchangeability”

(4) Summary of material accounting policies:

The material accounting policies presented in the consolidated financial statements are summarized below. Except for those specifically indicated, the following accounting policies were applied consistently throughout the periods presented in the consolidated financial statements.

(a) Statement of compliance

These consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers (hereinafter referred to as “the Regulations”) and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations endorsed and issued into effect by the Financial Supervisory Commission, R.O.C.

(b) Basis of preparation

(i) Basis of measurement

Except for the following significant accounts, the consolidated financial statements have been prepared on a historical cost basis:

1) Financial instruments at fair value through profit or loss are measured at fair value;

2) Financial assets at fair value through other comprehensive income are measured at fair value.

(ii) Functional and presentation currency

The functional currency of each Group Entity is determined based on the primary economic environment in which the entity operates. The consolidated financial statements are presented in New Taiwan dollars (NTD), which is the Company’ s functional currency. All financial information presented in NTD has been rounded to the nearest thousand.

(Continued)

Addcn Technology Co., Ltd AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(c) Basis of consolidation

(i) Principles of preparation of the consolidated financial statements

The consolidated financial statements comprise the Company and subsidiaries. Subsidiaries are entities controlled by the Group. The Group 'controls' an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases. Intragroup balances and transactions, and any unrealized income and expenses arising from Intragroup transactions are eliminated in preparing the consolidated financial statements. The Group attributes the profit or loss and each component of other comprehensive income to the owners of the parent and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

The Group prepares consolidated financial statements using uniform accounting policies for like transactions and other events in similar circumstances.

Changes in the Group's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received will be recognized directly in equity, and the Group will attribute it to the owners of the parent.

(ii) List of subsidiaries in the consolidated financial statements

Subsidiaries listed in the consolidated financial statements are included as below.

Name of investor	Name of subsidiary	Principal activity	Percentage of ownership December 31, 2023	Percentage of ownership December 31, 2022	Description
The Company	Addcn Technology (Samoa) Co., Ltd	Investment holdings	100.00 %	100.00 %	The Company directly owns 100% of equity.
Addcn Technology (Samoa) Co., Ltd	Addcn Technology (SHENZHEN) Co., Ltd.	Applied system management, maintenance and customer service	100.00 %	100.00 %	The Company indirectly owns 100% of equity.
Addcn Technology (Samoa) Co., Ltd	Addcn Technology (HK) Co., Limited	Electronic information supply	79.79 %	77.32 %	The Company indirectly owns 79.79% of equity.

(iii) Subsidiaries excluded from the consolidated financial statements: None.

(Continued)

Addcn Technology Co., Ltd AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(d) Foreign currencies

(i) Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currencies of Group entities at the exchange rates at the dates of the transactions. At the end of each subsequent reporting period, monetary items denominated in foreign currencies are translated into the functional currencies using the exchange rate at that date. Non-monetary items denominated in foreign currencies that are measured at fair value are translated into the functional currencies using the exchange rate at the date that the fair value was determined. Non-monetary items denominated in foreign currencies that are measured based on historical cost are translated using the exchange rate at the date of the transaction.

Exchange differences are generally recognized in profit or loss, except for those differences relating to the following, which are recognized in other comprehensive income:

1) an investment in equity securities designated as at fair value through other comprehensive income;

2) a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective; or

3) qualifying cash flow hedges to the extent that the hedges are effective.

(ii) Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated into the presentation currency at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into the presentation currency at the average exchange rate. Exchange differences are recognized in other comprehensive income.

When a foreign operation is disposed of such that control, significant influence, or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. When the Group disposes of only part of its interest in a subsidiary that includes a foreign operation while retaining control, the relevant proportion of the cumulative amount is reattributed to non-controlling interests. When the Group disposes of only part of its investment in an associate or joint venture that includes a foreign operation while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

When the settlement of a monetary receivable from or payable to a foreign operation is neither planned nor likely to occur in the foreseeable future, Exchange differences arising from such a monetary item that are considered to form part of the net investment in the foreign operation are recognized in other comprehensive income.

(Continued)

Addcn Technology Co., Ltd AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

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

An asset is classified as current under one of the following criteria, and all other assets are classified as non-current.

(i) It is expected to be realized, or intended to be sold or consumed, in the normal operating cycle;

(ii) It is held primarily for the purpose of trading;

(iii) It is expected to be realized within twelve months after the reporting period; or

(iv) The asset is cash or a cash equivalent (as defined in IAS 7) unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

A liability is classified as current under one of the following criteria, and all other liabilities are classified as non-current.

An entity shall classify a liability as current when:

(i) It is expected to be settled in the normal operating cycle;

(ii) It is held primarily for the purpose of trading;

(iii) It is due to be settled within twelve months after the reporting period; or

(iv) The Group does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by issuing equity instruments do not affect its classification.

(f) Cash and cash equivalents

Cash comprises cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value. Time deposits which meet the above definition and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes should be recognized as cash equivalents.

(g) Financial Instruments

Trade receivables and debt securities issued are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Group becomes a party to the contractual provisions of the instrument. A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

(Continued)

Addcn Technology Co., Ltd AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(i) Financial assets

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis.

On initial recognition, a financial asset is classified as measured at: amortized cost; Fair value through other comprehensive income (FVOCI) – debt investment; FVOCI – equity investment; or FVTPL. Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

1) Financial assets measured at amortized cost

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

These assets are subsequently measured at amortized cost, which is the amount at which the financial asset is measured at initial recognition, plus/minus, the cumulative amortization using the effective interest method, adjusted for any loss allowance. Interest income, foreign exchange gains and losses, as well as impairment, are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

2) Fair value through other comprehensive income (FVOCI)

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment’s fair value in other comprehensive income. This election is made on an instrument-by-instrument basis.

Debt investments at FVOCI are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in other comprehensive income. On derecognition, gains and losses accumulated in other comprehensive income are reclassified to profit or loss.

(Continued)

Equity investments at FVOCI are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in other comprehensive income and are never reclassified to profit or loss.

Dividend income is recognized in profit or loss on the date on which the Group's right to receive payment is established.

3) Fair value through profit or loss (FVTPL)

All financial assets not classified as amortized cost or FVOCI described as above are measured at FVTPL. On initial recognition, the Group may irrevocably designate a financial asset, which meets the requirements to be measured at amortized cost or at FVOCI, as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.

4) Business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management' s strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realizing cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Group' s management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated ─ e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, and are consistent with the Group's continuing recognition of the assets.

(Continued)

5) Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, ‘principal’ is defined as the fair value of the financial assets on initial recognition. ‘Interest’ is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs, as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable rate features;
- prepayment and extension features; and
- terms that limit the Group’s claim to cash flows from specified assets (e.g. non-recourse features)

6) Impairment of financial assets

The Group recognizes loss allowances for expected credit losses (ECL) on financial assets measured at amortized cost (including cash and cash equivalents, amortized costs, notes and trade receivables, other receivables, guarantee deposit paid and other financial assets), debt investments measured at FVOCI and contract assets.

The Group measures loss allowances at an amount equal to lifetime ECL, except for the following which are measured as 12-month ECL:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowance for trade receivables and contract assets are always measured at an amount equal to lifetime ECL.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Group’s historical experience and informed credit assessment as well as forward-looking information.

(Continued)

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 1 days past due.

The Group considers a financial asset to be in default when the financial asset is more than 60 days past due or the debtor is unlikely to pay its credit obligations to the Group in full.

The Group considers a debt security to have low credit risk when its credit risk rating is equivalent to the globally understood definition of 'investment grade which is considered to be BBB- or higher per Standard & Poor's, Baa3 or higher per Moody's or twA or higher per Taiwan Ratings'.

Lifetime ECL are the ECL that result from all possible default events over the expected life of a financial instrument.

12-month ECL are the portion of ECL that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECL is the maximum contractual period over which the Group is exposed to credit risk.

ECL are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive). ECL are discounted at the effective interest rate of the financial asset.

At each reporting date, the Group assesses whether financial assets carried at amortized cost and debt securities at FVOCI are credit-impaired. A financial asset is ' credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence that a financial assets is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being more than 60 days past due;
- the lender of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession that the lender would not otherwise consider;
- it is probable that the borrower will enter bankruptcy or other financial reorganization; or
- the disappearance of an active market for a security because of financial difficulties.

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets. For debt securities at FVOCI, the loss allowance is charge to profit or loss and is recognized in other comprehensive income instead of reducing the carrying amount of the asset.

(Continued)

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. For individual customers, the Group has a policy of writing off the gross carrying amount when the financial asset is 2 years past due based on historical experience of recoveries of similar assets. For corporate customers, the Group individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Group expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

7) Derecognition of financial assets

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group enters into transactions whereby it transfers assets recognized in its statement of balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognized.

(ii) Financial liabilities and equity instruments

1) Classification of debt or equity

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

2) Equity instrument

An equity instrument is any contract that evidences residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued are recognized as the amount of consideration received, less the direct cost of issuing.

3) Financial liabilities

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss.

Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

(Continued)

4) Derecognition of financial liabilities

The Group derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

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

5) Offsetting of financial assets and liabilities

Financial assets and financial liabilities are offset and the net amount presented in the statement of balance sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

(h) Investment in associates

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

Investments in associates are accounted for using the equity method and are recognized initially at cost. The cost of the investment includes transaction costs. The carrying amount of the investment in associates includes goodwill arising from the acquisition less any accumulated impairment losses.

The consolidated financial statements include the Group’ s share of the profit or loss and other comprehensive income of those associates, after adjustments to align their accounting policies with those of the Group, from the date on which significant influence commences until the date on which significant influence ceases. The Group recognizes any changes of its proportionate share in the investee within capital surplus, when an associate’s equity changes due to reasons other than profit and loss or comprehensive income, which did not result in changes in actual profortionate share.

Gains and losses resulting from transactions between the Group and an associate are recognized only to the extent of unrelated Group’s interest in the associate. When the Group’s share of losses of an associate equals or exceeds its interests in an associate, it discontinues recognizing its share of further losses. After the recognized interest is reduced to zero, additional losses are provided for, and a liability is recognized, only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

(Continued)

When the Group subscribes to additional shares in an associate at a percentage different from its existing ownership percentage, the resulting carrying amount of the investment will differ from the amount of the Group's proportionate interest in the net assets of the associate. The Group records such a difference as an adjustment to investments, with the corresponding amount charged or credited to capital surplus. The aforesaid adjustment should first be adjusted under capital surplus. If the capital surplus resulting from changes in ownership interest is not sufficient, the remaining difference is debited to retained earnings. If the Group's ownership interest is reduced due to the additional subscription to the shares of the associate by other investors, the proportionate amount of the gains or losses previously recognized in other comprehensive income in relation to that associate will be reclassified to profit or loss on the same basis as would be required if the associate had directly disposed of the related assets or liabilities.

(i) Investment property

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services, or for administrative purposes. Investment property is measured at cost on initial recognition, and subsequently at cost, less accumulated depreciation and accumulated impairment losses. Depreciation expense is calculated based on the depreciation method, useful life, and residual value which are the same as those adopted for property, plant and equipment.

Any gain or loss on disposal of an investment property (calculated as the difference between the net proceeds from disposal and the carrying amount) is recognized in profit or loss.

Rental income from investment property is recognized as other revenue on a straight-line basis over the term of the lease. Lease incentives granted are recognized as an integral part of the total rental income, over the term of the lease.

(j) Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalized borrowing costs, less accumulated depreciation and any accumulated impairment losses.

If significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognized in profit or loss.

(ii) Subsequent expenditure

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

(Continued)

(iii) Depreciation

Depreciation is calculated on the cost of an asset less its residual value and is recognized in profit or loss on a straightline basis over the estimated useful lives of each component of an item of property, plant and equipment.

Land is not depreciated.

The estimated useful lives of property, plant and equipment for current and comparative periods are as follows:

1)	Buildings	50 years
2)	Office equipment	1~5 years
3)	Lease improvements	1~5 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

(iv) Reclassification to investment property

A property is reclassified to investment property at its carrying amount when the use of the property changes from owner-occupied to investment property.

(k) Lease

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

(i) As a leasee

The Group recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

(Continued)

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be reliably determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

1) fixed payments, including in-substance fix payments;

2) variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;

3) amounts expected to be payable under a residual value guarantee; and

4) payments for purchase or termination options that are reasonably certain to be exercised.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when:

1) there is a change in future lease payments arising from the change in an index or rate; or

2) there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee; or

3) there is a change in the lease term resulting from a change of its assessment on whether it will exercise an option to purchase the underlying asset, or

4) there is a change of its assessment on whether it will exercise a purchase, extension or termination option; or

5) there is any lease modifications

When the lease liability is remeasured, other than lease modifications, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or in profit and loss if the carrying amount of the right-of-use asset has been reduced to zero.

When the lease liability is remeasured to reflect the partial or full termination of the lease for lease modifications that decrease the scope of the lease, the Group accounts for the remeasurement of the lease liability by decreasing the carrying amount of the right-of-use asset to reflect the partial or full termination of the lease, and recognize in profit or loss any gain or loss relating to the partial or full termination of the lease.

If an arrangement contains lease and non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices. However, for the leases of land and buildings in which it is a lessee, the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

(Continued)

The Group has elected not to recognize right-of-use assets and lease liabilities for short-term leases of printer and a part of office that have a lease term of 12 months or less and leases of low-value assets, including IT equipment. The Group recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

(ii) As a leasor

When the Group acts as a lessor, it determines at lease commencement whether each lease is a finance lease or an operating lease. To classify each lease, the Group makes an overall assessment of whether the lease transfers to the lessee substantially all of the risks and rewards of ownership incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then the lease is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, the Group applies IFRS15 to allocate the consideration in the contract.

(l) Intangible assets

(i) Recognition and measurement

Goodwill arising on the acquisition of subsidiaries is measured at cost, less accumulated impairment losses.

Expenditure on research activities is recognized in profit or loss as incurred.

Development expenditure is capitalized only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the Group intends to, and has sufficient resources to, complete development and to use or sell the asset. Otherwise, it is recognized in profit or loss as incurred. Subsequent to initial recognition, development expenditure is measured at cost, less accumulated amortization and any accumulated impairment losses.

Other intangible assets, including customer relationships, computer softwares and trademarks, that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortization and any accumulated impairment losses.

(ii) Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognized in profit or loss as incurred.

(Continued)

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(iii) Amortization

Amortization is calculated over the cost of the asset, less its residual value, and is recognized in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, other than goodwill, from the date that they are available for use.

The estimated useful lives for current and comparative periods are as follows:

1)	Trademarks	6~10 years
2)	Computer softwares	3~10 years
3)	Customer relationships	10 years

Amortization methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

(m) Impairment of non-financial assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than contract assets and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating units (CGUs). Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognized in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

(Continued)

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(n) Revenue

(i) Revenue from contracts with customers

Revenue is measured based on the consideration to which the Group expects to be entitled in exchange for transferring goods or services to a customer. The Group recognizes revenue when it satisfies a performance obligation by transferring control of a good or a service to a customer. The accounting policies for the Group's main types of revenue are explained below.

1) Online advertising platform services

The Group provides advertising services to customers. Revenue from providing services is recognized in the accounting period in which the services are rendered. For fixed-price contracts, revenue is recognized based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided. The proportion of services provided is determined based on the actual advertising hours spent relative to the total expected advertising hours.

Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known by management.

In case of fixed-price contracts, the customer pays the fixed amount based on a payment schedule. If the services rendered by the Group exceed the payment, a contract asset is recognized. If the payments exceed the services rendered, a contract liability is recognized.

2) Commission

The Group only acts as a platform provider when it provides online trading platform services. Commission is received by a fixed proportion of transaction price when the buyer and seller confirm that the transaction is finished.

3) Financing components

The Group does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the group does not adjust any of the transaction prices for the time value of money.

(Continued)

(ii) Contract costs

1) Incremental costs of obtaining a contract

The Group recognizes as an asset the incremental costs of obtaining a contract with a customer if the Group expects to recover those costs. The incremental costs of obtaining a contract are those costs that the Group incurs to obtain a contract with a customer that it would not have incurred if the contract had not been obtained. Costs to obtain a contract that would have been incurred regardless of whether the contract was obtained shall be recognized as an expense when incurred, unless those costs are explicitly chargeable to the customer regardless of whether the contract is obtained.

The Group applies the practical expedient to recognize the incremental costs of obtaining a contract as an expense when incurred if the amortization period of the asset that the entity otherwise would have recognized is one year or less.

2) Costs to fulfil a contract

If the costs incurred in fulfilling a contract with a customer are not within the scope of another Standard (for example, IAS 2 Inventories, IAS 16 Property, Plant and Equipment or IAS 38 Intangible Assets), the Group recognizes an asset from the costs incurred to fulfil a contract only if those costs meet all of the following criteria:

- the costs relate directly to a contract or to an anticipated contract that the Group can specifically identify;
- the costs generate or enhance resources of the Group that will be used in satisfying (or in continuing to satisfy) performance obligations in the future; and
- the costs are expected to be recovered.

General and administrative costs, costs of wasted materials, labor or other resources to fulfil the contract that were not reflected in the price of the contract, costs that relate to satisfied performance obligations (or partially satisfied performance obligations), and costs for which the Group cannot distinguish whether the costs relate to unsatisfied performance obligations or to satisfied performance obligations(or partially satisfied performance obligations), the Group recognizes these costs as expenses when incurred.

(o) Employee benefits

(i) Defined contribution plans

Obligations for contributions to defined contribution plans are expensed as the related service is provided. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in future payments is available.

(Continued)

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(ii) Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(p) Share-based payment

The grant-date fair value of equity-settled share-based payment arrangements awards granted to employees is generally recognized as an expenses, with a corresponding increase in equity, over the vesting period of the awards. The amount recognized as an expense is adjusted to reflect the number of awards for which related service and non-market performance conditions are expected to be met, such that the amount ultimately recognized is based on the number of awards that meet the related service and non-market performance conditions at the vesting date.For share-based payment awards with non-vesting conditions, the grant-date fair value of the share based payment is measured to reflect such conditions and there is no true up for differences between expected and actual outcomes.

The fair value of the amount payable to employees in respect of share appreciation rights, which are settled in cash, is recognized as an expense with a corresponding increase in liabilities, over the period during which the employees become unconditionally entitled to payment. The liability is remeasured at each reporting date and at settlement date based on the fair value of the share appreciation right. Any changes in the liability are recognized in profit or loss.

Grant date of a share-based payment award is the date which the board of directors authorized the price and number of a new award.

(q) Income taxes

Income taxes comprise current taxes and deferred taxes. Except for expenses related to business combinations or recognized directly in equity or other comprehensive income, all current and deferred taxes are recognized in profit or loss.

The Group has determined that interest and penalties related to income taxes, including uncertain tax treatment, do not meet the definition of income taxes, and therefore accounted for them under IAS37.

The Group has determined that the global minimum top-up tax – which it is required to pay under Pillar Two legislation – is an income tax in the scope of IAS 12. The Group has applied a temporary mandatory relief from deferred tax accounting for the impacts of the top-up tax and accounts for it as a current tax when it is incurred.

Current taxes comprise the expected tax payables or receivables on the taxable profits (losses) for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payables or receivables are the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date.

(Continued)

Deferred taxes arise due to temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their respective tax bases. Deferred taxes are recognized except for the following:

(i) temporary differences on the initial recognition of assets and liabilities in a transaction that is not a business combination and at the time of the transaction (1) affects neither accounting nor taxable profits (losses) and (2) does not give rise to equal taxable and deductible temporary differences;

(ii) temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and

(iii) taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognized for the carry forward of unused tax losses, unused tax credits, and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefits will be realized.

Deferred taxes are measured at tax rates that are expected to be applied to temporary differences when they reserve, using tax rates enacted or substantively enacted at the reporting date, and reflect uncertainty related to income taxes, if any.

Deferred tax assets and liabilities are offset if the following criteria are met:

(i) the Group has a legally enforceable right to set off currenttax assets against current tax liabilities; and

(ii) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on either:

1) the same taxable entity; or

2) different taxable entities which intend to settle current tax assets and liabilities on a net basis, or to realize the assets and liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

(r) Earnings per share

The Group discloses the Company’ s basic and diluted earnings per share attributable to ordinary shareholders of the Company. Basic earnings per share is calculated as the profit attributable to ordinary shareholders of the Company divided by the weighted average number of ordinary shares outstanding. Diluted earnings per share is calculated as the profit attributable to ordinary shareholders of the Company divided by the weighted average number of ordinary shares outstanding after adjustment for the effects of all potentially dilutive ordinary shares, such as employee stock options.

(Continued)

(s) Operating segments

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the Group). Operating results of the operating segment are regularly reviewed by the Group's chief operating decision maker to make decisions about resources to be allocated to the segment and to assess its performance. Each operating segment consists of standalone financial information.

(5) Significant accounting assumptions and judgments, and major sources of estimation uncertainty:

In preparing these the consolidated financial statements, management has made judgments, estimates, and assumptions that affect the application of the accounting policies and the reported amount of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

The management continues to monitor the accounting estimates and assumptions. The management recognizes any changes in accounting estimates during the period and the impact of those changes in accounting estimates in the following period.

Information about judgments made in applying accounting policies that have the most significant effects on the amounts recognized in the consolidated financial statements is as follows:

(a) Judgment of whether the Group has substantive control over its investees

The Group holds 30.29% of the outstanding voting shares of Digit Marketing Co., Ltd. and is the single largest shareholder of the investee. Although the remaining 69.71% of Digit Marketing Co., Ltd.'s shares are not concentrated within specific shareholders, the Group still cannot obtain more than half of the total number of Digit Marketing Co., Ltd.'s directors, and it also cannot obtain more than half of the voting rights at a shareholders' meeting. Therefore, it is determined that the Group has significant influence on Digit Marketing Co., Ltd.

For the assumptions and estimation uncertainties, there were no significant risk resulting in a material adjustment within the next financial year.

The Group's accounting policies include measuring financial and non financial assets and liabilities at fair value through profit or loss.

The Group's financial instrument valuation group conducts independent verification on fair value by using data sources that are independent, reliable, and representative of exercise prices. This financial instrument valuation group also periodically adjusts valuation models, conducts back testing, renews input data for valuation models, and makes all other necessary fair value adjustments to assure the rationality of fair value. The Group strives to use market observable inputs when measuring assets and liabilities. Different levels of the fair value hierarchy to be used in determining the fair value of financial instruments are as follows:

(a) Level 1: quoted prices (unadjusted) in active markets for identifiable assets or liabilities.

(b) Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (ie as prices) or indirectly (ie derived from prices).

(Continued)

(c) Level 3: inputs for the assets or liability that are not based on observable market data.

For any transfer within the fair value hierarchy, the impact of the transfer is recognized on the reporting date.Please refer to Note 6(w) for assumptions used in measuring fair value.

(6) Explanation of significant accounts:

(a) Cash and cash equivalents

	December 31, 2023	December 31, 2022
Cash	$ 100	148
Demand deposits and check deposits	924,784	780,886
Cash and cash equivalents in the consolidated statement of cash flows	**$ 924,884**	**781,034**

Please refer to note 6(w) for the interest rate risk, and sensitivity analysis of the financial assets and liabilities of the Group.

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

	December 31, 2023	December 31, 2022
Mandatorily measured as at fair value through profit or loss:		
Corporate bonds Apple Inc.	$ 11,712	11,282
Wisdom Capital Limited Partnership	110,000	50,000
Total	**$ 121,712**	**61,282**

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

	December 31, 2023	December 31, 2022
Debt investments at fair value through other comprehensive income	**$ 11,773**	**11,184**
Equity Investments at fair value through other comprehensive income:		
Domestic listed stocks	$ 18,141	18,141
Domestic unlisted stocks	95,226	110,702
	$ 113,367	**128,843**

(Continued)

(i) Debt investments at fair value through other comprehensive income

The Group has assessed that the following securities are held within a business model whose objective is achieved by both collecting the contractual cash flows and by selling securities; therefore, they have been classified as debt investments at fair value through other comprehensive income.

