Stock Code: 9929

Choice Development, Inc.

2022

Annual Report

Annual report enquiry website: Market Observation Post Systemhttp://mops.twse.com.tw
Website: http://www.choiceprintgroup.com

Printed onApril 30, 2023

1. Spokesperson and Deputy Spokeperson

Spokesperson: Chen, Yen-Hui

Title: Legal Director

Tel No.: (02)8768-1999

Email address: alex@choicecompany.com.tw

Deputy Spokesperson: Lee, Chen-Hua

Title: Manager

Tel. No.: (02)8768-1999

Email address: alfa@choicecompany.com.tw

2. Headquarters, branch offices, and factories:

Unit	Address	Tel. No.
Head office	9F, No. 288, Sec. 6, Civic Bulevard, Taipei City	(02) 8768-1999
Branch	No. 13, Xinxin Rd., Tainan City	(06) 261-3121
Tainan Plant	No. 13, Xinxin Rd., Tainan City	(06) 261-3121

3. Agency handling shares transfer:

Name: Stock Transfer Agency Department,Grand Forture Securities

Address: 6F, No. 6, Sec. 1, Zhongxiao W. Rd., Taipei City

Website: http://www.gfortune.com.tw

Tel. No.: (02) 2383-6888

4. Certified public accountants who duly audited the annual financial report for the most recent fiscal year, and the accounting firm to which they belong Name of Accountig Firm:

Auditors: Liao, Fu-Ming, Lin, I-Fan

Name: PwC Taiwan

Address: 27F, No. 333, Sec. 1, Keelung Rd., Taipei City

Website: http://www.pwc.tw

Tel. No.: (02)2729-6666

5. Name of any exchanges where the company's securities are traded offshore, and the method by which to access information on said offshore securities: Nil

6. Company's website: http://www.choiceprintgroup.com

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I. Report to the shareholders

To the Shareholders:

I would like to appreciate all shareholders for taking the time to attend the company's annual general meeting of shareholders' meeting, and express our deep gratitude.

Although the influence of COVID-19 continues to spread to 2022, the operating revenue of the company's main printing business in 2011 still increased, comparing with 2011, but the operating income declined, comparing to 2011 due to the factors of electricity and paper price increases.

In addition, the decrease in the number of masks in stock has led to a decrease in both operating revenue and operating income for masks in 2022 comparing to 2021, while OMNI MEDIA INTERNATIONAL INCORPORATION ("OMNI") has seen an increase in operating revenue and operating income for advertising in 2022, comparing to 2011 due to the gradual increase in airport traffic.

For the above mentioned, the relevant results are set out in the table below:

(1) 2022 Operation Results

Unit: NT$1,000

Year / Account Title	FY2022	FY2021	Increase (decrease) amount	Increase (decrease) %
Operating revenue	604,066	591,369	12,697	2.15
Operating costs	508,486	502,761	5,725	1.14
Gross Profit	95,580	88,608	6,972	7.87
Operating expenses	79,213	68,282	10,931	16.01
Operating income	16,367	20,326	(3,959)	(19.48)
Non-operating Income & Expenditure	(124,879)	(17,482)	(107,397)	614.33
Net income before tax	(108,512)	2,844	(111,356)	(3,915.47)
Net income after tax	(108,723)	1,196	(109,919)	(9,190.55)

Note: 1. The increase in operating expenses is mainly due to the increase in relevant business promotion expenses of OMNI to improve advertising revenue and the increase in relevant lawyer expenses due to legal proceedings.

2. The decrease in non-operating income and expenditure was mainly due to OMNI's loss of $133,757,000 due to the termination of the lease in case A22.

(2) Outline of the 2023 Business Plan

I. Printing Buiness Unit

1. Actively expand business.
    1.1 Combining the design and planning capabilities of customers, we will jointly strive for the bidding prints that require proposals and maintain the role of manufacturers and partners with customers.
    1.2 Integrate related enterprise resources of the company, exchange resources needed by customers for common prosperity and good.
    1.3 Develop new customers and new revenue.
    1.4 For business, self-promote into the role of printing consultant, in addition to planning and contracting suitable printing cases for turnkey customers. and sorting out the processing of paper products related to the enterprise, assist customers to reduce costs and improve the company's performance.
    1.5 Strategic alliance with packaging and printing factories to strive for the packaging material market.

2. Strengthen internal management.
    2.1 In response to the different business types in the southern and northern regions, profit considerations will be prioritized, and flexible order-based production will be planned according to different production capacity.
    2.2 Enrich the database of outsourcing manufacturers and strengthen the ability of outsourcing inquiry and bargaining, making it the backstage core of the order receiving platform, in charge of negotiation and process operation.
    2.3 Reorganize the company's form process, simplify, and optimize the use of paperwork forms, strengthen the information system, reduce manual and paperwork, and improve work efficiency.
    2.4 Actively seek alternative and competitive cost raw materials for production.
    2.5 Humanized management of foreign migrant workers.

3. Plant management
    3.1 Production scheduling optimization: schedule according to the principle of lowest cost and highest efficiency and follow up and review every day.
    3.2 By replacing the same digital printing machine at the same time in both the North and South factories, so that the quality of digital samples to be consistent between the two locations and saves the time required for the Tainan factory to take over the production of printed materials from Taipei.
    3.3 Adjust pre-press and binding position in Tainan factory. Make plant space use and production process rationalization and efficiency.
    3.4 Implement occupational safety and health education, training, and management to maintain employee safety.

2. OMNI MEDIA INTERNATIONAL INCORPORATION (OMNI)

In 2023, OMNI will continue to develop new customer segments and propose new ideas to maintain close contact with customers, media agencies and advertising agencies, and to pursue any possible opportunities; on the product planning side, we plan to provide new sales formats and supporting sales methods to flexibly provide customers with new sources of customers. Considering that the current border conditions have been largely unblocked, if we develop in an optimistic situation, and at the same time cooperate with the airport company to provide rental discounts and adjust the operating organization to a more efficient team, we hope that when the epidemic situation stabilizes and the prosperity of overseas sightseeing and business travel resumes, the performance will be able to improve. grow even more.

Looking at 2023, it will still be a tough year, but Choice Development Inc. will do its best to break through all the obstacles and believe that with the concerted efforts of all staff, we can achieve all our operational goals.

Chairman: Chen, Hui-Yu

II. Company overview

1. Date of incorporation:

October 1, 1976.

2. Brief history of the company:

1946	Choice Development, Inc. was established at Ziqiang Street, Tainan City
1947	(1) Purchased a “lithographic flat-bed machine”. (2) Moved to Xiejin Street, Tainan City to expand the business area.
1950	Used rubber-roller OFFSET PRESS.
1953	Moved the factory to Anping Road, Tainan City and expanded the scale.
1957	Introduced of CAMERA PROCESS technology for photographic plate making, with the use of imported plate making equipment and eliminatied plate "glass" in favour of photographic soft film plate making.
1959	Firstly used the KODAK’s "TRI-MASK" for colour photographic separation and the quality of the whole station in a single step.
1960	Changed "DEEP ETCHING" printing.
1965	Established Taipei office to take over Taipei business.
1966	Changed the company organization to Choice Printing Printing Factory Co.
1968	Purchased the first West German ROLAND automatic FEEDER high-speed monochrome printing machine.
1970	Purchased the first West German HEIDELBERG two-color machine.
1976	The company organization changed to Choice Printing Co., Ltd.
1977	Relocated the factory to a 1,000 ping plant in Anping Industrial Park, Tainan City.
1978	Purchased the 1^{st} and 2^{nd} four-color HEIDELBERG SPEEDMASTERs.
1980	Established Quilei Industrial Company in Taipei and set up a design and photography center to strengthen business expansion.
1981	Established Qishi Binding Company in Tainan, Taiwan, with automatic gluing and finishing equipment. In the same year, it merged Quilei Industrial Company into Taipei branch.
1982	Established Taipei Chung Hsiao East Road plate making factory and purchased SG-808 electronic color scanner and related plate making equipment.
1983	Merged Qishi Binding Company into Tainan Factory Binding Division. Established a printing plant in Nangang, Taipei in the same year.

1987	Moved the head office from Tainan City to Taipei City and started to manage the system computerized operation.
1988	The Nankang plant was relocated to Linkou, occupying 4,000 pings and adding printing and binding equipment, making the Linkou plant a fully engineered production system for color separation, printing and binding.
1990	The Financial Supervisory Commission of the Ministry of Finance approved the public offering of stocks, which was the first in the printing industry.
1993	Shares are officially listed for over-the-counter trading.
1994	(1) Established Choice Printing (Shanghai) Co., Ltd. (2) Won the 1984 Golden Tripod Award for Book Printing by the Information Bureau of the Executive Yuan.
1998	(1) Purchased a factory building on Xinxin Road, South District, Tainan City, for the office and factory production of the South District BU, covering an area of 1,600 pings. (2) Shanghai company newly purchased 12,000 pings of land for building a factory. (3) Shanghai company passed the ISO-9002 certification.
1999	(1) The Securities and Futures Bureau approves the listing of the stock. (2) Newly purchased two eight-color commercial rotary machines.
2000	Pass the ISO 9002 certificaiton.
2001	(1) The Shanghai Meilong factory was completed in October. (2) The new factory was completed at No. 13, Xinxin Road, Tainan City. (3) Won the 2001 Golden Tripod Award for Book Printing by the Information Bureau of the Executive Yuan.
2003	The reinveted Choice Development (B.V.I.) Co., Ltd. established Choice Printing Ltd . (B.V.I.) and holds 100% equity of the later.Choice Printing Ltd. holds 100% equity of Choice Printing (Shanghai) Co., Ltd.
2006	Won The First "Taiwan Golden Print Awards" for hardcover books, paperback books, magazines, calendars, desk calendars and other awards. It is the printing company with the largest number of awards in this year's election.
2007	Disposed a 50% equity in the reinvested Choice Printing (Shanghai) Co. Ltd.
2009	Repurchased 29.5% equity of Choice Printing (Shanghai) Co., Ltd.
2010	The original name "Choice Printing Co., Ltd." was changed to "Choice Development, Inc."
2011	Passed FSC environmental protection paper certification.
2013	(1) Purchased 100% equity of Cenpak Investments Asia Pte. Limited, Hong Kong and indirectly held 20.5% equity of Choice Printing (Shanghai) Co.,

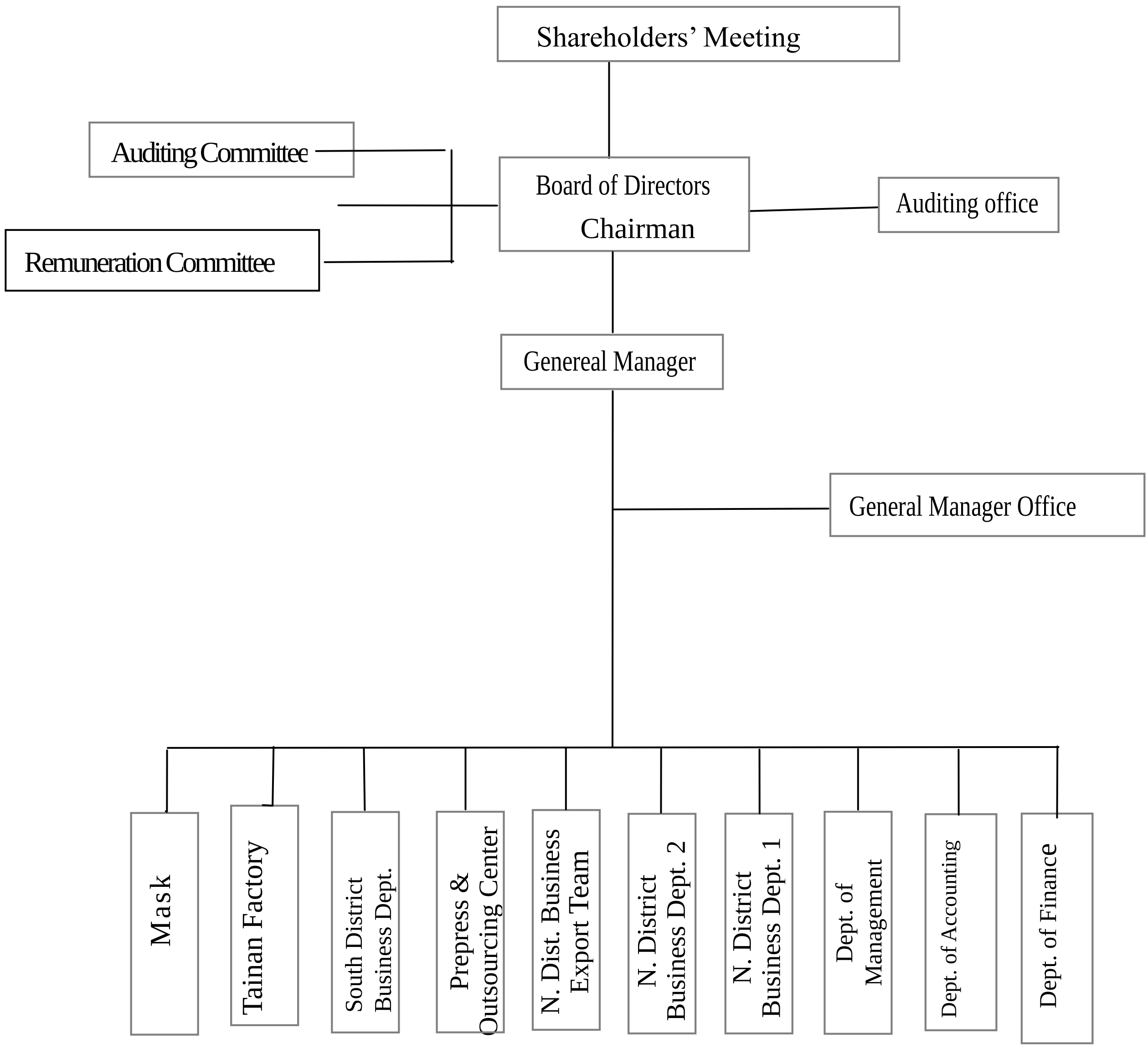
	Ltd. (2) Choice Printing (Shanghai) Co., Ltd. obtained the green printing environmental labeling product certification from the Ministry of Environmental Protection of China
2015	In January, the capital was reduced by NT$533,704,000, and the paid-in capital after capital reduction was NT$958,000,000. In May, NT$120,000,000 of private placement guaranteed common bonds were issued. In May, the capital increase was NT$260,000,000, and the paid-in capital after the capital increase was NT$1,218,000,000. In September, the capital increase was NT$470,000,000, and the paid-in capital after the capital increase was NT$1,688,000,000.
2016	(1) In January, the board of directors approved the disposal of Choice Development Inc. (B.V.I) equity, and the delivery was completed in May. (2) Early repayment of private placement secured general corporate bonds of NT$120,000,000 in May.
2017	(1) Passed G7 color management certification. (2) Won the 11th Taiwan Golden Printing Award for both hardcover and sheet-fold first place
2018	(1) In November, participated in the cash capital increase of Omni Media Int'l Inc., holding 67.08% of the shares. (2) Passed ISO9001 and ISO14001 certification
2019	(1) The Lin Kou plant was closed in April 2019 with the approval of the competent authorities. (2) In March, participated in the cash capital increase of Omni Media Int'l Inc., holding a total of 81.19% of the shares. (3) The board of directors approved the disposal of Linkou Plant and land.
2020	(1) In response to the spread of COVID-19, the Tainan factory has started production of face masks. (2) In September, the Extraordinary General Meeting resolved to reduce the capital by NT$675,200,000, with a refund of NT$4 per share.

III. Corporate governance report

1. Organization

(1) Organizational system

I. Organization Chart



2. Business of main departments

(1) General Manager Office:

A. The formulation, implementation and evaluation of the company's business policies and management guidelines.

B. Handling all external public relations matters of the Company.

(2) Auditing Office:

A. Ensure the continuous and effective implementation of the internal control system.

B. Exception analysis and tracking improvements.

(3) North District Business Department and South District Business Department:

Business promotion and customer source development, ensuring that products meet customer quality requirements, customer complaint handling window and feedback.

(4) Tainan Factory:

Arrangement and control of the production process of printed products; quality control and dispatch of finished products; warehouse management and stock control; management and maintenance of machinery and equipment.

(5) N. Dist. Prepress & Outsourcing Center:

Prepress: Design, pre-engineering and digital print production.

Outsourcing Center: Responsible for the allocation of business and production bases in the North District and the supervision and control of quality, price, and delivery time.

(6) Mask Center:

A. Ensure smooth operation of production operations in accordance with production schedules.

B. First sample confirmation and independent inspection during the production process.

C. Machine repair and maintenance execution.

(7) Department of Management:

A. System maintenance and development, hardware maintenance and deployment.

B. Asset management, office supplies procurement, environmental maintenance and other related businesses.

C. Litigation, contract review, contract certificate maintenance and related legal advice.

D. Human resource planning, salary and attendance, education and training, welfare measures, retirement benefits and other services.