(ii) Equity investments at fair value through other comprehensive income

The Group designated the investments shown above as equity securities as at fair value through other comprehensive income because these equity securities represent those investments that the Group intends to hold for long-term for strategic purposes.

During the year ended December 31, 2022, the dividends of $1,548 thousand, related to equity investments at fair value through other comprehensive income held on the years then ended, were recognized. There is no such transaction during the year ended December 31, 2023.

The Group sold all the shares held in Cherri Tech Inc. on April 12, 2022 due to investment strategy, which was an equity investment at fair value through other comprehensive income. The fair value of the shares was $96,599 thousand when disposed and the cumulative gains on disposal amounted to $91,599 thousand, which has been transferred to retained earnings from other equity.

The Group sold all the shares held in Jacker Cleaning Inc. on January 13, 2022 due to investment strategy, which was an equity investment at fair value through other comprehensive income. The fair value of the shares was $6,763 thousand when disposed and the cumulative loss on disposal amounted to $558 thousand, which has been transferred to retained earnings from other equity.

Element III Venture Capital Co., Ltd. reduced capital in May 2023 and May 2022 and the Group has received $2,000 thousands and $3,000 thousands, respectively, as capital return.

No strategic investments were disposed for the year ended December 31, 2023, and there were no transfers of any cumulative gain or loss within equity relating to these investments.

(iii) For credit risk (including the impairment of debt investments) and market risk; please refer to note 6(w).

(iv) None of the above financial assets were pledged as collateral for long-term borrowings.

(d) Trade receivables

	December 31, 2023	December 31, 2022
Trade receivables	$ 96,181	83,587
Less: Loss allowance	(3)	(3)
	$ 96,178	**83,584**

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(i) The Group applies the simplified approach to provide for its expected credit losses, i.e. the use of lifetime expected loss provision for all receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due, as well as incorporated forward looking information, including macroeconomic and relevant industry information. The loss allowance provision were determined as follows:

	December 31, 2023		
	Gross carrying amount	Weighted-average loss rate	Loss allowance provision
Current	$ 95,788	0%	3
1 to 60 days past due	393	10%~20%	-
More than 61 days past due	-	20%~100%	-
Total	**$ 96,181**		**3**

	December 31, 2022		
	Gross carrying amount	Weighted-average loss rate	Loss allowance provision
Current	$ 83,587	0%	3
1 to 60 days past due	-	10%~20%	-
More than 61 days past due	-	20%~100%	-
Total	**$ 83,587**		**3**

(ii) The movement in the allowance for trade receivables were as follows:

	2023	2022
Balance at January 1	$ 3	20,998
Write-offs of uncollectible for the period	-	(20,995)
Balance at December 31	**$ 3**	**3**

(iii) The aforementioned trade receivables of the Group had not been pledged as collateral for long-term borrowings.

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(e) Investments accounted for using equity method

The Group's financial information for investments accounted for using the equity method that are individually insignificant was as follows:

	December 31, 2023	December 31, 2022
Carrying amount of individually insignificant associates' equity	**$ 93,238**	**75,299**

	2023	2022
Share of net assets of associates as of January 1	$ 75,299	63,690
Profit attributable to the Group	37,221	28,077
Other comprehensive income attributable to the Group	1,875	(1,875)
Dividends received from associates	(21,157)	(14,593)
Share of net assets of associates as of December 31	**$ 93,238**	**75,299**

The Group does not have any contingent liabilities arising from associate with other investor or for individual responsibility.

As of December 31, 2023 and 2022, the Group did not provide any investments accounted for using the equity method as collateral for its loans.

(f) Property, plant and equipment

The cost, depreciation, and impairment of the property, plant and equipment of the Group for the years ended December 31, 2023 and 2022, were as follows:

	Land	Buildings and constructions	Office equipment	Leasehold improvements	Total
Cost or deemed cost:					
Balance at January 1, 2023	$ 282,705	711,669	126,028	16,612	1,137,014
Additions	-	22,312	16,735	-	39,047
Reclassification from Investment property	-	250,280	-	-	250,280
Disposals	-	-	(4,815)	(11)	(4,826)
Effect of movement in exchange rates	-	(13,381)	(573)	(2)	(13,956)
Balance at December 31, 2023	**$ 282,705**	**970,880**	**137,375**	**16,599**	**1,407,559**
Balance at January 1, 2022	$ 282,705	698,371	108,363	16,529	1,105,968
Additions	-	5,938	17,600	-	23,538
Disposals	-	-	(334)	-	(334)
Effect of movement in exchange rates	-	7,360	399	83	7,842
Balance at December 31, 2022	**$ 282,705**	**711,669**	**126,028**	**16,612**	**1,137,014**

(Continued)

	Land	Buildings and constructions	Office equipment	Leasehold improvements	Total
Depreciation and impairments losses:					
Balance at January 1, 2023	$ -	128,819	103,255	14,742	246,816
Depreciation	-	30,367	11,775	1,181	43,323
Reclassification from Investment property	-	15,112	-	-	15,112
Disposals	-	-	(4,723)	(11)	(4,734)
Effect of movement in exchange rates	-	(1,745)	(386)	(2)	(2,133)
Balance at December 31, 2023	**$ -**	**172,553**	**109,921**	**15,910**	**298,384**
Balance at January 1, 2022	$ -	105,978	94,060	13,478	213,516
Depreciation	-	22,059	9,248	1,181	32,488
Disposals	-	-	(332)	-	(332)
Effect of movement in exchange rates	-	782	279	83	1,144
Balance at December 31, 2022	**$ -**	**128,819**	**103,255**	**14,742**	**246,816**
Carrying amount:					
Balance at December 31, 2023	**$ 282,705**	**798,327**	**27,454**	**689**	**1,109,175**
Balance at January 1, 2022	**$ 282,705**	**592,393**	**14,303**	**3,051**	**892,452**
Balance at December 31, 2022	**$ 282,705**	**582,850**	**22,773**	**1,870**	**890,198**

As of December 31, 2023 and 2022, the property, plant and equipment of the Group had been pledged as collateral long-term borrowing; please refer to note 8.

(g) Investment property

Investment property comprises office buildings owned by the Group that are leased to third parties. The leases are 1 to 3 years non-cancellable period, and the rental income are fixed under the lease contracts.

Investment property movement of the Group were as follows:

	Owned property		
	Land	Buildings and structures	Total
Cost or deemed cost:			
Balance at January 1, 2023	$ 95,041	300,241	395,282
Additions	83,519	20,940	104,459
Reclassification to property, plant and equipment	-	(250,280)	(250,280)
Effect of movement in exchange rates	-	(883)	(883)
Balance at December 31, 2023	**$ 178,560**	**70,018**	**248,578**
Balance at January 1, 2022	$ 95,041	296,537	391,578
Effect of movement in exchange rates	-	3,704	3,704
Balance at December 31, 2022	**$ 95,041**	**300,241**	**395,282**

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	Owned property		
	Land	Buildings and structures	Total
Depreciation and impairments losses:			
Balance at January 1, 2023	$ -	20,877	20,877
Depreciation	-	1,767	1,767
Reclassification to property, plant and equipment	-	(15,112)	(15,112)
Effect of movement in exchange rates	-	(54)	(54)
Balance at December 31, 2023	**$ -**	**7,478**	**7,478**
Balance at January 1, 2022	$ -	13,077	13,077
Depreciation	-	7,684	7,684
Effect of movement in exchange rates	-	116	116
Balance at December 31, 2022	**$ -**	**20,877**	**20,877**
Carrying amount:			
Balance at December 31, 2023	**$ 178,560**	**62,540**	**241,100**
Balance at January 1, 2022	**$ 95,041**	**283,460**	**378,501**
Balance at December 31, 2022	**$ 95,041**	**279,364**	**374,405**
Fair value:			
Balance at December 31, 2023			**$ 219,059**
Balance at December 31, 2022			**$ 392,883**

Investment property comprises a number of commercial properties that are leased to third parties. Each of the leases contains a 1 to 3 years non-cancellable period. Subsequent renewals are negotiated with the lessee and no contingent rents are charged. In addition, the Group decided to convert part of its Shenzhen office for self use and therefore ceased to lease that office and transferred its investment property to property, plant and equipment. For further information (including rental income and related operating expenses) please refer to note 6(f).

As of December 31, 2023 and 2022, the investment property of the Group had been pledged as collateral for long-term borrowings; please refer to note 8.

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(h) Intangible assets

The cost, amortization and impairment of the intangible assets of the Group for the years ended December 31, 2023 and 2022, were as follows:

	Goodwill	Brand/Trade marks	Client relationship/ Database/518 computer system	Others	Total
Cost:					
Balance at January 1, 2023	$ 58,000	27,656	59,208	11,720	156,584
Additions	-	-	-	364	364
Effect of movement in exchange rates	-	-	-	(99)	(99)
Balance at December 31, 2023	**$ 58,000**	**27,656**	**59,208**	**11,985**	**156,849**
Balance at January 1, 2022	$ 58,000	27,656	59,208	11,197	156,061
Additions	-	-	-	457	457
Effect of movement in exchange rates	-	-	-	66	66
Balance at December 31, 2022	**$ 58,000**	**27,656**	**59,208**	**11,720**	**156,584**
Accumulated amortization and impairment losses					
Balance at January 1, 2023	$ -	22,967	48,847	8,377	80,191
Amortization	-	2,680	5,921	975	9,576
Effect of movement in exchange rates	-	-	-	(53)	(53)
Balance at December 31, 2023	**$ -**	**25,647**	**54,768**	**9,299**	**89,714**
Balance at January 1, 2022	$ -	20,287	42,926	7,153	70,366
Amortization	-	2,680	5,921	1,203	9,804
Effect of movement in exchange rates	-	-	-	21	21
Balance at December 31, 2022	**$ -**	**22,967**	**48,847**	**8,377**	**80,191**
Carrying value:					
Balance at December 31, 2023	**$ 58,000**	**2,009**	**4,440**	**2,686**	**67,135**
Balance at January 1, 2022	**$ 58,000**	**7,369**	**16,282**	**4,044**	**85,695**
Balance at December 31, 2022	**$ 58,000**	**4,689**	**10,361**	**3,343**	**76,393**

(i) Amortization expense

The amortization of intangible assets is included in the statement of comprehensive income:

	2023	2022
Operating costs	**$ 333**	**252**
Operating expenses	**$ 9,243**	**9,552**

(Continued)

(ii) Impairment test of goodwill

Goodwill arising from the acquisition of 518 Technology Co., Ltd. on January 1, 2015, valued at $58,000 thousand, was mainly attributable to the expected benefit derived from the operating revenue growth of 518 Human Resource. According to IAS 36, goodwill acquired in a business combination is tested for impairment at least annually. For the purposes of impairment testing, goodwill is allocated to each of the acquirer's cash-generating units, that are expected to benefit from the synergies of the combination. Job searching websites were a group of cash-generating units that can generate independent cash inflows; therefore, goodwill is tested for impairment by comparing the recoverable amount of job searching websites with their carrying amount to determine whether an impairment loss should be recognized.

Based on the result of impairment test, the recoverable amount of 518 Human Resource was greater than its carrying amount; thus, no impairment loss was recognized.

The recoverable amount of 518 Human Resource was based on its value-in-use, determined by discounting the future cash flows to be generated from the continuing use of 518 Human Resource. The key assumptions used in the estimation of value-in-use were as follows:

	December 31, 2023	December 31, 2022
Discount rate	6.77 %	10.59 %

The discount rate was a pre-tax measure based on the capital asset pricing model, adjusted for a risk premium to reflect both the increased risk of investing in equities generally and the systemic risk of the specific CGU.

(iii) Guarantee

As of December 31, 2023 and 2022, the intangible asset of the Group had not been pledged as collateral for long term borrowings.

(i) Other financial assets

Other financial assets of the Group were as follows:

	December 31, 2023	December 31, 2022
Time deposit due within one year	$ 104,590	98,790
Other receivables	3,629	4,267
Current restricted assets	571,232	561,022
	$ 679,451	**664,079**

(Continued)

Current restricted assets mainly consist of time deposits pledged as collateral and receipts under custody from transaction between members on 8591 Virtual Treasure Trade. Please refer to note 8 for the information of pledged assets.

(j) Other current assets and other non-current assets

Other current assets and other non-current assets were as follows:

	December 31, 2023	December 31, 2022
Current prepaid expense	$ 14,854	10,676
Current temporary payments	30,489	12,791
Subtotal	45,343	23,467
Guarantee deposits paid	4,015	3,148
Right-of-use asset	26,429	7,912
Subtotal	30,444	11,060
Total	**$ 75,787**	**34,527**

(i) Current prepaid expense

Current prepaid expense mainly consist of system outsourcing fee, domain service fee, rent and insurance.

(ii) Current temporary payments

Temporary payments consist of website event bonus payment on 8591 Virtual Treasure Trade and others.

(k) Other payables and Receipts under custody

Other payables and Receipts under custody were as follows:

	December 31, 2023	December 31, 2022
Current tax liabilities	$ 97,771	89,562
Employee compensation payable	77,860	61,200
Compensation due to directors and supervisors	9,420	8,000
Wages and salaries payable	142,811	132,514
Expenses payable	60,295	54,060
Other	4,316	4,331
Subtotal	392,473	349,667
Receipts under custody	545,846	526,100
Total	**$ 938,319**	**875,767**

Receipts under custody are collection on behalf of others which are not completed from member transaction on 8591 Virtual Treasure Trade. The collection is deposited in individual trust account of E. Sun Bank and other bank accounts.

(Continued)

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(l) Long-term borrowing

The significant terms and conditions of long term and short term borrowings were as follows:

	December 31, 2023	December 31, 2022
Secured bank loan	$ 185,358	120,057
Less: current portion	(13,242)	(8,868)
Total	**$ 172,116**	**111,189**
Unused long-term credit lines	**$ 3,980**	**3,980**
Range of interest rates	**1.82%~2.05%**	**1.57%~1.77%**

For the collateral for long-term borrowing, please refer to note 8.

(m) Operating lease

The Group leases its investment property to others. The Group has classified these leases as operating leases, because it does not transfer substantially all of the risks and rewards incidental to the ownership of the assets. Please refer to note 6(g) that sets out information about the operating leases of investment property.

A maturity analysis of lease payments, showing the undiscounted lease payment to be received after the reporting date are as follows:

	December 31, 2023	December 31, 2022
Less than one year	$ 4,074	2,762
One to two years	1,086	1,682
Two to five years	2,533	-
Total undiscounted lease payments	**$ 7,693**	**4,444**

Rental income from investment property was $4,798 thousand and $12,965 thousand for 2023 and 2022, respectively.

(n) Employee benefits

The Company allocates 6% of each employee' s monthly wages to the labor pension personal account at the Bureau of Labor Insurance in accordance with the provisions of the Labor Pension Act.The pension obligations of Addcn Technology (Hong Kong) Co., Ltd are contributed in accordance of the Mandatory Provident Fund Schemes Ordinance by employers and employees, respectively, for 5% of employees' monthly salaries to individual pension accounts.

The pension benefit obligation of Addcn Technology (Shenzhen) Co., Ltd is defined contribution plan. Addcn (Shenzhen) contributes and deposits insurance money to employee' s endowment insurance account, which is totally separated from the company. The account transfers as long as the employee leaves and the money contributed should be recognized as current expense. Under these defined contribution plans, the Company allocates a fixed amount to the Bureau of Labor Insurance without additional legal or constructive obligation.

(Continued)

The pension costs incurred from the contribution to the Bureau of the Labor Insurance amounted to $42,065 thousand and $37,136 thousand for the years ended December 31, 2023 and 2022, respectively.

(o) Income tax

(i) Income tax expense

The components of income tax in the years 2023 and 2022 were as follow:

		2023	2022
Current tax expense			
Current period	$	191,186	169,909
Adjustment for prior periods		104	(2,773)
		191,290	167,136
Deferred tax expense			
Origination and reversal of temporary differences		2,148	1,153
Income tax expenses	**$**	**193,438**	**168,289**

For the years ended December 31, 2023 and 2022, there was no income tax recognized directly in equity or other comprehensive income.

Reconciliation of income tax and profit before tax for 2023 and 2022 were as follows:

		2023	2022
Profit excluding income tax	$	898,888	819,592
Income tax using each of the subsidiaries' domestic tax rate		184,796	171,120
Withheld tax of distributable earnings of subsidiary in Mainland China		5,479	-
Tax-exempt income		(7,444)	(5,903)
Change in unrecognized temporary differences		3,698	5,898
Underestimate (overestimate) in prior period		104	(2,773)
Others		6,805	(53)
	$	**193,438**	**168,289**

(Continued)

(ii) Deferred tax assets and liabilities

1) Unrecognized deferred tax liabilities

The consolidated entity is able to control the timing of the reversal of the temporary differences associated with investments in subsidiaries as of December 31, 2023 and 2022. Also, management considers it probable that the temporary differences will not reverse in the foreseeable future. Hence, such temporary differences are not recognized under deferred tax liabilities. Details are as follows:

	December 31, 2023	December 31, 2022
Unrecognized deferred tax liabilites	**$ 7,831**	**11,380**

2) Unrecognized deferred tax assets

	December 31, 2023	December 31, 2022
Tax effect of deductible temporary differences	$ 19,078	17,320
The carryforward of unused tax losses	22,550	20,675
	$ 41,628	**37,995**

The Inland Revenue Department allows net losses, as assessed by the tax authorities, to offset taxable income for local tax reporting purposes. Deferred tax assets have not been recognized in respect of these items because it is not probable that future taxable profit will be available against which the Group can utilize the benefits therefrom.

3) Recognized deferred tax assets and liabilities

Change in the amount of deferred tax assets and liabilities for 2023 and 2022 were as follows:

	Loss on investment	Others	Total
Deferred tax assets:			
Balance at January 1, 2023	$ 5,250	1,956	7,206
Recognized in profit or loss	(3,000)	411	(2,589)
Foregin currency translation differences for foregin operations	-	(15)	(15)
Balance at December 31, 2023	**$ 2,250**	**2,352**	**4,602**
Balance at January 1, 2022	$ 6,000	1,117	7,117
Recognized in profit or loss	(750)	828	78
Foregin currency translation differences for foregin operations	-	11	11
Balance at December 31, 2022	**$ 5,250**	**1,956**	**7,206**

(Continued)

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	Others
Deferred tax liabilities:	
Balance at January 1, 2023	$ (1,244)
Recognized in profit or loss	441
Balance at December 31, 2023	**$ (803)**
Balance at January 1, 2022	$ (13)
Recognized in profit or loss	(1,231)
Balance at December 31, 2022	**$ (1,244)**

(iii) Assessment of tax

The Company's tax returns for the years through 2021 were assessed by the tax authority. The tax returns for Addcn Technology (SHENZHEN) Co., Ltd. and Addcn Technology (HK) Co., Ltd. were declared to local tax authority for the years through 2022.

(p) Capital and other equity

As of December 31, 2023 and 2022, the total value of authorized ordinary shares were both amounted to $1,000,000 thousand with par value of $10 per share and the contributed capital were amounted to $558,739 thousand and $507,790 thousand.

Reconciliation of shares outstanding for 2023 and 2022 was as follows:

(in thousand of shares)

	Ordinary share	
	2023	**2022**
Balance on January 1	50,795	42,937
Stock dividends	5,079	7,862
Retirement of restricted employee stock	-	(4)
Balance on December 31	**55,874**	**50,795**

(i) Ordinary share

On August 26, 2021, the Company resolved on general shareholders' meetings on earning distribution for the year ended December 31, 2020 by issuing 7,862 thousand of shares with a par value of $10 per share, amounting to $78,615 thousand, with January 10, 2022 as the date of capital increase and the relevant statutory registration procedures have since been completed.

On June 14, 2023, the Company resolved on general shareholders' meetings on earning distribution for the year ended December 31, 2022 by issuing 5,079 thousand of shares with a par value of $10 per share, amounting to $50,795 thousand, with September 4, 2023 as the date of capital increase and the relevant statutory registration procedures have since been completed.

For the years ended December 31, 2023 and 2022, the Company had retired 0.6 thousand and 4 thousand of shares, respectively, of restricted stock to employees due to failure to meet vesting condition.

(Continued)

(ii) Capital surplus

The balances of capital surplus as of December 31, 2023 and 2022, were as follows:

	December 31, 2023	December 31, 2022
Share premium	$ 313,411	313,411
Employee share options	3,894	6,308
Restricted stock awards	66,624	62,706
	$ 383,929	**382,425**

According to the R.O.C. Company Act, capital surplus can only be used to offset a deficit, and only the realized capital surplus can be used to increase the common stock or be distributed as cash dividends. The aforementioned realized capital surplus includes capital surplus resulting from premium on issuance of capital stock and earnings from donated assets received. According to the Regulations Governing the Offering and Issuance of Securities by Securities Issuers, capital increases by transferring capital surplus in excess of par value should not exceed 10% of the total common stock outstanding.

(iii) Retained earnings

The Company's article of incorporation stipulate that Company's net earnings should first be used to offset the prior years' deficits, if any, before paying any income taxes. Of the remaining balance, 10% is to be appropriated as legal reserve, and then any remaining profit together with any undistributed retained earnings shall be distributed according to the distribution plan proposed by the Board of Directors and submitted to the stockholders' meeting for approval.

If all or part of the above mentioned earnings shall be distributed in cash, the distribution plan may be approved by half of the Broad of Directors with at least two-thirds present, and reported to the shareholders' meeting without requiring the submission for recognition.

The Company is in the stage of enterprise growth. The dividends will be, and will be distributed in the types of stock dividends or cash dividend, which will be determined moderately according to the future capital demand and equity dilution. The cash dividends shall not less than 10% of the total dividends in principle. However, the type and ratio of this surplus distribution shall depends on the actual profit and capital status of the year, and shall be approved by the resolution of the Shareholders' meeting.

1) Legal reserve

When a company incurs no loss, it may, pursuant to a resolution by a shareholders' meeting, distribute its legal reserve by issuing new shares or by distributing cash, and only the portion of legal reserve which exceeds 25% of capital may be distributed.

(Continued)

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2) Special reserve

The Company chose to apply the exemption under IFRS 1 at its initial adoption of IFRS Accounting Standards. Accumulated translation adjustments (gains) accounted for under shareholders' increased retained earnings by zeroing amounted to $64 thousand. The Company shall allocate the same amount in special reserve in accordance with the requirements issued by the Financial Supervisory Commission. When there is any subsequent use, disposal, or reclassification of the relevant assets, the Company may reverse and proportionately appropriate the earnings distribution originally allocated to special reserve.

In accordance with the FSC guidelines, a portion of current-period earnings and undistributed prior-period earnings shall be reclassified as a special earnings reserve during earnings distribution. The amount to be reclassified should be equal to the difference between the total net current-period reduction of special earnings reserve resulting from the first-time adoption of IFRSs and the carrying amount of other shareholders' equity as stated above. Similarly, a portion of undistributed prior-period earnings shall be reclassified as a special earnings reserve (which does not qualify for earnings distribution) to account for cumulative changes to other shareholders' equity pertaining to prior periods due to the first-time adoption of IFRSs. The subsequent reversals of the contra accounts in shareholders' equity shall qualify for additional distributions.

The amounts of special reserve as of December 31, 2023 and 2022 were $349,092 thousand and $272,413 thousand, respectively.

3) Earnings Distribution

The amounts of cash dividends in earning distribution for 2022 first half and 2022 second half had been approved during the board meeting on August 12, 2022 and March 24, 2023, respectively. The amounts of stock dividends in earning distribution for 2022 and the earning distribution for 2021 had been approved during the shareholders' meeting on June 14, 2023 and June 15, 2022, respectively.