E. Preparations for board and shareholder meetings.

(8) Department of Accounting: :

A. Accounting processing, preparation and analysis of financial statements.

B. Tax account processing and tax planning.

(9) Department of Finance:

A. Financial planning, fundraising and scheduling.

B. Customer financial credit check and accounts receivable management.

C. Stock affairs processing, dividend distribution.

2. Information on the company's directors, supervisors, general manager, assistant general managers, deputy assistant general managers, and the chiefs of all the company's divisions and branch units

(1) Directors

1-1 Information on Directors (1)

April 16, 2023; Unit: per share

Job Title	Nationality or place of registration	Name	Gender, Age	Date of election / appointment to current term	Term of office	Commence-ment date of first term	No. of shares held at time of election		No. of shares currently held		Shares currently held by spouse and minor children		Shares held through nominees		Principal work experience and academic quali-fications	Positions held concur-rently in the company and/or in any other company	Other officer(s), director(s), or supervisor(s) with which the person has a relationship of spouse or relative within the second degree		
							No. of shares	Share-holding ratio	No. of shares (note 4)	Share-holding ratio	No. of shares	Share-holding ratio	No. of shares	Share-holding ratio			Job title	Name	Relationship
Chairman	ROC	Chen, Hui-Yu	M 51-60	2020.6.15	3	2011.6.15	5,000,095	2.96%	3,000,057	2.96%	-	-	-	-	Dept of Animal Science, NTU	Note 1	No	No	No
Director	ROC	Chang Shih-Kui, the representative of Dehui Investment Co., Ltd.	-	2020.6.15	3	2014.6.23	8,370,682	4.96%	5,022,409	4.96%	-	-	-	-	Master, Institute of Mathematics, Tamkang University	Note 2	No	No	No
	ROC		M 51-60			2014.6.23	96,332	0.06%	57,799	0.06%	797,635	0.79%	-	-					
Director	ROC	Hung Wen-Lai, the representative of Solara Enterprises, Ltd.	-	2020.6.15	3	2008.06.13	1,044,871	0.62%	626,922	0.62%	-	-	-	-	Master, Graduate Institute of Enterprise Research, Taipei University	-	No	No	No
	ROC		M 71-80			2017.6.22	-	-	-	-	-	-	-	-					
Director	ROC	Lin Keng-Jan, the representative of Solara Enterprises, Ltd.	-	2020.6.15	3	2008.06.13	1,044,871	0.62%	626,922	0.62%	-	-	-	-	Dept. of Civil Engineering, Chung Yuan University	Supervisor of Choice Logistic Inc.	No	No	No
	ROC		M 71-80			1993.05.03	2,835,394	1.68%	1,701,236	1.68%	274,744	0.27%	-	-					
Independent Director	ROC	Lin, Lung-Ta	M 61-70	2020.6.15	3	2017.6.22	-	-	-	-	-	-	-	-	Master, Graduate Institute of China Medicine, China Medical University	Remuneration member of Choice Develpment, Inc.	No	No	No
Independent Director	ROC	Tsai, Ming-Fang	M 41-50	2021.7.29	2	2021.7.29	-	-	-	-	-	-	-	-	Ph.D., Graduate Institute of Industrial Economics, National Central University	Note 3	No	No	No
Independent Director	ROC	Fang, Kai-Liang	M 51-60	2022.5.26	1	2022.5.26	-	-	-	-	-	-	-	-	Dept. of Business Administration, NTU	-	No	No	No

Note: 1. Chairman of Yiyu Co., Ltd., Independent Director and member of Remuneration Committee of Senao Networks Inc., Independent Director and member of Remuneration Committee of Maywuf a Company Ltd., Director of Taiwan Microloops Corp., Supervisor of Teyu Co., Ltd., Director of Prospect Hospitiality Co., Ltd., Director of TransGlobe Life Insurance Inc.

2. Chairman of Choice Development, Inc, Chairman of Kuitinger Co., Ltd.

3. Independent Director of Taiwan Financial Holdings Co., Ltd., Independent Director of Bank of Taiwan, Independent Director and member of Remuneration Committee of United Renewable Energy Co., Ltd., Director of Eminent II Venture Capital Corporation, Director of Grand Cathay Venture Capital Co.,Ltd., and director of CDIB Capital Global Opportunities Fund. L.P. and member of Remuneration Committee of Choice Development, Inc.

4. Mr. He Zushun, an independent director, resigned on November 12, 2021. A by-election was held at the 2022.5.26 shareholders' general meeting, and Mr. Fang Kailiang was elected.

Major Shareholders of Corporate Shareholders

April 16, 2023

Name of corporate	Major shareholders of the corporate shareholder
Dehui Investment Co., Ltd.	Lin, Wen-Hui 50% Peng, Teng-Te 50%
Solara Enterprises, Ltd.	Lin, Hsing-Kui 33% Lin, Chien-Yi 34% Lin, Pei-Ying 33%

1-2 Information on Directors (2)

1. Disclosure of Information Regarding the Professional Qualifications and Experience of Directors and Supervisors and the Independence of Independent Directors:

Qualifi-ciation / Name	Professional qualifications and experience	Independence analysis	No. of other public companies at which the person concurrently serves as an independent director
Chen, Hui-Yu	Experienced in business management. No matters occurred as subparagraphs, Article 30 of Company Act.	There is no the relationship of spouse or a relative within two degrees amoung directors	2
Chang Shih-Kui, the representative of Dehui Investment Co., Ltd.	Experienced in business management. No matters occurred as subparagraphs, Article 30 of Company Act.	There is no the relationship of spouse or a relative within two degrees amoung directors	0
Lin Keng-Jan, the representative of Solara Enterprises, Ltd.	Professional printing experience. No matters occurred as subparagraphs, Article 30 of Company Act.	There is no the relationship of spouse or a relative within two degrees amoung directors	0
Hung Wen-Lai, the representative of Solara Enterprises, Ltd.	Professional printing experience. No matters occurred as subparagraphs, Article 30 of Company Act.	There is no the relationship of spouse or a relative within two degrees amoung directors。	0
Independent Director Lin, Lung-Ta	Qualified as a university professor. Convenor of the Remuneration Committee of the Company. The convener of the audit committee of the company. No matters occurred as subparagraphs, Article 30 of Company Act.	See the description on Independence of the board of directors	0

Independent Director Tsai, Ming-Fang	Qualified as a university professor. Engaged in accounting professional teaching and work practice. Member of the Remuneration Committee of the Company. No matters occurred as subparagraphs, Article 30 of Company Act.	See the description on Independence of the board of directors	3
Inpendent Director Fang, Kai-Liang	Experienced in business management. No matters occurred as subparagraphs, Article 30 of Company Act.	See the description on Independence of the board of directors	0

2. Diversity and Independence of the Board of Directors:

(1) Diversity of the board of directors:

(I) In accordance with Article 2 of the "Diversity Policy for Board Members" established by the Company, ‘The Diversity Policy for Board Members shall be as follows:

① In order to achieve sustainable and balanced development and the increasing diversification of the Board level, the company will take into account the diversity of the Board's members when setting the Board's composition as follows.:

1. Basic requirements and values: Members of the Board shall be elected without discrimination on the grounds of sex, age, nationality or culture.
2. Professional knowledge and skills: The selection of members of the board of directors should try to recruit talents with different professional backgrounds (including but not limited to law, accounting, industry, finance, marketing or technology), professional skills and industry experience.

② All members of the board shall have the knowledge, skills, and experience necessary to perform their duties. The board of directors shall possess the following abilities:

1. Ability to make operational judgments.
2. Ability to perform accounting and financial analysis.
3. Ability to conduct management administration.
4. Ability to conduct crisis management.
5. Knowledge of the industry.
6. An international market perspective.
7. Ability to lead.
8. Ability to make policy decisions.

(2) The current status of the diversity of the board members of the company:

① Basic requirements and values: There are no differences in age, nationality or culture, except that no female director has yet been elected; three of the seven members of the Board are independent and 100% of the Board is male, with an average age of 62.2 years for all Board members.

② Professional knowledge and skills: Each of the directors' professional background, expertise and industry experience meet the needs of the Company, and there is one independent director with a background in finance and accounting.

1. General members: 2 university degree holders and 2 graduate degree holders, all with commercial or printing related experience.
2. Independent directors: 1 graduate with a master's degree, 1 graduate with a doctorate degree and 1 university degree with cultural and academic, financial and business-related backgrounds respectively.

(2) Independence of the board of directors:

A. There is no the relationship of spouse or a relative within two degrees amoung directors There are 3 independent directors in the company, it meets the require to appoint independent directors, not less than two in number and not less than one-fifth of the total number of directors according to Securties and Exchange Act, and without the relationship of spouse or a relative within two degrees amoung directors.

B. Each independent director of the company may not have been or be any of the following:

① An employee of the company or any of its affiliates.

② A director or supervisor of the company or any of its affiliates.

③A natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate of one percent or more of the total number of issued shares of the company or ranking in the top 10 in holdings.

④ A spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship, of a managerial officer under subparagraph 1 or any of the persons in the preceding two subparagraphs.

⑤ A director, supervisor, or employee of a corporate shareholder that directly holds five percent or more of the total number of issued shares of the company, or that ranks among the top five in shareholdings, or that designates its representative to serve as a director or supervisor of the company under Article 27, paragraph 1 or 2 of the Company Act.

⑥ If a majority of the company's director seats or voting shares and those of any other company are controlled by the same person: a director, supervisor, or employee of that other company.

⑦ If the chairperson, general manager, or person holding an equivalent position of the company and a person in any of those positions at another company or institution are the same person or are spouses: a director (or governor), supervisor, or employee of that other company or institution.

⑧ A director, supervisor, officer, or shareholder holding five percent or more of the shares, of a specified company or institution that has a financial or business relationship with the company.

⑨ A professional individual who, or an owner, partner, director, supervisor, or officer of a sole proprietorship, partnership, company, or institution that, provides auditing services to the company or any affiliate of the company, or that provides commercial, legal, financial, accounting or related services to the company or any affiliate of the company for which the provider in the past 2 years has received cumulative compensation exceeding NT$500,000, or a spouse thereof; provided, this restriction does not apply to a member of the remuneration committee, public tender offer review committee, or special committee for merger/consolidation and acquisition, who exercises powers pursuant to the Act or to the Business Mergers and Acquisitions Act or related laws or regulations.

(2) general manager, assistant general managers, deputy assistant general managers, and the chiefs of all the company's divisions and branch units:

April 30, 2023

Job Title	Nationality or place of registration	Name	Gender, age	Date of election / appointment to current term	Shares held		Shares held by spouse and minor children		Shares held through nominees		Principal work experience and academic qualifications	Positions concur-rently held in other companies at present	Other managerial officer(s) with which the person has a relationship of spouse or relative within the second degree		
					No. of shares	Share-holding ratio	No. of shares	Share-holding ratio	No. of shares	Share-holding ratio			Job title	Name	Relationship
General Manager	ROC	Hsieh, Chih-Ta Note 1	M	104.05.16	0	0	0	0	0	0	Bachelor degree of business management, City University of Seattle , USA	Nil	-	-	-
General Manager	ROC	Wang, Chih-Ying	M	111.10.1	1,477	0.001%	0	0	0	0	Bachelor Dept. of Public Administration Tung Hai Univ.	Director of Choice Development	-	-	-
Deputy Assistant General Manager	ROC	Yang, Chia-Yu	F	110.03.01	0	0	0	0	0	0	Ginling Girls' High School	Nil	-	-	-
Deputy Assistant General Manager	ROC	Chang, Li-Chu Note 2	F	110.03.01	0	0	0	0	0	0	Dept. of Accounting & Statisitcs, Shih Chien College of Home Economics	Nil	-	-	-
Deputy Assistant General Manager	ROC	Huang, Shih-Hsuan	F	111.11.16	20,000	0.020%	0	0	0	0	Bachelor, Dept. of Business Management, National Taipei University	Assistant General Manager of Omni Media Int'l Inc.	-	-	-
Manager	ROC	Huang, Kuan-Hsun	M	107.03.01	0	0	0	0	0	0	Dept. of Printing, Chinese Cultural University	Nil	-	-	-
Factory manager	ROC	Chen, Jui-Cheng	M	92.08.01	0	0	0	0	0	0	Dept. of Printing, Chinese Cultural University	Nil	-	-	-
Manager	ROC	Lee, Chen-Hua	M	111.03.16	0	0	0	0	0	0	Dept. of Accounting, Soochow Univ.	Director of of Omni Media Int'l Inc.	-	-	-

Note 1: Quitted on September 30, 2022.

Note 2: Quitted on October 31, 2022.

(3) Remuneration paid during the most recent fiscal year to directors, supervisors, the general manager, and assistant general managers

1. Remuneration to Ordinary Directors and Independent Directors

Unit: NT$1,000

Job title	Name	Remuneration to directors								Sum of A+B+C+D and ratio to net income		Remuneration received by directors for concurrent service as employee								Sum of A+B+C+D+E+F+G and ratio to net income		Remuneration received from investee enterprises other than subsidiaries or from the parent company (Note 11)
		Base compensation (A) (note 1)		Retirement pay and pension (B)		Director profitsharing compensation (C)		Expenses and perquisites (D)				Salary, rewards, and special disbursements (E)		Retirement pay and pension (F)		Employee profit-sharing compensation (G)						
																The Company		All consolidated entities				
		The Company	All consolidated entities	The Company	All consolidated entities	The Company	All consolidated entities	The Company	All consolidated entities	The Company	All consolidated entities	The Company	All consolidated entities	The Company	All consolidated entities	Amount in cash	Amount in stock	Amount in cash	Amount in stock	The Company	All consolidated entities	
Chairman	Chen, Hui-Yu	4,500	4,500	0	0	0	0	267	267	4,767 -5.75%	4,767 -5.75%	0	0	0	0	0	0	0	0	4,767 -5.75%	4,767 -5.75%	None
Director	Chang Shih-Kui, the representative of Dehui Investment Co., Ltd.	0	0	0	0	0	0	0	0	0	0	0	1,172	0	0	0	0	0	0	0	1,172 -1.41%	None
Director	Lin Keng-Jan, the representative of Solara Enterprises, Ltd.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	None
Director	Hung Wen-Lai, the representative of Solara Enterprises, Ltd.	1,260	1,260	0	0	0	0	0	0	1,260 -1.52%	1,260 -1.52%	0	0	0	0	0	0	0	0	1,260 -1.52%	1,260 -1.52%	None
Inpendent Director	Lin, Lung-Ta	240	240	0	0	0	0	42	42	282 -0.34%	282 -0.34%	0	0	00	0	0	0	0	0	282 -0.34%	282 -0.34%	None
Inpendent Director	Tsai, Ming-Fang	240	240	0	0	0	0	39	39	279 -0.34%	279 -0.34%	0	0	00	0	0	0	0	0	279 -0.34%	279 -0.34%	None
Inpendent Director	Fang, Kai-Liang (note 1)	144	144	0	0	0	0	9	9	153 -0.18%	153 -0.18%	0	0	00	0	0	0	0	0	153 -0.18%	153 -0.18%	None

Note: 1. Fang, Kai-Liang was by-relected as an independent director on May 26, 2022.

2. Please describe the policy, system, standards and structure in place for paying remuneration to directors and describe the relationship of factors such as the duties and risks undertaken and time invested by the directors to the amount of remuneration paid:

The compensation and remuneration of the Company's independent directors are determined in accordance with the Company's Articles of Incorporation and are based on the value of their participation in and contribution to the Company's operations at a level not exceeding the maximum salary scale set forth in the Company's compensation plan.

The Company has established "the Board's Performance Evaluation Management System", which adopts two evaluation methods, namely "the Board members' self-evaluation" and "the desiganted responsible unit's evaluation", and at the end of each year, the desiganted responsible unit prepares the "Directors' and Supervisors' Evaluation Summary Sheet" based on the "Directors' and Supervisors' Self-Evaluation Questionnaire" collected. At the end of each year, the desiginated responsible unit prepares a "Directors' and Supervisors' Evaluation Summary Sheet" based on the "Directors' and Supervisors' Self-Evaluation Questionnaire" collected and the weighted scores set according to the implementation of the evaluation indicators are weighted and averaged to arrive at the scores, which are then submitted to the Board for reporting, and the effectiveness of the evaluation process is regularly reviewed by the Remuneration Committee.

3. In addition to what is disclosed in the above table, please specify the amount of remuneration received by directors in the most recent fiscal year for providing services (e.g., for serving as a non-employee consultant to the parent company /any consolidated entities /invested enterprises): nil.

Remuneration Range Table

Ranges of remuneration paid to each of the Company's directors	Names of Directors			
	Sum of A+B+C+D		Sum of A+B+C+D+E+F+G	
	The company	All consolidated entities	The company	All consolidated entities
Less than NT$1,000,000	Chang, Shih-Kui, Lin, Keng-Jan, Lin, Lung-Ta, Tsai, Ming-Fang, Fang, Kai-Liang	Chang, Shih-Kui, Lin, Keng-Jen, Lin, Lung-Ta, Tsai, Ming-Fang, Fang, Kai-Liang	Chang, Shih-Kui, Lin, Keng-Jen, Lin, Lung-Ta, Tsai, Ming-Fang, Fang, Kai-Liang	Lin, Keng-Jen Lin, Lung-Ta, Tsai, Ming-Fang, Fang, Kai-Liang
NT$1,000,000 (incl.)～NT$2,000,000 (excl.)	Hung, Wen-Lai	Hung, Wen-Lai	Hung, Wen-Lai	Chang, Shih-Kui, Hung, Wen-Lai
NT$2,000,000 (incl.)～NT$3,500,000 (excl.)				
NT$3,500,000 (incl.)～NT$10,000,000 (excl.)	Chen, Hui-Yu	Chen, Hui-Yu	Chen, Hui-Yu	Chen, Hui-Yu
NT$10,000,000 (incl.) ～NT$15,000,000 (excl.)				
NT$15,000,000 (incl.)～NT$30,000,000 (excl.)				
NT$30,000,000 (incl.)～NT$50,000,000 (excl.)				
NT$50,000,000 (incl.)～NT$100,000,000 (excl.)				
NT$100,000,000 or above				
Total amount	7 persons	7 persons	7 persons	7 persons

2. Remuneration to General Manager(s) and Assistant General Manager(s)

Unit: NT$1,000

Job Title	Name	Salary (A)		Retirement pay and pension (B)		Rewards and special disbursements (C)		Employee profit-sharing compensation (D)				Sum of A+B+C+D and ratio to net income (%)		Remuneration received from investee enterprises other than subsidiaries or from the parent company
		The company	All consolidated entities	The company	All consolidated entities	The company	All consolidated entities	The company		All consolidated entities		The company	All consolidated entities	
								Amount in cash	Amount in stock	Amount in cash	Amount in stock			
General Manager	Hsieh, Chih-Ta (note 1)	2,000	2,000	81	81	1,412	1,412	0	0	0	0	3,493	3,493	No
General Manger	Wang, Chih-Ying (note 2)	750	750	27	27	50	50	0	0	0	0	827	827	No

Note 1: Quited on September 30, 2022.

Note 2:Reported to duty on October 1, 2022.

3. Names and Distributions of Employee Profit-Sharing Compensation toManagerial Officers: None

4. Separately compare and describe total remuneration, as a percentage of net income stated in the parent company only financial reports or individual financial reports, as paid by this company and by each other company included in the consolidated financial statements during the past 2 fiscal years to directors, supervisors, general managers, and assistant general managers, and analyze and describe remuneration policies, standards, and packages, the procedure for determining remuneration, and its linkage to operating performance and future risk exposure.

The ratio of the total remuneration paid by the company and all companies in the consolidated statement to the company's directors, general manager and deputy general manager to the after-tax net profit (loss)	
FY 2022	FY 2021
-16.02%	255.55%

(1) According to the reguations set forth in the Articles of Incorporation, the Company may remunerate the directors of this Company for the performance of their duties for this Company, irrespective of the Company's profit or loss, at a rate not exceeding the highest salary level set out in this Company's approved salary plan, as agreed by the Board, based on the value of their participation in and contribution to the Company's operations.

(2) The total amount of remuneration paid to the Company's directors, supervisors, general manager and deputy general manager in fiscal 2022 was not significantly different from that in fiscal 2021, and there was no additional payment of related performance bonuses and directors' remuneration. As a result of the lease modification loss of $133,757 thousand in fiscal 2022, the percentage of net income after tax was negative.