The amounts of dividends distributed to owners were as follows:

	2022	
	Dividend per Share (NT dollars)	**Amount (thousand)**
Dividends disrtibuted to common shareholders:		
Cash (2022 first half)	$ 4.50	228,578
Cash (2022 second half)	4.50	228,576
Stock	1.00	50,795
Total		**$ 507,949**

(Continued)

	2021	
	Dividend per Share (NT dollars)	**Amount (thousand)**
Dividends disrtibuted to common shareholders:		
Cash	$ 11.30	**574,003**

The amount of cash dividends of earning distribution for 2023 had been approved during the board meeting on March 14, 2024, was $245,884 thousand with $4.4 per share.

4) Interim Earnings Distribution

The amount of cash dividends of earning distribution for 2023 first half had been approved during the board meeting on August 11, 2023, was $284,449 thousand with $5.6 per share.

(iv) Other equity (net of taxes)

	Exchange differences on translation of foreign financial statements	**Unrealized gains (losses) from financial asset measured at fair value through other comprehensive income**	**Unearned employee compensation**	**Amount**
Balance at January 1, 2023	$ (88,362)	(225,294)	(5,030)	(318,686)
Exchange differences of net asset in foreign operations	(15,824)	-	-	(15,824)
Unrealized losses from financial asset measured at fair value through over comprehensive income	-	(11,022)	-	(11,022)
Share-based payment	-	-	3,761	3,761
Expiration of restricted stock awards	-	-	127	127
Balance at December 31, 2023	**$ (104,186)**	**(236,316)**	**(1,142)**	**(341,644)**
Balance at January 1, 2022	$ (100,558)	(161,403)	(16,235)	(278,196)
Exchange differences of net asset in foreign operations	12,196	-	-	12,196
Unrealized gain from financial assets measured at fair value through other comprehensive income	-	27,150	-	27,150
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	(91,041)	-	(91,041)
Share-based payment	-	-	10,489	10,489
Expiration of restricted stock awards	-	-	716	716
Balance at December 31, 2022	**$ (88,362)**	**(225,294)**	**(5,030)**	**(318,686)**

(Continued)

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(q) Share-based payment

The Board of Directors' meeting on 18 June 2020, the Group decided to award 424 thousand of new shares of restricted stock to those full-time employees whose performance assessment was excellent. The restricted stock has been registered with and approved by the Securities and Futures Bureau of the Financial Supervisory Commission, R.O.C. On September 17, 2020, the Board of Directors issued 363 thousand of shares. The capital increase date was on 15 October 2020.

Those employees with the restricted stock awards are entitled to obtain shares for free with the condition that these employees continue to provide service to the Company for at least 1 year (from the grant date). 50% of the restricted stock is vested in year 1 after the grant date, 25% of the restricted stock is vested in year 2 after the grant date, 15% of the restricted stock is vested in year 3 after the grant date, and the remaining 10% is vested in year 4 after the grant date.

The restricted stock is kept by a trust, which is appointed by the Company, before it is vested. These shares shall not be sold, pledged, transferred, gifted, or disposed of by any other means to third parties during the custody period, except for inheritance. The voting rights of these shareholders are executed by the custodian, and the custodian will act based on law and regulations. The rights of shares are the same as issued ordinary share, except for the above restrictions. If these employees who obtain the restricted stock awards violate Regulation Governing Issuance of Restricted Stock Awards , employment contract, confidential contract, trust contract, Ethical Corporate Management Best Practice Principles, Codes of ethical Conduct, the Rules of Information Security, Work Rules, and so on, the Company will repurchase all the unvested shares without charge, and cancel the shares thereafter.

As of December 31, 2023 and 2022, balances of employee unearned compensation were $1,142 thousand and $5,030 thousand, and the expense sprang from the restricted stock awards was $5,386 thousand and $12,855 thousand, respectively.

Details of the restricted stock of the Company are as follows:

(in thousands of shares)

	2023	2022
Outstanding number of stocks at 1 January	88	181
Vested during the year	(53)	(89)
Forfeited during the year	-	(4)
Outstanding number of stocks at 31 December	**35**	**88**

(Continued)

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(r) Earnings per share

The calculation of basic earnings per share and diluted earnings per share for the year 2023 and 2022 are as follows:

(i) **Basic earnings per share**

	2023	2022
Net income available to common shareholders	**$ 710,779**	**664,547**
Weighted average number of common shares outstanding used in the computation of basic EPS (in thousands of shares)	**55,795**	**55,716**
Basic earnings per share (NT dollars)	**$ 12.74**	**11.93**

(ii) **Diluted earnings per share**

	2023	2022
Diluted earnings per share		
Net income available to common shareholders	**$ 710,779**	**664,547**
Weighted average number of common shares outstanding used in the computation of basic EPS (in thousands of shares)	55,795	55,716
Effect of dilutive potential ordinary shares		
Effect of employee share bonus	461	372
Effect of restricted employee shares unvested	61	76
Weighted average number of ordinary shares (diluted) (in thousands of shares)	**56,317**	**56,164**
Diluted earnings per share (NT dollars)	**$ 12.62**	**11.83**

On June 14, 2023, the Board of Directors decided to issue shares dividends, with September 4, 2023, as the capital increase date. Since the capital increase date was between the reporting date and the date of the financial statements authorized for issue, the amount affected by the shares dividends should be retrospectively adjusted in accordance with IAS 33. The abovementioned earnings per share have been adjusted retrospectively. The Company's basic earnings per share before retrospective adjustment for the years ended December 31, 2022 was $13.12 dollars, respectively; diluted earnings per share were $13.01 dollars , respectively.

(s) Revenue from contracts with customers

(i) Disaggregation of revenue

	2023	2022
Primary geographical markets:		
Taiwan	$ 2,097,523	1,894,507
Other contries	52,352	63,873
	$ 2,149,875	**1,958,380**

(Continued)

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		2023	2022
Major products/services lines:			
Revenue of internet service	$	1,802,341	1,580,460
Platform commission income		347,534	377,920
	$	**2,149,875**	**1,958,380**

For the year ended December 31, 2023 and 2022, revenue from e-commerce was $2,056,739 thousand and $1,855,592 thousand, which were 96% and 95% of total revenue.

(ii) Contract balances

		December 31, 2023	December 31, 2022	January 1, 2022
Trade receivables	$	96,181	83,587	111,463
Less: allowance for impairment		(3)	(3)	(20,998)
	$	**96,178**	**83,584**	**90,465**
Contract liability-Internet service	**$**	**316,275**	**295,166**	**272,477**

For details on trade receivable and allowance for impairment, please refer to note 6(d).

The amount of revenue recognized for the years ended December 31, 2023 and 2022, that were included in the contract liability balance at the beginning of the period were $295,166 thousand and $272,477 thousand, respectively.

(t) Employee compensation and directors' remuneration

In accordance with the articles of incorporation, where the Company has earnings in a giving year, the Company shall allocate 1% or above of earnings as staff remunerations, 3% or below as Directors remunerations. However, if there is still accumulated loss of the Company, the Company shall reserve the compensation amount in advance.

The persons who are entitled to receive cash or shares as staff remuneration stipulated in the preceding paragraph including the employees of parents or subsidiaries of the Company meeting certain specific requirements.

For the years ended December 31, 2023 and 2022, the Company estimated its employee remuneration and directors' remuneration amounting as following:

		2023	2022
Employee compensation	$	77,860	61,200
Directors' remuneration		9,420	8,000
	$	**87,280**	**69,200**

The estimated amounts mentioned above are calculated based on the net profit before tax, excluding the remuneration to employees, and directors of each period, multiplied by the percentage of remuneration to employees, directors as specified in the Company's articles. These remunerations were expensed under operating costs or operating expenses during 2023 and 2022. The employee compensation which assign with share capital, the estimated amounts are calculated base on the day before decision to assign by board of directions.

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The amounts, as stated in the consolidated financial statements, are identical to those of the actual distributions for 2023 and 2022. Related information would be available at the Market Observation Post System website.

(u) Non-operating income and expenses

(i) Interest income

The details of interest income were as follows:

	2023	2022
Interest income from bank deposits	**$ 10,737**	**4,665**

(ii) Other income

The details of other income were as follows:

	2023	2022
Rent income	$ 4,798	12,965
Dividend income	-	1,548
Handling charge	12,137	13,582
Other income, others	2,938	5,208
	$ 19,873	**33,303**

(iii) Other gains and losses

The details of other gains and losses were as follows:

	2023	2022
Losses on disposals of property, plant and equipment	$ (92)	(2)
Loss on disposals of investments	-	(507)
Foreign exchange (losses) gains	(1,196)	4,164
Net Loss on financial assets at fair value through profit or loss	362	(5,895)
Miscellaneous disbursements	(8)	(96)
	$ (934)	**(2,336)**

(iv) Finance costs

The details of finance costs were as follows:

	2023	2022
Interest expense	**$ 2,798**	**1,848**

(Continued)

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(v) Reclassification adjustments of components of other comprehensive income

The details of reclassification adjustments of components of other comprehensive income were as follows:

	2023	2022
Debt instruments at fair value through other comprehensive income:		
Net change in fair value	$ 578	(3,478)
Net change in fair value recognized in other comprehensive income	**$ 578**	**(3,478)**

(w) Financial instrument

(i) Type of financial instrument

1) Financial assets

	December 31, 2023	December 31, 2022
Financial assets designated as at fair value through profit or loss	$ 121,712	61,282
Financial assets at fair value through other comprehensive income	113,367	128,843
Amortized cost financial assets:		
Cash and cash equivalents	924,884	781,034
Trade receivables	96,178	83,584
Trade receivables due from related parties	57,461	64,547
Other financial assets	679,451	664,079
Subtotal	**1,757,974**	**1,593,244**
Total	**$ 1,993,053**	**1,783,369**

2) Financial liabilities

	December 31, 2023	December 31, 2022
Financial liabilities measured at amortized cost:		
Notes and trade payables	$ 36	21
Other payables	290,386	255,774
Receipts under custody	545,846	526,100
Secure long-term borrowings	185,358	120,057
Lease liaibilities	26,645	7,965
Total	**$ 1,048,271**	**909,917**

(Continued)

(ii) Credit risk

1) Credit risk exposure

The carrying amount of financial assets and contract assets represents the maximum amount exposed to credit risk.

2) Concentration of credit risk

As the Group has a large customer base and does not have a significant concentration of transactions with a single customer, the credit risk of accounts has no significant concentration.

(iii) Liquidity risk

The following table shows the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements.

	Book value	Contractual cash flows	Within 6 months	6-12 month	1-2 year	2-5 year	Over 5 year
December 31, 2023							
Non-derivative financial liabilities							
Note and trade payables	$ 36	36	36	-	-	-	-
Other payables	290,386	290,386	290,386	-	-	-	-
Receipts under custody	545,846	545,846	545,846	-	-	-	-
Secured loan	185,358	210,366	8,396	8,359	16,580	48,725	128,306
Lease liabilities	26,645	28,184	4,086	4,002	5,543	9,261	5,292
	$ 1,048,271	**1,074,818**	**848,750**	**12,361**	**22,123**	**57,986**	**133,598**
December 31, 2022							
Non-derivative financial liabilities							
Note and trade payables	$ 21	21	21	-	-	-	-
Other payables	255,774	255,774	255,774	-	-	-	-
Receipts under custody	526,100	526,100	526,100	-	-	-	-
Secured loan	120,057	134,615	5,469	5,456	10,786	31,389	81,515
Lease liabilities	7,965	8,059	2,838	2,249	2,520	452	-
	$ 909,917	**924,569**	**790,202**	**7,705**	**13,306**	**31,841**	**81,515**

(Continued)

Addcn Technology Co., Ltd AND SUBSIDIARIES
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(iv) Currency risk

The Group's financial assets and liabilities were not had significant risk expose in foreign currency.

(v) Interest rate analysis

The Group's financial asset and liabilities did not face risk exposure to interest rate, please refer to the notes on liquidity risk management and interest rate exposure of the Group's financial assets and liabilities.

(vi) Other market price risk

For the years ended 2023 and 2022, the sensitivity analysis for the changes in the securities price at the reporting date were performed using the same basis for the profit and loss as illustrated below:

	2023		2022	
Price of securities at the reporting date	Other comprehensive income after tax	Net income	Other comprehensive income after tax	Net income
Increasing 1%	$ 1,134	-	1,288	-
Decreasing 1%	$ (1,134)	-	(1,288)	-

(vii) Information of fair value

1) Fair value hierarchy

The fair value of financial assets at fair value through other comprehensive income is measured on a recurring basis. The carrying amount and fair value of the Group's financial assets and liabilities, including the information on fair value hierarchy were as follows; however, except as described in the following paragraphs, for financial instruments not measured at fair value whose carrying amount is reasonably close to the fair value, and lease liabilities, disclosure of fair value information is not required:

	December 31, 2023				
		Fair value			
	Book Value	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss bonds investments	$ 121,712	11,712	-	110,000	121,712
Financial assets at fair value through other comprehensive income					
Domestic listed stocks	18,141	-	18,141	-	18,141
Domestic unlisted stocks	95,226	-	-	95,226	95,226
Funds investments	11,773	11,773	-	-	11,773
Total	$ 246,852	23,485	18,141	205,226	246,852

(Continued)

Addcn Technology Co., Ltd AND SUBSIDIARIES
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	December 31, 2022				
		Fair value			
	Book Value	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss bonds investments	$ 61,282	11,282	-	50,000	61,282
Financial assets at fair value through other comprehensive income					
Domestic listed stocks	18,141	-	18,141	-	18,141
Domestic unlisted stocks	110,702	-	-	110,702	110,702
Funds investments	11,184	11,184	-	-	11,184
Total	**$ 201,309**	**22,466**	**18,141**	**160,702**	**201,309**

2) Valuation techniques for financial instruments measured at fair value

a) Non-derirative financial instruments

If a financial instrument has a quoted price in an active market, the quoted price is used as fair value. The quoted price of a financial instrument obtained from major exchanges and over-the counter markets are the basis used to determine the fair value of a listed company's stock and the quoted prices in an active market.

In addition, the fair value of a private equity instrument is measured by its market value, taking its non-active-market liquidity discount into consideration by adjusting its market value using its put option. The main assumption is that when an investor hold such a restricted equity instrument, the investor can buy a put option, with the strike price equivalent to the market value of such restricted equity instrument, to ensure that the investor can still sell its instrument at current market price after termination of restricted trading period. Therefore, the value of its put option, which is measured by using the Black-Scholes model, stands for the cost that the investor is willing to pay in order to ensure the liquidity of equity security market.

The Group uses the following methods in determining the fair value of its financial instruments without a quoted price in an active market:

Equity instruments without quoted price: The fair value is measured at discounted cash flow model. The assumption is discounted investees' expected future cash flows by using the discounting rate which reflects the time value of money and the return of the investment.

Financial assets at FVOCI- non-current are investments in non-listed stock. The fair value is based on the market approach of comparable business. For non-listed stock, the price is based on the estimated earnings before interest, taxes, depreciation, and amortization of investee and the quoted price in an active market of comparable companies. The estimated fair value is adjusted for the lack of liquidity.

(Continued)

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3) Reconciliation of Level 3 fair values

	Measured at fair value through profit or loss	Fair value through other comprehensive income
	Non derivative financial assets mandatorily measured at fair value through profit or loss (held for trading)	Unquoted equity instruments
Opening balance, January 1, 2023	$ 50,000	110,702
Total gains and losses recognized		
In profit or loss	-	-
In other comprehensive income	-	(13,476)
Purchased	60,000	-
Cash refund from capital reduction	-	(2,000)
Ending Balance, December 31, 2023	**$ 110,000**	**95,226**
Opening balance, January 1, 2022	$ -	121,001
Total gains and losses recognized		
In profit or loss	-	-
In other comprehensive income	-	32,227
Disposal	-	(103,362)
Purchased	50,000	63,836
Cash refund from capital reduction	-	(3,000)
Ending Balance, December 31, 2022	**$ 50,000**	**110,702**

The above-mentioned total gains or losses were included in "other gains and losses" and "unrealized valuation gains (losses) from investments in financial assets at fair value through other comprehensive income". The assets held as of December 31, 2023 and 2022 were follows:

	2023	2022
Total gains and losses recognized		
Recognized in profit or loss (recognized as other gains and losses)	$ -	-
In other comprehensive income, and presented in "unrealized gains and losses from financial assets at fair value through other comprehensive income"	(13,476)	32,227

4) Quantified information on significant unobservable inputs (Level 3) used in fair value measurement

The Group's financial instruments that use Level 3 inputs to measure fair value include "financial assets measured at fair value through other comprehensive income – equity security investments".

Most of fair value that use Level 3 have single significant unobservable inputs, only measurements of fair value of equity instruments without an active market had several significant unobservable inputs. Due to independence of significant unobservable inputs in equity instruments without an active market, there were no exist correlation between each other.

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Quantified information of significant unobservable inputs was as follows :

Item	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Financial assets at fair value through other comprehensive income-equity investments without an active market	Option pricing model	· Volatility (52.11% on December 31, 2023 and 2022)	· The estimated fair value would increase if the volatility were higher
Financial assets at fair value through other comprehensive income-equity investments without an active market	Binomial options pricing model	· Volatility(9.91% and 31.97% on December 31, 2023 and 2022) · Equity Value (2.20~10.51 and 1.29~7.23 on December 31, 2023 and 2022, respectively)	· The estimated fair value would decrease if the volatility were higher · The estimated fair value would increase if the equity value were higher
Financial assets at fair value through other comprehensive income-equity investments without an active market	Net asset valuation method	· Net asset valuation	Not applicable
Financial assets at fair value through profit or loss- Debt instrument	Net asset valuation method	· Net asset valuation	Not applicable

(Continued)

5) Fair value measurements in Level 3– sensitivity analysis of reasonably possible alternative assumptions

For fair value measurements in Level 3, changing one or more of the assumptions to reflect reasonably possible alternative assumptions would have the following effects:

			Pofit or loss		Other comprehensive income	
	Inputs	Variation	Favourable	Unfavourable	Favourable	Unfavourable
December 31, 2023						
Financial assets fair value through other comprehensive income						
Investment in equity instrument without active market	Volatility	1%	-	-	133	(95)
	Equity value	5%	-	-	782	(745)
December 31, 2022						
Financial assets fair value through other comprehensive income						
Investment in equity instrument without active market	Volatility	1%	-	-	246	(228)
	Equity value	5%	-	-	337	(316)

(x) Financial risk management

(i) Overview

The Group have exposures to the following risks from its financial instruments:

1) credit risk

2) liquidity risk

3) market risk

The following likewise discusses the Group's objectives, policies and processes for measuring and managing the above mentioned risks. For more disclosures about the quantitative effects of these risks exposures, please refer to the respective notes in the accompanying consolidated financial statements.

(ii) Structure of risk management

The Board of Directors has responsibility for the establishment and oversight of the risk management framework. Internal Audit is responsible for identifying and analyzing the risk faced by the Group. The heads of departments set appropriate risk limits and controls, and to monitor risks and adherence to limits. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The supervisors and independent directors oversee how management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The supervisors and independent directors are assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the supervisors and independent directors.

(Continued)

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(iii) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group' s receivables from customers and investments in debt securities.

1) Trade and other receivable

The Group has established a credit policy under which each new customer is analyzed individually for creditworthiness before the Group' s standard payment and delivery terms and conditions are offered. The Group' s review includes external ratings, when available, and, in some cases, bank references. Purchase limits are established for each customer and represent the maximum open amount without requiring approval these limits are reviewed quarterly. Customers that fail to meet the Group' s benchmark creditworthiness may transact with the Group only on a prepayment basis.

2) Investments

The exposure to credit risk for the bank deposits, fixed income investments, and other financial instruments is measured and monitored by the Group's finance department. The Group only deals with banks, other external parties, corporate organizations, government agencies and financial institutions with good credit rating. The Group does not expect any counterparty above fails to meet its obligations hence there is no significant credit risk arising from these counterparties.

(iv) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group' s approach to managing liquidity is to ensure, as far as possible, that it always has sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

(v) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, and equity prices, will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

1) Currency risk

The Group is exposed to currency risk on sales, purchases, that are denominated in a currency other than the respective functional currencies of the Group's entities, primarily the New Taiwan Dollar (NTD), Hong Kong Dollar (HKD), and Chinese Yuan (CNY). The currencies used in these transactions are the NTD, USD, HKD, and CNY.

(Continued)

2) Other market price risk

The financial assets at fair value through other comprehensive income held by the Group are invested in stocks in domestic listed company and stocks in unlisted company. Because those are measured at fair value, the Group exposed to changes in the equity price. To manage market risk, the Group need to choose investment targets carefully and control the positions the Group held.

(y) Capital management

The Group's objectives for managing capital to safeguard the capacity to continue to operate, to continue to provide a return on shareholders, to maintain the interest of other related parties, and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the dividend payment to the shareholders, reduce the capital for redistribution to shareholders, issue new shares, or sell assets to settle any liabilities.

The Group and other entities in the same industry use the debt-to-equity ratio to manage capital. This ratio is the total net debt divided by the total capital. The net debt from the balance sheet is derived from the total liabilities less cash and cash equivalents. The total capital and equity include share capital, capital surplus, retained earnings, and other equity.

The Group's debt-to-equity ratio at the end of the reporting period as of December 31, 2023 and 2022 were as follows:

	December 31, 2023	December 31, 2022
Total liabilities	$ 1,542,161	1,369,887
Less: cash and cash equivalents	924,884	781,034
Net debt	**$ 617,277**	**588,853**
Total equity	**$ 2,053,702**	**1,882,694**
Debt-to-equity ratio	**30.06%**	**31.28%**

(z) Investing and financing activities not affecting current cash flow

The Group's investing and financing activities which did not affect the current cash flow to acquire right-of-use assets in the years ended December 31, 2023 and 2022.

Reconciliation of liabilities arising from financing activities were as follows:

	January 1, 2023	Cash flows	Non-cash changes: Foreign exchange movement	Non-cash changes: Acquisition	December 31, 2023
Long-term borrowing (including current portion)	$ 120,057	65,301	-	-	185,358
Lease liabilities	7,965	(6,391)	16	25,055	26,645
Total liabilities from financing activities	**$ 128,022**	**58,910**	**16**	**25,055**	**212,003**

(Continued)

	January 1, 2022	Cash flows	Non-cash changes: Foreign exchange movement	Non-cash changes: Acquisition	December 31, 2022
Long-term borrowing (including current portion)	$ 128,925	(8,868)	-	-	120,057
Lease liabilities	6,758	(5,528)	151	6,584	7,965
Total liabilities from financing activities	**$ 135,683**	**(14,396)**	**151**	**6,584**	**128,022**

(7) Related-party transactions:

(a) Parent company and ultimate controlling company

The Company is the ultimate controlling company of the Group's and the Group's subsidiaries.

(b) Names and relationship with related parties

The followings are entities that have had transactions with related party during the periods covered in the consolidated financial statements.

Name of related party	Relationship with the Group
Digit Marketing Co., Ltd.	An associate of the Group

(c) Significant transactions with related parties

(i) The amounts of services provided by the Company to related parties and trade receivable due to related parties were as follows:

	Trade amount		Trade receivable	
	2023	2022	December 31, 2023	December 31, 2022
Associate-Digit Marketing	**$ 92,042**	**69,627**	**57,461**	**64,547**

The Group entered into a 14-month contract for sales of advertising with its associate, Digit Marketing in October 2020, which was automatically extended.

The payment terms of above contracts were 180 days. Receivables from related parties were not pledged as collaterals, and were assessed not to provide any allowance for impairment loss.