(3) The remuneration of the directors and managers of the Company is governed by the Company's Articles of Incorporation and the "Regulations Governing the Evaluation of the Performance of Directors, Supervisors and Managers", which are reviewed by the Remuneration Committee and submitted to the Board for discussion.

3. State of the company's implementation of corporate governance

(1) State of operations of the board of directors

The number of board meetings held in FY 2022 and FY 2023 was 5 times and once respectively, and the attendance by the directors was as follows:

Title	Name		No. of meetings attended in person	No. of meetings attended by proxy	In-person attendance rate (%)	Remarks
Chairman	Chen, Hui-Yu		6	0	100%	Should have attended 6 times
Director	the representative of Dehui Investment Co., Ltd.	Chang, Shih-Kui	6	0	100%	Should have attended 6 times
Director	the representative of Solara Enterprises, Ltd.	Hung, Wen-Lai	6	0	100%	Should have attended 6 times
Director	the representative of Solara Enterprises, Ltd.	Lin, Keng-Jan	5	0	83%	Should have attended 6 times

Independent Director	Lin, Lung-Ta	6	0	100%	Should have attended 6 times
Inpendent Director	Tsai, Ming-Fang	6	0	100%	Should have attended 6 times
Inpendent Director	Fang, Kai-Liang	4	0	100%	Should have attended 3 times; Took the office on May 26, 2022

Other information required to be disclosed:

1. If any of the following circumstances exists, specify the board meeting date, meeting session number, content of the motion(s), the opinions of all the independent directors, and the measures taken by the Company based on the opinions of the independent directors:
   (1) Any matter under Article 14-3 of the Securities and Exchange Act: In 2011 and as of the date of publication of the annual report, the content of the Board's resolutions is as follows from page to page of the annual report, and all independent directors have no objection to the items listed in Article 14-3 of the Securities and Exchange Act.
   (2) In addition to the matters referred to above, any dissenting or qualified opinion of an independent directory that is on record or stated in writing with respect to any board resolution: Nil

2. The status of implementation of recusals of directors with respect to any motions with which they may have a conflict of interest:

   (1) Items discussed at the 14th meeting of the 16th Board of Directors, "The proposal for the fixed monthly remuneration of the directors of the Company for 2022":Director Chen Hui-Yu, Director Hung Wen-Lai, Independent Director Lin Lung-Ta, Independent Director Fang Kai-Liang, and Independent Director Tsai Ming-Fang all did not participate in discussions and voting in relation to their personal interests due to conflicts of interests. In addition, the Chen Hui-Yu Director's portion of the case was also acted on behalf of the Chairman by the Chang Shih-Kui Director. The proposal was approved by the Chairman in consultation with the remaining Directors present.

   (2) The provisional motion at the 14th meeting of the 16th Board of Directors, "The Company's Directors and Managers 2022 Year-end Bonus Approval Proposal" on November 11, 2022: Director Hung Wen-Lai did not participate in discussions and voting in relation to his personal interests due to conflicts of interests.

3. Implementation of Evaluations of the Board of Directors

Evaluation cycle	Evaluation period	Scope of evaluation	Method of evaluation	Evaluation content
performed once per year.	Form Oct. 1, 2021 to Sept. 30, 2022	Including performance evaluation of the Board and individual directors	the Board internal self-assessment and board member self-assessment	the Board performance evaluation and Board Member Performance Evaluation

The company'd board has passed the "Board Performance Evaluation Method" on November 8, 2018 to give full play to the self-motivation of the Board members and improve the function of the Board operation.
Evaluation of the performance of the board should include at least the following:
degree of the board's participation in the operation of the company; the quality of the board's decision making; composition and structure of the board; election and continuing education of the directors; internal control.
Evaluation of the performance of individual directors should include at least the following:
familiarity with the goals and missions of the company; awareness of the duties of a director; participation in the operation of the company; management of internal relationships and communication; the director's professionalism and continuing education; internal control.

Evaluation results submitted to the Board on November 11, 2022: The Company's performance of the Board is in compliance with the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies.

4. Give an evaluation of the targets that were adopted for strengthening of the functions of the board during the current and immediately preceding fiscal years (e.g., establishing an audit committee, increasing information transparency, etc.) and the measures taken toward achievement thereof
   (1) Establish an audit committee.
   (2) Strengthen the content of the corporate governance section of the website.
   (3) "Whistleblowing System", "Accountants Independence Assessment Method" and "The Board Diversity Policy".
   (4) Evaluate the independence and suitability of certified public accountants, the Board's performance appraisal system for directors, and directors' liability insurance.

(2) State of operations of the audit committee or the state of participation in board meetings by the supervisors:

1. Composition of the Audit Committee
   Since 15 June 2020, the Company's Audit Committee has been composed of three independent directors in accordance with Article 14-4 of the Securities and Exchange Act.

2. Terms of Reference of the Audit Committee
   A. Fair presentation of the company's financial statements.
   B. Appointment (dismissal) and independence and performance of certified accountants.
   C. Effective implementation of the company's internal control.
   D. Compliance of the Company with relevant laws and regulations..
   E. Management and control of the company's existing or potential risks.

3. Operation of the Audit Committee:
   The number of audit committee meetings held in the most recent fiscal year was: 5 times, the attendance by the independent directors was as follows:

Title	Name	No. of meetings attended in person	No. of meetings attended by proxy	In-person attendance rate (%)	Remarks
Independent director	Lin, Lung-Ta	5	0	100%	Should have attended 5 times
Independent director	Tsai, Ming-Fang	5	0	100%	Should have attended 5 times
Independent director	Fang, Kai-Liang	3	0	100%	Should have attended 3 times; Took the office on May 26, 2022

Other information required to be disclosed:

I. If any of the following circumstances exists, specify the audit committee meeting date, meeting session number, content of the motion(s), the content of any dissenting or qualified opinion or significant recommendation of the independent directors, the outcomes of audit committee resolutions, and the measures taken by the Company based on the opinions of the audit committee:

1. Any matter under Article 14-5 of the Securities and Exchange Act: Details are shown in the table below.
2. In addition to the matters referred to above, any matter that was not approved by the audit committee but was approved by a two-thirds or greater majority resolution of the board of directors: Nil

Board of Directors	Proposal content and follow-up processing	Matters listed in 14-5 of the Securities	Resolutions that have not been approved by the Audit Committee but have been

		and Exchange Act	agreed by more than 2/3 of all directors
The 10th Meeting of the 16th Term March 9, 2022	1. The company's 2021 annual business report	✓	
	2. The company's 2021 financial statements and consolidated financial statements and earnings distribution.	✓	
	3. 2021 Annual Internal Control Effectiveness Assessment and Internal Control Statement.	✓	
	4. Change of certified public accountant	✓	
	Audit Committee’s resolution results (March 9, 2022): Approved by all members present and submitted to the Board.		
	The company's handling of the Audit Committee's opinions: approved by all directors present.		
The 11th Meeting of the 16th Term May 12, 2022	1. The change for the Company’s finance, accounting supervisors and acting spokesman	✓	
	2. The approval case for the appointed accountant's audit fee and tax compliance audit fees	✓	
	Audit Committee’s resolution results (May 12, 2022): Approved by all members present and submitted to the Board.		
	The company's handling of the Audit Committee's opinions: approved by all directors present.		
The 14th Meeting of the 16th Term Nov. 11, 2022	1. The company's "2023 Audit Plan" case.	✓	
	Audit Committee’s resolution results (Nov. 11, 2023): Approved by all members present and submitted to the Board.		
	The company's handling of the Audit Committee's opinions: approved by all directors present.		
The 15th Meeting of the 16th Term March 22, 2023	1. The company's 2022 annual business report	✓	
	2. The company's 2022 financial statements and consolidated finacial statements and earnings	✓	
	3. 2022 Annual Internal Control Effectiveness Assessment and Internal Control Statement.	✓	
	Audit Committee’s resolution results (March 22, 2023): Approved by all members present and submitted to the Board.		
	The company's handling of the Audit Committee's opinions: approved by all directors present.		

II. Implementation of recusals of independent directors with respect to any motions with which they may have a conflict of interest: specify the independent director’s name, the content of the motion, the cause for recusal, and whether and how the independent director voted: Nil

III. Communication between the independent directors and the chief internal audit officer and the CPAs that serve as external auditor (including any significant matters communicated about with respect to the state of the company’s finances and business and the method(s) and outcomes of the communication.)

1. The communication methods among independent directors with the internal audit director and the certified public accountant: The company's independent directors have direct communication channels with the internal audit supervisor and certified accountants; in accordance with the regulations of the competent authority, they regularly check the company's financial and business conditions, and communicate directly with the management unit and governance unit.
   (1) In addition to the monthly audit reports submitted by the Audit Office to the Independent Directors for review, the Company's audit supervisor also regularly conducts internal audit reports in the Audit Committee on a quarterly basis, and communicates adequately on the execution of audit operations, the tracking of audit deficiencies and their effectiveness.
   (2) Each audit report is required to track internal control deficiencies and irregularities, and a tracking report is prepared and submitted to the independent directors on a quarterly basis.
   (3) Independent directors, internal audit supervisors and certified accountants hold face-to-face communication meetings at least once a year, and the internal audit supervisor reports on the implementation of the audit plan for the current year, whether major deficiencies are found, and subsequent improvement measures; independent directors and certified accountants provide suggestions or improvement directions for the content of the report, conduct sufficient communication and make meeting minutes; Certified accountants also reported the results of the audit or review of the financial statements of the company and its subsidiaries during the meeting, and fully communicated whether there were major adjusting entries or whether legal amendments affected the accounting.
   (4) If independent directors, internal audit supervisors or certified accountants encounter emergencies, major abnormalities or other situations that require immediate communication, they can communicate in real time through telephone, email or other communication software, and can call meetings at any time.
2. The communication between independent directors with the internal audit director, the independent directors no opinion.

The summary of important communication matters in 2022:

Audit committee	Important communication matters	Communication situation and results
The 7th Meeting of the 1st Term (March 9, 2022)	1.Audit report from October 2021 to February 2022. 2.2021 annual internal control effectiveness assessment and internal control statement.	1. It has been got to know. 2. It was considered and approved and submitted to the Board for resolution.
The 8th Meeting of the 1st Term (May 12, 2022)	1. Audit report from March ~April 2022	1. It has been got to know.
The 9th Meeting of the 1st Term (Aug. 10, 2022)	1. Audit report from May ~ July 2022 2. The establishment of the company's "Electronic Data Processing Cycle" and "Computerized Information Processing Operation Audit". ◦	1. It has been got to know. 2. It has been got to know.
The 10th Meeting of the 1st Term (Nov. 11, 2022)	1. Audit report from August ~ September 2022 2. The company's "2022 Audit Plan"	1. It has been got to know. 2. It was considered and approved and submitted to the Board for resolution.

3. The communication between independent directors with the certified public accountant, the independent directors no opinion.

The summary of important communication matters in 2022:

Audit committee	Important communication matters	Communication situation and results
The 7th Meeting of the 1st Term (March 9, 2022)	1. The company's 2021 financial statements and consolidated finacial statements	1. It was considered and approved and submitted to the Board for resolution.
The 8th Meeting of the 1st Term (May 12, 2022)	1. The Company's consolidated financial statements report for the 1st quarter of 2022. 2. The appoint ted CPA's adiut fes and Tax Compliance Audit fee approval proposal.	1. It has been got to know. 2. It was considered and approved and submitted to the Board for resolution.
The 9th Meeting of the 1st Term (August 10, 2022)	1. The Company's consolidated financial statements report for the 2nd quarter of 2022	1. It has been got to know.
The 10th Meeting of the 1st Term (Nov. 11, 2022)	1. The Company's consolidated financial statements report for the 3rd quarter of 2022.	1. It has been got to know.

4. The communication methods among independent directors with the internal audit director and the certified public accountant, the independent directors no opinion.

The summary of important communication matters in 2022:

Date	Important communication matters	Communication situation and results
The 3rd Meeting of the 1st Term (Nov. 11, 2022)	1. Description of the internal audit plan for FY2023. 2. Progress of the internal audit in FY2022. 3. Presentation of the results of the internal audit in FY2022. 4. Communication and discussion on the results of the review of the consolidated financial statements for the third quarter of 2022. 5. Communication and discussion before the audit on the audit scope, audit method, and key audit items of the 2022 non-consolidated and consolidated financial reports. 6. Discuss and communicate on the relevant guidelines issued by the Financial Supervisory Commission on Audit Quality Indicators (AQI), which will be used as a reference for the Audit Committee to select certified accountants for the 2023 annual financial report review. 7. Other matters for discussion	1. It has been got to know after the internal audit supervisor communicated with the independent directors present. 2. It has been got to know after the internal audit supervisor communicated with the independent directors present. 3. It has been got to know after the internal audit supervisor communicated with the independent directors present.. 4. It has been got to know after the internal audit supervisor communicated with the independent directors, certified public accountant present. 5. It has been got to know after the internal audit supervisor communicated with the independent directors, certified public accountant present. 6. It has been got to know after the internal audit supervisor communicated with the independent directors, certified public accountant present. 7. Nil

(3) State of the company's implementation of corporate governance, any deviation from the

Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies, and the reason for any such deviation

Evaluation item	Implementation status			Deviations from the Corporate Governance BestPractice Principles for TWSE/TPEx Listed Companies and the reasons
	Yes	No	Summary description	
1. Has the Company established and disclosed its Corporate Governance Best-Practice Principles based on the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies?	✓		The Company has formulated the "Corporate Governance Best-Practice Principles" and disclosed it on the Market Observation Post System (MOPS) .	No significant differences.
2. Shareholding Structure and Shareholders' Rights (1) Does the Company have Internal Operation Procedures for handling shareholders' suggestions, concerns, disputes and litigation matters. If yes, have these procedures been implemented accordingly?	✓		The Company has a dedicated person responsible for dealing with shareholders' issues, which is assisted by stock affairs agent Grand Fortune Securites Co., Ltd.	No significant differences.
(2) Does the Company know the identity of its major shareholders and the parties with ultimate control of the major shareholders?	✓		The Company has a dedicated staff to liaise closely with the stock affairs agent; and to report monthly information on changes in the Company's shareholdings of insiders and major shareholders.	No significant differences.
(3) Has the Company built and implemented a risk management system and a firewall between the Company and its affiliates?	✓		The Company and its affiliated companies operate independently and are handled in accordance with "Related Party Transaction Procedures"; "Subsidiary Supervision Measures" are also stipulated as a risk control mechanism for subsidiaries.	No significant differences.
(4) Has the Company established internal rules prohibiting insider trading of securities based on undisclosed information?	✓		The Company has insitutued the "Administrative Measures for Preventing Insider Trading", which prohibits company insiders from using undisclosed information in the market to buy and sell securities.	No significant differences.
3. Composition and responsibilities of the board of directors (1) Have a diversity policy and specific management objectives been adopted for the board and have they been fully implemented?	✓		Article 19 of the Company's "Corporate Governance Best-Practice Principles" is to formulate the overall capabilities of the Board and the policy on the diversity of the Board members. The company has 6 directors, all of whom are males of this nationality, including 2 with printing professional background, 2 with management background, and 1 with cultural and accounting academic background. The above 6 directors are all have the ability and professional knowledge required to perform the duties.	No significant differences.

Evaluation item	Implementation status			Deviations from the Corporate Governance BestPractice Principles for TWSE/TPEx Listed Companies and the reasons
	Yes	No	Summary description	
(2) Has the Company voluntarily established other functional committees in addition to the remuneration committee and the audit committee?		✓	In the future, it will be handled according to the company's development needs and legal regulations.	Depending on the future operating conditions and scale settings.
(3) Has the Company established rules and methodology for Evaluation item Implementation status (Note) Deviations from the Corporate Governance BestPractice Principles for TWSE/TPEx Listed Companies and the reasons Yes No Summary description evaluating the performance of its Board of Directors, implemented the performance evaluations on an annual basis, and submitted the results of performance evaluations to the board of directors and used them as reference in determining salary/compensation for individual directors and their nomination and additional office terms?	✓		The Company has passed the "Board Performance Evaluation Method" by the Board on November 18, 2018. The 2021 performance evaluation of directors and supervisors has been reported to the Board on March 9, 2022. The overall operation is good.	No significant differences.
(4) Does the Company regularly evaluate its external auditors' independence?	✓		The Company evaluates the independence and suitability of the CPA on an annual basis and obtains a statement of independence from the CPA, which is reviewed and approved by the Board (March 9, 2022). According to the Company's evaluation, the two CPAs of PwC Taiwan, Liao Fu-Ming and Lin Yi-Fan, both meet the Company's Independence Evaluation Standards and are qualified to serve as the Company's CPAs. (Note 1)	No significant differences.
4. Does the TWSE/TPEx listed company have in place an adequate number of qualified corporate governance officers and has it appointed a chief corporate governance officer with responsibility corporate governance practices (including but not limited to providing information necessary for directors and supervisors to perform their duties, aiding directors and supervisors in complying with laws and regulations, organizing board meetings and annual general meetings of shareholders as required by law, and compiling minutes of board meetings and annual general meetings)?	✓		the company has set up special (and part-time) staff, who are responsible for providing the information required by the director and supervisor to execute the business, handling related matters of the Board and shareholders' meeting, handling company registration and change registration, making the Board and shareholders' meeting minutes and other affairs.	No significant differences.

Evaluation item	Implementation status			Deviations from the Corporate Governance BestPractice Principles for TWSE/TPEx Listed Companies and the reasons
	Yes	No	Summary description	
5. Has the Company established channels for communicating with its stakeholders (including but not limited to shareholders, employees, customers, suppliers, etc.) and created a stakeholders section on its company website? Does the Company appropriately respond to stakeholders' questions and concerns on important corporate social responsibility issues?	✓		The Company has a spokesman system as a channel to express opinions; the Company also sets up a special section for stakeholders, with special personnel responsible for appropriately responding to the concerns of stakeholders for different subjects.	No significant differences.
6. Has the Company appointed a professional shareholder services agent to handle matters related to its shareholder meetings?	✓		The Company has appointed the stock affairs agent, Grand Fortune Securites Co., Ltd. to handle the affairs of the shareholders meeting.	No significant differences.
7. Information Disclosure (1) Has the Company established a corporate website to disclose information regarding its financials, business, and corporate governance status?	✓		The Company has set up a Chinese and English website (http://www.choiceprintgroup.com) and linked it with the MOPS of the Taiwan Stock Exchange to disclose relevant information.	No significant differences.
(2) Does the Company use other information disclosure channels (e.g., maintaining an English-language website, designating staff to handle information collection and disclosure, appointing spokespersons, webcasting investors conference etc.)?	✓		The Company establishes a spokesperson system in accordance with the regulations. In addition, the Company designates dedicated personnel to collect information about the Company and, depending on different business types, assigns individual dedicated personnel to be responsible for the disclosure of material information about the Company and to input MOPS for announcement on a timely basis.	No significant differences.
(3) Does the company publish and report its annual financial report within two months after the end of the fiscal year, and publish and report its financial reports for the first, second, and third quarters as well as its operating statements for each month before the specified deadlines?	✓		The Company's annual financial report and the financial report of the first, second and third quarters as well as the operation situation of each month have all been declared before the prescribed deadline. They have not been announced in advance, but they are included in the goal of efforts.	There are some minor differences, but they are still in compliance with the Securities and Exchange Act.
8. Has the Company disclosed other information to facilitate a better understanding of its corporate governance practices (including but not limited to employee rights, employee wellness, investor relations, supplier relations, rights of stakeholders, directors' and	✓		1. In order to ensure the overall safety of the company and the physical and mental health of its employees, the Company has established a safety and health system in accordance with labor safety and health laws and regulations, and plans and supervises the implementation of overall safety operations; it has promulgated the	No significant differences.

Evaluation item	Implementation status			Deviations from the Corporate Governance BestPractice Principles for TWSE/TPEx Listed Companies and the reasons
	Yes	No	Summary description	
supervisors' continuing education, the implementation of risk management policies and risk evaluation standards, the implementation of customer relations policies, and purchasing liability insurance for directors and supervisors)?			"Sexual Harassment Prevention Act" to seek respect and harmony between the sexes. 2. The Company has established the Employee Welfare Committee to allocate employee welfare funds in accordance with the law and promote various welfare measures. 3. The Company maintains good relationships with suppliers and stakeholders based on the concept of co-prosperity and co-existence, and provides effective communication channels. 4. The Company is required by law to disclose corporate information to protect the basic rights of investors and to fulfill its responsibilities to shareholders. 5. The Company's orders are all contracted with the customers, specifying the rights and obligations of both parties. The Company conducts annual customer satisfaction surveys to understand customers' opinions on the Company's product quality, delivery, and after-sales service, analyzes problems and tracks improvements to implement customer policies. 6. The Company operates under the principle of prudent management and does not engage in high-risk, high-leverage investment transactions. 7. The Company has purchased liability insurance for directors and supervisors with effect from April, 1 2019. 8. The Company's directors' continuing education is disclosed in the "MOPS Corporate Governance Zone" (Company Code 9929). http://mops.twse.com.tw/mops/web/t93sc03_1	

Evaluation item	Implementation status			Deviations from the Corporate Governance BestPractice Principles for TWSE/TPEx Listed Companies and the reasons
	Yes	No	Summary description	
9. Please describe improvements that have already been made based on the Corporate Governance Evaluation results released for the most recent fiscal year by the Corporate Governance Center, Taiwan Stock Exchange, and specify the priority enhancement objectives and measures planned for any matters still awaiting improvement. (If the Company was not included among the companies evaluated for the given recent year, this item does not need to be completed.) As for the Company's improvement or priority improvement countermeasures for the issues that did not score in the 9th Corporate Governance Evaluation, please refer to the following: (1) Did the company provide its annual report 18 days prior to the day of the AGM? It is proposed to improve the uploading of annual reports within the deadline. (2) Did the company provide its English annual report 7 days prior to the day of the AGM? It is proposed to improve the uploading of annual reports within the deadline. (3) Did the company adopt bylaws prohibiting insiders, including directors and employees, from using information not publicly disclosed in the market to trade securities, with content including (but not limited to) a prohibition against directors trading the company’s stock during a blackout period of 30 days before the publication of the company’s annual financial report and 15 days before the publication of each quarterly financial report, and were those bylaws and the status of their implementation disclosed on the company's website? Improvement in progress. (4) Has the company adopted succession planning for board members and key executives, and disclosed the operational status of such planning on its website and in its annual report? Improvement in progress. (5) Were the company’s interim financial reports all approved by the Audit Committee and submitted to the board for discussion and resolution? Improvement in progress. (6) Have the rules adopted by the company for assessing the performance of the board of directors been passed by the board, with the express requirement that an external assessment be carried out at least once every three years, and has it furthermore carried out the assessment during the year being evaluated or the preceding two fiscal years, and disclosed the implementation status and assessment results on its website or in its annual report? Improvement in progress. (7) Was the annual financial report in English filed to the MOPS by 7 days before the AGM? Improvement in progress. (8) Did the company disclose the connection between director and managerial officer performance assessment and remuneration in its annual report? Improvement in progress. (9) Did the company provide an English website for investors to read, and did the website include information related to the company’s finances, business, and corporate governance? Improvement in progress. (10) Did the company have a designated unit in charge of promoting ethical corporate management, with responsibility for establishing and supervising the implementation of the ethical corporate management policies and prevention programs, and disclose the unit's operations and implementation on the company's website and in its annual report, and did the unit report to the board of directors at least once a year? Improvement in progress. (11) Has the company adopted a policy to adequately reflect business performance or results in employee remuneration, and disclosed it on its website or in its annual report? Improvement in progress.				

Evaluation item	Implementation status			Deviations from the Corporate Governance BestPractice Principles for TWSE/TPEx Listed Companies and the reasons
	Yes	No	Summary description	
(12) Did the company disclose on its website or in its annual report or sustainability report the supplier management policies it adopted, and require suppliers to comply with the relevant provisions regarding issues such as environmental protection, occupational safety and health, or labor rights, and specify the status of implementation? It is intended to improve according to the actual situation. (13) Did the company disclose information about the company's governance, strategies, risk management, metrics, and targets for climate-related risks and opportunities in accordance with the Task Force on Climate-Related Financial Disclosure (TCFD) recommendation framework? It is intended to improve according to the actual situation.				

Note 1: CPA's Independence Evaluation Standards:

Evaluation item	Evaluation result	Whether it meets independence
1. Whether the CPA has a direct or significant indirect financial interest in the Company	No.	Yes.
2. Whether the CPA has a financial guarantee with the Company or the Company's directors	No.	Yes.
3. Whether the CPA has a close business relationship and potential employment relationship with the Company	No.	Yes.
4. Whether the CPA and its audit team members have served as directors, managers or positions that have a significant impact on the audit work in the Company at present or in the last two years	No.	Yes.
5. Whether the CPA has provided non-audit services to the Company that may directly affect the audit work	No.	Yes.
6. Whether CPA has brokered shares or other securities issued by the Company	No.	Yes.
7. Whether the CPA has acted as an advocate for the Company or mediated conflicts with other third parties on behalf of the Company	No.	Yes.
8. Whether the CPA has a family relationship with the company's directors, managers, or personnel who have a significant impact on the audit case	No.	Yes.

(4) Composition and operation of the remuneration committee of the company

I. Information on Remuneration Committee Members

Capacity (Qualifications)	Name	Professional qualifications and experience (note2)	Independence analysis (Note 3)	Number of other public companies at which the person concurrently serves as remuneration committee member
Independent Director (Convenor)	Lin, Lung-Ta	Used to be a professor in the Department of Painting and Calligraphy at National Taiwan University of Arts. With the experience required in the Company's bueinsess	Qualified for independence Note 1	0
Member	Chen, Wei-Lun	Branch manager of Kaohiusng Bank With the work experience required in business, finance, accounting for the Company's business.	Qualified for independence Note 2	0
Independent Director	Tsai, Ming-Fang	Independent director of First Life Insurance Co.,Ltd. With the work experience required in business, finance, accounting for the Company's business.	Qualified for independence Note 1	1

Note:1. The professional qualifications and experience, and the status of independence of each independent director, please refer to pages 9~10 in this report.

2. Independence analysis: Describe the status of independence of each remuneration committee member, including but not limited to the following: whether the member or their spouse or relative within the second degree of kinship serves or has served as a director, supervisor, or employee of the Company or any of its affiliates; the number and ratio of shares of the Company held by the member, their spouse, and their relatives with the second degree (or through their nominees); whether the member has served as a director, supervisor or employee of a "specified company" (see Article 6, paragraph 1, subparagraphs 5 to 8 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); the amount(s) of any pay received by the remuneration committee member for any services such as business, legal, financial, or accounting services provided to the Company or any affiliate thereof within the past 2 years

II. Responsibility and Operation of the Remuneration Committee

i. The Company's remuneration committee has a total of 3 members.
The functions of the Committee are to professionally and objectively evaluate the policies and systems for compensation of the directors, supervisors, and managerial officers of this Corporation; its meeting shall be held at least twice a year and as often as necessary, to submit recommendations to the board of directors for its reference in decision making.
Scope of duties:

A. Establishing and periodically reviewing the performance assessment standards, and the policies, systems, standards, and structure for the compensation.

B. Periodically assessing and setting the amounts of compension for the directors and managerial officers.

The Committee shall perform the duties under the preceding paragraph in accordance with the following standards:

A. Salary management shall be consistent with the Company's compensation philosophy.

B. The performance evaluation and compensation of directors and managers shall be made with reference to the usual level of compensation in the industry, taking into account the reasonableness of the relationship between individual performance and the Company's operating performance and future risks.

C. Directors and managers should not be induced to engage in behavior that exceeds the Company's risk appetite in pursuit of compensation.

D. The percentage of bonuses and the timing of partial change of salary compensation for short-term performance of directors and senior managers shall be determined by taking into account the characteristics of the industry and the nature of the Company's business.

E. Members of the Committee shall avoid conflict of interest in their personal compensation decisions and shall not participate in discussions and voting.

ii. The term of the current members is from August 5, 2020 to June 14, 2023.

The number of remuneration committee meetings held in 2022 and the date of this nunal report printed was: 4 times. The attendance by the members was as follows:

Title	Name	No. of meetings attended in person	No. of meetings attended by proxy	In-person attendance rate (%)	Remarks
Convenor	Lin, Lung-Ta	4	0	100%	Should have attended 4 times
Member	Chen, Wei-Lun	4	0	100%	Should have attended 4 times
Member	Tsai, Ming-Fang	4	0	100 %	Should have attended 4 times
Other information required to be disclosed 1. If the board of directors does not accept, or amends, any recommendation of the remuneration committee, specify the board meeting date, meeting session number, content of the recommendation(s), the outcome of the resolution(s) of the board of directors, and the measures taken by the Company with respect to the opinions given by of the remuneration committee (e.g., if the salary/compensation approved by the board is higher than the recommendation of the remuneration committee, specify the difference(s) and the reasons): Nil 2. With respect to any matter for resolution by the remuneration committee, if there is any dissenting or qualified opinion of a committee member that is on record or stated in writing, specify the remuneration committee meeting date, meeting session number, content of the motion, the opinions of all members, and the measures taken by the Company with respect to the members' opinion.: Nil					

iii. Important resolutions of the Remuneration Committee in 2022 and as of the publication date of the annual report:

Remuneration Committee	Proposal content and follow-up processing	Resolution result	The company's handling of the Remuneration Committee's comments
The 5th Meeting of the 4th Term March 9, 2022	1. The Company's 2021 employee remuneration and distribution of director remuneration. 2. The Company’s new accounting manager compensation approval prospoal.	Approved by the Chairman with the consent of all Directors present.	Submit to the Board for resolution: Approved by the Chairman with the consent of all Directors present.
The 6th Meeting of the 4th Term Sep. 21, 2022	1. The company's new independent director's remuneration approval proposal. 2. The company's new general manager salary approval proposal. 3. The Company's retiring general manager severance payment review proposal.	Approved by the Chairman with the consent of all Directors present.	Submit to the Board for resolution: Approved by the Chairman with the consent of all Directors present.
The 7th Meeting of the 4th Term Nov. 11, 2022	1. The salary approval of the assistant manager to the General Manager's Office of the Company. 2. The fixed monthly salary remuneration of the Company's directors and managers for 2022. 3. The company's 2022 year-end bonus approval proposal.	Approved by the Chairman with the consent of all Directors present.	Submit to the Board for resolution: Approved by the Chairman with the consent of all Directors present.
The 8th Meeting of the 4th Term March 22, 2023	1. Remuneration approval proposal of the for directors and managers of subsidiaries.	1. Choice Development, Inc. directors and officers' monthly fixed salary compensation has been submitted to the Board for resolution. 2. Omni Media International Incorporation's directors and managers' monthly fixed salary compensation is proposed to be added to the "Future	Submit to the Board for resolution: Approved by the Chairman with the consent of all Directors present.

Remuneration Committee	Proposal content and follow-up processing	Resolution result	The company's handling of the Remuneration Committee's comments
		Company Operation Plan" and the directors and managers' more complete experience information and reference to the industry salary, and will be considered at the next meeting. 3. Regarding the bonus for the business manager of the Northern Division of the Company, please attach a comparison table before and after the amendment of the bonus plan for consideration at the next meeting.	

(5) Promotion of Sustainable Development – Implementation Status and Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons

Item	Implementation status (Note 1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary description	
1. Has the Company established a governance framework for promoting sustainable development, and established an exclusively (or concurrently) dedicated unit to be in charge of promoting sustainable development? Has the board of directors authorized senior management to handle related matters under the supervision of the board?		✓	A task force has been established and is currently under preparation.	In preparation.
2. Does the company conduct risk assessments of environmental, social and corporate governance (ESG) issues related to the	✓		1. The Company has obtained ISO 9001 quality management system, ISO14001 environmental management system, FSC forest environmental protection	No significant differences.

Item	Implementation status (Note 1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary description	
company's operations in accordance with the materiality principle, and formulate relevant risk management policies or strategies?			paper and medical mask GMP, ISO13485 and other certifications. In 2020, the head office added a second-level occupational safety and health business supervisor according to law. 2. For the sake of information security and confidential information protection, the Company has built firewall, security equipment, anti-virus software and other security related protective measures. Avoid external attacks such as malicious hackers, computer viruses and extortion mails, which may cause financial loss or affect operation; In the first quarter of 2022, the server replacement and related software updates have been completed to maintain the normal operation of related systems. 3. The factory and the office also implement relevant epidemic prevention measures in accordance with the law, and hold regular fire drills to effectively prevent fires and minimize damage, so as not to be affected by external factors that may affect the company's operations.	
3. Environmental Issues (1) Has the Company set an environmental management system designed to industry characteristics?		✓	It is not established by the Company.	In the future, it will be established according to the actual needs.
(2) Does the Company endeavor to use energy more efficiently and to use renewable materials with low environmental impact?	✓		The Company has installed a solar power system.	No significant differences.
(3) Has the Company evaluated the potential risks and opportunities posed by climate change for its business now and in the future and adopted relevant measures to address them?	✓		In order to reduce the production of VOCs, in addition to reducing the use of various solvents, the purchase of additional air pollution prevention equipment, such as Regenerative Thermal Oxidizer (RTO), can effectively remove volatile organic solvents (VOCs) in organic waste gas up to 95 % ~ 99 %, significantly reducing the emissions of waste gas.	No significant differences.
(4) Did the company collect data for the past two years on greenhouse gas emissions, volume of water consumption, and the total weight of waste, and establish policies for greenhouse gas reduction, reduction of water consumption, or management of other wastes?		✓	It is not established by the Company.	In the future, it will be established according to the actual needs.

Item	Implementation status (Note 1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary description	
4. Social Issues (1) Has the company formulated relevant management policies and procedures in accordance with relevant laws and regulations and international human rights conventions?	✓		The Company's personnel practices comply with the Labor Standards Act and other relevant laws and regulations to protect the legal rights and interests of employees, and respect internationally recognized basic labor human rights principles, including the prohibition of child labor and the elimination of employment discrimination, and the implementation of equal pay, employment conditions, training and promotion opportunities.	No significant differences.
(2) Has the Company established and implemented reasonable employee welfare measures (include salary/compensation, leave, and other benefits), and are business performance or results appropriately reflected in employee salary/compensation?	✓		1. The Company's salary and leave system is regulated in the "Employee Work Rules" and approved by the competent authorities. 2. The Company has established the "Employee Welfare Committee" in accordance with the law to implement the welfare policy for employees. 3. The Company has also established "Labor-Managment Meeting" and "Supervisory Committee of Business Entities' Labor Retirement Reserve" in accordance with the law, in order to seek labor-management harmony and effectively implement the pension system.	No significant differences.
(3) Does the Company provide employees with a safe and healthy working environment, and implement regular safety and health education for employees?	✓		1. The Company's offices and production areas are completely non-smoking, production equipment is equipped with protective devices, monitors and security systems or personnel are installed at entrances and exits, fire drills and first aid courses are regularly scheduled, every employee is insured by group insurance, and regular medical checkups are held to maintain health. 2. Our factory employees are scheduled for annual medical checkups (once every two years for the head office) to comply with the health management principle of "prevention is better than cure". 3. The Company has a "first responder" who are responsible for dealing with sudden injuries. 4. The Company obtained ISO 14001 environmental management system certification.	No significant differences.
(4) Has the Company established effective career development training programs for employees?	✓		In addition to regular professional knowledge training, a second professional training and job agency arrangement system are also carried out.	No significant differences.

Item	Implementation status (Note 1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary description	
(5) Does the company comply with the relevant laws and international standards with regards to customer health and safety, customer privacy, and marketing and labeling of products and services, and implement consumer protection and grievance policies?	✓		1. The Company operates its business in accordance with the relevant regulations. 2. The Company has established a "Complaint and Whistleblowing Policy" and has made the complaint channel available on its website.	No significant differences.
(6) Has the company formulated supplier management policies requiring suppliers to comply with relevant regulations on issues such as environmental protection, occupational safety and health, or labor rights, and what is the status of their implementation?	✓		1. Regular evaluation of suppliers, including factory visits and occasional meetings, etc. 2. In order to ensure that the Company's management system complies with FSC's core labor requirements, and follow the basic principles and rights defined in the International Labor Organization's (ILO) Declaration of the International Labor Organization (ILO) in 1998, the actual situation of suppliers is audited.	No significant differences.
5. Does the company refer to international reporting standards or guidelines when preparing its sustainability report and other reports disclosing non-financial information? Does the company obtain third party assurance or certification for the reports above?		✓	It is not estalbihsed by the Company.	In the future, it will be established according to the actual needs.
6. If the Company has adopted its own sustainable development best practice principles based on the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies, please describe any deviation from the principles in the Company's operations: nil				
7. Other important information to facilitate better understanding of the company's promotion of sustainable development: nil				

(6) Ethical Corporate Management – Implementation Status and Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons

Item	Implementation status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary description	
1. Establishment of ethical corporate management policies and programs (1) Does the company have an ethical corporate management policy approved by its Board of Directors, and bylaws and publicly available documents addressing its corporate conduct and ethics policy and measures, and commitment regarding implementation of such policy from the Board of Directors and	✓		The Company has formulated "Ethical Corporate Management Best Practice Principles" and approved by the Board. The Board and management will abide by the commitment to actively implement the ethical corporate mnagement policy.	Conformed to.