(ii) Leases

The details of the property, plant and equipment of the Group were as follows:

Account	Relationship	2023	2022
Rent income	Associate	**$ 977**	**890**

The associates rented an office building from the Group, in which the rental price is determined based on the nearby office rental rates.

(Continued)

(iii) Other transaction with related parties

Account	Relationship	2023	2022
Commission expense	Associate	**$ 11,244**	**10,323**

The Group signed a advertising project contract with Digit Marketing in September 2019. The contract stipulated that the Group needs to pay a fixed percentage of amount according to actual solicitation as commission expense. As of December 31, 2023 and 2022, there were no outstanding balance.

Account	Relationship	December 31, 2023	December 31, 2022
Other payables	Associate	**$ 110**	**90**
Other receivables	Associate	**$ 91**	**70**

(d) Key management personnel compensation

	2023	2022
Short-term employee benefits	$ 119,947	76,059
Share-based payments	5,993	10,099
	$ 125,940	**86,158**

Please refer to note 6(q) for details of shared-based payments.

(8) Assets Pledged as security:

Assets Pledged as security	Liabilities secured by pledged	December 31, 2023	December 31, 2022
Other current financial assets (time deposits)	License of employment service agency	$ 3,000	3,000
Other current financial assets (trust account)	Obligation of collection and payment on behalf of another party	568,232	558,022
Property, plant and equipment	Long-term loans	100,167	100,720
Investment property	Long-term loans	190,598	86,855
		$ 861,997	**748,597**

(Continued)

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(9) Commitments and contingencies:

(a) The carrying values of pledged assets were as follows:

	December 31, 2023	December 31, 2022
Acquistion of property, plant and equipment	$ 107,200	22,930

(b) The Company has entered into a contract with Wisdom Capital Limited Partnership to committed a capital contribution of $200,000 thousand. As of December 31, 2023, the accumulated capital contributed by the Company was amounted to $110,000 thousand, and account for as non-current financial asset at other fair value through profit or loss. The remaining committed contribution of $90,000 thousand is pending for further payment notice from its general partner.

(10) Losses Due to Major Disasters:None

(11) Subsequent Events:

Considering the Company's business development, on March 14, 2024, the Board of Directors' meeting resolved to transfer the retained earnings to share capital, which estimated free distribution of 73.85 shares per thousand shares. The capital increase is presented for approval in the shareholders' meeting and submitted to the authority for approval.

(12) Other:

A summary of current-period employee benefits, depreciation, and amortization, by function, is as follows:

	For the year ended December 31					
	2023			2022		
By funtion / By item	Cost of Sale	Operating Expense	Total	Cost of Sale	Operating Expense	Total
Employee benefits						
Salary	437,258	263,382	700,640	388,603	225,799	614,402
Labor and health insurance	17,977	11,115	29,092	15,720	9,206	24,926
Pension	37,367	4,698	42,065	32,766	4,370	37,136
Remuneration of directors	-	9,645	9,645	-	8,220	8,220
Others	26,088	16,741	42,829	17,516	13,099	30,615
Depreciation	20,828	30,816	51,644	22,762	22,920	45,682
Amortization	333	9,243	9,576	252	9,552	9,804

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(13) Other disclosures:

(a) Information on significant transactions:

The following is the information on significant transactions required by the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" for the Group:

(i) Loans to other parties:None

(ii) Guarantees and endorsements for other parties:None

(iii) Securities held as of December 31, 2023 (excluding investment in subsidiaries, associates and joint ventures):

Name of holder	Category and name of security	Relationship with company	Account title	Ending balance				Highest Percentage of ownership (%)	Note
				Shares/Units (thousands)	Carrying value	Percentage of ownership (%)	Fair value		
The Company	Stock Element I Venture Capital Co., Ltd.	None	Equity investments at FVOCI	1,600	9,526	3.64 %	9,526	3.64 %	
The Company	Stock 21st Century Digital Technology Co., Ltd	None	〃	218	27,154	0.39 %	27,154	0.39 %	
The Company	Class A special share Element III Venture Capital Co., Ltd.	Note1	〃	3,700	25,752	- %	25,752	- %	Note2
The Company	Class B special share Element III Venture Capital Co., Ltd.	Note1	〃	1,000	3,790	- %	3,790	- %	Note2
The Company	Class A special share Element IV Venture Capital Co., Ltd..	None	〃	2,400	26,328	- %	26,328	- %	Note2
The Company	Class B special share Element IV Venture Capital Co., Ltd.	None	〃	600	2,676	- %	2,676	- %	Note2
The Company	Stock Newretail Co., Ltd.	None	〃	1,258	18,141	4.34 %	18,141	4.34 %	
The Company	Fund UPAMC China High Yield Bond Fund	None	Debt investments at FVOCI	-	1,072	- %	1,072	- %	
The Company	Fund UPAMC Dyna-Strategy Global Multi-Asset Fund B TWD	None	〃	-	4,101	- %	4,101	- %	
The Company	Fund Amundi Funds II-Emerging Markets Bond A USD D ExD		〃	-	6,600	- %	6,600	- %	
The Company	Bond Apple Inc. bond	None	Financial assets at FVPL	-	11,712	- %	11,712	- %	
The Company	Fund Wisdom Capital Limited Partnership	None	〃	-	110,000	- %	110,000	- %	Note3

Note1: The chairman is the same as the Company
Note2: No voting, suffrage and candidate eligibility at ordinary shareholders' meeting.
Note3: As a limit partner.

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(iv) Individual securities acquired or disposed of with accumulated amount exceeding the lower of NT$300 million or 20% of the capital stock:None

(v) Acquisition of individual real estate with amount exceeding the lower of NT$300 million or 20% of the capital stock:None

(vi) Disposal of individual real estate with amount exceeding the lower of NT$300 million or 20% of the capital stock:None

(vii) Related-party transactions for purchases and sales with amounts exceeding the lower of NT$300 million or 20% of the capital stock:None

(viii) Receivables from related parties with amounts exceeding the lower of NT$100 million or 20% of the capital stock:None

(ix) Trading in derivative instruments:None

(x) Business relationships and significant intercompany transactions:

No. (Note 1.)	Name of company	Name of counter-party	Nature of relationship (Note 2.)	Intercompany transactions			
				Account name (Note 4.)	Amount (Note 3.)	Trading terms	Percentage of the consolidated net revenue or total assets
0	The Company	Addcn Technology (SHENZHEN) Co., Ltd.	1	Cost of service rendered	537,903	T/T payment	25.02%
0	The Company	Addcn Technology (SHENZHEN) Co., Ltd.	1	Trade payables	41,088	T/T payment	1.14%
1	Addcn Technology (HK) Co., Ltd.	Addcn Technology (SHENZHEN) Co., Ltd.	3	Cost of service rendered	26,012	T/T payment	1.21%

Note1: “0” represents the parent company. Subsidiaries are coded from Arabic numeral 1.
Note2: “1” represents the transactions from parent company to subsidiary.
“2” represents the transactions from subsidiaries to parent company.
“3” represents the transactions from between subsidiaries.
Note 3: Exchange rate for income statement was calculated in CNY: NTD= 1:4.39 in 2023.
Exchange rate for balance sheet was calculated in CNY: NTD= 1:4.33 in 2023.
Exchange rate for income statement was calculated in HKD: NTD= 1:3.98 in 2023.
Exchange rate for balance sheet was calculated in HKD: NTD= 1:3.93 in 2023
Exchange rate for income statement was calculated in CNY: NTD= 1:4.42 in 2022.
Exchange rate for balance sheet was calculated in CNY: NTD= 1:4.41 in 2022.
Exchange rate for income statement was calculated in HKD: NTD= 1:3.86 in 2022.
Exchange rate for balance sheet was calculated in HKD: NTD= 1:3.94 in 2022.
Note4: Business relationships and significant intercompany transactions only disclosed the information of the Company's cost and accounts payable. Revenues and account receivable of counterparty would not be disclosed again.
Note5: Transactions within the Group were eliminated during preperation of the consolidated financial statements.

(b) Information on investees:

The following is the information on investees for the years ended December 31, 2023 (excluding information on investees in Mainland China):

(In Thousands of Shares)

Name of investor	Name of investee	Location	Main businesses and products	Original investment amount		Balance as of December 31, 2023			Highest Percentage of ownership	Net income (losses) of investee	Share of profits/losses of investee	Note
				December 31, 2023	December 31, 2022	Shares (thousands)	Percentage of ownership	Carrying value				
The Company	Addcn Technology (Samoa) Co., Ltd.	Samoa	Foreign holding company	1,070,916 (USD33,760 thousand)	1,070,916 (USD33,760 thousand)	33,760	100.00 %	862,228	100.00 %	6,209	6,209	Subsidiary (Note)
The Company	Digit Marketing Co., Ltd.	Taiwan	Advertising	7,441	7,441	4,305	30.29 %	93,238	30.29 %	122,879	37,221	Associate
Addcn Technology (Samoa) Co., Ltd.	Addcn Technology (HK) Co., Ltd.	Hong Kong	Electronic information supply	340,700 (USD11,000 thousand)	294,455 (USD9,500 thousand)	11,000	79.79 %	61,780	79.79 %	(23,521)	(18,192)	Subsidiary (Note)

Note: Transactions within the Group were eliminated in the consolidated financial statements except for Dight Marketing Co., Ltd.

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(c) Information on investment in mainland China:

(i) The names of investees in Mainland China, the main businesses and products, and other information:

Name of investee	Main businesses and products	Total amount of paid-in capital (Note 3)	Method of investment (Note 1)	Accumulated outflow of investment from Taiwan as of January 1, 2023 (Note 3)	Investment flows		Accumulated outflow of investment from Taiwan as of December 31, 2023 (Note 3)	Net income (losses) of the investee	Percentage of ownership	Highest percentage of ownership	Investment income (losses) (Note 2)	Book value	Accumulated remittance of earnings in current period
					Outflow	Inflow							
Addcn Technology (SHENZHEN) Co., Ltd.	System application management, maintenance and customer service	774,150 (USD25,200 thousand)	(1)	774,150 (USD25,200 thousand)	-	-	774,150 (USD25,200 thousand)	30,917	100.00%	100.00%	30,917	795,998	-

(ii) Limitation on investment in Mainland China:

Accumulated Investment in Mainland China as of December 31, 2023 (Note 3)	Investment Amounts Authorized by Investment Commission, MOEA (Note 3)	Upper Limit on Investment (Note 4)
774,150 (USD25,200 thousand)	774,150 (USD25,200 thousand)	1,221,646

Note1: Re-investment company in mainland China established through investments of a third district.
Note2: Recognized according to the audit financial statements of the company invested into.
Note3: The amounts of accumulated outflow of investment from Taiwan were translated into New Taiwan dollars at the reporting date.
Note4: The upper limit on investment was calculated in accordance with the regulations of the Investment Commission of the Ministry of Economic Affairs for 60% of the net equity or consolidated net equity.

(iii) Significant transactions:

The significant inter-company transactions with the subsidiary in Mainland China, which were eliminated in the preparation of consolidated financial statements, are disclosed in note 13(a) “Information on significant transactions” and "Business relationships and significant intercompany transactions".

(d) Major shareholders:

Shareholding Shareholder’s Name	Shares	Percentage
SHENG CHEND Investment Co., Ltd.	5,059,519	9.05 %
QIAN YI Investment Co., Ltd.	5,010,101	8.96 %
LIAO-SHI-FANG	4,744,050	8.49 %
Cheng Yu Investment Co., Ltd.	2,933,395	5.25 %

Note: (1) The information on major shareholders in this table is calculated by Taiwan Depository & Clearing Corporation on the last business day at the end of each quarter, showing who holds more than 5% of the common shares and preferred shares that have been delivered (including treasury shares) without physical registration. Due to different calculation bases, there may be differences between the share capital recorded in the company's financial report and the actual number.

(2) If the above-mentioned information is that the shareholders hand over the shares to the trust, it will be disclosed by the special account opened by the trustee. As for the insider equity declaration of shareholders holding more than 10%, according to the Securities and Exchange Act, their shareholding includes the shares held by themselves plus the shares that they have delivered to the trust, having the right to exercise decision-making power over the trust property, etc., please refer to Public Information Observatory for the information on the declaration of insider equity.

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(14) Segment information:

(a) Internet service department

Internet service departments have been aggregated into a single operating segment as they have similar economic characteristics and use similar mode to provide service. For the year ended December 31,2023 and 2022, the Group's segment financial information was the same as that in the consolidated financial statements.

(b) Geographic information

Geographic information		2023	2022
Revenue from external customers:			
Taiwan	$	2,097,523	1,894,507
Other countries		52,352	63,873
	$	**2,149,875**	**1,958,380**

Geographic information		December 31, 2023	December 31, 2022
Non-current assets:			
Taiwan	$	772,179	666,512
Mainland China		675,676	685,544
	$	**1,447,855**	**1,352,056**

Non-current assets include property, plant and equipment, investment property, intangible assets, and other assets, not including financial instruments, investments accounted for using equity method, and deferred tax assets.

(c) Product information

Please refer to note 6(s) for the product information for the years ended December 31, 2023 and 2022.

(d) Major customers

The Group's major customers are consumers, therefore, there is no any major customer with 10% above of sales revenue.

Stock Code:5287

Addcn Technology Co., Ltd.

Parent Company Only Financial Statements

With Independent Auditors' Report
For the Years Ended December 31, 2023 and 2022

Address: 10F, No.12, ln. 609, Sec. 5, Chongxin Rd., Sanchong Dist., New Taipei City 241, Taiwan (R.O.C.)
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The independent auditors' report and the accompanying parent company only financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' report and parent company only financial statements, the Chinese version shall prevail.

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Independent Auditors' Report

To the Board of Directors of Addcn Technology Co., Ltd.:

Opinion

We have audited the financial statements of Addcn Technology Co., Ltd.("the Company"), which comprise the balance sheet as of December 31, 2023 and 2022, the statement of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 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 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 of our opinion.

Key Audit Matters

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

1. Revenue recognition

   Please refer to note 4(n) for the accounting policy of revenue and note 6(t) for composition of revenue.

   Description of key audit matter:

   Sales Revenue of the Company is mainly generated from operating online platforms. The way of revenue recognition varies by different types of transactions and its economic substances. Also, there is a large volume of transactions through the online platforms day-by-day with system-controlled trading information and procedures.

   Therefore, transaction information and the timing of revenue recognition is an important issue in our audit of the consolidated financial statements.

KPMG, a Taiwan partnership and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee.

How the matter was addressed with our audit:

Our principal audit procedures included: understanding trading models of each online platform and its principal system-based application control and manual control, including involving ITA specialist in testing the general information technology environment and related application control of their main transaction processes; obtaining the monthly income statement generated by the system of online platforms, assessing whether the system processes transaction information appropriately, and inspecting some samples of accounting vouchers to see if they agree with the monthly income statement generated by the system.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude 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 financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

6. Obtain sufficient appropriate audit evidence regarding the financial information of the investment in other entities accounted for using the equity method to express an opinion on this financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore 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.

The engagement partners on the audit resulting in this independent auditors' report are Luo, Re-Chih and Yu, Sheng-Ho.

KPMG

Taipei, Taiwan (Republic of China)
March 26, 2024

Notes to Readers

The accompanying parent company only financial statements are intended only to present the financial position, financial performance and cash flows in accordance with the accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such parent company only financial statements are those generally accepted and applied in the Republic of China.

The independent auditors' audit report and the accompanying parent company only financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' audit report and parent company only financial statements, the Chinese version shall prevail.

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)

Addcn Technology Co., Ltd.

Balance Sheets

December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

		December 31, 2023		December 31, 2022	
	Assets	**Amount**	**%**	**Amount**	**%**
	Current assets:				
1100	Cash and cash equivalents (note 6(a))	$ 634,902	18	547,610	17
1170	Notes receivable and trade receivable, net (notes 6(d) and (t))	87,738	3	76,895	2
1181	Trade receivable due from related parties (note 7)	57,461	2	64,547	2
1476	Other current financial assets (notes 6(j), 7 and 8)	676,490	19	660,864	22
1479	Other current assets, others (note 6(k))	41,299	1	19,243	1
		1,497,890	43	1,369,159	44
	Non-current assets:				
1510	Non-current financial assets at fair value through profit or loss (note 6(b))	121,712	4	61,282	2
1518	Equity investment at fair value through other comprehensive income (note 6(c))	113,367	3	128,843	4
1521	Debt investment at fair value through other comprehensive income (note 6(c))	11,773	-	11,184	-
1550	Investments accounted for using equity method (note 6(e))	955,466	27	955,565	30
1600	Property, plant and equipment (notes 6(f) and 8)	440,618	13	449,977	14
1760	Investment property, net (notes 6(h) and 8)	241,100	7	138,408	4
1780	Intangible assets (note 6(i))	64,673	2	73,583	2
1840	Deferred tax assets (note 6(p))	3,852	-	6,441	-
1995	Other non-current assets, others (notes 6(g) and (k))	25,788	1	4,544	-
		1,978,349	57	1,829,827	56
	Total assets	**$ 3,476,239**	**100**	**3,198,986**	**100**

		December 31, 2023		December 31, 2022	
	Liabilities and Equity	**Amount**	**%**	**Amount**	**%**
	Current liabilities:				
2151	Notes payable and trade payable	$ 32	-	18	-
2180	Trade payable to related parties (note 7)	41,088	1	107,972	3
2200	Other payables (notes 6(l) and 7)	270,433	8	227,695	7
2131	Contract liabilities (note 6(t))	304,825	9	281,548	9
2335	Receipts under custody (note 6(l))	541,311	16	522,338	16
2322	Long-term borrowings, current portion (notes 6(m) and 8)	13,242	-	8,868	-
2399	Other current liabilities, others	6,398	-	3,704	-
		1,177,329	34	1,152,143	35
	Non-Current liabilities:				
2540	Long-term borrowings (notes 6(m) and 8)	172,116	5	111,189	4
2645	Guarantee deposits received	71,225	2	65,435	2
2670	Other non-current liabilities, others (note 6(p))	19,493	1	2,014	-
		262,834	8	178,638	6
	Total liabilities	1,440,163	42	1,330,781	41
	Equity attributable to owners of parent (notes 6(q) and (r)):				
3110	Ordinary share	558,739	16	507,950	16
3200	Capital surplus	383,929	11	382,425	12
3300	Retained earnings	1,435,052	41	1,296,516	41
3400	Other equity interest	(341,644)	(10)	(318,686)	(10)
	Total equity	2,036,076	58	1,868,205	59
	Total liabilities and equity	**$ 3,476,239**	**100**	**3,198,986**	**100**

See accompanying notes to parent company only financial statements.

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)

Addcn Technology Co., Ltd.

Statements of Comprehensive Income

For the years ended December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars, except for earnings per share)

		2023		2022	
		Amount	%	Amount	%
4000	**Total operating revenue (notes 6(t) and 7)**	$ 2,097,523	100	1,894,507	100
5000	**Operating costs (notes 6(o), (r), (u) and 7)**	722,723	34	638,696	34
5900	**Gross profit from operations**	1,374,800	66	1,255,811	66
6000	**Operating expenses (notes 6(o), (r), (u) and 7):**				
6100	Selling expenses	233,776	11	215,042	11
6200	Administrative expenses	211,335	10	183,619	10
6300	Research and development expenses	103,872	5	69,227	4
	Total operating expenses	548,983	26	467,888	25
6900	**Net operating income**	825,817	40	787,923	41
	Non-operating income and expenses (notes 6(v) and 7):				
7100	Interest income	8,430	-	3,485	-
7010	Other income	12,806	1	15,209	1
7020	Other gains and losses, net	983	-	(4,328)	-
7050	Finance cost	(2,760)	-	(1,805)	-
7375	Share of profit of associates accounted for using equity method **(note 6(e))**	43,429	2	22,842	1
	Total non-operating income and expenses	62,888	3	35,403	2
	Profit before income tax	888,705	43	823,326	43
7950	**Less: Income tax expenses (note 6(p))**	177,926	8	158,779	8
	Profit	710,779	35	664,547	35
8300	**Other comprehensive income:**				
8310	**Items that will not be reclassified subsequently to profit or loss**				
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	(11,600)	-	30,628	2
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	-	-	-	-
		(11,600)	-	30,628	2
8360	**Items that will be reclassified subsequently to profit or loss**				
8361	Exchange differences on translation of foreign financial statements	(15,824)	(1)	12,196	1
8367	Unrealized (losses) gains from investments in debt instruments measured at fair value through other comprehensive income	578	-	(3,478)	-
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	-	-	-	-
	Components of other comprehensive income that will be reclassified to profit or loss	(15,246)	(1)	8,718	1
8300	**Other comprehensive income**	(26,846)	(1)	39,346	3
8500	**Total comprehensive income**	**$ 683,933**	**34**	**703,893**	**38**
9750	**Basic earnings per share (NT dollars) (note 6(s))**	**$ 12.74**		**11.93**	
9850	**Diluted earnings per share (NT dollars) (note 6(s))**	**$ 12.62**		**11.83**	

See accompanying notes to parent company only financial statements.

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)

Addcn Technology Co., Ltd.

Statements of Changes in Equity

For the years ended December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

	Share capital				Retained earnings				Other equity interest				
	Ordinary shares	Stock dividend to be distributed	Total share capital	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Total retained earnings	Exchange differences on translation of foreign financial statements	Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income	Unearned compensation	Total other equity interest	Total equity
Balance at January 1, 2022	$ 429,370	78,615	507,985	380,740	463,468	280,437	620,631	1,364,536	(100,558)	(161,403)	(16,235)	(278,196)	1,975,065
Appropriation and distribution of retained earnings:													
Legal reserve	-	-	-	-	61,243	-	(61,243)	-	-	-	-	-	-
Special reserve	-	-	-	-	-	10,453	(10,453)	-	-	-	-	-	-
Cash dividends of ordinary shares	-	-	-	-	-	-	(802,581)	(802,581)	-	-	-	-	(802,581)
Stock dividends of ordinary shares	78,615	(78,615)	-	-	-	-	-	-	-	-	-	-	-
Reversal of special reserve	-	-	-	-	-	(18,477)	18,477	-	-	-	-	-	-
	78,615	(78,615)	-	-	61,243	(8,024)	(855,800)	(802,581)	-	-	-	-	(802,581)
Profit for the year ended December 31, 2022	-	-	-	-	-	-	664,547	664,547	-	-	-	-	664,547
Other comprehensive income for the year ended December 31,2022	-	-	-	-	-	-	-	-	12,196	27,150	-	39,346	39,346
Total comprehensive income for the year ended December 31,2022	-	-	-	-	-	-	664,547	664,547	12,196	27,150	-	39,346	703,893
Changes in ownership interests in subsidiaries	-	-	-	-	-	-	(21,027)	(21,027)	-	-	-	-	(21,027)
Share-based payments	-	-	-	2,366	-	-	-	-	-	-	10,489	10,489	12,855
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	-	-	91,041	91,041	-	(91,041)	-	(91,041)	-
Expiration of restricted stock awards	(35)	-	(35)	(681)	-	-	-	-	-	-	716	716	-
Balance on December 31, 2022	507,950	-	507,950	382,425	524,711	272,413	499,392	1,296,516	(88,362)	(225,294)	(5,030)	(318,686)	1,868,205
Appropriation and distribution of retained earnings:													
Special reserve	-	-	-	-	-	76,679	(76,679)	-	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	-	-	(513,025)	(513,025)	-	-	-	-	(513,025)
Stock dividends of ordinary share	50,795	-	50,795	-	-	-	(50,795)	(50,795)	-	-	-	-	-
	50,795	-	50,795	-	-	76,679	(640,499)	(563,820)	-	-	-	-	(513,025)
Profit for the year ended December 31, 2023	-	-	-	-	-	-	710,779	710,779	-	-	-	-	710,779
Other comprehensive income for the year ended December 31,2023	-	-	-	-	-	-	-	-	(15,824)	(11,022)	-	(26,846)	(26,846)
Total comprehensive income for the year ended December 31,2023	-	-	-	-	-	-	710,779	710,779	(15,824)	(11,022)	-	(26,846)	683,933
Changes in ownership interests in subsidiaries	-	-	-	-	-	-	(8,423)	(8,423)	-	-	-	-	(8,423)
Share-based payments	-	-	-	1,625	-	-	-	-	-	-	3,761	3,761	5,386
Expiration of restricted stock awards	(6)	-	(6)	(121)	-	-	-	-	-	-	127	127	-
Balance on December 31, 2023	**$ 558,739**	**-**	**558,739**	**383,929**	**524,711**	**349,092**	**561,249**	**1,435,052**	**(104,186)**	**(236,316)**	**(1,142)**	**(341,644)**	**2,036,076**

See accompanying notes to parent company only financial statements.