Item	Implementation status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary description	
the top management team?				
(2) Whether the company has established an assessment mechanism for the risk of unethical conduct; regularly analyzes and evaluates, within a business context, the business activities with a higher risk of unethical conduct; has formulated a program to prevent unethical conduct with a scope no less than the activities prescribed in Article 7, paragraph 2 of the Ethical Corporate Management Best Practice Principles for TWSE/TPE Listed Companies?	✓		The Company's "Employee Work Rules" stipulates that Employees of the Company who "intentionally disclose the Company's technical and business secrets, embezzling public funds, stealing Company property, engaging in foreign transactions and seeking private interests from them" and other acts that cause damage to the Company may be dismissed without prior notice. In addition, a letter of integrity agreement is signed with employees to prevent bribery from manufacturers.	Conformed to.
(3) Does the company clearly set out the operating procedures, behavior guidelines, and punishment and appeal system for violations in the unethical conduct prevention program, implement it, and regularly review and revise the plan?	✓		The company has formulated the "Ethical Corporate Management Best Practice Principles" and "Complaint and Whistleblowing Policy", and made the complaint channels public on the website, and regularly reviewed the aforementioned systems.	Conformed to.
2. Ethical Management Practice (1) Does the company assess the ethics records of those it has business relationships with and include ethical conduct related clauses in the business contracts?	✓		The Company's contracts for the sale of bulk purchases and bulk sales of offcuts expressly provide that the Company may terminate this contract and seek damages for any commission, rebate, gift or other benefit given to our contractors in order to protect the integrity of the transaction.	Conformed to.
(2) Has the company set up a dedicated unit to promote ethical corporate management under the board of directors, and does it regularly (at least once a year) report to the board of directors on its ethical corporate management policy and program to prevent unethical conduct and monitor their implementation?	✓		The Company's General Manager's Office is responsible for the development of ethical corporate management and prevention programmes, which are overseen by the Audit Office and reported to the Board on a regular basis.	Conformed to.
(3) Has the company established policies to prevent conflict of interests, provided appropriate communication and complaint channels, and properly implemented such policies?		✓	Not yet formulated.	It will be formulated according to the actual situation in the future.

Item	Implementation status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary description	
(4) Does the company have effective accounting and internal control systems in place to enforce ethical corporate management? Does the internal audit unit follow the results of unethical conduct risk assessments and devise audit plans to audit compliance with the systems to prevent unethical conduct or hire outside accountants to perform the audits?	✓		The Company has established an effective accounting system and internal control system. The internal audit unit prepares an annual audit plan and carries out relevant audits in accordance with the plan, and reports the audit results to the Board on a regular basis so that the management can understand the implementation of the Company's internal control for management purposes.	Conformed to.
(5) Does the company provide internal and external ethical corporate management training programs on a regular basis?	✓		The Company has organised in-house training on ethical corporate management in the 3rd quarter of 2022.	Conformed to.
3.Implementation of Complaint Procedures (1) Has the company established specific whistle-blowing and reward procedures, set up conveniently accessible whistle-blowing channels, and appointed appropriate personnel specifically responsible for handling complaints received from whistle-blowers?	✓		1. The Company has established a “Complaint and Whistleblowing Policy” to regulate. 1. By stakeholder status, the departments responsible for handling these matters are “Human Resources”, “Finance and Accounting”, “Business” and the “General Manager's Office”; if managers and directors are involved, the audit department will report to the independent director or supervisor. 2. The Company keeps the identity of the whistleblower and the content of the whistleblower confidential, and if it is found that it has been improperly dealt with, the senior management will assist in handling it, and properly arrange the rights and interests of the whistleblower. 3. If the whistleblowering and complaint case is verified to be true and is in the interest of the company, after the evaluation by the general manager, the complainant or whistleblower will be rewarded in cash.	Conformed to.
(2) Has the company established standard operation procedures for investigating the complaints received, follow-up measures taken after investigation, and mechanisms ensuring such complaints are handled in a confidential manner?	✓			
(3) Has the company adopted proper measures to protect whistle-blowers from retaliation for filing complaints?	✓			
4. Strengthening Information Disclosure Does the company disclose its ethical corporate management policies and the results of their implementation on its website and the Market Observation Post System (MOPS)?	✓		The ethical corporate management policies have been disclosed on the Company website (http://www.choiceprintgroup.com/ch/rule.php?id=14） and Market Observation Post System (MOPS).	Conformed to.
5.If the company has adopted its own ethical corporate management best practice principles based on the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies, please describe any deviations between the principles and their implementation: No significant differences.				

Item	Implementation status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary description	
6. Other important information to facilitate a better understanding of the status of operation of the company's ethical corporate management policies (e.g., the company's reviewing and amending of its ethical corporate management best practice principles): nil				

(7) If the company has adopted corporate governance best-practice principles or related bylaws, disclose how these are to be searched.

Please refer to the Market Observation Post System (MOPS) for the Company to formulate corporate governance regulations.（http://mops.twse.com.tw/mops/web/t100sb04_1）(stock code: 9929) or

Website of the company: http://www.choiceprintgroup.com/ch/rule.php?id=13。

(8) Other significant information that will provide a better understanding of the state of the company's implementation of corporate governance may also be disclosed:

In order to establish the Company's good internal material information processing and disclosure mechanism, avoid improper disclosure of information, and ensure the consistency and accuracy of the Company's information released to the outside world, the "Procedures for Handling Material Inside Information" has been formulated to inform all directors and supervisors , managers and employees, and put it in the company's internal sharing folder. If the method is revised in the future, the sharing folder will be updated at any time for all colleagues to follow. "Regulations Governing the Management of the Prevention of Insider Trading" are also in place to prevent breaches or instances of insider trading by colleagues.

(9) The section on the state of implementation of the company's internal control system shall furnish the following:

1. A Statement on Internal Control

Choice Development, Inc.

A Statement on Internal Control System

Date: March 22, 2023

With regard to the internal control system of 2022, the company declares the following per self-assessment results.

1. The compan affirms that it is board of directors of the company and management's responsibility to establish, implement and maintain internal control system and the comapny has established said system The objective for such establishment is to achieve the goals of operational effectiveness and efficiency (including profit, performance, and asset security, etc.), report reliability, timeliness, transparency, and compliance of governing laws.

2. Internal control system comes systemically with inevitable limitations; however sound the design of it may be, an effective internal control system provides assurance to 山e aforementioned aims to a mere reasonable extent; moreover, due to changes of the environn1ents and conditions, the effectiveness of internal control system may change accordingly. Nevertheless, the company's internal conti·ol system is equipped with a self-monitoring mechanism - should any fault be identified, The company will take inm1ediate corrective action.

3. The company determines whether its design and implementation of internal control system are effective in accordance with “Regulations Governing Establishment of Internal Control Systems by Public Companies” (hereinafter as the “'Govering Regulations"). As per the governing Regulations, the determining factors for the effectiveness of internal control system shall at least include the following elements: 1. Controlled Envirorunent, 2. Risk Assessment, 3 Controlled Operations, 4. Information and Conmmnication, 5. Monitoring. Each constituent element in turn includes several items. For the aforementioned items, please refer to the provisions of the "Govering Regulations".

4. The company has adopted aforesaid detemuning factors of internal control system to examine the effectiveness of the design and implementation of internal control system.

5. Based on the examination results from the preceding item, the company deems hat the company's internal control system (including the supervision and management of subsidiaries) on December 31, 2022, including understanding the effectiveness of operations and the degree of achievement of efficiency goals, reports are reliable, timely, transparent, and compliance with relevant norms and relevant laws and regulations, the design and implementation of relevant internal control systems are effective, which can provide a reasonable assurance to achieve the above aims.

6. This statement will be the main content of the company's annual report and public deliberation

statement, open for public access. Any wrongful act pertaining to falsification or concealment involving the above public declaration will be subjected to legal liabilities under Articles 20, 32, 171, 174 of, and other regulations relating to, the Securities and Exchange Act, Republic of China (Taiwan)

7. This statement has been agreed and signed off by the board of directors of the company as of March 22, 2023; however, it is the fact that, among the 7 directors present at the board meeting, no dissented and the remainder consented herewith.

Choice Development, Inc.

Chairman: Chen, Hui-Yu

General Manager: Wang, Chih-Ying

2. Where a CPA has been hired to carry out a special audit of the internal control system, furnish the CPA audit report: Nil

(10) If there has been any legal penalty against the company or its internal personnel, or any disciplinary penalty by the company against its internal personnel for violation of the internal control system, during the most recent fiscal year or during the current fiscal year up to the publication date of the annual report, where the result of such penalty could have a material effect on shareholder equity or securities prices, the annual report shall disclose the penalty, the main shortcomings, and condition of improvement: Nil

(11) Material resolutions of a shareholders meeting or a board of directors meeting during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report.

Date	Material resolutions of shareholders meeting and implementation
May 26, 2022	Adoption Matters for adoption: (1) Adoption of the 2022 Business Report and Financial Statements. Execution situation: Adopted as written. (2) Adoption of the Proposal for Distribution of 2022 Profits
	Matters for Discussion: (14) Adopted the amendments to some articles of the Company's "Articles of Incorporation". Execution situation: The change registration to the Ministry of Economic Affairs was completed on June 6, 2022 and announced on the company website.
	Matters for Election: By-election of independent directors of the Company. List of Independent Directors Elected: Fang, Kai-Liang Execution situation: The change registration to the Ministry of Economic Affairs was completed on June 6, 2022 and announced on the company website.

Date	Material resolutions of board of directors meeting

Date	Material resolutions of board of directors meeting
March 09, 2022	Adopted by-election of the Company's independent directors and nomination and reviewed the list of independent director candidates and qualifications. Adopted the company's acceptance of shareholders' nominations on whether to be included in the list of independent director candidates. Adopted 2022 Operating Plan. Adopted The Company's Report on Operations for 2021. Adopted The Company's 2021 financial statements and consolidated financial statements and profit distribution. Adopted the Company's 2021 employee remuneration and distribution of director remuneration. Adopted 2021 Internal control effectiveness assessment and internal control statement. Adopted the Company regularly evaluates the independence and suitability of the CPA. Adopted the amendments to some articles of the Company's "Articles of Incorporation". Adopted amendments to some provisions of the Company's "Procedures for Acquisition or Disposal of Assets". Adopted the 2022 regular shareholders' meeting of the Company Adopted the change of CPA.
May 12, 2021	The Company's consolidated financial statements for the first quarter of 2021. Adopted he change for the Company's finance, accounting supervisors and acting spokesman. Adopted the approval case for the appointed accountant's audit fee and tax compliance audit fees.
Aug. 10, 2021	The Company's consolidated financial statements for the 2nd quarter of 2021. Adopted amendments to some provisions of the Company's "Guideline for Loaning Funds to Others".
Sept. 21, 2021	Adopted the Company's appointment of general manager
Nov. 11, 2022	The Company's consolidated financial statements for the 3rd quarter of 2021. Adopted the proposal for the fixed monthly remuneration of the directors of the Company for 2022. Adopted the proposal for the fixed monthly remuneration of the managers directors of the Company for 2022. Adopted the Company's 2022 Year-end Bonus Approval Proposal. Adopted the company's "2023 Audit Plan". Adopted the Company's adjustment of organization. Adopted the lifting the non-competition restriction of the company's managers. Adopted the amendments to some articles of the Company's "Procedures for Handling Material Inside Information". Adopted the formulation of the Company's "Relevant Operating Specifications for Mutual Financial Business between Affiliated Enterprises".

Date	Material resolutions of board of directors meeting
Mar. 22, 2023	Adopted the Company's directors, independent directors and nomination and review of the list and qualifications of candidates. Adopted the company's acceptance of shareholders' nominations on whether to be included in the list of independent director candidates. Adopted the 2023 Operating Plan. Adopted The Company's Report on Operations for 2022. Adopted The Company's 2022 financial statements and consolidated financial statements and profit distribution. Adopted 2022 Internal control effectiveness assessment and internal control statement. Adopted the amendments to some articles of the Company's "Rules of Procedure for Shareholders' Meeting". Adopted the 2023 regular shareholders' meeting of the Company Adopted Adopted the Company regularly evaluates the independence and suitability of the CPA. Adopted the approval case for the appointed accountant's audit fee and tax compliance audit fees. Adopted the approval case for the remuneration of directors and managers of subsidiaries. Adopted the lifting the non-competition restriction of the company's managers.

(12) Where, during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report, a director or supervisor has expressed a dissenting opinion with respect to a material resolution passed by the board of directors, and said dissenting opinion has been recorded or prepared as a written declaration, disclose the principal content thereof: Nil

(13) A summary of resignations and dismissals, during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report, of the company's chairperson, general manager, chief accounting officer, chief financial officer, chief internal auditor, chief corporate governance officer, and chief research and development officer:

Job Title	Name	Dismissal Date
General Manager	Hsieh, Chih-Ta	Sept. 30, 2022
Accounting and Financial Officer	Chang, Li-Chu	May 12, 2022

4. Information on CPA (External Auditor) Professional Fees

Unit: NT$1,000

Name of accounting firm	Names of CPAs	Period covered by the CPA audit	Audit fees	Non-audit fees (note)	Total	Remarks
PwC Taiwan	Liao, Fu-Ming	Jan. 1, 2022 ~ Dec. 31, 2022	1,600	200	1,800	
	Lin, I-Fan					

Note: Non-audit fees means tax certification.

(1) The comapy shall disclose the amounts of the audit fees and non-audit fees paid to the attesting CPAs and to the accounting firm to which they belong and to any affiliated enterprises as well as the details of non-audit services: Nil

(2) When the company changes its accounting firm and the audit fees paid for the financial year in which the change took place are lower than those paid for the financial year immediately preceding the change, the amount of the audit fees before and after the change and the reason shall be disclosed: Nil

(3) When the audit fees paid for the current financial year are lower than those paid for the immediately preceding financial year by 15 percent or more, the amount and percentage of and reason for the reduction in audit fees shall be disclosed: Nil

5. Information on change in CPA: N/A

6. Where the company's chairperson, general manager, or any managerial officer in charge of finance or accounting matters has in the most recent year held a position at the accounting firm of its certified public accountant or at an affiliated enterprise of such accounting firm, the name and position of the person, and the period during which the position was held: Nil

7. Any transfer of equity interests and/or pledge of or change in equity interests (during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report) by a director, supervisor, managerial officer, or shareholder with a stake of more than 10 percent during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report:

Changes in Shareholding of Directors, Supervisors, Managerial Officers, and Major Shareholders

Job title	Name	FY 2022		Current fiscal year as of April 31, 2023	
		Shareholding increase (or decrease)	Pledged Shareholding increase (or decrease)	Shareholding increase (or decrease)	Pledged shareholding increase (or decrease)
Chairman	Chen, Hui-Yu	0	0	0	0
Director	Chang Shih-Kui, the representative of Dehui Investment Co., Ltd.	0 0	0	0 0	0 0
Director	Lin Keng-Jan, the representative of Solara Enterprises, Ltd.	0 78,137	0 0	0 0	0 0
Director	Hung Wen-Lai, the representative of Solara Enterprises, Ltd.	0 0	0 0	0 0	0 0
Independent Director	Lin, Lung-Ta	0	0	0	0
Independent Director	Tsai, Ming-Fang	0	0	0	0
Independent Director	Fang, Kai-Liang (note 3)	0	0	0	0
General Manager	Hsieh, Chih-Ta (note 4)	0	0	0	0
General Manater	Wang, Chih-Ying (note 5)	0	0	0	0
Major Shareholder	Peng, Teng-Te	0	(19,999,800)	0	0
Deputy assistant general manager	Yang, Chia-Yu	0	0	0	0
Deputy assistant general manager	Huang, Shih-Hsuan (note 6)	0	0	10,000	0
Officer of Dept. Accounting and Finance	Chang, Li-Chu (note 7)	0	0	0	0
Officer of Dept. Accounting and Finance	Lee, Chen-Hua (note 8)	0	0	0	0

Note: 1. Major shareholder means the shareholder with a stake of more than 10 percent.
2. Where the counterparty in any such transfer or pledge of equity interests is a related party: Nil
3. By-elected on May 26, 2022.
4. Resigned on September 30, 2022.
5. Reported for duty on October 1, 2022.
6. Reported for duty on November 16, 2022.
7. Rresigned on Ocotber 31, 2022.
8. Reported for duty on March 16, 2022.

8. Relationship information, if among the company's 10 largest shareholders any one is a related party or a relative within the second degree of kinship of another

Relationship information among the company's 10 largest shareholders

Name	Shares Held by the person		Shares Held by Spouse and Minor Children		Shares Held through Nominees		The names and relations among the Company's 10 largest shareholders who is a related party or a relative within the second degree of kinship of another		Remarks
	Number of shares	Shareholding Ratio	Number of shares	Shareholding Ratio	Number of shares	Shareholding Ratio	Name	Relationship	
Peng, Teng-Te	19,999,800	19.75	-	-	-	-	Dehui Investment Co., Ltd. Lin, Wen-Hui Peng, Ting-Ching	Director Spouse Brother/ sister	
Hsu, Yu-Shan, the representative of Yaotze Co., Ltd.	7,470,000	7.23							
	1,447	6,001	5,670,194	5.6	-	-	Hsu, Chien-Chen	Spouse	
Lu, Mei-Hu, the representative of Xirui Investment Co., Ltd.	6,000,000	5.92	-	-	-	-	-	-	
	0	0.00	-	-	-	-	-	-	
Lee, Chang-Ling, the representative of Quansheng Investment Co., Ltd.	5,740,200	5.67	-	-	-	-	-	-	
	0	0.00	-	-	-	-	-	-	
Hsu, Chien-Chen	5,670,194	5.6	1,447	0.00	-	-	Hsu, Yu-Shan	Spouse	
Lin, Wen-Hui. The resprsentative of Dehui Investment Co., Ltd.	5,022,409	4.96	-	-	-	-	Peng, Teng-Te	Director	
	0	0.00	19,999,800	19.75	-	-	Peng, Teng-Te	Spouse	
Peng, Ting-Ching, the representative of Sanho Investment Co., Ltd.	5,021,638	4.96	-	-	-	-	-	-	
	0	0.00	-	-	-	-	Peng, Teng-Te	Brother & sister	
Chen, Hui-Yu	3,000,057	2.96	-	-	-	-	-	-	
Hsu, Yu-Shan, the representative of Shilin Development Co., Ltd.	3,000,000	2.96	-	-	-	-	-	-	
	1,447	0.00	5,670,194	5.6	-	-	Hsu, Chien-Chen	Spouse	
Kao, Mei-Feng, the representative of Chenjie Investment Co., Ltd.	1,948,400	1.92	-	-	-	-	-	-	
	0	0.00	-	-	-	-	-	-	

Note: This table is the latest closing of the company's transfer of ownership as of the date of publication of the annual report.

9. The total number of shares and total equity stake held in any single enterprise by the company, its directors and supervisors, managerial officers, and any companies controlled either directly or indirectly by the company

Total Ownership of Shares in Investee Enterprises

April 30, 2023

Unit: Shares; %

Investee enterprise	Investment by the Company		Investment by the Directors, Supervisors, Managerial Officers and Directly or Indirectly Controlled Entities of the Company		Total investment	
	Shares	Shareholding ratio	Shares	Shareholding ratio	Shares	Shareholding ratio
Omni Media Int'l Inc.	53,444,341	81.19%	-	-	53,444,341	81.19%
Choice Development, Inc.	3,000,000	60%	500,000	10%	3,500,000	70%

Note :The investment calculated by equity method.

IV. Information on capital raising activities

1. Capital and Share

(1) Sources of Capital

April 30, 2023

Month/ year	Issued price	Authorized capital		Paid-in capital		Remarks		
		Shares (1000 shares)	Amount (NT$1000)	Shares (1000 shares)	Amount (NT$1000)	Sources of capital (NT$1000)	Capital paid in by assets other than cash	Other
01/2015	10	176,000	1,760,000	95,800	958,000	Capital reduced 533,704	No	Note 1
05/2015	10	176,000	1,760,000	121,800	1,218,000	**Private placement** 260,000	No	Note 2
09/2015	10	176,000	1,760,000	168,800	1,688,000	**Private placement** 470,000	No	Note 3
06/2019	10	249,200	2,492,000	168,800	1,688,000	-	No	Note 4
12/2020	10	250,000	2,500,000	101,280	1,012,800	Capital reduced 675,200	No	Note 5

Note: 1. Jing-shou-shang-zi No. 10401015860 dated January 26, 2015.
2. Jing-shou-shang-zi No. 10401101010 dated June 01, 2015.
3. Jing-shou-shang-zi No. 10401201420 dated September 22, 2015.
4. Jing-shou-shang-zi No. 10801064130 dated June 04, 2019.
5. Jing-shou-shang-zi No. 10901201610 dated October 23, 2020.

Unit: share

Type of stock	Authorized Capital			Remarks
	Outstanding shares	Unissued shares	Total	
Common share	101,280,000	148,720,000	250,000,000	Nil

Note: Information about Shelf Registration System: N/A

(2) Shareholder Composition

April 16, 2023

Shareholder composition / Quantity	Government agencies	Financial institutions	Other legal entities	Individuals	Foreign institutions and foreign	Total
No. of shareholders	-	-	31	5,422	14	5,467
No. of shares held	-	-	40,068,053	61,039,421	172,526	101,280,0000
Shareholding ratio	-	-	39.56%	60.27%	0.17%	100.00%

(3) Distribution of Shareholding: (NT$10/par value)

A. Common share

April 16, 2023

Range of no. of shares held	No. of shareholders	Shareholding (shares)	Shareholding (%)
1 ～ 999	3,988	804,361	0.79%
1,000 ～ 5,000	976	2,138,476	2.11%
5,001 ～ 10,000	175	1,318,288	1.30%
10,001 ～ 15,000	62	781,910	0.77%
15,001 ～ 20,000	54	978,084	0.98%
20,001 ～ 30,000	41	1,050,591	1.04%
30,001 ～ 40,000	28	976,111	0.96%
40,001 ～ 50,000	24	1,066,308	1.05%

50,001	～	100,000	41	2,757,730	2.72%
100,001	～	200,000	29	4,173,816	4.12%
200,001	～	400,000	18	4,870,907	4.81%
400,001	～	600,000	10	5,164,861	5.10%
600,001	～	800,000	3	2,119,557	2.09%
800,001	～	1,000,000	1	970,996	0.96%
1,000,001 above			17	72,108,004	71.20%
Total			5,467	101,280,000	100.00%

B. Preferred shares: Nil

(4) List of Major Shareholders: List all shareholders with a stake of 5 percent or greater, and if those are fewer than 10 shareholders, also list all shareholders who rank in the top 10 in shareholding percentage, and specify the number of shares and stake held by each shareholder on the list

April 16, 2023

Shares / Names of major shareholders	Shareholding (shares)	Shareholding (%)
Peng, Teng-Te	19,999,800	19.75%
Yaotze Co., Ltd.	7,470,000	7.38%
Xirui Investment Co., Ltd.	6,000,000	5.92%
Quansheng Investment Co., Ltd.	5,740,200	5.67%
Hsu, Chien-Chen	5,591,194	5.52%
Dehui Investment Co., Ltd.	5,022,409	4.96%
Sanho Investment Co., Ltd.	5,021,638	4.96%
Chen, Hui-Yu	3,000,057	2.96%
Shilin Development Company Ltd.	3,000,000	2.96%
Chenjie Investment Co., Ltd.	1,948,400	1.92%

(5) Provide share prices for the past 2 fiscal years, together with the company's net worth per share, earnings per share, dividends per share, and related information.

Item / Fiscal year			2021	2022	Current year to March 31, 2023
Market price per share	Highes		14.70	9.77	9.77
	Lowest		9.20	7.57	8.96
	Average		11.27	8.82	9.35
Net worth per share	Before distribution		9.83	8.57	8.67
	After distribution		9.83	Note 1	-
Earnings per share	Weighted average shares		101,280,000	101,280,000	-
	Earnings (loss) per share		0.05	(0.82)	-
Dividends per share	Cash dividends		-	-	-
	Stock dividends	Dividends from retained earnings	-	-	-

		Dividends from capital reserve	-	-	-
	Accumulated undistributed dividends		-	-	-
Return on investment analysis	Price/earnings ratio		225.40	-	-
	Price/dividend ratio		-	-	-
	Cash dividend yield		-	-	-

Note: 1. The proposed distribution of the Company's 2022 earnings is subject to resolution at the Annual General Meeting.
2. Price/earnings ratio = average closing price per share for the year / earnings per share
3. Price / dividend ratio = average closing price per share for the year / cash dividends per share.
4. Cash dividend yield = cash dividend per share / average closing price per share for the year

(6) Company's dividend policy and implementation

A. Dividend policy as stipulated in the Articles of Incorporation:

If this Company has earnings in its annual final accounts, it shall pay taxes and make up losses according to law, and the next 10% is the legal reserve, but this is not the case when the legal reserve has reached the paid-in capital. In addition, after the special reserve is listed or reversed according to the relevant laws and regulations, and the retained earnings-unappropriated at the beginning of the same period is the accumulated distributable earnings of shareholders, the Board will draw up a plan for the distribution of earnings.

The dividend policy of this Company is to calculate the distributable earnings according to the preceding paragraph, then reserve the required funds according to the operation plan of this Company, and distribute the rest as dividends to shareholders, and the proportion of cash dividends should not be less than 30%.

B. Situation of the proposed dividend distribution at this shareholders' meeting: The proposed distribution of cash dividend is NT$0 per share.

(7) Effect upon business performance and earnings per share of any stock dividend distribution proposed or adopted at the most recent shareholders' meeting:

The shareholders’ meeting proposed not to distribute stock grants, so it is not applicable.

(8) Profit-sharing compensation of employees, directors

A. The percentages or ranges with respect to employee, director profit-sharing compensation, as set forth in the company's articles of incorporation:

After deducting the accumulated losses according to the current year's profit status, this Company shall allocate no less than 3% of the employee's remuneration and no more than 3% of the director's remuneration if there is any remaining balance.

When employee remuneration is distributed in the form of stock or cash, the Board shall make a resolution with more than two-thirds of the directors present and more than half of the directors present and report it to the shareholders meeting.

The recipients of stock or cash as employee remuneration may include employees of controlling or subordinate companies who meet certain conditions, and the conditions are authorized to be set by the Board.

B. The basis for estimating the amount of employee, director, and supervisor profit-sharing compensation, for calculating the number of shares to be distributed as employee profit-sharing compensation, and the accounting treatment of the discrepancy, if any, between the actual distributed amount and the estimated figure, for the current period:

Before the issued date of the adopted annual financial report, if there is a major change in the distribution amount resolved by the board of directors, the change shall adjust the original annual expense; after the adopted annual financial report is issued, if there is still a change in the amount, it will be treated as a change in accounting estimate and will be adjusted and recorded in the next year.

C. Information on any approval by the board of directors of distribution of profit-sharing compensation:

a. The amount of any employee profit-sharing compensation and director profit-sharing compensation distributed in cash or stocks: Nil

b. The amount of any employee profit-sharing compensation distributed in stocks, and the size of that amount as a percentage of the sum of the after-tax net income stated in the parent company only financial reports or individual financial reports for the current period and total employee profit-sharing compensation: No employee stock has been issued.

D. The actual distribution of employee, director, and supervisor profit-sharing compensation for the previous fiscal year (with an indication of the number of shares, monetary amount, and stock price, of the shares distributed), and, if there is any discrepancy between the actual distribution and the recognized employee, director, or supervisor profit-sharing compensation, additionally the discrepancy, cause, and how it is treated:

Unit: NT$

	Actual number distribution	Annual estimates of recognized expenses	difference number
Employee profit-sharing compension	196,137	196,137	0
Diretor profit-sharing compension	0	0	0

(9) Status of a company repurchasing its own shares: nil

2. Information on the company's issuance of corporate bonds: Nil

3. **Section on preferred shares: Nil**

4. **Section on global depository receipts: Nil**

5. **Section on employee share subscription warrants shall specify the following matters: Nil**

6. **Section on issuance of new shares in connection with mergers or acquisitions or with acquisitions of shares of other companies: Nil**

7. **Section on implementation of the company's capital allocation plans: No securities were issued or privately placed during the year.**

V. Overview of business operations

1. Description of the business:

(1) Scope of business:

A. the company's major lines of business:

a. C701010 Printing
b. C702010 Plate Making Industry
c. C703010 Printed Matter Binding and Processing
d. I401010 General Advertisement Service
e. CF01011 Medical Devices Manufacturing
f. F208031 Retail Sale of Medical Apparatus

B. The relative weight of each: Printing revenue 93.7%; advertising revenue 5.7%, and medical equipment 0.6%.

C. current products (services):

a. Pre-press: product planning, design, photography and computer scanning color separation, plate making, etc.
b. In-press: printing down, printing (sheet and rotary printing).
c. Post-press: origami, bookbinding (saddle stitch, glue binding), calendar collation, etc.
d. Advertising business service: According to the characteristics of the advertiser's industry/product, and in response to the different properties of the transportation media field that the Company acts as an agent, provide a full range of outdoor transportation media products for advertisers to place on different media.
e. Medical masks and protective masks.
f. Thermal paper for invoices.
g. Setup of solar power generation equipment.

D. New products (services) planned for development:

Continue to introduce new digital printing technologies that combine information technology and use computers.
Create field innovation experience, integrate curation and innovative marketing.
Integrate transportation fields, combine space aesthetics, and plan multi-media advertisements.

(15) Overview of the industry:

a. Current status

a. The printing market is shrinking due to the development of the Internet, e-commerce, mobile media and the impact of the growing number of children. The printing industry has been downsizing or withdrawing from the market due to lack of production capacity, and printing companies wishing to operate in a sustainable manner must seriously face the issue of restructuring and increasing their business I items.

b. The rise of environmental awareness, government regulations and increasingly strict environmental inspection, in order to comply with the regulations, it is necessary to build pollution prevention equipment, which makes the printing industry, which is already facing operating difficulties, worse.

c. In order to meet the needs of publishers for low inventory and fast orders in small quantities, the introduction of digital processes in printing will be a future trend.

d. With the reluctance of young people to enter the printing industry, companies will face a talent gap and a lack of succession.

e. Sensing the demand for masks in the market, some highly sensitive peers actively built mask production lines, which not only solved the problem of insufficient printing production capacity and idle manpower, but also greatly increased revenue and profits.

f. In recent years, the development of the Internet has had a huge impact on the advertising revenue of traditional media. In addition, after the outbreak of the Covid-19 in 2020, the demand for living at home increases and the decrease of going out for entertainment, which also makes the advertising revenue of outdoor media dependent on population flow worse.

b. The links between the upstream, midstream, and downstream segments of the industry supply chain

The Company's services cover the entire printing process.
The Company's services provide advertising media, i.e. consumer access to media, upstream for advertisers, such as well-known brands of consumer products, or upstream for creative advertising services, responsible for advertising strategy, brand management, creative advertising and advertising execution.

c. Ddevelopment trends and competition for the company's products

a. The printing process is very mature, but due to the shrinking market and the trend towards smaller, more diverse and faster deliveries, as well as the difficulty of training technicians, production equipment is moving towards slower, digital and automated production and the use of environmentally friendly materials.

b. In 2022, the printing market will continue to shrink. Under the situation of oversupply, the competition has reached a stage of fierce competition.

c. Apply enterprise resource planning (ERP) system to enhance competitiveness
The outdoor transportation media using the enterprise resource planning (ERP) system is enable the entire enterprise from external supply chain management and customer relationship management to internal process management through information technology, so as to reduce Repeated processes and waste of manpower, improve work efficiency and human resource application level, and the automatic connection and conversion of the computer system can reduce errors in the manual processing process, and more effectively and successfully integrate the advertisements of the advertisers across multiple media channels.

(16) overview of the company's technologies and its research and development work:

The Company has no R&D department, but the General Manager's Office is responsible for researching and introducing the latest printing technologies, improving production processes and quality management, in order to continuously enhance the Company's competitiveness.

(17) The company's long- and short-term business development plans:

a. Short-term development plans

a. Take advantage of the lifting of the foreign epidemic to actively pursue the export printing market that has been temporarily suspended due to the epidemic.
b. Strive for the cross-field printing market, including accepting more small-volume, diverse, customized and auxiliary processing prints, and training packaging material design and business personnel to strive for the packaging material printing market.
c. Combining the customer's planning ability to jointly strive for the bidding documents that require proposals, maintain the role of manufacturer and partner with the customer, and sublimate the customer relationship.
d. Integrate the company's related enterprise resources, exchange resources required by customers, and achieve symbiosis and co-prosperity.
e. In response to the increase in paper raw materials, periodicals and commonly used paper, contract or purchase inventory in advance according to needs, reduce procurement costs and increase competitiveness.

b. Middle-term and long-term development plans

a. Establish long-term friendly competitive and cooperative relations with major peers.
b. Strategic alliance with packaging and printing factories to capture the packaging market.
c. To meet the requirements of environmental protection, the factory should be transformed into a green energy factory, solar panels should be installed, and international certifications such as quality and environmental protection should be obtained to enhance international competitiveness.
d. Establish an overall enterprise resource planning (ERP) system to save manpower and improve work efficiency.
e. Actively cultivate mid-to-high-end business travel advertising groups to realize precise field and big data in mobile.
f. Add other business items.

2. Analysis of the market as well as the production and marketing situation

(1) Market analysis

A. the geographic areas where the main products (services)

Unit: NT$1,000

Financial year	FY 2021	FY 2022

District	Amount	%	Amount	%
Taiwan	581,362	98.3	585,521	96.9
Others	10,007	1.7	18,545	3.1
Total	591,369	100.0	604,066	100.0

B. the company's market share, demand and supply conditions for the market in the future

Electronic and mobile media are still attracting more attention from consumers. E-commerce, cross-media communication and marketing are directly affecting the growth of the traditional print market, which has led to a significant decline in circulation and advertising in paper media. For the publishing and commercial printing industry, the problem of oversupply continues and price competition is inevitable.

C. the company's competitive niche

a. Large production capacity, complete manufacturing process, high quality, fast delivery.
b. North-south network connection, synchronous production, and convenient services across the province
c. Long history, good reputation, high customer visibility

D. positive and negative factors for future development, and the company's response to such factors

a. positive factors:
   i. The Company is the only stock listed company in its industry, which helps to enhance its image.
   ii. With consistent production capacity, the Company has a spacious production plant located in Anping Industrial Park, occupying 836 pings and 1400 pings, which not only provides sufficient space for consistent operations, but also has great benefits for production line planning, effective control of raw material inventory, and smooth delivery. 。
   iii. Perfect process quality management reduces defective rate to improve quality and production capacity, enhance market competitiveness, and greatly contribute to the increase of sales.
   iv. Invest in or make strategic alliances with upstream industries to obtain orders directly through partnerships.

b. Negative factors and the company's response to such factors:

Market shrinkage and price cutting competition.

The company's response to negative factors:

The Company will increase the value of its customer services and gain new customers through its prepress e-solutions, expand the scope of its cost reduction program to increase profit margins, strive to reduce raw material procurement costs, and conduct cost reduction programs for repair, transportation, gas and electricity.

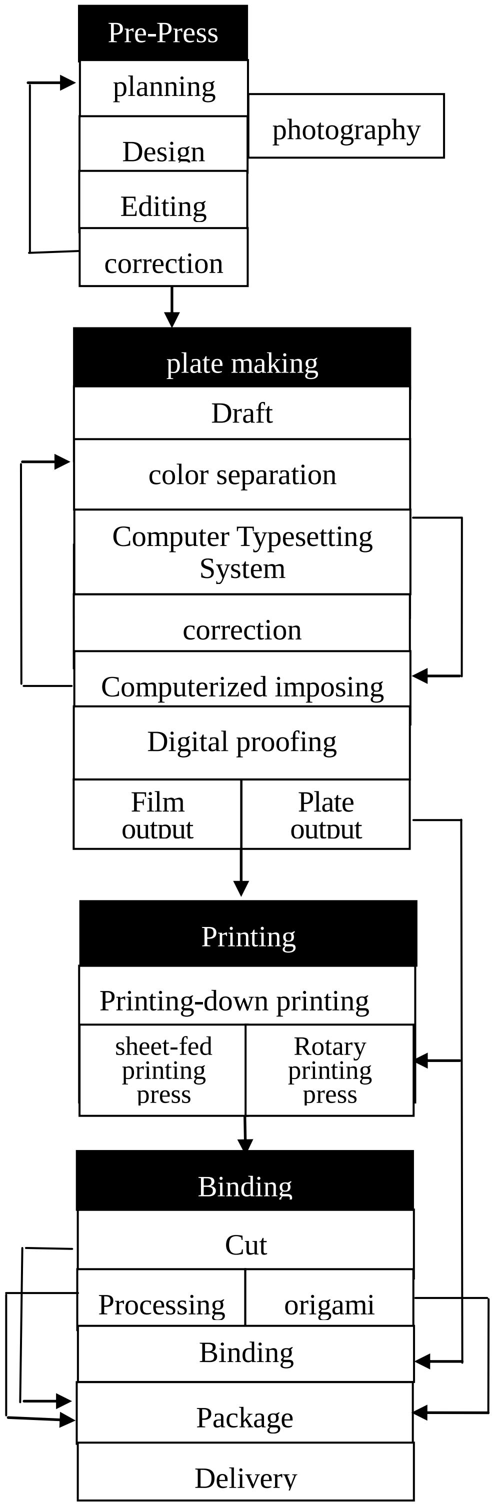
(2) Usage and manufacturing processes for the company's main products

A. Usage for the company's main products

a. Commercial printing: such as DM, posters, brochures, catalogs, annual reports, calendars, weekly calendars and other products, as a promotional tool for companies in the industrial and commercial sector or product promotions.

b. Publishing and printing of magazines: books, periodicals (weekly, semi-monthly, monthly, quarterly), albums, textbooks, etc.