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)

Addcn Technology Co., Ltd.

Statements of Cash Flows

For the years ended December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

	2023	2022
Cash flows from operating activities:		
Profit before tax	$ 888,705	823,326
Adjustments:		
Adjustments to reconcile profit:		
Depreciation expense	27,199	23,701
Amortization expense	8,910	9,132
Net loss (gain) on financial assets or liabilities at fair value through profit or loss	(362)	5,895
Interest expense	2,760	1,805
Interest income	(8,430)	(3,485)
Dividend income	-	(1,548)
Share-based payments	5,386	12,855
Share of profit of subsidiaries and associates accounted for using equity method	(43,429)	(22,842)
Gain from disposal of investments	-	507
Unrealized foreign exchange gain	(79)	(2,342)
Total adjustments to reconcile (Loss) profit	(8,045)	23,678
Changes in operating assets and liabilities:		
Changes in operating assets:		
Decrease (increase) in trade receivables	(10,843)	8,744
Trade receivables due from related parties	7,086	(27,363)
Prepayments	-	903
Other current assets	(22,056)	1,757
Other financial assets	394	(558)
Total changes in operating assets	(25,419)	(16,517)
Changes in operating liabilities:		
Notes payable and accounts payable	14	10
Accounts payable to related parties	(66,884)	41,383
Other payable	34,712	17,684
Contract liabilities	23,277	24,134
Other current liabilities	86	(967)
Receipts under custody	18,973	5,084
Total changes in operating liabilities	10,178	87,328
Total changes in operating assets and liabilities	(15,241)	70,811
Total adjustments	(23,286)	94,489

See accompanying notes to parent company only financial statements.

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)

Addcn Technology Co., Ltd.

Statements of Cash Flows

For the years ended December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

	2023	2022
Cash inflow generated from operations	865,419	917,815
Interest received	8,419	3,461
Interest paid	(2,753)	(1,778)
Income taxes paid	(167,758)	(146,814)
Net cash flows from operating activities	703,327	772,684
Cash flows from (used in) investing activities:		
Acquisition of financial assets at fair value through other comprehensive income	-	(63,836)
Proceeds from disposal of financial assets at fair value through other comprehensive income	-	103,362
Proceeds from capital reduction of financial assets at fair value through other comprehensive income	2,000	3,000
Acquisition of financial assets at fair value through profit or loss	(60,000)	(50,000)
Proceeds from disposal of financial assets at fair value through profit or loss	-	4,831
Acquisition of investments accounted for using equity method	-	(60,300)
Acquisition of property, plant and equipment	(11,388)	(18,997)
Increase in refundable deposits	(874)	-
Acquisition of investment properties	(104,459)	-
Increase in other financial assets	(16,010)	(6,910)
Dividends received	21,157	16,141
Net cash flows used in investing activities	(169,574)	(72,709)
Cash flows from (used in) financing activities:		
Proceeds from long-term debt	75,490	-
Repayments of long-term debt	(10,189)	(8,868)
Increase in guarantee deposits received	5,790	8,170
Payment of lease liabilities	(4,527)	(3,750)
Cash dividends paid	(513,025)	(802,581)
Net cash flows used in financing activities	(446,461)	(807,029)
Net increase in cash and cash equivalents	87,292	(107,054)
Cash and cash equivalents at beginning of period	547,610	654,664
Cash and cash equivalents at end of period	**$ 634,902**	**547,610**

See accompanying notes to parent company only financial statements.

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)

Addcn Technology Co., Ltd.

Notes to the Financial Statements

For the years ended December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars, Unless Otherwise Specified)

(1) Company history

Addcn Technology Co., Ltd. (the "Company") was incorporated in January 23, 2007 as a company limited by shares under the Company Act of the Republic of China (R.O.C). The Company was registered in 10F, No.12, Lane 609, Sec 5, Chungshin Rd., Sanchung Dist., New Taipei City. The major business activities of the Company are online trade platform operation and services. The Company's common shares were listed on the Taipei Exchange (TPEx) since January 20, 2014.

(2) Approval date and procedures of the financial statements

These financial statements were authorized for issue by the Board of Directors on March 14, 2024.

(3) New standards, amendments and interpretations adopted:

(a) The impact of the International Financial Reporting Standards ("IFRSs") endorsed by the Financial Supervisory Commission, R.O.C. which have already been adopted.

The Company has initially adopted the following new amendments, which do not have a significant impact on its financial statements, from January 1, 2023:

- Amendments to IAS 1 "Disclosure of Accounting Policies"
- Amendments to IAS 8 "Definition of Accounting Estimates"
- Amendments to IAS 12 "Deferred Tax related to Assets and Liabilities arising from a Single Transaction"

The Company has initially adopted the new amendment, which do not have a significant impact on its financial statements, from May 23, 2023:

- Amendments to IAS 12 "International Tax Reform—Pillar Two Model Rules"

(b) The impact of IFRS issued by the FSC but not yet effective

The Company assesses that the adoption of the following new amendments, effective for annual period beginning on January 1, 2024, would not have a significant impact on its financial statements:

- Amendments to IAS 1 "Classification of Liabilities as Current or Non-current"
- Amendments to IAS 1 "Non-current Liabilities with Covenants"
- Amendments to IAS 7 and IFRS 7 "Supplier Finance Arrangements"
- Amendments to IFRS 16 "Lease Liability in a Sale and Leaseback"

(Continued)

(c) The impact of IFRS issued by IASB but not yet endorsed by the FSC

The Company does not expect the following new and amended standards, which have yet to be endorsed by the FSC, to have a significant impact on its financial statements:

- Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets Between an Investor and Its Associate or Joint Venture"
- IFRS 17 " Insurance Contracts" and amendments to IFRS 17 " Insurance Contracts"
- Amendments to IAS21 "Lack of Exchangeability"

(4) Summary of material accounting policies:

The material accounting policies presented in the financial statements are summarized below. Except for those specifically indicated, the following accounting policies were applied consistently throughout the periods presented in the financial statements.

(a) Statement of compliance

These financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers (hereinafter referred to as "the Regulations").

(b) Basis of preparation

(i) Basis of measurement

The financial statements have been prepared on a historical cost basis, except fair value through other comprehensive income are measured at fair value.

1) Financial instruments measured at fair value through profit or loss are measured at fair value;

2) Financial assets at fair value through other comprehensive income are measured at fair value.

(ii) Functional and presentation currency

The functional currency of each Company Entity is determined based on the primary economic environment in which the entity operates. The financial statements are presented in New Taiwan dollars (NTD), which is the Company's functional currency. All financial information presented in NTD has been rounded to the nearest thousand.

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Addcn Technology Co., Ltd.
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(c) Foreign currencies

(i) Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currencies of Company entities at the exchange rates at the dates of the transactions. At the end of each subsequent reporting period, monetary items denominated in foreign currencies are translated into the functional currencies using the exchange rate at that date. Non-monetary items denominated in foreign currencies that are measured at fair value are translated into the functional currencies using the exchange rate at the date that the fair value was determined. Nonmonetary items denominated in foreign currencies that are measured based on historical cost are translated using the exchange rate at the date of the transaction.

Exchange differences are generally recognized in profit or loss, except for those differences relating to the following, which are recognized in other comprehensive income:

1) an investment in equity securities designated as at fair value through other comprehensive income;

2) a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective; or

3) qualifying cash flow hedges to the extent that the hedges are effective.

(ii) Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated into the presentation currency at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into the presentation currency at the average exchange rate. Exchange differences are recognized in other comprehensive income.

When a foreign operation is disposed of such that control, significant influence, or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. When the Company disposes of only part of its interest in a subsidiary that includes a foreign operation while retaining control, the relevant proportion of the cumulative amount is reattributed to noncontrolling interests. When the Company disposes of only part of its investment in an associate or joint venture that includes a foreign operation while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

When the settlement of a monetary receivable from or payable to a foreign operation is neither planned nor likely to occur in the foreseeable future, exchange differences arising from such a monetary item that are considered to form part of the net investment in the foreign operation are recognized in other comprehensive income.

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

An asset is classified as current under one of the following criteria, and all other assets are classified as non-current.

(i) It is expected to be realized, or intended to be sold or consumed, in the normal operating cycle;

(ii) It is held primarily for the purpose of trading;

(iii) It is expected to be realized within twelve months after the reporting period; or

(iv) The asset is cash or a cash equivalent (as defined in IAS 7) unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

A liability is classified as current under one of the following criteria, and all other liabilities are classified as non-current.

An entity shall classify a liability as current when:

(i) It is expected to be settled in the normal operating cycle;

(ii) It is held primarily for the purpose of trading;

(iii) It is due to be settled within twelve months after the reporting period; or

(iv) the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by issuing equity instruments do not affect its classification.

(e) Cash and cash equivalents

Cash comprises cash on hand and demand deposits cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value. Time deposits which meet the above definition and are held for the purpose of meeting short term cash commitments rather than for investment or other purposes should be recognized as cash equivalents.

(f) Financial Instruments

Trade receivables and debt securities issued are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Group becomes a party to the contractual provisions of the instrument. A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

(Continued)

Addcn Technology Co., Ltd.
Notes to the Financial Statements

(i) Financial assets

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis.

On initial recognition, a financial asset is classified as measured at: amortized cost; fair value through other comprehensive income (FVOCI) – debt investment; FVOCI – equity investment; or FVTPL. Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

1) Financial assets measured at amortized cost

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

These assets are subsequently measured at amortized cost, which is the amount at which the financial asset is measured at initial recognition, plus/minus, the cumulative amortization using the effective interest method, adjusted for any loss allowance. Interest income, foreign exchange gains and losses, as well as impairment, are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

2) Fair value through other comprehensive income (FVOCI)

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income. This election is made on an instrument-by-instrument basis.

Debt investments at FVOCI are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in other comprehensive income. On derecognition, gains and losses accumulated in other comprehensive income are reclassified to profit or loss.

(Continued)

Equity investments at FVOCI are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in other comprehensive income and are never reclassified to profit or loss.

Dividend income is recognized in profit or loss on the date on which the Company's right to receive payment is established.

3) Fair value through profit or loss (FVTPL)

All financial assets not classified as amortized cost or FVOCI described as above are measured at FVTPL, including derivative financial assets. Trade receivables that the Group intends to sell immediately or in the near term are measured at FVTPL; however, they are included in the 'trade receivables' line item. On initial recognition, the Company may irrevocably designate a financial asset, which meets the requirements to be measured at amortized cost or at FVOCI, as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.

4) Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management' s strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realizing cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Company' s management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated ─ e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, and are consistent with the Company's continuing recognition of the assets.

(Continued)

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5) Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, ‘principal’ is defined as the fair value of the financial assets on initial recognition. ‘Interest’ is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs, as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable rate features;
- prepayment and extension features; and
- terms that limit the Company’s claim to cash flows from specified assets (e.g. non-recourse features)

6) Impairment of financial assets

The Company recognizes loss allowances for expected credit losses (ECL) on financial assets measured at amortized cost (including cash and cash equivalents, amortized costs, notes and trade receivables, other receivable, guarantee deposit paid and other financial assets), debt investments measured at FVOCI and contract assets.

The Company measures loss allowances at an amount equal to lifetime ECL, except for the following which are measured as 12-month ECL:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowance for trade receivables and contract assets are always measured at an amount equal to lifetime ECL.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Company’s historical experience and informed credit assessment as well as forward-looking information.

(Continued)

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The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 1 days past due.

The Company considers a financial asset to be in default when the financial asset is more than 60 days past due or the debtor is unlikely to pay its credit obligations to the Company in full.

The Company considers a debt security to have low credit risk when its credit risk rating is equivalent to the globally understood definition of ‘ investment grade which is considered to be BBB- or higher per Standard & Poor’s, Baa3 or higher per Moody’s or twA or higher per Taiwan Ratings’.

Lifetime ECL are the ECL that result from all possible default events over the expected life of a financial instrument.

12-month ECL are the portion of ECL that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECL is the maximum contractual period over which the Company is exposed to credit risk.

ECL are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive). ECL are discounted at the effective interest rate of the financial asset.

At each reporting date, the Company assesses whether financial assets carried at amortized cost and debt securities at FVOCI are credit-impaired. A financial asset is ‘ credit-impaired’ when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence that a financial assets is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being more than 60 days past due;
- the lender of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession that the lender would not otherwise consider;
- it is probable that the borrower will enter bankruptcy or other financial reorganization; or
- the disappearance of an active market for a security because of financial difficulties.

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets. For debt securities at FVOCI, the loss allowance is charge to profit or loss and is recognized in other comprehensive income instead of reducing the carrying amount of the asset.

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The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. For individual customers, the Company has a policy of writing off the gross carrying amount when the financial asset is 2 years past due based on historical experience of recoveries of similar assets. For corporate customers, the Company individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Company expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

7) Derecognition of financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Company enters into transactions whereby it transfers assets recognized in its statement of balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognized.

(ii) Financial liabilities and equity instruments

1) Classification of debt or equity

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

2) Equity instrument

An equity instrument is any contract that evidences residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued are recognized as the amount of consideration received, less the direct cost of issuing.

3) Financial liabilities

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss.

Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

(Continued)

4) Derecognition of financial liabilities

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

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

5) Offsetting of financial assets and liabilities

Financial assets and financial liabilities are offset and the net amount presented in the statement of balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

(g) Investment in associates

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

Investments in associates are accounted for using the equity method and are recognized initially at cost. The cost of the investment includes transaction costs. The carrying amount of the investment in associates includes goodwill arising from the acquisition less any accumulated impairment losses.

The financial statements include the Company's share of the profit or loss and other comprehensive income of those associates, after adjustments to align their accounting policies with those of the Company, from the date on which significant influence commences until the date on which significant influence ceases. The Company recognizes any changes of its proportionate share in the investee within capital surplus, when an associate's equity changes due to reasons other than profit and loss or comprehensive income, which did not result in changes in actual proportionate share.

Gains and losses resulting from transactions between the Company and an associate are recognized only to the extent of unrelated Company's interests in the associate. When the Company's share of losses of an associate equals or exceeds its interests in an associate, it discontinues recognizing its share of further losses. After the recognized interest is reduced to zero, additional losses are provided for, and a liability is recognized, only to the extent that the Company has incurred legal or constructive obligations or made payments on behalf of the associate.

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When the Company subscribes to additional shares in an associate at a percentage different from its existing ownership percentage, the resulting carrying amount of the investment will differ from the amount of the Company's proportionate interest in the net assets of the associate. The Company records such a difference as an adjustment to investments, with the corresponding amount charged or credited to capital surplus. The aforesaid adjustment should first be adjusted under capital surplus. If the capital surplus resulting from changes in ownership interest is not sufficient, the remaining difference is debited to retained earnings. If the Company's ownership interest is reduced due to the additional subscription to the shares of the associate by other investors, the proportionate amount of the gains or losses previously recognized in other comprehensive income in relation to that associate will be reclassified to profit or loss on the same basis as would be required if the associate had directly disposed of the related assets or liabilities.

(h) Subsidiaries

The subsidiaries in which the Company holds controlling interest are accounted for under equity method in the financial statements. Under equity method, the net income, other comprehensive income and equity in the financial statements are the same as those attributed to the owners of parent in the consolidated financial statements.

The changes in ownership of the subsidiaries that do not result in the loss of control are recognized as equity transaction.

(i) Investment property

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services, or for administrative purposes. Investment property is measured at cost on initial recognition, and subsequently at cost, less accumulated depreciation and accumulated impairment losses. Depreciation expense is calculated based on the depreciation method, useful life, and residual value which are the same as those adopted for property, plant and equipment.

Any gain or loss on disposal of an investment property (calculated as the difference between the net proceeds from disposal and the carrying amount) is recognized in profit or loss.

Rental income from investment property is recognized as other revenue on a straight-line basis over the term of the lease. Lease incentives granted are recognized as an integral part of the total rental income, over the term of the lease.

(j) Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalized borrowing costs, less accumulated depreciation and any accumulated impairment losses.

If significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognized in profit or loss.

(Continued)

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(ii) Subsequent expenditure

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

(iii) Depreciation

Depreciation is calculated on the cost of an asset less its residual value and is recognized in profit or loss on a straightline basis over the estimated useful lives of each component of an item of property, plant and equipment.

Land is not depreciated.

The estimated useful lives of property, plant and equipment for current and comparative periods are as follows:

1)	Buildings	50 years
2)	Office equipment	1~5 years
3)	Lease improvements	1~5 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

(iv) Reclassification to investment property

A property is reclassified to investment property at its carrying amount when the use of the property changes from owner-occupied to investment property.

(k) Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

(i) As a leasee

The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

(Continued)

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be reliably determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

1) fixed payments, including in-substance fix payments;

2) variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;

3) amounts expected to be payable under a residual value guarantee; and

4) payments for purchase or termination options that are reasonably certain to be exercised.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when:

1) there is a change in future lease payments arising from the change in an index or rate; or

2) there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee; or

3) there is a change in the lease term resulting from a change of its assessment on whether it will exercise an option to purchase the underlying asset, or

4) there is a change of its assessment on whether it will exercise a purchase, extension or termination option; or

5) there is any lease modifications

When the lease liability is remeasured, other than lease modifications, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or in profit and loss if the carrying amount of the right-of-use asset has been reduced to zero.

When the lease liability is remeasured to reflect the partial or full termination of the lease for lease modifications that decrease the scope of the lease, the Company accounts for the remeasurement of the lease liability by decreasing the carrying amount of the right-of-use asset to reflect the partial or full termination of the lease, and recognize in profit or loss any gain or loss relating to the partial or full termination of the lease.

If an arrangement contains lease and non-lease components, the Company allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices. However, for the leases of land and buildings in which it is a lessee, the Company has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Company has elected not to recognize right-of-use assets and lease liabilities for short-term leases of printer and a part of office that have a lease term of 12 months or less and leases of low-value assets. The Company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

(Continued)

(ii) As a leasor

When the Company acts as a lessor, it determines at lease commencement whether each lease is a finance lease or an operating lease. To classify each lease, the Company makes an overall assessment of whether the lease transfers to the lessee substantially all of the risks and rewards of ownership incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then the lease is an operating lease. As part of this assessment, the Company considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Company applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, the Company applies IFRS15 to allocate the consideration in the contract.

(l) Intangible assets

(i) Recognition and measurement

Goodwill arising on the acquisition of subsidiaries is measured at cost, less accumulated impairment losses.

Expenditure on research activities is recognized in profit or loss as incurred.

Development expenditure is capitalized only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the Company intends to, and has sufficient resources to, complete development and to use or sell the asset. Otherwise, it is recognized in profit or loss as incurred. Subsequent to initial recognition, development expenditure is measured at cost, less accumulated amortization and any accumulated impairment losses.

Other intangible assets, including customer relationships, computer softwares and trademarks, that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortization and any accumulated impairment losses.

(ii) Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognized in profit or loss as incurred.

(iii) Amortization

Amortization is calculated over the cost of the asset, less its residual value, and is recognized in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, other than goodwill, from the date that they are available for use.

(Continued)

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The estimated useful lives for current and comparative periods are as follows:

1)	Trademarks	6~10 years
2)	Computer softwares	3~10 years
3)	Customer relationships	10 years

Amortization methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

(m) Impairment of non-financial assets

At each reporting date, the Company reviews the carrying amounts of its non-financial assets (other than contract assets and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating units (CGUs). Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognized in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

(n) Revenue

(i) Revenue from contracts with customers

Revenue is measured based on the consideration to which the Company expects to be entitled in exchange for transferring goods or services to a customer. The Company recognizes revenue when it satisfies a performance obligation by transferring control of a good or a service to a customer. The accounting policies for the Company's main types of revenue are explained below.

(Continued)

1) Online advertising platform services

The Company provides advertising services to customers. Revenue from providing services is recognized in the accounting period in which the services are rendered. For fixed-price contracts, revenue is recognized based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided. The proportion of services provided is determined based on the actual advertising hours spent relative to the total expected advertising hours.

Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known by management.

In case of fixed-price contracts, the customer pays the fixed amount based on a payment schedule. If the services rendered by the Company exceed the payment, a contract asset is recognized. If the payments exceed the services rendered, a contract liability is recognized.

2) Commission

The Company only acts as a platform provider when it provides online trading platform services. Commission is received by a fixed proportion of transaction price when the buyer and seller confirm that the transaction is finished.

3) Financing components

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Company does not adjust any of the transaction prices for the time value of money.

(ii) Contract costs

1) Incremental costs of obtaining a contract

The Company recognizes as an asset the incremental costs of obtaining a contract with a customer if the Company expects to recover those costs. The incremental costs of obtaining a contract are those costs that the Company incurs to obtain a contract with a customer that it would not have incurred if the contract had not been obtained. Costs to obtain a contract that would have been incurred regardless of whether the contract was obtained shall be recognized as an expense when incurred, unless those costs are explicitly chargeable to the customer regardless of whether the contract is obtained.

The Company applies the practical expedient to recognize the incremental costs of obtaining a contract as an expense when incurred if the amortization period of the asset that the entity otherwise would have recognized is one year or less.

(Continued)

2) Costs to fulfil a contract

If the costs incurred in fulfilling a contract with a customer are not within the scope of another Standard (for example, IAS 2 Inventories, IAS 16 Property, Plant and Equipment or IAS 38 Intangible Assets), the Company recognizes an asset from the costs incurred to fulfil a contract only if those costs meet all of the following criteria:

- the costs relate directly to a contract or to an anticipated contract that the Company can specifically identify;
- the costs generate or enhance resources of the Company that will be used in satisfying (or in continuing to satisfy) performance obligations in the future; and
- the costs are expected to be recovered.

General and administrative costs, costs of wasted materials, labor or other resources to fulfil the contract that were not reflected in the price of the contract, costs that relate to satisfied performance obligations (or partially satisfied performance obligations), and costs for which the Company cannot distinguish whether the costs relate to unsatisfied performance obligations or to satisfied performance obligations(or partially satisfied performance obligations), the Company recognizes these costs as expenses when incurred.

(o) Employee benefits

(i) Defined contribution plans

Obligations for contributions to defined contribution plans are expensed as the related service is provided. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in future payments is available.

(ii) Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(p) Share-based payment

The grant-date fair value of equity-settled share-based payment arrangements awards granted to employees is recognized as an expense, with a corresponding increase in equity, over the period that the employees become unconditionally entitled to the awards. The amount recognized as an expense is adjusted to reflect the number of awards whose related service and non-market performance conditions are expected to be met, such that the amount ultimately recognized as an expense is based on the number of awards that meet the related service and non-market performance conditions at the vesting date.For share based payment awards with non-vesting conditions, the grant-date fair value of the share based payment is measured to reflect such conditions, and there is no true up for differences between expected and actual outcomes.

(Continued)

The fair value of the amount payable to employees in respect of share appreciation rights, which are settled in cash, is recognized as an expense, with a corresponding increase in liabilities, over the period during which the employees become unconditionally entitled to payment. The liability is remeasured at each reporting date and at settlement date based on the fair value of the share appreciation rights. Any changes in the liability are recognized in profit or loss.

Grant date of a share-based payment award is the date which the board of directors decide the date of capital increase.

(q) Income taxes

Income taxes comprise current taxes and deferred taxes. Except for expenses related to business combinations or recognized directly in equity or other comprehensive income, all current and deferred taxes are recognized in profit or loss.

The Company has determined that interest and penalties related to income taxes, including uncertain tax treatment, do not meet the definition of income taxes, and therefore accounted for them under IAS37.

The Company has determined that the global minimum top-up tax – which it is required to pay under Pillar Two legislation – is an income tax in the scope of IAS 12. The Company has applied a temporary mandatory relief from deferred tax accounting for the impacts of the top-up tax and accounts for it as a current tax when it is incurred.

Current taxes comprise the expected tax payables or receivables on the taxable profits (losses) for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payables or receivables are the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date.

Deferred taxes arise due to temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their respective tax bases. Deferred taxes are recognized except for the following:

(i) temporary differences on the initial recognition of assets and liabilities in a transaction that is not a business combination and at the time of the transaction (1) affects neither accounting nor taxable profits (losses) and (2) does not give rise to equal taxable and deductible temporary differences;

(ii) temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and

(iii) taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognized for the carry forward of unused tax losses, unused tax credits, and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefits will be realized.

(Continued)

Deferred taxes are measured at tax rates that are expected to be applied to temporary differences when they reserve, using tax rates enacted or substantively enacted at the reporting date, and reflect uncertainty related to income taxes, if any.

Deferred tax assets and liabilities are offset if the following criteria are met:

(i) the Group has a legally enforceable right to set off currenttax assets against current tax liabilities; and

(ii) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on either:

1) the same taxable entity; or

2) different taxable entities which intend to settle current tax assets and liabilities on a net basis, or to realize the assets and liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

(r) Earnings per share

The Company discloses the Company's basic and diluted earnings per share attributable to ordinary shareholders of the Company. Basic earnings per share is calculated as the profit attributable to ordinary shareholders of the Company divided by the weighted average number of ordinary shares outstanding. Diluted earnings per share is calculated as the profit attributable to ordinary shareholders of the Company divided by the weighted average number of ordinary shares outstanding after adjustment for the effects of all potentially dilutive ordinary shares, such as employee stock options.

(s) Operating segments

The Company discloses its segment information in the consolidated financial statements. Therefore, the Company need not disclose segment information in the parent-company-only financial statements.

(5) Significant accounting assumptions and judgments, and major sources of estimation uncertainty:

In preparing these financial statements, management has made judgments, estimates, and assumptions that affect the application of the accounting policies and the reported amount of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

The management continues to monitor the accounting estimates and assumptions. The management recognizes any changes in accounting estimates during the period and the impact of those changes in accounting estimates in the following period.

Information about judgments made in applying accounting policies that have the most significant effects on the amounts recognized in the parent company only financial statements is as follows:

(Continued)

(a) Judgment of whether the Company has substantive control over its investees.

The Company holds 30.29% of the outstanding voting shares of Digit Marketing Co., Ltd. and is the single largest shareholder of the investee. Although the remaining 69.71% of Digit Marketing Co., Ltd.'s shares are not concentrated within specific shareholders, the Company still cannot obtain more than half of the total number of Digit Marketing Co., Ltd.'s directors, and it also cannot obtain more than half of the voting rights at a shareholders' meeting. Therefore, it is determined that the Company has significant influence on Digit Marketing Co., Ltd..

For the assumptions and estimation uncertainties, there were no significant risk resulting in a material adjustment within the next financial year.

The Company's accounting policies includes measuring financial and non-financial assets and liabilities at fair value through profit or loss.The Company's financial instrument valuation group conducts independent verification on fair value by using data sources that are independent, reliable, and representative of exercise prices. This financial instrument valuation group also periodically adjusts valuation models, conducts back testing, renews input data for valuation models, and makes all other necessary fair value adjustments to assure the rationality of fair value.

The Company strives to use market observable inputs when measuring assets and liabilities. Different levels of the fair value hierarchy to be used in determining the fair value of financial instruments are as follows:

(a) Level 1: quoted prices (unadjusted) in active markets for identifiable assets or liabilities.

(b) Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (ie as prices) or indirectly (ie derived from prices).

(c) Level 3: inputs for the assets or liability that are not based on observable market data.

For any transfer within the fair value hierarchy, the impact of the transfer is recognized on the reporting date.

Please refer to note 6(x) for assumptions used in measuring fair value.

(6) Explanation of significant accounts:

(a) Cash and cash equivalents

	December 31, 2023	December 31, 2022
Cash	$ 60	50
Demand deposits and check deposits	634,842	547,560
Cash and cash equivalents in the statement of cash flows	**$ 634,902**	**547,610**

Please refer to note 6(x) for the interest rate risk, and sensitivity analysis of the financial assets and liabilities of the Company.

(Continued)

Addcn Technology Co., Ltd.
Notes to the Financial Statements

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

	December 31, 2023	December 31, 2022
Mandatorily measured as at fair value through profit or loss:		
Corporate bonds Apple Inc.	$ 11,712	11,282
Wisdom Capital Limited Partnership	110,000	50,000
Total	**$ 121,712**	**61,282**

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

	December 31, 2023	December 31, 2022
Debt investments at fair value through other comprehensive income:	**$ 11,773**	**11,184**
Equity investments at fair value through other comprehensive income:		
Domestic listed stocks	$ 18,141	18,141
Domestic unlisted stocks	95,226	110,702
	$ 113,367	**128,843**

(i) Debt investments at fair value through other comprehensive income

The Company has assessed that the following securities are held within a business model whose objective is achieved by both collecting the contractual cash flows and by selling securities; therefore, they have been classified as debt investments at fair value through other comprehensive income.

(ii) Equity investments at fair value through other comprehensive income

The Company designated the investments shown above as equity securities as at fair value through other comprehensive income because these equity securities represent those investments that the Company intends to hold for long-term strategic purposes.

During the year ended December 31, 2022, the dividends of $1,548 thousand, related to equity investments at fair value through other comprehensive income held on the years then ended, were recognized. There is no such transaction during the year ended December 31, 2023.

The Company sold all the shares held in Cherri Tech Inc. on April 12, 2022 due to investment strategy, which was an equity investment at fair value through other comprehensive income. The fair value of the shares was $96,599 thousand when disposed and the cumulative gains on disposal amounted to $91,599 thousand, which has been transferred to retained earnings from other equity.

(Continued)

The Company sold all the shares held in Jacker Cleaning Inc. on January 13, 2022 due to investment strategy, which was an equity investment at fair value through other comprehensive income. The fair value of the shares was $6,763 thousand when disposed and the cumulative loss on disposal amounted to $558 thousand, which has been transferred to retained earnings from other equity.

Element III Venture Capital Co., Ltd. reduced capital in May 2023 and May 2022 and the Company has received $2,000 thousands and $3,000 thousands, respectively, as capital return.

No strategic investments were disposed for the year ended December 31, 2023, and there were no transfers of any cumulative gain or loss within equity relating to these investments.

(iii) For credit risk (including the impairment of debt investments) and market risk; please refer to note 6(x).

(iv) None of the financial assets above are pledged as collateral for long-term borrowings.

(d) Trade receivables

	December 31, 2023	December 31, 2022
Trade receivables	$ 87,741	76,898
Less: Loss allowance	(3)	(3)
	$ 87,738	**76,895**

(i) The Company applies the simplified approach to provide for its expected credit losses, i.e. the use of lifetime expected loss provision for all receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due, as well as incorporated forward looking information, including macroeconomic and relevant industry information. The loss allowance provision were determined as follows:

	December 31, 2023		
	Gross carrying amount	Weighted-average loss rate	Loss allowance provision
Current	$ 87,741	0%	3
1 to 60 days past due	-	10%~20%	-
More than 61 days past due	-	20%~100%	-
Total	**$ 87,741**		**3**

(Continued)

Addcn Technology Co., Ltd.
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	December 31, 2022		
	Gross carrying amount	Weighted-average loss rate	Loss allowance provision
Current	$ 76,898	0%	3
1 to 60 days past due	-	10%~20%	-
More than 61 days past due	-	20%~100%	-
Total	**$ 76,898**		**3**

(ii) The movement in the allowance for trade receivables were as follows:

	2023	2022
Balance at January 1	$ 3	20,998
Write-offs of uncollectible for the period	-	(20,995)
Balance at December 31	**$ 3**	**3**

(iii) The aforementioned trade receivables of the Company had not been pledged as collateral for long-term borrowings.

(e) Investments accounted for using equity method

The details of the investments accounted for using equity method were as follows:

	December 31, 2023	December 31, 2022
Subsidiaries	$ 862,228	880,266
Associates	93,238	75,299
	$ 955,466	**955,565**

(i) Subsidiaries

For the related information, please refer to the consolidated financial statements for the year ended December 31, 2023.

(ii) Associates

The Company's financial information for investments accounted for using the equity method that are individually insignificant was as follows:

	December 31, 2023	December 31, 2022
Carrying amount of individually insignificant associates' equity	**$ 93,238**	**75,299**

(Continued)

Addcn Technology Co., Ltd.
Notes to the Financial Statements

	2023	2022
Share of net assets of associates as of January 1	$ 75,299	63,690
Profit attributable to the Company	37,221	28,077
Other comprehensive income attributable to the Company	1,875	(1,875)
Dividends received from associates	(21,157)	(14,593)
Share of net assets of associates as of December 31	**$ 93,238**	**75,299**

The Company does not have any contingent liabilities arising from associate with other investor or for individual responsibility.

As of December 31, 2023 and 2022, the Company did not provide any investments accounted for using the equity method as collateral for its loans.

(f) Property, plant and equipment

The cost, depreciation, and impairment of the property, plant and equipment of the Company for the years ended December 31, 2023 and 2022, were as follows:

	Land	Buildings and constructions	Office equipment	Leasehold improvements	Total
Cost or deemed cost:					
Balance at January 1, 2023	$ 282,705	212,658	99,108	15,780	610,251
Additions	-	2,151	9,237	-	11,388
Disposals	-	-	(3,198)	-	(3,198)
Balance at December 31, 2023	**$ 282,705**	**214,809**	**105,147**	**15,780**	**618,441**
Balance at January 1, 2022	$ 282,705	206,720	86,341	15,780	591,546
Additions	-	5,938	13,059	-	18,997
Disposals	-	-	(292)	-	(292)
Balance at December 31, 2022	**$ 282,705**	**212,658**	**99,108**	**15,780**	**610,251**
Depreciation and impairments losses:					
Balance at January 1, 2023	$ -	62,543	83,821	13,910	160,274
Depreciation	-	11,635	7,931	1,181	20,747
Disposals	-	-	(3,198)	-	(3,198)
Balance at December 31, 2023	**$ -**	**74,178**	**88,554**	**15,091**	**177,823**
Balance at January 1, 2022	$ -	51,562	77,891	12,729	142,182
Depreciation	-	10,981	6,222	1,181	18,384
Disposals	-	-	(292)	-	(292)
Balance at December 31, 2022	**$ -**	**62,543**	**83,821**	**13,910**	**160,274**
Carrying amounts:					
Balance at December 31, 2023	**$ 282,705**	**140,631**	**16,593**	**689**	**440,618**
Balance at January 1, 2022	**$ 282,705**	**155,158**	**8,450**	**3,051**	**449,364**
Balance at December 31, 2022	**$ 282,705**	**150,115**	**15,287**	**1,870**	**449,977**

As of December 31, 2023 and 2022, the property, plant and equipment of the Company had been pledged as collateral for long-term borrowings; please refer to note 8.

(Continued)

Addcn Technology Co., Ltd.
Notes to the Financial Statements

(g) Right-of-use-asset

The Company leases many assets including land and buildings and vehicles. Information about leases for which the Company as a lessee was presented below:

		Buildings and constructions	Shipping equipments	Total
Cost or deemed cost:				
Balance at January 1, 2023	$	11,670	3,939	15,609
Additions		1,753	23,302	25,055
Disposals		(11,670)	(1,816)	(13,486)
Balance at December 31, 2023	**$**	**1,753**	**25,425**	**27,178**
Balance at January 1, 2022	$	11,670	3,236	14,906
Additions		-	1,216	1,216
Disposals		-	(513)	(513)
Balance at December 31, 2022	**$**	**11,670**	**3,939**	**15,609**
Depreciation and impairments losses:				
Balance at January 1, 2023	$	9,577	2,126	11,703
Depreciation		3,383	1,302	4,685
Disposals		(11,670)	(1,816)	(13,486)
Balance at December 31, 2023	**$**	**1,290**	**1,612**	**2,902**
Balance at January 1, 2022	$	7,065	1,433	8,498
Depreciation		2,512	1,206	3,718
Disposals		-	(513)	(513)
Balance at December 31, 2022	**$**	**9,577**	**2,126**	**11,703**
Carrying amount:				
Balance at December 31, 2023	**$**	**463**	**23,813**	**24,276**
Balance at January 1, 2022	**$**	**4,605**	**1,803**	**6,408**
Balance at December 31, 2022	**$**	**2,093**	**1,813**	**3,906**

(h) Investment property

Investment property comprises office buildings that are leased to third parties under operating leases, including properties that are owned by the Company. The leases of investment properties contain an initial non-cancellable lease term of 1 to 3 years. For all investment property leases, the rental income is fixed under the contracts.

(Continued)

Addcn Technology Co., Ltd.
Notes to the Financial Statements

Investment property movement of the Company were as follows:

	Owned property		
	Land	Buildings and constructions	Total
Cost or deemed cost:			
Balance at January 1, 2023	$ 95,041	49,079	144,120
Additions	83,519	20,940	104,459
Balance at December 31, 2023	**$ 178,560**	**70,019**	**248,579**
Balance at January 1, 2022	$ 95,041	49,079	144,120
Additions	-	-	-
Balance at December 31, 2022	**$ 95,041**	**49,079**	**144,120**
Depreciation and impairments losses:			
Balance at January 1, 2023	$ -	5,712	5,712
Depreciation	-	1,767	1,767
Balance at December 31, 2023	**$ -**	**7,479**	**7,479**
Balance at January 1, 2022	$ -	4,113	4,113
Depreciation	-	1,599	1,599
Balance at December 31, 2022	**$ -**	**5,712**	**5,712**
Carrying amount:			
Balance at December 31, 2023	**$ 178,560**	**62,540**	**241,100**
Balance at January 1, 2022	**$ 95,041**	**44,966**	**140,007**
Balance at December 31, 2022	**$ 95,041**	**43,367**	**138,408**
Fair value:			
Balance at December 31, 2023			**$ 219,059**
Balance at December 31, 2022			**$ 147,232**

Investment property comprises a number of commercial properties that are leased to third parties. Each of the leases contains a 1 to 3 years non-cancellable period. Subsequent renewals are negotiated with the lessee and no contingent rents are charged.

As of December 31, 2023 and 2022, the investment property of the Group had been pledged as collateral for long-term borrowings; please refer to note8.

(Continued)

Addcn Technology Co., Ltd.
Notes to the Financial Statements

(i) Intangible assets

The cost, amortization and impairment of the intangible assets of the Company for the years ended December 31, 2023 and 2022, were as follows:

	Goodwill	Brand/Trade marks	Client relationship/ Database/518 computer system	Others	Total
Cost:					
Balance at January 1, 2023	$ 58,000	27,656	59,208	6,694	151,558
Additions	-	-	-	-	-
Balance at December 31, 2023	**$ 58,000**	**27,656**	**59,208**	**6,694**	**151,558**
Balance at January 1, 2022	$ 58,000	27,656	59,208	6,694	151,558
Additions	-	-	-	-	-
Balance at December 31, 2022	**$ 58,000**	**27,656**	**59,208**	**6,694**	**151,558**
Accumulated amortization and impairment losses					
Balance at January 1, 2023	$ -	22,967	48,846	6,162	77,975
Amortization	-	2,680	5,921	309	8,910
Balance at December 31, 2023	**$ -**	**25,647**	**54,767**	**6,471**	**86,885**
Balance at January 1, 2022	$ -	20,287	42,925	5,631	68,843
Amortization	-	2,680	5,921	531	9,132
Balance at December 31, 2022	**$ -**	**22,967**	**48,846**	**6,162**	**77,975**
Carrying value:					
Balance at December 31, 2023	**$ 58,000**	**2,009**	**4,441**	**223**	**64,673**
Balance at January 1, 2022	**$ 58,000**	**7,369**	**16,283**	**1,063**	**82,715**
Balance at December 31, 2022	**$ 58,000**	**4,689**	**10,362**	**532**	**73,583**

(i) Amortization expense

The amortization of intangible assets is included in the statement of comprehensive income:

	2023	2022
Operating expenses	**$ 8,910**	**9,132**

(ii) Impairment test of goodwill

Goodwill arising from the acquisition of 518 Technology Co., Ltd. on January 1, 2015, valued at $58,000 thousand, was mainly attributable to the expected benefit derived from the operating revenue growth of 518 Human Resource. According to IAS 36, goodwill acquired in a business combination is tested for impairment at least annually. For the purposes of impairment testing, goodwill is allocated to each of the acquirer's cash-generating units that are expected to benefit from the synergies of the combination. Job searching websites were a group of cash-generating units that can generate independent cash inflows; therefore, goodwill is tested for impairment by comparing the recoverable amount of job searching websites with their carrying amount to determine whether an impairment loss should be recognized.

(Continued)

Base on the result of impairment test, the recoverable amount of job searching websites was greater than their carrying amount; thus, no impairment loss was recognized.

The recoverable amount of job searching websites was based on their value-in-use, determined by discounting the future cash flows to be generated from the continuing use of 518 Human Resource. The key assumptions used in the estimation of value-in-use were as follows:

	December 31, 2023	December 31, 2022
Discount rate	6.77 %	10.59 %

The discount rate was a pre-tax measure based on the capital asset pricing model, adjusted for a risk premium to reflect both the increased risk of investing in equities generally and the systemic risk of the specific CGU.

(iii) Guarantee

As of December 31, 2023 and 2022, the intangible asset of the Company had not been pledged as collateral for long-term borrowings.

(j) Other financial assets

Other financial assets of the Company were as follows:

	December 31, 2023	December 31, 2022
Time deposit due within one year	$ 104,590	98,790
Other receivables	668	1,052
Current restricted assets	571,232	561,022
	$ 676,490	**660,864**

Current restricted assets mainly consist of time deposits pledged as collateral and receipts under custody from transaction between members on 8591 Virtual Treasure Trade. Please refer to note 8 for the information of pledged assets.

(k) Other current assets and other non-current assets

Other current assets and other non-current assets were as follows:

	December 31, 2023	December 31, 2022
Current prepaid expense	$ 11,484	8,029
Current temporary payments	29,815	11,214
Subtotal	41,299	19,243
Guarantee deposits paid	1,512	638
Right-of-use asset	24,276	3,906
Subtotal	25,788	4,544
Total	**$ 67,087**	**23,787**

(Continued)

Addcn Technology Co., Ltd.
Notes to the Financial Statements

(i) Current prepaid expense

Current prepaid expense mainly consist of system outsourcing usage fee, domain service fee, rent and insurance.

(ii) Current temporary payments

Temporary payments consist of website event bonus payment on 8591 Virtual Treasure Trade and others.

(l) Other payables and Receipts under custody

Other payables and Receipts under custody were as follows:

	December 31, 2023	December 31, 2022
Current tax liabilities	$ 95,123	87,104
Employee compensation payable	77,860	61,200
Compensation due to directors and supervisors	9,420	8,000
Wages and salaries payable	30,738	27,685
Expenses payable	54,192	40,606
Other	3,100	3,100
Subtotal	270,433	227,695
Receipts under custody	541,311	522,338
Total	**$ 811,744**	**750,033**

Receipts under custody are collection on behalf of others which are not completed from member transaction on 8591 Virtual Treasure Trade. The collection is deposited in individual trust accounts of E. Sun Bank.

(m) Long-term borrowing

The significant terms and conditions of long term and short term borrowings were as follows:

	December 31, 2023	December 31, 2022
Secured bank loan	$ 185,358	120,057
Less: current portion	(13,242)	(8,868)
Total	**$ 172,116**	**111,189**
Unused long-term credit lines	**$ 3,980**	**3,980**
Range of interest rates	**1.82%~2.05%**	**1.57%~1.77%**

For the collateral for long-term borrowings, please refer to note8.

(Continued)

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Notes to the Financial Statements

(n) Operating lease

The Company leases its investment property to others. The Company has classified these leases as operating leases, because it does not transfer substantially all of the risks and rewards incidental to the ownership of the assets. Please refer to note 6(h) sets out information about the operating leases of investment property.

A maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date are as follows:

	December 31, 2023	December 31, 2022
Less than one year	$ 4,074	2,762
One to two years	1,086	1,682
Two to five years	2,533	-
Total undiscounted lease payment	**$ 7,693**	**4,444**

Rental income from investment property was $4,171 thousand and $3,971 thousand for the years ended December 31, 2023 and 2022, respectively.

(o) Employee benefits

The Company allocates 6% of each employee' s monthly wages to the labor pension personal account at the Bureau of Labor Insurance in accordance with the provisions of the Labor Pension Act. Under these defined contribution plans, the Company allocates a fixed amount to the Bureau of Labor Insurance without additional legal or constructive obligation.

The pension costs incurred from the contributions to the Bureau of Labor Insurance amounted to $6,710 thousand and $6,267 thousand for the years ended December 31, 2023 and 2022, respectively.

(p) Income tax

Income tax expense

The components of income tax in the years ended December 31, 2023 and 2022 were as follows:

	2023	2022
Current tax expense		
Current period	$ 175,850	160,400
Adjustment for prior periods	(72)	(2,774)
	175,778	157,626
Deferred tax expense		
Origination and reversal of temporary differences	2,148	1,153
Income tax expenses	**$ 177,926**	**158,779**

For the years ended December 31, 2023 and 2022, there was no income tax recognized directly in equity or other comprehensive income.

(Continued)

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Notes to the Financial Statements

Reconciliation of income tax and profit before tax for 2023 and 2022 were as follows:

	2023	2022
Profit excluding income tax	$ 888,705	823,326
Income tax using the Company's domestic tax rate	177,741	164,665
Tax-exempt income	(7,444)	(5,903)
Change in unrecognized temporary differences	1,758	1,797
Overestimate in prior period	(72)	(2,774)
Others	5,943	994
	$ 177,926	**158,779**

(i) Deferred tax assets and liabilities

1) Unrecognized deferred tax liabilities

The consolidated entity is able to control the timing of the reversal of the temporary differences associated with investments in subsidiaries as of December 31, 2023 and 2022. Also, management considers it probable that the temporary differences will not reverse in the foreseeable future. Hence, such temporary differences are not recognized under deferred tax liabilities. Details are as follows:

	December 31, 2023	December 31, 2022
Unrecognized deferred tax liabilities	**$ 7,831**	**11,380**

2) Unrecognized deferred tax assets

Deferred tax assets have not been recognized in respect of the following items:

	December 31, 2023	December 31, 2022
Tax effect of deductible temporary differences	**$ 19,078**	**17,320**

3) Recognized deferred tax assets and liabilities

Change in the amount of deferred tax assets and liabilities for 2023 and 2022 were as follows:

	Loss on investment	Others	Total
Deferred tax assets:			
Balance at January 1, 2023	$ 5,250	1,191	6,441
Recognized in profit or loss	(3,000)	411	(2,589)
Balance at December 31, 2023	**$ 2,250**	**1,602**	**3,852**
Balance at January 1, 2022	$ 6,000	363	6,363
Recognized in profit or loss	(750)	828	78
Balance at December 31, 2022	**$ 5,250**	**1,191**	**6,441**

(Continued)

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		Others
Deferred tax liabilities:		
Balance at January 1, 2023	$	(1,244)
Recognized in profit or loss		441
Balance at December 31, 2023	**$**	**(803)**
Balance at January 1, 2022	$	(13)
Recognized in profit or loss		(1,231)
Balance at December 31, 2022	**$**	**(1,244)**

(ii) Assessment of tax

The Company's tax returns for the years through 2021 were assessed by the tax authority.