B. Manufacturing processes for the company's main products



(3) Supply situation for the company's major raw materials

Paper: 1. General paper is supplied by domestic paper mills.
2. Some of the special papers are imported from overseas by our agents.

Ink: Mainly supplied by domestic ink suppliers.

(4) A list of any suppliers and clients accounting for 10 percent or more of the company's total procurement (sales) amount in either of the 2 most recent fiscal years, the amounts bought from (sold to) each, the percentage of total procurement (sales) accounted for by each, and an explanation of the reason for increases or decreases in the above figures.

A. Information on Major Suppliers for the Most Recent 2 Years

Unit: NT$1,000

	FY 2021				FY 2022				Up to the first quarter of the current fiscal year 2023			
Item	Nam	Amount	Percentage of annual net purchases (%)	Relationship with the issuer	Name	Amount	Percentage of annual net purchases(%)	Relationship with the issuer	Name	Amount	Percentage of net purchases up to the first quarter of the current fiscal year (%)	Relationship with the issuer
1	Company B	77,206	29.44	No	Company B	85,996	30.00	No	Company B	18,774	27.10	No
2	Company A	63,873	24.36	No	Company A	66,602	23.24	No	Company C	17,397	25.11	No
3	Company C	29,046	11.08	No	Company C	32,784	11.44	No	Company A	11,610	16.76	No
4	Company D	28,043	10.69	No	Company D	29,427	10.27	No	Company D	7,616	10.99	No
	Others	64,052	24.43		Others	71,803	25.05		Others	17,615	20.04	
	purchases	262,220	100.0		purchases	286,612	100.0		purchases	72,473	100.0	

Note: Reason for increase or decrease: In order to meet the needs of some major customers, the proportion of purchases by some major purchasers was adjusted.

B. Information on Major Customers for the Most Recent 2 Fiscal Years

Unit: NT$1,000

	FY 2021				FY 2022				Up to the first quarter of FY2023			
Item	Name	Amount	Percentage of annual net sales (%)	Relationship with the issuer	Name	Amount	Percentage of annual net sales (%)	Relationship with the issuer	Name	Amount	Percentage of net sales up to the first quarter of the current fiscal year (%)	Relationship with the issuer
1	Company A	81,322	13.75	No	Company A	82,454	13.65	No	Company A	20,584	12.80	No
	Others	510,047	86.25		Others	521,612	86.35		Others	140,210	87.20	
	Net sales	591,369	100.0		Net sales	604,066	100.0		Net sales	160,794	100.0	

(5) Indication of the production volume for the 2 most recent fiscal years

Unit: NT$1,000; 1000 pieces

FY / Output / Main products	FY 2021			FY 2022		
	Production capacity	Production	Production value	Production capacity	Production	Production value
printed matter (note)	-	-	470,187	-	-	487,081
Medical Instruments	-	8,226	12,669	-	1,419	1,749

Note: 1. The Company's printed products are produced in batches, with a wide variation of products. There are no statistics on production capacity and production volume.
2. Advertising revenue is mainly from mass communication and marketing activities such as advertising production and media planning, and is not part of the manufacturing industry. Therefore, there is no production volume table.

(6) Sales Volume and Value in the Most Recent 2 Fiscal Years

Unit: NT$1,000; 1000 pieces

FY / Sales volume and Value	FY 2021				FY 2022			
	Local		Export		Local		Export	
	Volume	Amount	Volume	Amount	Volume	Amount	Volume	Amount
printed matter	-	534,214	-	10,007	-	546,934	-	18,545
advertisement making	-	23,162	-	-	-	34,386	-	-
Medical Instruments	10,445	23,986	-	-	1,612	3,548	-	-
Others	-	-	-	-	-	653	-	-

Note: The company's printed matter is produced in batches, and the products vary greatly, so it is impossible to count the sales volume.

3. Employees

Employee Statistics for the Most Recent 2 Fiscal Years up to the Annual Report Publication Date

Financial year		2021	2022	As of April 30, 2023 of the current fiscal year
Number of employees	Clerk	50	62	61
	indirect technician	24	25	24
	Direct labor	57	45	45
	Total	131	132	130
Average age		48.6	51.16	51.13
Average years of service		8.7	8.29	8.46
Education distribution percentage (%)	Ph.D.	0	0	0
	Master's degree	3.8%	4.5%	5.4%
	College/university	48.9%	48.5%	49.2%
	Senior high school	37.4%	39.4%	37.7%
	Below senior high school	9.9%	7.6%	7.7%

4. Disbursements for environmental protection:

any losses suffered by the company in the most recent fiscal year and up to the annual report publication date due to environmental pollution incidents (including any compensation paid), and disclosing an estimate of possible expenses that could be incurred in future and an explanation of the facts of why it cannot be made shall be provided : Nil

5. Labor relations

(1) List any employee benefit plans, continuing education, training, retirement systems, and the status of their implementation, and the status of labor-management agreements and measures for preserving employees' rights and interests.

A. Employee benefit plans

In January 1978, the Company established the Employee Welfare Committee, which provides funds in accordance with government regulations to promote various welfare measures. In addition to universal health insurance and labor insurance, the Committee also provides employees with group insurance, birthday gifts, annual gifts, wedding and funeral subsidies, condolence payments, and employee travel subsidies.

B. Continuing education, training

For the company's long-term development and the needs of employees' self-growth, in addition to organizing personnel training courses to improve the professional quality of employees; employees can also participate in irregular external training according to needs to enrich new knowledge and improve work professionalism and efficiency.

C. Retirement systems, and the status of their implementation

The Company established the Labor Retirement System in accordance with the Labor Standards Act and other relevant laws and regulations, and set up the Supervisory Committee of Labor Retirement Reserve to make monthly contributions to the employees' retirement reserve and deposit them in a special account in the Trust Department of the Bank of Taiwan. In accordance with the regulations, the Company contributes the full amount of the current year's old labor retirement reserve to the account by the end of March each year for those who are eligible to retire.

Employees who were employed under the Labor Standards Act on the day prior to the implementation of the Labor Pension Act (06.30.2005) and who choose to be covered by the new pension system will have their monthly pensions paid into their individual labor retirement accounts within 6% of their wages. For those who choose to continue to be subject to the retirement provisions of the Labor Standards Act, the amount will be transferred to the pension account of the Bank of Taiwan Trust Department in accordance with the provisions. Employees who joined the Company after 07.01.2005 will be subject to the new pension system.

D. Status of labor-management agreements

Since its establishment, the Company has been based on the integrated relationship between labor and management. Since its establishment, the Company has been in line with the relationship between labor and capital. It registered with the government in January 1978 to establish an Employee Welfare Committee to promote various employee welfare work, and regularly held Employee Welfare Committee and labor-management meetings to promot the consensus of "co-existence and co-prosperity" and "integration of labor and management", so that The relationship between labor and management has been harmonious.

E. Working environment and personal safety protection measures for employees

a. In order to ensure the safety of employees in the workplace, the Company promotes the 5-S campaign to improve the cleanliness, hygiene and safety of the working environment.

b. Prepare work clothes, earplugs, gloves and other necessary safety protective devices, and require employees to wear and use them in accordance with regulations to avoid injury.

c. Annual fire drill is held to prepare preventive measures and take correct safety protection measures in case of accidents.

d. Regular annual fire safety inspections, noise measurements and monthly sewage tests are carried out and reported to the relevant authorities.

e. The environment is cleaned monthly and the chiller equipment is cleaned regularly every year to maintain air quality.

f. Contracted with a professional electrical and mechanical company to regularly inspect the circuits in order to provide a safe working environment for our staff.

g. Announce measures for prevention and treatment of sexual harassment, set up channels for employees to complain; colleagues can respond to problems, propose amendments to regulations, and communicate well.

(2) List any losses suffered by the company in the most recent fiscal year and up to the annual report publication date due to labor disputes, and disclosing an estimate of possible expenses that could be incurred in the future and measures being or to be taken: Nil

6. Cyber security management

(1) Describe the cyber security risk management framework, cyber security policies, concrete management programs, and investments in resources for cyber security management.

A. Cyber security risk management framework

The Company's Information Department is the unit responsible for coordinating and implementing information security policies. In addition to the department head, there are three staff members in the department. The main tasks are to promote information security information, strengthen staff's awareness of information security, update and maintain software and hardware equipment, and the audit office regularly conducts information security checks on the internal control system-computerized information use and processing cycle every year, and evaluates the effectiveness of the internal control of the company's information operations. ◦

B. Cyber security policies

In order to implement security management, the Company has set up a "Standard for the Use of Electronic Message Exchange System" to achieve the following long-term and long-term objectives:

a. Ensure the confidentiality and integrity of information assets.
b. Ensure data access in accordance with departmental functional specifications.
c. Ensure the continuous operation of the information system.
d. Prevent unauthorized modification or use of data and systems.
e. Perform security audit regularly to ensure the implementation of information security.

C. Concrete management programs

a. Complete server replacement in February 2022.
b. Conduct regular virus scans of computer systems and data storage media.
c. Periodically review the System Log of each network service item to track abnormal data access control.
d. Chrome Remote (computer and mobile version) is available for people to work at home in response to the outbreak.
e. Review emergency response plans regularly.
f. Create a daily system backup mechanism.
g. Review computer network security control measures regularly
h. Irregularly implement information security information education and training.

(2) List any losses suffered by the company in the most recent fiscal year and up to the annual report publication date due to significant cyber security incidents, the possible impacts therefrom, and measures being or to be taken: The Company currently has no major information security incidents that have caused business damage.

7. Important contracts

Nature of contract	Parties	Beginning and end dates	Major content	Restrictive clauses
short-term loan	Yongchun Branch First Bank	March 22 ,2023 ~ March 22, 2024	Tainan factory land and factory mortgage loan	No
Exclusive Agent	Taoyuan International Airport Corporation Ltd.	January 01, 2019 ~ June 30, 2024	Commercial Advertisement Stations in Terminal 1 and	No restricitive clause

VI. Overview of the company's financial status

1. Condensed balance sheets and statements of comprehensive income for the past 5 fiscal years

(1) Condensed Balance Sheet and Statement of Comprehensive Income

A. Condensed Balance Sheet

a. Consolidiated financial statement

Item \ FY		Financial Information for Most Recent 5 Fiscal Years				
		2018	2019	2020	2021	2022
Current assets		805,097	947,432	486,852	464,044	614,760
Property, Plant and Equipment		677,997	304,623	293,573	272,154	263,656
Intangible assets		86,285	86,285	0	0	0
Other assets		613,355	2,553,719	1,407,067	1,271,958	538,221
Total assets		2,182,734	3,892,059	2,187,492	2,008,156	1,416,637
Current liabilities	Before distribution	636,263	1,327,806	484,362	534,684	364,619
	After distribution	636,263	1,327,806	524,874	534,684	Note 2
Non-current liabilities		359,155	1,624,532	548,690	393,488	126,682
Total liabilities	Before distribution	995,418	2,952,338	1,033,052	928,172	491,301
	After distribution	995,418	2,952,338	1,073,564	928,172	Note 2
Equity attributable to owners of the parent company		1,097,432	920,728	1,066,803	995,844	867,084
Share capital		1,688,000	1,688,000	1,012,800	1,012,800	1,012,800
Capital surplus		68,915	68,915	0	0	0
Retained earnings	Before distribution	(561,446)	(798,470)	81,641	48,774	60,326
	After distribution	(561,446)	(798,470)	40,949	48,774	Note 2
Other equity		(98,037)	(37,717)	(27,638)	(65,730)	(206,042)
Non-controlling interests		89,884	18,993	87,637	84,140	58,252
Total equity	Before distribution	1,187,316	939,721	1,154,440	1,079,984	925,336
	After distribution	1,187,316	939,721	1,113,928	1,079,984	Note 2

Note: 1. The information of fiscal years 2018 and 2022 has been audited and attested by CPA.
2. The 2022 earnings distribution proposal has not yet been resolved by the shareholders' meeting.

(2) non-consolidated financial statement

Unit: NT$1,000

Item \ FY		Financial Information for Most Recent 5 Fiscal Years				
		2018	2019	2020	2021	2022
Current assets		538,125	700,724	426,309	405,480	382,835
Property, Plant and Equipment		670,627	290,090	276,727	261,187	258,231
Other assets		423,067	597,857	558,694	578,619	429,768
Total assets		1,631,819	1,588,671	1,261,730	1,245,286	1,070,834
Current liabilities	Before distribution	442,618	549,490	153,533	218,933	185,324
	After distribution	442,618	549,490	194,045	218,933	Note 2
Non-current liabilities		91,769	118,453	41,394	30,509	18,426
Total liabilities	Before distribution	534,387	667,943	194,927	249,442	203,750
	After distribution	534,387	667,943	235,439	249,442	Note 2
Equity attributable to owners of the parent company		1,097,432	920,728	1,066,803	995,844	867,084
Share capital		1,688,000	1,688,000	1,012,800	1,012,800	1,012,800
Capital surplus		68,915	68,915	0	0	0
Retained earnings	Before distribution	(561,446)	(798,470)	81,641	48,774	60,326
	After distribution	(561,446)	(798,470)	41,129	48,774	Note 2
Other equity		(34,732)	(98,037)	(37,717)	(65,730)	(206,042)
Total equity	Before distribution	1,097,432	920,728	1,066,803	995,844	867,084
	After distribution	1,097,432	920,728	1,026,291	995,844	Note 2

Note: 1. The information of fiscal years 2018 and 2022 has been audited and attested by CPA.
2. The 2022 earnings distribution proposal has not yet been resolved by the shareholders' meeting.

2. Condensed Statement of Comprehensive Income

(1) consolidated financial statement

Unit: NT$1,000

FY / Item	Financial Information for Most Recent 5 Fiscal Years				
	2018	2019	2020	2021	2022
Operating Revenue	791,315	1,186,340	749,997	591,369	604,066
Gross Profit	90,227	(21,770)	120,732	88,608	95,580
Operating Income	10,906	(320,636)	26,239	20,326	16,367
Non-operating income and expenses	44,658	(46,416)	948,982	(17,482)	(124,879)
Profit Before Income Tax	55,564	(367,052)	975,221	2,844	(108,512)
Net income for the period from continuing operations	53,454	(366,517)	870,262	1,196	(108,723)
Loss from discontinued operations	-	-	-	-	-
Net income (loss) for the period	53,454	(366,517)	870,262	1,196	(108,723)
Other comprehensive income (loss) for the period (net of Income Tax)	(48,831)	118,522	10,057	(35,140)	(45,925)
Total comprehensive income for the period	4,623	(247,995)	880,319	(33,944)	(154,648)
Net income attributable to owners of parent	53,734	(249,714)	852,461	4,693	(82,835)
Net income (loss) attributable to noncontrolling interests	(280)	(116,803)	17,801	(3,497)	(25,888)
Total comprehensive income attributable to owners of parent	4,903	(176,704)	862,518	(30,447)	(128,760)
Total comprehensive income, attributable to non-controlling interests	(280)	(71,291)	17,801	(3,497)	(25,888)
Earnings per share	0.32	(1.48)	6.94	0.05	(0.82)

Note: The information of fiscal years 2018 and 2022 has been audited and attested by CPA

(2) Non-consolidated financial statement

Unit: NT$1,000

Item \ FY	Financial Information for Most Recent 5 Fiscal Years				
	2018	2019	2020	2021	2022
Operating Revenue	739,861	617,018	588,800	568,207	569,680
Gross Profit	77,800	49,993	76,965	74,309	69,661
Operating Income	11,391	(26,439)	17,175	20,423	13,066
Non-operating income and expenses	44,453	(223,810)	940,245	(14,082)	(95,681)
Profit Before Income Tax	55,844	(250,249)	957,420	6,341	(82,615)
Net income for the period from continuing	53,734	(249,714)	852,461	4,693	(82,835)
Net income (loss) for the period	53,734	(249,714)	852,461	4,693	(82,835)
Other comprehensive income or loss for the period	(48,831)	73,010	10,057	(35,140)	(45,915)
Total comprehensive income or loss for the	4,903	(176,704)	862,518	(30,447)	(128,760)
Earnings per share	0.32	(1.48)	6.94	0.05	(0.82)

Note: The information of fiscal years 2018 and 2022 has been audited and attested by CPA.

(3) Name of the certified public accountant and the auditor's opinion for Most Recent 5 Fiscal Years:

FY	Name	Auditor’s opinion
2018	Wong, Shih-Jung, Pan,Hui-Ling	unqualified opinion
2019	Wong, Shih-Jung, Pan, Hui-Ling	unqualified opinion
2020	Wong, Shih-Jung, Liao, Fu-Ming	unqualified opinion
2021	Wong, Shih-Jung, Liao, Fu-Ming	unqualified opinion
2022	Liao, Fu-Ming, Lin, I-Fan	unqualified opinion

2. Financial Information for the Most Recent 5 Years

(1) Financial analysis - International Financial Reporting Standards

A. Consolidated financial statement

Item analysis	FY	2018	2019	2020	2021	2022
		Financial Analysis for the Most Recent 5 Years				
Financial structure (%)	Debt to assets ratio	45.60	75.86	47.23	46.22	34.68
	Ratio of long-term capital to property, plant and equipment	228.09	841.78	580.14	541.41	399.01
Solvency (%)	Current ratio	126.54	71.35	100.51	86.79	168.60
	Quick ratio	115.82	66.50	87.00	72.46	145.78
	Times interest earned	46.84	(4.49)	34.07	1.17	(9.04)
Operating performance	Accounts receivable turnover (times)	3.07	3.13	4.93	4.52	4.52
	Average collection days	118.89	116.61	74.04	80.75	80.75
	Inventory turnover (times)	12.14	10.32	8.74	8.27	8.51
	Accounts payable turnover (times)	6.49	12.90	9.31	8.26	8.22
	Average days in sales	30.06	35.37	41.78	44.12	42.92
	Property, plant and equipment turnover (times)	1.15	2.42	2.51	2.09	2.25
	Total asset turnover (times)	0.45	0.39	0.25	0.28	0.35
Profitability	Return on total assets (%)	3.06	(10.31)	29.41	0.70	(5.84)
	Return on equity (%)	4.69	(34.46)	83.11	0.11	(10.84)
	Ratio of income before tax to paid-in capital (%)	3.29	(21.74)	96.29	0.28	(10.71)
	Net profit margin (%)	6.76	(30.89)	116.01	0.2	(18.00)
	Earnings per share (NT$)	0.32	(1.48)	6.94	0.05	(0.82)
Cash flow	Cash flow ratio (%)	3.94	27.40	35.10	(5.86)	4.35
	Cash flow adequacy ratio (%)	(101.44)	259.73	522.92	517.53	525.70
	Cash reinvestment ratio (%)	0.88	68.45	16.48	(3.81)	1.07
Leverage	Operating leverage	22.22	(0.76)	6.37	7.51	8.20
	Financial leverage	1.13	0.83	(8.07)	5.74	2.95

Note: 1. The information of fiscal years 2018 and 2022 has been audited and attested by CPA.
2. Omni Media Int'l Inc. is an advertising company that has no inventory, so the calculation of inventory turnover does not include the relevant information of this company.
3. Receivables turnover ratios exclude collections from the 2020 consolidation.