(q) Capital and other equity

As of December 31, 2023 and 2022, the total amount of authorized ordinary shares were both amounted to $1,000,000 thousand with par value of $10 per share and the contributed capital were amounted to $558,739 thousand and $507,790 thousand.

Reconciliation of shares outstanding for 2023 and 2022 were as follows:

(in thousand of shares)

	Ordinary share	
	2023	**2022**
Balance on January 1	50,795	42,937
Stock dividends	5,079	7,862
Retirement of restricted employee stock	-	(4)
Balance on December 31	**55,874**	**50,795**

(i) Ordinary share

On August 26, 2021, the Company resolved on general shareholders' meetings on earning distribution for the year ended December 31, 2020 by issuing 7,862 thousand of shares with a par value of $10 per share, amounting to $78,615 thousand, with January 10, 2022 as the date of capital increase and the relevant statutory registration procedures have since been completed.

On June 14, 2023, the Company resolved on general shareholders' meetings on earning distribution for the year ended December 31, 2022 by issuing 5,079 thousand of shares with a par value of $10 per share, amounting to $50,795 thousand, with September 4, 2023 as the date of capital increase and the relevant statutory registration procedures have since been completed.

For the years ended December 31, 2023 and 2022, the Company had retired 0.6 thousand and 4 thousand of shares, respectively, of restricted stock to employees due to failure to meet vesting condition.

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(ii) Capital surplus

The balances of capital surplus as of 2023 and 2022, were as follows:

	December 31, 2023	December 31, 2022
Share premium	$ 313,411	313,411
Employee share options	3,894	6,308
Restricted stock awards	66,624	62,706
	$ 383,929	**382,425**

According to the R.O.C. Company Act, capital surplus can only be used to offset a deficit, and only the realized capital surplus can be used to increase the common stock or be distributed as cash dividends. The aforementioned realized capital surplus includes capital surplus resulting from premium on issuance of capital stock and earnings from donated assets received. According to the Regulations Governing the Offering and Issuance of Securities by Securities Issuers, capital increases by transferring capital surplus in excess of par value should not exceed 10% of the total common stock outstanding.

(iii) Retained earnings

The Company's article of incorporation stipulate that Company's net earnings should first be used to offset the prior years' deficits, if any, before paying any income taxes. Of the remaining balance, 10% is to be appropriated as legal reserve, and then any remaining profit together with any undistributed retained earnings shall be distributed according to the distribution plan proposed by the Board of Directors and submitted to the stockholders' meeting for approval.

If all or part of the above mentioned earnings shall be distributed in cash, the distribution plan may be approved by half of the Broad of Directors with at least two?thirds present and reported to the shareholders' meeting without requiring the submission for recognition.

The Company is in the stage of enterprise growth. The dividends will be, and will be distributed in the types of stock dividends or cash dividend, which will be determined moderately according to the future capital demand and equity dilution. The cash dividends shall not less than 10% of the total dividends in principle. However, the type and ratio of this surplus distribution shall depends on the actual profit and capital status of the year, and shall be approved by the resolution of the Shareholders' meeting.

1) Legal reserve

When a company incurs no loss, it may, pursuant to a resolution by a shareholders' meeting, distribute its legal reserve by issuing new shares or by distributing cash, and only the portion of legal reserve which exceeds 25% of capital may be distributed.

(Continued)

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2) Special reserve

The Company chose to apply the exemption under IFRS 1 at its initial adoption of IFRS Accounting Standards. Accumulated translation adjustments (gains) accounted for under shareholders' increased retained earnings by zeroing amounted to $64 thousand. The Company shall allocate the same amount in special reserve in accordance with the requirements issued by the Financial Supervisory Commission. When there is any subsequent use, disposal, or reclassification of the relevant assets, the Company may reverse and proportionately appropriate the earnings distribution originally allocated to special reserve.

In accordance with the FSC guidelines, a portion of current-period earnings and undistributed prior-period earnings shall be reclassified as a special earnings reserve during earnings distribution. The amount to be reclassified should be equal to the difference between the total net current-period reduction of special earnings reserve resulting from the first-time adoption of IFRSs and the carrying amount of other shareholders' equity as stated above. Similarly, a portion of undistributed prior-period earnings shall be reclassified as a special earnings reserve (which does not qualify for earnings distribution) to account for cumulative changes to other shareholders' equity pertaining to prior periods due to the first-time adoption of IFRSs. The subsequent reversals of the contra accounts in shareholders' equity shall qualify for additional distributions.

The amounts of special reserve as of December 31, 2023 and 2022 were $349,092 thousand and $272,413 thousand, respectively.

3) Earnings Distribution

The amounts of cash dividends in earning distribution for 2022 first half and 2022 second half had been approved during the board meeting on August 12, 2022 and March 24, 2023, respectively. The amounts of stock dividends in earning distribution for 2022 and the earning distribution for 2021 had been approved during the shareholders' meeting on June 14, 2023 and June 15, 2022, respectively.

The amounts of dividends distributed to owners were as follows:

	2022	
	Dividend per Share (NT dollars)	**Amount (thousand)**
Dividends disrtibuted to common shareholders:		
Cash (2022 first half)	$ 4.50	228,578
Cash (2022 second half)	4.50	228,576
Stock	1.00	50,795
Total		**$ 507,949**

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	2021	
	Dividend per Share (NT dollars)	**Amount (thousand)**
Dividends disrtibuted to common shareholders:		
Cash	$ 11.30	**574,003**

The amount of cash dividends of earning distribution for 2023 had been approved during the board meeting on March 14, 2024, was $245,884 thousand with $4.4 per share.

4) Interim Earnings Distribution

The amount of cash dividends of earning distribution for 2023 first half had been approved during the board meeting on August 11, 2023, was $284,449 thousand with $5.6 per share.

(iv) Other equity (net of tax)

	Exchange differences on translation of foreign financial statements	**Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income**	**Unearned employee compensation**	**Amount**
Balance at January 1, 2023	$ (88,362)	(225,294)	(5,030)	(318,686)
Exchange differences of net asset in foreign operations	(15,824)	-	-	(15,824)
Unrealized losses from financial assets measured at fair value through other comprehensive income	-	(11,022)	-	(11,022)
Share-based payment	-	-	3,761	3,761
Expiration of restricted stock awards	-	-	127	127
Balance at December 31, 2023	**$ (104,186)**	**(236,316)**	**(1,142)**	**(341,644)**
Balance at January 1, 2022	$ (100,558)	(161,403)	(16,235)	(278,196)
Exchange differences of net asset in foreign operations	12,196	-	-	12,196
Unrealized gains from financial assets measured at fair value through other comprehensive income	-	27,150	-	27,150
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	(91,041)	-	(91,041)
Share-based payment	-	-	10,489	10,489
Expiration of restricted stock awards	-	-	716	716
Balance at December 31, 2022	**$ (88,362)**	**(225,294)**	**(5,030)**	**(318,686)**

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Notes to the Financial Statements

(r) Share-based payment

The Board of Directors' meeting on June 18, 2020, the Company decided to award 424 thousand of new shares of restricted stock to those full-time employees whose performance assessment was excellent. The restricted stock which has been registered and approved by the Securities and Futures Bureau of the Financial Supervisory Commission, R.O.C. On September 17, 2020, the Board of Directors issued 363 thousand of shares. The capital increase date was on October 15, 2020.

Those employees with the restricted stock awards are entitled to obtain shares for free with the condition that these employees continue to provide service to the Company for at least 1 years (from the grant date). 50% of the restricted stock is vested in year 1 after the grant date, 25% of the restricted stock is vested in year 2 after the grant date, 15% of the restricted stock is vested in year 3 after the grant date, and the remaining 10% is vested in year 4 after the grant date.

The restricted stock is kept by a trust, which is appointed by the Company, before it is vested. These shares shall not be sold, pledged, transferred, gifted, or disposed of by any other means to third parties during the custody period, except for inheritance. The voting rights of these shareholders are executed by the custodian, and the custodian will act based on law and regulations. The rights of shares are the same as issued ordinary share, except for the above restrictions. If these employees who obtain the restricted stock awards violate Regulation Governing Issuance of Restricted Stock Awards, employment contract, confidential contract, trust contract, Ethical Corporate Management Best Practice Principles, Codes of ethical Conduct, the Rules of Information Security, Work Rules, and so on, the Company will repurchase all the unvested shares without charge, and cancel the shares thereafter.

As of December 31, 2023 and 2022, the balances of unearned compensation were $1,142 thousand and $5,030 thousand and the expenses sprang from the restricted stock awards were $5,386 thousand and $12,855 thousand, respectively.

Details of the restricted stock of the Company are as follows :

(in thousands of shares)

	2023	2022
Outstanding number of stocks at 1 January	88	181
Vested during the year	(53)	(89)
Forfeited during the year	-	(4)
Outstanding number of stocks at 31 December	**35**	**88**

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Notes to the Financial Statements

(s) Earnings per share

The calculation of basic earnings per share and diluted earnings per share for the year 2023 and 2022 are as follows:

	2023	2022
Basic earnings per share		
Net income available to common shareholders	**$ 710,779**	**664,547**
Weighted average number of common shares outstanding used in the computation of basic EPS (in thousands of shares)	**55,795**	**55,716**
Basic earnings per share (NT dollars)	**$ 12.74**	**11.93**

	2023	2022
Diluted earnings per share		
Net income available to common shareholders	**$ 710,779**	**664,547**
Weighted average number of common shares outstanding used in the computation of basic EPS (in thousands of shares)	55,795	55,716
Effect of dilutive potential ordinary shares:		
Effect of employee share bonus	461	372
Effect of restricted employee shares unvested	61	76
Weighted average number of ordinary shares (diluted) (in thousands of shares)	**56,317**	**56,164**
Diluted earnings per share (NT dollars)	**$ 12.62**	**11.83**

On June 14, 2023, the Board of Directors decided to issue shares dividends, with September 4, 2023, as the capital increase date. Since the capital increase date was between the reporting date and the date of the financial statements authorized for issue, the amount affected by the shares dividends should be retrospectively adjusted in accordance with IAS 33. The abovementioned earnings per share have been adjusted retrospectively. The Company's basic earnings per share before retrospective adjustment for the years ended December 31, 2022 was $13.12 dollars, respectively; diluted earnings per share was $13.01 dollars, respectively.

(t) Revenue from contracts with customers

(i) Disaggregation of revenue

	2023	2022
Primary geographical markets:		
Taiwan	**$ 2,097,523**	**1,894,507**
Major products/services lines:		
Revenue of internet service	$ 1,772,101	1,544,774
Platform commission income	325,422	349,733
	$ 2,097,523	**1,894,507**

For the years ended December 31 2023 and 2022, revenue from e-commerce were $2,009,911 thousand and $1,797,325 thousand, which were 96% and 95% of total revenue respectively.

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(ii) Contract balances

	December 31, 2023	December 31, 2022	January 1, 2021
Trade receivables	$ 87,741	76,898	106,637
Less: allowance for impairment	(3)	(3)	(20,998)
	$ 87,738	**76,895**	**85,639**
Contract liability-internet service	**$ 304,285**	**281,548**	**257,414**

For details on trade receivable and allowance for impairment, please refer to note 6(d).

The amount of revenue recognized for the years ended December 31 2023 and 2022, that was included in the contract liability balance at the beginning of the period were $281,548 thousand and $257,414 thousand, respectively.

(u) Employee compensation and directors' remuneration

In accordance with the Articles of Incorporation, where the Company has earnings in a giving year, the Company shall allocate 1% or above of earnings as staff remunerations, 3% or below as Directors remunerations. However, if there is still accumulated loss of the Company, the Company shall reserve the compensation amount in advance.

The persons who are entitled to receive cash or shares as staff remuneration stipulated in the preceding paragraph including the employees of parents or subsidiaries of the Company meeting certain specific requirements.

For the years ended December 31 2023 and 2022, the Company estimated its employee remuneration and directors' remuneration amounting as following:

	2023	2022
Employee compensation	$ 77,860	61,200
Directors' remuneration	9,420	8,000
	$ 87,280	**69,200**

The estimated amounts mentioned above are calculated based on the net profit before tax, excluding the remuneration to employees, directors and supervisors of each period, multiplied by the percentage of remuneration to employees and directors as specified in the Company's articles. These remunerations were expensed under operating costs or operating expenses during 2023 and 2022.The employee compensation which assign with share capital, the estimated amounts are calculated base on the day before decision to assign by board of directions.

The amounts, as stated in the financial statements, are identical to those of the actual distributions for 2023 and 2022. Related information would be available at the Market Observation Post System website.

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Notes to the Financial Statements

(v) Non-operating income and expenses

(i) Interest income

The details of interest income were as follow :

	2023	2022
Interest income from bank deposits	**$ 8,430**	**3,485**

(ii) Other income

The details of other income were as follows:

	2023	2022
Rent income	$ 4,171	3,971
Dividend income	-	1,548
Handling charge	5,194	5,288
Other income, others	3,441	4,402
	$ 12,806	**15,209**

(iii) Other gains and losses

The details of other gains and losses were as follows:

	2023	2022
Losses on disposals of investment	$ -	(507)
Foreign exchange gains	622	2,165
Net loss on financial assets at fair value through profit or loss	362	(5,895)
Miscellaneous disbursements	(1)	(91)
	$ 983	**(4,328)**

(iv) Finance costs

The details of finance costs were as follows:

	2023	2022
Ineterest expense	**$ 2,760**	**1,805**

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(w) Reclassification adjustments of components of other comprehensive income

The details of reclassification adjustments of components of other comprehensive income were as follows:

	2023	2022
Debt instruments at fair value through other comprehensive income		
Net change in fair value	$ 578	(3,478)
Net change in fair value recognized in other comprehensive income	**$ 578**	**(3,478)**

(x) Financial instrument

(i) Type of financial instruments

1) Financial assets

	December 31, 2023	December 31, 2022
Financial asset designated as at fair value through profit or loss	$ 121,712	61,282
Financial assets at fair value through other comprehensive income	113,367	128,843
Amortized cost financial assets:		
Cash and cash equivalents	634,902	547,610
Trade receivables	87,738	76,895
Trade receivable due from related parties	57,461	64,547
Other financial assets	676,490	660,864
Subtotal	**1,456,591**	**1,349,916**
Total	**$ 1,691,670**	**1,540,041**

2) Financial liabilities

	December 31, 2023	December 31, 2022
Financial liabilities measured at amortized cost:		
Notes and trade payables	$ 32	18
Accounts payable to related parties	41,088	107,972
Other payables	172,211	137,491
Receipts under custody	541,311	522,338
Secured long-term borrowings	185,358	120,057
Lease liabilities	24,470	3,942
Total	**$ 964,470**	**891,818**

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(ii) Credit risk

1) Credit risk exposure

The carrying amount of financial assets and contract assets represents the maximum amount exposed to credit risk.

2) Concentration of credit risk

As the Company has a large customer base and does not have a significant concentration of transactions with a single customer, the credit risk of accounts has no significant concentration.

(iii) Liquidity risk

The following table shows the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements.

	Book value	Contractual cash flows	Within 6 months	6-12 month	1-2 year	2-5 year	Over 5 year
December 31, 2023							
Non-derivative financial liabilities							
Notes and trade payables	$ 32	32	32	-	-	-	-
Trade payable to related parties	41,088	41,088	41,088	-	-	-	-
Other payables	172,211	172,211	172,211	-	-	-	-
Receipts under custody	541,311	541,311	541,311	-	-	-	-
Secured loan	185,358	210,366	8,396	8,359	16,580	48,725	128,306
Lease liabilities	24,470	25,993	3,147	3,063	5,230	9,261	5,292
	$ 964,470	**991,001**	**766,185**	**11,422**	**21,810**	**57,986**	**133,598**
December 31, 2022							
Non-derivative financial liabilities							
Notes and trade payables	$ 18	18	18	-	-	-	-
Trade payable to related parties	107,972	107,972	107,972	-	-	-	-
Other payables	137,491	137,491	137,491	-	-	-	-
Receipts under custody	522,338	522,338	522,338	-	-	-	-
Secured loan	120,057	134,615	5,469	5,456	10,786	31,389	81,515
Lease liabilities	3,942	3,981	1,897	1,308	638	138	-
	$ 891,818	**906,415**	**775,185**	**6,764**	**11,424**	**31,527**	**81,515**

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Notes to the Financial Statements

(iv) Currency risk

The Company' s financial assets and liabilities were not had significant risk expose in foreign currency.

(v) Interest rate analysis

The Company's financial asset and liabilities did not face risk exposure to interest rate, please refer to the notes on liquidity risk management and interest rate exposure of the Company' s financial assets and liabilities.

(vi) Other market price risk

For the years ended 2023 and 2022, the sensitivity analysis for the changes in the securities price at the reporting date were performed using the same basis for the profit and loss as illustrated below:

	2023		2022	
Price of securities at the reporting date	**Other comprehensive income after tax**	**Net income**	**Other comprehensive income after tax**	**Net income**
Increasing 1%	**$ 1,134**	**-**	**1,288**	**-**
Decreasing 1%	**$ (1,134)**	**-**	**(1,288)**	**-**

(vii) Information of fair value

1) Fair value hierarchy

The fair value of financial assets at fair value through other comprehensive income is measured on a recurring basis. The carrying amount and fair value of the Company' s financial assets and liabilities, including the information on fair value hierarchy were as follows; however, except as described in the following paragraphs, for financial instruments not measured at fair value whose carrying amount is reasonably close to the fair value, and lease liabilities, disclosure of fair value information is not required:

	December 31, 2023				
		Fair value			
	Book Value	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets at fair value through profit or loss					
Bonds investments	$ 121,712	11,712	-	110,000	121,712
Financial assets at fair value through other comprehensive income					
Domestic listed stocks	18,141	-	18,141	-	18,141
Domestic unlisted stocks	95,226	-	-	95,226	95,226
Funds investments	11,773	11,773	-	-	11,773
Total	**$ 246,852**	**23,485**	**18,141**	**205,226**	**246,852**

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	December 31, 2022				
		Fair value			
	Book Value	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss					
Bonds investments	$ 61,282	11,282	-	50,000	61,282
Financial assets at fair value through other comprehensive income					
Domestic listed stocks	18,141	-	18,141	-	18,141
Domestic unlisted stocks	110,702	-	-	110,702	110,702
Funds investments	11,184	11,184	-	-	11,184
Total	**$ 201,309**	**22,466**	**18,141**	**160,702**	**201,309**

2) Valuation techniques for financial instruments measured at fair value

a) Non-derivative financial instruments

If a financial instrument has a quoted price in an active market, the quoted price is used as fair value. The quoted price of a financial instrument obtained from major exchanges and over-the counter markets are the basis used to determine the fair value of a listed company's stock and the quoted prices in an active market.

In addition, the fair value of a private equity instrument is measured by its market value, taking its non-active-market liquidity discount into consideration by adjusting its market value using its put option. The main assumption is that when an investor hold such a restricted equity instrument, the investor can buy a put option, with the strike price equivalent to the market value of such restricted equity instrument, to ensure that the investor can still sell its instrument at current market price after termination of restricted trading period. Therefore, the value of its put option, which is measured by using the Black-Scholes model, stands for the cost that the investor is willing to pay in order to ensure the liquidity of equity security market.

The Company uses the following methods in determining the fair value of its financial instruments without a quoted price in an active market:

Equity instruments without quoted price: The fair value is measured at discounted cash flow model. The assumption is discounted investees' expected future cash flows by using the discounting rate which reflects the time value of money and the return of the investment.

Financial assets at FVOCI- non-current are investments in non-listed stock. The fair value is based on the market approach of comparable business. For non-listed stock, the price is based on the estimated earnings before interest, taxes, depreciation, and amortization of investee and the quoted price in an active market of comparable companies. The estimated fair value is adjusted for the lack of liquidity.

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3) Reconciliation of Level 3 fair values

	Measured at fair value through profit or loss	Fair value through other comprehensive income
	Non derivative financial assets mandatorily measured at fair value through profit or loss (held for trading)	Unquoted equity instruments
Opening balance, January 1, 2023	$ 50,000	110,702
Total gains and losses recognized		
In profit or loss	-	-
In other comprehensive income	-	(13,476)
Purchased	60,000	-
Cash refund from capital reduction	-	(2,000)
Ending Balance, December 31, 2023	**$ 110,000**	**95,226**
Opening balance, January 1, 2022	$ -	121,001
Total gains and losses recognized		
In profit or loss	-	-
In other comprehensive income	-	32,227
Purchased	50,000	63,836
Disposal	-	(103,362)
Cash refund from capital reduction	-	(3,000)
Ending Balance, December 31, 2022	**$ 50,000**	**110,702**

The above-mentioned total gains or losses were included in "other gains and losses" and "unrealized valuation gains (losses) from investments in financial assets at fair value through other comprehensive income". The assets held as of December 31, 2023 and 2022 were follows:

	2023	2022
Total gains and losses recognized		
In other comprehensive income, and presented in "unrealized gains and losses from financial assets at fair value through other comprehensive income"	$ (13,476)	32,228

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4) Quantified information on significant unobservable inputs (Level 3) used in fair value measurement

The Company's financial instruments that use Level 3 inputs to measure fair value in "financial assets measured at fair value through other comprehensive income – equity security investments".

Most of fair value that use Level 3 have single significant unobservable inputs, only measurements of fair value of equity instruments without an active market had several significant unobservable inputs. Due to independence of significant unobservable inputs in equity instruments without an active market, there were no exist correlation between each other.

Quantified information of significant unobservable inputs was as follows :

Item	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Financial assets at fair value through other comprehensive income-equity investments without an active market	Option pricing model	· Volatility (52.11% in December 31, 2023 and 2022)	· The estimated fair value would increase if the volatility were higher
Financial assets at fair value through other comprehensive income-equity investments without an active market	Binomial options pricing model	· Volatility (9.91% and 31.97% on December 31, 2023 and 2022) · Equity Value (2.20~10.51 and 1.39~7.23 on December 31, 2023 and 2022)	· The estimated fair value would decrease if the volatility were higher · The estimated fair value would increase if the equity value were higher
Financial assets at fair value through other comprehensive income-equity investments without an active market	Net asset valuation method	· Net asset valuation	Not applicable

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Item	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Financial assets at fair value through profit or loss-Debt instrument	Net asset valuation method	· Net asset valuation	Not applicable

5) Fair value measurements in Level 3– sensitivity analysis of reasonably possible alternative assumptions

For fair value measurements in Level 3, changing one or more of the assumptions to reflect reasonably possible alternative assumptions would have the following effects:

			Pofit or loss		Other comprehensive income	
	Inputs	Variation	Favourable	Unfavourable	Favourable	Unfavourable
December 31, 2023						
Financial assets fair value through other comprehensive income						
Investment in equity instrument without active market	Volatility	1%	-	-	133	(95)
	Equity value	5%	-	-	782	(745)
December 31, 2022						
Financial assets fair value through other comprehensive income						
Investment in equity instrument without active market	Volatility	1%	-	-	246	(228)
	Equity value	5%	-	-	337	(316)

(y) Financial risk management

(i) Overview

The Company have exposures to the following risks from its financial instruments:

1) credit risk

2) liquidity risk

3) market risk

(Continued)

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The following likewise discusses the Company' s objectives, policies and processes for measuring and managing the above mentioned risks. For more disclosures about the quantitative effects of these risks exposures, please refer to the respective notes in the accompanying financial statements.

(ii) Structure of risk management

The Board of Directors has responsibility for the establishment and oversight of the risk management framework. Internal Audit is responsible for identifying and analyzing the risk faced by the Company. The heads of departments set appropriate risk limits and controls, and to monitor risks and adherence to limits. The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The independent directors oversee how management monitors compliance with the Company's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The independent directors are assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the independent directors.

(iii) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investments in debt securities.

1) Trade and other receivable

The Company has established a credit policy under which each new customer is analyzed individually for creditworthiness before the Company' s standard payment and delivery terms and conditions are offered. The Company's review includes external ratings, when available, and, in some cases, bank references. Purchase limits are established for each customer and represent the maximum open amount without requiring approval; these limits are reviewed quarterly. Customers that fail to meet the Company' s benchmark creditworthiness may transact with the Company only on a prepayment basis.

2) Investments

The exposure to credit risk for the bank deposits, fixed income investments, and other financial instruments is measured and monitored by the Company's finance department. The Company only deals with banks, other external parties, corporate organizations, government agencies and financial institutions with good credit rating. The Company does not expect any counterparty above fails to meet its obligations hence there is no significant credit risk arising from these counterparties.

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Notes to the Financial Statements

(iv) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it always has sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

(v) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and equity prices, will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

1) Currency risk

The Company is exposed to currency risk on sales and purchases that are denominated in a currency other than the respective functional currencies of the Group's entities, primarily the New Taiwan Dollar (NTD), Hong Kong Dollar (HKD), and Chinese Yuan (CNY). The currencies used in these transactions are the NTD, USD, HKD, and CNY.

2) Other market price risk

The financial assets at fair value through other comprehensive income held by the Company are invested in stocks in domestic listed company and stocks in unlisted company. Because those are measured at fair value, the Company exposed to changes in the equity price. To manage market risk, the Company need to choose investment targets carefully and control the positions the Company held.

(z) Capital management

The Company's objectives for managing capital to safeguard the capacity to continue to operate, to continue to provide a return on shareholders, to maintain the interest of other related parties, 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 dividend payment to the shareholders, reduce the capital for redistribution to shareholders, issue new shares, or sell assets to settle any liabilities.

The Company and other entities in the same industry use the debt-to-equity ratio to manage capital. This ratio is the total net debt divided by the total capital. The net debt from the balance sheet is derived from the total liabilities less cash and cash equivalents. The total capital and equity include share capital, capital surplus, retained earnings, and other equity.

(Continued)

Addcn Technology Co., Ltd.
Notes to the Financial Statements

The Company's debt-to-equity ratio at the end of the reporting period as of 2023 and 2022, were as follows:

	December 31, 2023	December 31, 2022
Total liabilities	$ 1,440,163	1,330,781
Less: cash and cash equivalents	634,902	547,610
Net debt	**$ 805,261**	**783,171**
Total equity	**$ 2,036,076**	**1,868,205**
Debt-to-equity ratio	**39.55 %**	**41.92 %**

(aa) Investing and financing activies not affecting current cash flow

The Company's investing and financing activities which did not affect the current cash flow to acquire right-of-use assets in the years ended December 31, 2023 and 2022.

Reconciliation of liabilities arising from financing activities were as follows:

	January 1, 2023	Cash flows	Non-cash changes Acquisition	December 31, 2023
Long-term borrowing (including current portion)	$ 120,057	65,301	-	185,358
Lease liabilities	3,942	(4,527)	25,055	24,470
Total liabilities from financing activites	**$ 123,999**	**60,774**	**25,055**	**209,828**

	January 1, 2022	Cash flows	Non-cash changes Acquisition	December 31, 2022
Long-term borrowing (including current portion)	$ 128,925	(8,868)	-	120,057
Lease liabilities	6,475	(3,750)	1,217	3,942
Total liabilities from financing activites	**$ 135,400**	**(12,618)**	**1,217**	**123,999**

(7) Related-party transactions:

(a) Names and relationship with related parties

The followings are entities that have had transactions with related party during the periods covered in the financial statements

Name of related party	Relationship with the Company
Addcn Technology (Samoa) Co., Ltd.	A subsidiary of the Company
Addcn Technology (HK) Co., Ltd.	A subsidiary of the Company
Addcn Technology (SHENZHEN) Co., Ltd.	A subsidiary of the Company
Digit Marketing Co., Ltd.	An associate of the Company

(Continued)

Addcn Technology Co., Ltd.
Notes to the Financial Statements

(b) Significant transactions with related parties

(i) The amounts of services provided by the Company to related parties and account receivable due to related parties were as follows:

	Trade amount		Trade receivable	
	2023	2022	December 31, 2023	December 31, 2022
Associate-Digit Marketing	$ 92,042	69,627	57,461	64,547

The Company entered into a 14-month contract for sales of advertising with its associate, Digit Marketing in October 2020, which was automatically extended.

The payment terms of above contracts were 180 days. Receivables from related parties were not pledged as collaterals, and were assessed not to provide any allowance for impairment loss.

(ii) The amounts of purchase of services by Company to related parties and account payable to related parties were as follows:

	Trade amount		Trade payable	
	2023	2022	December 31, 2023	December 31, 2022
Addcn Technology (SHENZHEN) Co., Ltd.	$ 537,903	472,952	41,088	107,972

The Company and Addcn Technology (SHENZHEN) Co., Ltd. signed a contract. Addcn Technology (SHENZHEN) provides web design, technical support, and regular maintenance. Labor remuneration is calculated by Addcn Technology (SHENZHEN) annual operating costs added with fix percentage, then adjusted on a quarterly basis according to Addcn Technology (SHENZHEN) income statement prior to the quarterly settlement.

(iii) Leases

The details of the property, plant and equipment of the Company were as follows:

Account	Relationship	2023	2022
Rent income	Associate	$ 977	890

The associates rented an office building from the Company, in which the rental price is determined based on the nearby office rental rates.

(iv) Other transaction with related parties

The details of other transaction with related parties were as follows:

Account	Relationship	2023	2022
Commission fee	Associate	$ 11,244	10,323
Other income	Subsidiary	$ 1,800	1,800

(Continued)

Addcn Technology Co., Ltd.
Notes to the Financial Statements

Account	Relationship	December 31, 2023	December 31, 2022
Other payables	Associate	**$ 110**	**90**
Other receivables	Associate	**$ 91**	**70**
Other receivables	Subsidiary	**$ 272**	**231**

(c) Key management personnel compensation

	2023	2022
Short-term employee benefits	$ 95,573	67,825
Share-based payments	5,993	10,099
	$ 101,566	**77,924**

Please refer to note 6(r) for details of shared-based payments.

(8) Assets Pledged as security:

The carrying values of pledged assets were as follows:

Assets Pledged as security	Liabilities secured by pledge	December 31, 2023	December 31, 2022
Other current financial assets (time deposits)	License of employment service agency	$ 3,000	3,000
Other current financial assets (trust account)	Obligation of collection and payment on behalf of another party	568,232	558,022
Property, plant and equipment	Long-term loans	100,167	100,720
Investment property	Long-term loans	190,598	86,855
		$ 861,997	**748,597**

(9) Commitments and contingencies:

(a) The carrying values of pledged assets were as follows:

	December 31, 2023	December 31, 2022
Acquisition of property, plant and equipment	**$ 107,200**	**22,930**

(b) The Company has entered into a contract with Wisdom Capital Limited Partnership to committed a capital contribution of $200,000 thousand. As of December 31, 2023, the accumulated capital contributed by the Company was amounted to $110,000 thousand, and account for as non-current financial asset at other fair value through profit or loss. The remaining committed contribution of $90,000 thousand is pending for further payment notice from its general partner.

(10) Losses Due to Major Disasters: None

(Continued)

Addcn Technology Co., Ltd.
Notes to the Financial Statements

(11) Subsequent Events:

Considering the Company's business development, on March 14, 2024, the Board of Directors' meeting resolved to transfer the retained earnings to share capital, which estimated free distribution of 73.85 shares per thousand shares. The capital increase is presented for approval in the shareholders' meeting and submitted to the authority for approval.

(12) Other:

(a) A summary of current-period employee benefits, depreciation, and amortization, by function, is as follows:

By funtion / By item	2023			2022		
	Cost of Sale	Operating Expense	Total	Cost of Sale	Operating Expense	Total
Employee benefits						
Salary	87,140	204,068	291,208	80,648	154,676	235,324
Labor and health insurance	7,626	10,313	17,939	7,202	8,443	15,645
Pension	3,453	3,257	6,710	3,341	2,926	6,267
Remuneration of directors	-	9,645	9,645	-	8,220	8,220
Others	101	11,710	11,811	156	8,845	9,001
Depreciation	4,968	22,231	27,199	4,131	19,570	23,701
Amortization	-	8,910	8,910	-	9,132	9,132

For the years ended December 31 2023 and 2022, additional information of number of employee and employee benefit were as follows:

	2023	2022
Number of employees	194	187
Number of directors who were not employees	7	7
The average employee benefit	$ 1,752	1,479
The average salaries and wages	$ 1,557	1,307
Adjustment of the average salaries and wages	19.13 %	2.83 %

Details about the policy of salaries (including directors, managers and employees) were as follows:

Independent directors' salaries are taken reference to domestic industry standard, receive fixed amount salary monthly, but do not receive remunerations to Directors. Directors' and salaries are reference to the allocate of earnings

Managers' and emplyees' salaries mainly include basic salaries, year-end bonuses, employee wages and other award paid in stocks. Salaries are taken reference from market average, job level, experience, education, professional knowledge and skills and seniority.

The Company conducts salary adjustments annually based on the employee appraisal results and taking into reference of the salary level within the industry. Staffs salaries are taken reference to job level, work performance, years of services, which are paid after permitting by Board meeting.

In accordance with the Articles of Incorporation, where the Company has earnings in a giving year, the Company shall allocate 1% or above of earnings as staff remunerations, 3% or below as Directors' remunerations.

(Continued)

Addcn Technology Co., Ltd.
Notes to the Financial Statements

(13) Other disclosures:

(a) Information on significant transactions:

The following is the information on significant transactions required by the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" for the Company:

(i) Loans to other parties: None

(ii) Guarantees and endorsements for other parties: None

(iii) Securities held as of December 31, 2023 (excluding investment in subsidiaries, associates and joint ventures):

Name of holder	Category and name of security	Relationship with company	Account title	Ending balance				Note
				Shares/Units (thousands)	Carrying value	Percentage of ownership (%)	Fair value	
The Company	Stock Element I Venture Capital Co., Ltd.	None	Equity investments at FVOCI	1,600	9,526	3.64 %	9,526	
The Company	Stock 21st Century Digital Technology Co., Ltd	None	〃	218	27,154	0.39 %	27,154	
The Company	Class A special share Element III Venture Capital Co., Ltd.	Note1	〃	3,700	25,752	- %	25,752	Note2
The Company	Class B special share Element III Venture Capital Co., Ltd.	Note1	〃	1,000	3,790	- %	3,790	Note2
The Company	Class A special share Element IV Venture Capital Co., Ltd..	None	〃	2,400	26,328	- %	26,328	Note2
The Company	Class B special share Element IV Venture Capital Co., Ltd.	None	〃	600	2,676	- %	2,676	Note2
The Company	Stock Newretail Co., Ltd.	None	〃	1,258	18,141	4.34 %	18,141	
The Company	Fund UPAMC China High Yield Bond Fund	None	Debt investments at FVOCI	-	1,072	- %	1,072	
The Company	Fund UPAMC Dyna-Strategy Global Multi-Asset Fund B TWD	None	〃	-	4,101	- %	4,101	
The Company	Fund Amundi Funds II-Emerging Markets Bond A USD D ExD	None	〃	-	6,600	- %	6,600	
The Company	Bond Apple Inc. bond	None	Financial assets at FVPL	-	11,712	- %	11,712	
The Company	Fund Wisdom Capital Limited Partnership	None	〃	-	110,000	- %	110,000	Note3

Note1: The chairman is the same as the Company
Note2: No voting, suffrage and candidate eligibility at ordinary shareholders' meeting.
Note3: As a limit partner.

(iv) Individual securities acquired or disposed of with accumulated amount exceeding the lower of NT$300 million or 20% of the capital stock: None

(v) Acquisition of individual real estate with amount exceeding the lower of NT$300 million or 20% of the capital stock: None

(vi) Disposal of individual real estate with amount exceeding the lower of NT$300 million or 20% of the capital stock: None

(vii) Related-party transactions for purchases and sales with amounts exceeding the lower of NT$300 million or 20% of the capital stock: None

(viii) Receivables from related parties with amounts exceeding the lower of NT$100 million or 20% of the capital stock: None

(ix) Trading in derivative instruments: None

(Continued)

Addcn Technology Co., Ltd.
Notes to the Financial Statements

(b) Information on investees:

The following is the information on investees for the years ended December 31, 2023 (excluding information on investees in Mainland China):

(In Thousands of Shares)

Name of investor	Name of investee	Location	Main businesses and products	Original investment amount		Balance as of December 31, 2023			Net income (losses) of investee	Share of profits/losses of investee	Note
				December 31, 2023	December 31, 2022	Shares (thousands)	Percentage of wnership	Carrying value			
The Company	Addcn Technology (Samoa) Co., Ltd.	Samoa	Foreign holding company	1,070,916 (USD33,760 thousand)	1,070,916 (USD33,760 thousand)	33,760	100.00 %	862,228	6,209	6,209	Subsidiary
The Company	Digit Marking Co., Ltd.	Taiwan	Advertising	7,441	7,441	4,305	30.29 %	93,238	122,879	37,221	Associate
Addcn Technology (Samoa)	Addcn Technology (HK) Co., Ltd.	Hong Kong	Electronic information supply	340,700 (USD11,000 thousand)	294,455 (USD9,500 thousand)	11,000	79.79 %	61,780	(23,521)	(18,192)	Subsidiary

(c) Information on investment in mainland China:

(i) The names of investees in Mainland China, the main businesses and products, and other information:

Name of investee	Main businesses and products	Total amount of paid-in capital (Note 3)	Method of investment (Note 1)	Accumulated outflow of investment from Taiwan as of January 1, 2023 (Note 3)	Investment flows		Accumulated outflow of investment from Taiwan as of December 31, 2023 (Note 3)	Net income (losses) of the investee	Percentage of ownership	Investment income (losses) (Note 2)	Book value	Accumulated remittance of earnings in current period
					Outflow	Inflow						
Addcn Technology (SHENZHEN) Co., Ltd.	System application management, maintenance and customer service	774,150 (USD25,200 thousand)	(1)	774,150 (USD25,200 thousand)	-	-	774,150 (USD25,200 thousand)	30,917	100.00%	30,917	795,998	-

(ii) Limitation on investment in Mainland China:

Accumulated Investment in Mainland China as of December 31, 2023 (Note3)	Investment Amounts Authorized by Investment Commission, MOEA (Note3)	Upper Limit on Investment (Note4)
774,150 (USD25,200 thousand)	774,150 (USD25,200 thousand)	1,221,646

Note 1: Re-investment company in mainland China established through investments of a third district.
Note 2: Recognized according to the audit financial statements of the company invested into.
Note 3: The amounts of accumulated outflow of investment from Taiwan were translated into New Taiwan dollars at the reporting date.
Note 4: The upper limit on investment was calculated in accordance with the regulations of the Investment Commission of the Ministry of Economic Affairs for 60% of the net equity or consolidated net equity.

(iii) Significant transactions:

The significant inter-company transactions with the subsidiary in Mainland China, which were eliminated in the preparation of consolidated financial statements, are disclosed in note 13(a) “ Information on significant transactions” and "Business relationships and significant intercompany transactions".

(d) Major shareholders:

Shareholding Shareholder’s Name	Shares	Percentage
SHENG CHEND Investment Co., Ltd.	5,059,519	9.05 %
QIAN YI Investment Co., Ltd.	5,010,101	8.96 %
LIAO-SHI-FANG	4,744,050	8.49 %
Cheng Yu Investment Co., Ltd.	2,933,395	5.25 %

Note: (1) The information on major shareholders in this table is calculated by Taiwan Depository & Clearing Corporation on the last business day at the end of each quarter, showing who holds more than 5% of the common shares and preferred shares that have been delivered (including treasury shares) without physical registration. Due to different calculation bases, there may be differences between the share capital recorded in the company's financial report and the actual number.

(2) If the above-mentioned information is that the shareholders hand over the shares to the trust, it will be disclosed by the special account opened by the trustee. As for the insider equity declaration of shareholders holding more than 10%, according to the Securities and Exchange Act, their shareholding includes the shares held by themselves plus the shares that they have delivered to the trust, having the right to exercise decision-making power over the trust property, etc., please refer to Public Information Observatory for the information on the declaration of insider equity.

(14) Segment information:

Please refer to the consolidated financial statements for the year ended December 31, 2023.

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Addcn Technology Co., Ltd.

Statement of cash and cash equivalents

December 31, 2023

(Expressed in thousands of New Taiwan Dollars)

Item	Description	Amount
Petty cash		$ 60
Cash in bank	Check deposits	942
	Time deposits	107,590
	Demand deposits	517,059
	Foreign deposits (USD $70 thousand at exchange rate 30.72)	2,141
	(CNY $1,644 thousand at exchange rate 4.325)	7,110
	Subtotal	634,842
Total		**$ 634,902**

Statement of trade receivables

December 31, 2023

Client name	Description	Amount
Presco Netmarketing, Inc.	Collecting recharge from members	$ 52,335
Familynet Co., Ltd.	Collecting recharge from members	12,893
Cathay United Bank	Collecting recharge from members	7,776
SO-NET Entertainment Taiwan Ltd.	Collecting recharge from members	4,330
Others (individual accounts with less than 5% of the total amount)	〃	10,407
Subtotal		87,741
Less: Allowance for doubtful accounts		(3)
Total		**$ 87,738**

Addcn Technology Co., Ltd.

Statement of changes in financial assets measured at fair value through profit or loss - non-current

For the year ended December 31, 2023

(In Thousands of Shares)

Name of financial Instrument	Balance at January 1, 2023		Addition		Reduction		Balance at December 31, 2023		Calculative impairment	Provide Guarantee or pledge	Notes
	Shares or units	Fair value	Shares or units	Amounts	Shares or units	Amounts	Shares or units	Fair value			
Corporate bonds-Apple Inc.	6	$ 11,282	-	430	-	-	6	11,712	-	None	
Wisdom Capital Limited Partnership	-	50,000	-	60,000	-	-	-	110,000	-	None	
Total		**$ 61,282**		**60,430**		**-**		**121,712**	**-**		

Addcn Technology Co., Ltd.

Statement of financial assets measured at fair value through other comprehensive income - non-current

For the year ended December 31, 2023

(In Thousands of Shares)

Name of financial instrument	Beginning Balance		Addition		Reduction		Ending Balance		Accumulated impairment	Collateral	Note
	Shares or units	Fair value	Shares or units	Amount	Shares or units	Amount	Shares or units	Fair Value			
Debt investments at Fair Value through Other Comprehensive Income											
UPAMC China High Yield Bond Fund	200	$ 1,209	-	-	-	(137)	200	1,072	-	None	
Amundi Funds II-Emerging Markets Bond A USD D ExD	5	6,501	-	99	-	-	5	6,600	-	None	
UPAMC Dyna-Strategy Global Multi-Asset Fund B TWD	500	3,474	-	627	-	-	500	4,101	-	None	
Subtotal		11,184		726		(137)		11,773	-		
Equity investments at Fair Value through Other Comprehensive Income											
Element I Venture Capital Co., Ltd.	1,800	11,526	-	-	(200) (Note 1)	(2,000)	1,600	9,526	N/A	None	
21st Century Digital Technology Co., Ltd.	218	27,154	-	-	-	-	218	27,154	N/A	None	
Newretail Co., Ltd.	2,516	18,141	-	-	(1,258) (Note 2)	-	1,258	18,141	N/A	None	
Element III Venture Capital Co., Ltd.-Class A special share	3,700	25,752	-	-		-	3,700	25,752	N/A	None	
Element III Venture Capital Co., Ltd.-Class B special share	1,000	3,790	-	-	-	-	1,000	3,790	N/A	None	
Element IV Venture Capital Co., Ltd.-Class A special share	2,400	26,328	-	-	-	-	2,400	26,328	N/A	None	
Element IV Venture Capital Co., Ltd.-Class B special share	600	16,152	-	-	-	(13,476)	600	2,676	N/A	None	
Subtotal		128,843		-		(15,476)		113,367			
Total		**$ 140,027**		**726**		**(15,613)**		**125,140**			

Note 1: The amounts received from capital reduction by Element I Venture Capital Co., Ltd. was $ 2,000 thousand.
Note 2: Capital reduction for cover accumulated deficits by Newretail Co., Ltd..

Addcn Technology Co., Ltd.

Statement of changes in investments accounted for using the equity method

For the year ended December 31, 2023

(In Thousands of Shares)

Name of investee	Beginning Balance		Addition		Reduction		Investment income/(loss) recognized \under equity method, net	Exchante differences on translation	Accumulated profit and loss	Others equity interest	Ending Balance			Market Value or Net Assets Value		Collateral
	Shares	Amount	Shares	Amount	Shares	Amount					Shares	Percentage of ownership	Amount	Unit price	Total amount	
Addcn Technology (Samoa) Co., Ltd.	33,760	$ 880,266	-	-	-	-	6,209	(15,824)	(8,423)	-	33,760	100 %	862,228	-	862,228	None
Digit Marketing Co., Ltd.	3,877	75,299	428 (Note 1)	-	-	(21,157) (Note 2)	37,221	-	-	1,875	4,305	30.29 %	93,238	-	93,238	None
		$ 955,565		**-**		**(21,157)**	**43,430**	**(15,824)**	**(8,423)**	**1,875**			**955,466**		**955,466**	

Note 1: Digit Marketing Co., Ltd. distributed stock dividend in 2023.

Note 2: Digit Marketing Co., Ltd. distributed cash dividend in 2023.

Addcn Technology Co., Ltd.

Statement of administrative expenses

For the year ended December 31, 2023

(Expressed in thousands of New Taiwan Dollars)

Item	Selling expenses	Administrative expenses	Research and development expenses	Total
Salary and Wages	$ 42,657	70,897	100,159	213,713
Advertisement expenses	150,770	500	-	151,270
Other expense	-	55,052	-	55,052
Depreciation expense	-	20,768	1,463	22,231
Receipts under custody handling charge	23,678	-	-	23,678
Others (less than 5%)	16,671	64,118	2,250	83,039
Total	**$ 233,776**	**211,335**	**103,872**	**548,983**

Please refer to Note 6(k) for “Statement of Other Current Assets”.

Please refer to Note 6(k) for “Statement of Other Non-current Financial Assets”.

Please refer to Note 6(j) for “Statement of Other Current Financial Assets”.

Please refer to Note 6(f) for “Statement of Changes in Property, Plant and Equipment”.

Please refer to Note 6(f) for “Statement of Changes in Accumulated Depreciation of Property, Plant and Equipment”.

Please refer to Note 6(g) for “Statement of Changes in Right-of-use Assets”.

Please refer to Note 6(g) for “Statement of Changes in Accumulated Depreciation of Right-of-use Assets”.

Please refer to Note 6(h) for “Statement of Change in Investment Property”.

Please refer to Note 6(h) for “Statement of Changes in Accumulated Depreciation of Investment Property”.

Please refer to Note 6(i) for “Statement of Changes in Intangible Assets”.

Please refer to Note 6(l) for “Statement of Other Payables”.

Please refer to Note 6(t) for “Statement of Operating Revenues”.

Please refer to Note 6(v) for “Statement of Other Gains and Losses, net”.

Please refer to Note 6(v) for “Statement of Financial costs”.