Please explain the causes of changes in the financial ratios in the most recent 2 fiscal years. (Analysis is not required if the increase or decrease is less than 20%.)

1. Financial structure: The decrease of revelvant ratio is mainly due to the derecognition of the related lease liabilities as a result of the termination of the A22 case.
2. Current ratio and Quick ratio: The main reason is that the termination of the A22 case resulted in the derecognition of the relevant lease liabilities and the return of the relevant amount of NT$150,268,000, which increased the two ratios.
3. The increase in return on total assets was mainly due to the release of the A22 case which resulted in the derecognition of the related assets.

4. Profitability: This was mainly due to the loss incurred as a result of the termination of the A22 case.
5. Cash flow ratio and Cash reinvestment ratio increased: The main reason is that the net cash flow from operating activities will turn positive in 2022.
6. Financial leverage decreased: Mainly due to the decrease in operating profit.

B. Non-concolidated financial statement

Item analysis \ FY		Financial Analysis for the Most Recent 5 Years				
		2018	2019	2020	2021	2022
Financial structure (%)	Debt to assets ratio	32.75	42.04	15.45	20.03	19.03
	Ratio of long-term capital to property, plant and equipment	177.33	358.23	400.47	392.96	342.91
Solvency (%)	Current ratio	121.58	127.52	277.67	185.21	206.58
	Quick ratio	107.93	117.86	240.43	158.57	175.97
	Times interest earned	132.40	(42.61)	432.85	9.05	(73.5)
Operating performance	Accounts receivable turnover (times)	4.41	4.18	4.74	4.51	4.48
	Average collection days	82.77	87.32	77.00	80.93	81.47
	Inventory turnover (times)	12.14	10.32	8.74	8.27	8.51
	Accounts payable turnover (times)	6.59	7.20	8.50	8.13	8.11
	Average days in sales	30.06	35.37	41.78	44.12	42.89
	Property, plant and equipment turnover (times)	1.08	1.28	2.08	2.11	2.19
	Total asset turnover (times)	0.49	0.38	0.41	0.45	0.49
Profitability	Return on total assets (%)	3.60	(15.21)	59.94	0.43	(7.07)
	Return on equity (%)	4.91	(24.75)	85.78	0.46	(8.89)
	Ratio of income before tax to paid-in capital (%)	3.31	(14.83)	94.53	0.63	(8.16)
	Net profit margin (%)	7.26	(40.47)	144.78	0.83	(14.54)
	Earnings per share (NT$)	0.32	(1.48)	6.94	0.05	(0.82)
Cash flow	Cash flow ratio (%)	15.17	6.44	28.60	(19.07)	20.06
	Cash flow adequacy ratio (%)	(23.30)	(32.55)	(37.73)	33.09	43.45
	Cash reinvestment ratio (%)	2.50	2.53	2.89	(5.67)	2.81
Leverage	Operating leverage	19.89	(4.77)	6.68	5.59	8.41
	Financial leverage	1.04	0.82	1.15	1.04	1.09

Note: The information of fiscal years 2018 and 2022 has been audited and attested by CPA.

Please explain the causes of changes in the financial ratios in the most recent 2 fiscal years. (Analysis is not required if the increase or decrease is less than 20%.)

1. The ratios of Times interest earned and Profitability increased: mainly due to the loss caused by the termination of the A22 case this year.
2. Cash flow: The main reason is that the net cash flow from operating activities turned positive in 2022, resulting in an increase in various ratios.
3. Operating leverage: Mainly due to the decrease in operating profit.

Formulas for the calculation of the financial Analysis:

1. Financial structure

   (1) Debt to assets ratio = total liabilities / total assets.

   (2) Ratio of long-term capital to property, plant and equipment = (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) Times interest earned = earnings before tax and interest expenses / current interest expenses.

3.Operating performance

   (1) Accounts receivable (including accounts receivable and notes receivable arising from business activities) turnover = net sales / average accounts receivable balance (including accounts receivable and notes receivable arising from business activities).

   (2) Average collection days = 365 / accounts receivable turnover.

   (3) Inventory turnover = cost of goods sold / average inventory.

   (4) Accounts payable (including accounts payable and notes payable arising from business activities) turnover = cost of goods sold / average accounts payable balance (including accounts payable and notes payable arising from business activities).

   (5) Average days in sales = 365 / inventory turnover.

   (6) Property, plant and equipment turnover = net sales / average net property, plant and equipment.

   (7) Total asset turnover = net sales / average total assets.

4. Profitability

   (1) Return on total assets = (net income + interest expenses * (1 - effective tax rate)) / average total assets.

   (2) Return on equity = net income after tax / average total equity.

   (3) Net profit margin = net income after tax / net sales.

   (4) Earnings per share = (income attributable to owners of parent - preferred stock dividends) / weighted average number of shares outstanding. (Note 4)

5. Cash flow

   (1) Cash flow ratio = net cash flows from operating activities / current liabilities.

   (2) Net cash flow adequacy ratio = 5-year sum of net cash flow from operating activities / 5-year sum of (capital expenditures + increases in inventory + cash dividends).

   (3) Cash reinvestment ratio = (cash from operating activities - cash dividends) / (gross property, plant and equipment + long-term investments + other non-current assets + working capital).

6. Leverage:

   (1) Operating leverage = (net operating revenue – variable operating costs and expenses) / operating income

   (2) Financial leverage = operating income / (operating income – interest expenses).

Note 1: Special attention shall be paid to the following when making the calculations for cash flow analysis:

1. Net cash flow from operating activities refers to the net cash inflow from operating activities in the cash flow statement.
2. Capital expenditures refers to the annual cash outflow used in capital investment.
3. Increase in inventory is counted only when the balance at the end of the period is greater than the balance at the beginning of the period. If the inventory has decreased at the end of the year, it is counted as zero.
4. Cash dividends include the cash dividends of common stock and preferred stock.
5. Gross property, plant and equipment refers to the total property, plant and equipment without deduction of accumulated depreciation.

Note 2: The issuer shall categorize the operating costs and operating expenses into fixed ones and variable ones in accordance with their properties. If the categorization is subject to estimation or subjective judgment, attention shall be paid to ensure that it is done rationally and consistently.

3. Audit committee's report for the most recent year's financial statement.

Choice Development, Inc.

Audit Committee's Review Report

March 23, 2023

To: Shareholders' Annual General Meeting for Year 2023,

Choice Development, Inc.

The Board of Directors has prepared and submitted to the undersigned, Audit Committee of Choice Development, Inc. 2022 Business Report, Consolidated Financial Statements and Dividend Distribution proposal. The Consolidated Financial Statements have been duly audited by Certified Public Accountants of PwC Taiwan. The above Business Report, Consolidated Financial Statements and Dividend Distribution proposal have been examined and determined to be correct and accurate by the undersigned. This Report is duly submitted in accordance with Article 14-4 of Securities and Exchange Law and Article 219 of the Company Law.

The Audit Committee, Chairman: Lin,Long-dar

6. If the company or its affiliates have experienced financial difficulties in the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report, the annual report shall explain how said difficulties will affect the company's financial situation: Nil

VII. Review and analyze financial position and financial performance, and assess comppany’s risks

1. Financial position

Comparative analysis statement of financial position

Unit: NT$1,000

FY / Item	2022	2021	Difference	
			Amount	%
Current assets	614,760	464,044	150,716	32.48
Property, Plant and	263,656	272,154	(8,498)	(3.12)
Other assets	538,221	1,271,958	(733,737)	(57.69)
Total assets	1,416,637	2,008,156	(591,519)	(29.46)
Current liabilities	364,619	534,684	(170,065)	(31.81)
Non-current liabilities	126,682	393,488	(266,806)	(67.81)
Total liabilities	491,301	928,172	(436,871)	(47.07)
Share capital	1,012,800	1,012,800	0	0
Retained earnings	60,326	48,774	11,552	23.68
Other equity	(206,042)	(65,730)	(140,312)	213.47
Equity ofparent company	867,084	995,844	(128,760)	(12.93)
Non-controlling interests	58,252	84,140	(25,888)	(30.77)
Total equity	925,336	1,079,984	(154,648)	(14.32)

Explanation on the analysis of those whose ratio of increase or decrease in the last two years has changed by 20% and NT$10 million or more:

1. The increase in current assets was mainly due to the refund of $150,268,000 in relation to the termination of the A22 case.
2. The decrease in other assets and liabilities is mainly due to the termination of the A22 case, which resulted in the derecognition of the related recorded assets and liabilities.
3. The increase in retained earnings was mainly due to the transfer of $92,735,000 of revaluation increment to other equity - real estate as a result of the termination of the A22 case and the loss of $82,835,000 incurred during the year.
4. The decrease in other equity was mainly due to the transfer of other equity - real estate revaluation increment of $92,735,000 to retained earnings as a result of the termination of the A22 case and the increase in unrealized valuation loss on investments in equity instruments measured at fair value through other comprehensive income or loss.
5. The decrease in non-controlling interests is mainly due to the loss arising from the termination of the A22 case.

2. Financial performance

(1) Financial Performance Analysis

Unit: NT$1,000

FY / Item	2022	2021	Difference	
			Amount	%
Operating Revenue	604,066	591,369	12,697	2.15
Operating costs	508,486	502,761	5,725	1.14
Gross profit	95,580	88,608	6,972	7.87
Operating expenses	79,213	68,282	10,931	16.01
Operating Income	16,367	20,326	(3,959)	(19.48)
Non-operating revenue & expenses, other income(expense)	(124,879)	(17,482)	(107,397)	614.33
Income before taxes	(108,512)	2,844	(111,356)	(3,915.47)
Income tax expense	211	1,648	(1,437)	(87.20)
Net Income	(108,723)	1,196	(109,919)	(9,190.55)
Other comprehensive income	(45,925)	(35,140)	(10,785)	30.69
Total comprehensive income	(154,648)	(33,944)	(120,704)	(355.60)

Explanation on the analysis of those whose ratio of increase or decrease in the last two years has changed by 20% and NT$10 million or more:

1. The decrease in non-operating income and expenses, net income before tax, net income for the period and consolidated profit or loss for the period was mainly due to a loss of $133,757,000 resulting from the termination of the A22 case in FY2022.
2. The decrease in other comprehensive income was mainly due to an increase in unrealised valuation losses on investments in equity instruments measured at fair value through other comprehensive income.

(2) The expected sales volume and its basis, the possible impact on the company's future financial business and the response plan: No public forecast is required, so it is not applicable.

3. Cash flow

(1) 2022 Cash Flow Analysis

Unit: NT$1,000

Beginning of the period Cash Balance	Year-round selfservice Net cash flow from activities	Annual Cash Inflow	Cash surplus (Deficiency) Amount	Remedies for cash shortage	
				Investment Plan	Financial Plan
175,479	15,868	(40,551)	150,796	-	-

1. Analysis of cash flow changes in this year
   The annual cash outflow of the consolidated company was NT$40,551,000, mainly due to the repayment of loans.
2. Estimated remedies for cash shortage and liquidity analysis: Not applicable.

(2) Cash flow analysis for the coming year

Unit: NT$1,000

Beginning of the period Cash Balance	Year-round selfservice Net cash flow from activities	Annual Cash Inflow	Cash surplus (Deficiency) Amount	Remedies for cash shortage	
				Investment Plan	Financial Plan
150,796	1,068	(1,000)	150,864	-	-

1. Analysis of cash flow changes in this year
   It is estimated that there will be little change in cash flow in the coming year for the consolidated company.
2. Estimated remedies for cash shortage and liquidity analysis: Not applicable.

4. The annual report shall describe the effect upon financial operations of any major capital expenditures during the most recent fiscal year.

5. The annual report shall describe the company's reinvestment policy for the most recent fiscal year, the main reasons for the profits/losses generated thereby, the plan for improving re-investment profitability, and investment plans for the coming year:

The Company's reinvestment policy is based on the need for business development and consideration of the Company's future growth.

The management policy of the Company regarding the investment business shall be based on the relevant management measures of the Company's internal control system, and in accordance with the "Subsidiary Supervision Measures" and "Related Party Transaction Procedures" as the operation and management of the reinvested business, implement the supervision and management of the reinvested business.

Choice Development Co., Ltd. is engaged in urban renewal and reconstruction of dangerous and old buildings, etc., because it needs to obtain the consent of all land and building owners before it can carry out urban renewal or reconstruction and collect management fees. At present, part of the ownership has been obtained, and the communication with all land and building owners will be accelerated in the future.

Omni Media International Incorporation is a transport outdoor media operator. Currently, due to the Covid-19 epidemic, advertising volumes have dropped dramatically, and we will continue to liaise closely with our clients, media agencies and advertising agencies to explore possible opportunities for proposals, as well as to seek new layout formats from owners and update our sales tools in response to market conditions.

6. The section on risks shall analyze and assess the following matters during the most recent fiscal year and as they stood on the date of publication of the annual report:

(1) The effect upon the company's profits (losses) of interest and exchange rate fluctuations and changes in the inflation rate, and response measures to be taken in the future.

A. At present, the market funds continue to be loose, and the overall interest rate remains low. As of the publication date of the annual report, the Company and its subsidiaries are expected to have earnings in cash flow in the next year, and they will adjust financing instruments depending on the interest rate level in the future. Therefore, the impact of interest rates on the Company's profit and loss is not significant.

B. The impact of the latest annual exchange rate changes on the company's profit and loss and future countermeasures:

The company mainly sells domestically and the impact of exchange rate changes is not significant; it already holds foreign currency positions and the finance unit will continue to monitor exchange rate changes to avoid losses to the company.

C. Impact of recent annual inflation on the Company's profit and loss and future measures:

Inflation is a result of changes in the overall economic environment. The Company closely monitors the fluctuation of market prices and maintains good interaction with customers and suppliers to adjust and negotiate sales and import prices in a timely manner in order to hedge the impact of inflation on the Company's profit and loss.

(2) The company's policy regarding high-risk investments, highly leveraged investments, loans to other parties, endorsements, guarantees, and derivatives transactions; the main reasons for the profits/losses generated thereby; and response measures to be taken in the future.

A. The Company does not engage in high risk, highly leveraged investments.

B. Loans to other parties: As at the date of printing of the annual report, the balance of the loaning of funds was $50,084,000; this represents the loaning of funds that existed prior to the Company's capital increase in Omni Media International Incorporation and which the Company will continue to track until its closure.

C. Endorsements, guarantees: As of the date of publication of the annual report, the balance of the endorsement guarantee is $0.

D. Derivatives transactions: Nil

(3) Research and development work to be carried out in the future, and further expenditures expected for research and development work: Nil

(4) Effect on the company's financial operations of important policies adopted and changes in the legal environment at home and abroad, and measures to be taken in response:

All the businesses of the Company are implemented in accordance with the laws and regulations of the competent authorities, and we always pay attention to the policy development trend and changes in laws and regulations to fully grasp and respond to changes in the market environment, so as to ensure the smooth operation of the company.

(5) Effect on the company's financial operations of developments in science and technology as well as industrial change, and measures to be taken in response.: Nil

(6) Effect on the company's crisis management of changes in the company's corporate image, and measures to be taken in response: Nil

(7) Expected benefits and possible risks associated with any merger and acquisitions, and mitigation measures being or to be taken.: Nil

(8) Expected benefits and possible risks associated with any plant expansion, and mitigation measures being or to be taken: Nil

(9) Risks associated with any consolidation of sales or purchasing operations, and mitigation measures being or to be taken:

There is no risk of excessive concentration of the Company's purchase sources and sales customers.

(10) Effect upon and risk to the company in the event a major quantity of shares belonging to a director, supervisor, or shareholder holding greater than a 10 percent stake in the company has been transferred or has otherwise changed hands, and mitigation measures being or to be taken: Nil。

(11) Effect upon and risk to company associated with any change in governance personnel or top management, and mitigation measures being or to be taken: Nil

(12) Litigious and non-litigious matters. List major litigious, non-litigious or administrative disputes that: involve the company and/or any company director, any company supervisor, the general manager, any person with actual responsibility for the firm, any major shareholder holding a stake of greater than 10 percent, and/or any company or companies controlled by the company; and have been concluded by means of a final and unappealable judgment, or are still under litigation. Where such a dispute could materially affect shareholders' equity or the prices of the company's securities, the annual report shall disclose the facts of the dispute, amount of money at stake in the dispute, the date of litigation commencement, the main parties to the dispute, and the status of the dispute as of the date of publication of the annual report:

Lee ** and others suggested to the court in January 2009 and claimed to hold promissory notes issued by OMNI totaling 1$34,614,000, and applied for compulsory execution against OMNI. However, OMNI has filed a lawsuit on the authenticity of the promissory note in order to hold relevant people accountable. The current progress is that the first instance civil judgment of Taipei District Court ruled that the promissory note is not forged. But OMNI has filed an appeal. n addition, during the course of the litigation, the prosecution found that in addition to the aforesaid promissory notes, Lee ** and Hsieh ** also held other promissory notes issued in the name of OMNI amounting to $245,444,000, and OMNI had no record of the issuance of such promissory notes. The Group has taken the initiative to appoint a lawyer to file the relevant criminal complaint and to file a lawsuit to confirm the non-existence of the promissory notes, and the damages incurred to the Group will be claimed in the subsequent court proceedings in accordance with the law.

(13) Other important risks, and mitigation measures being or to be taken: Nil

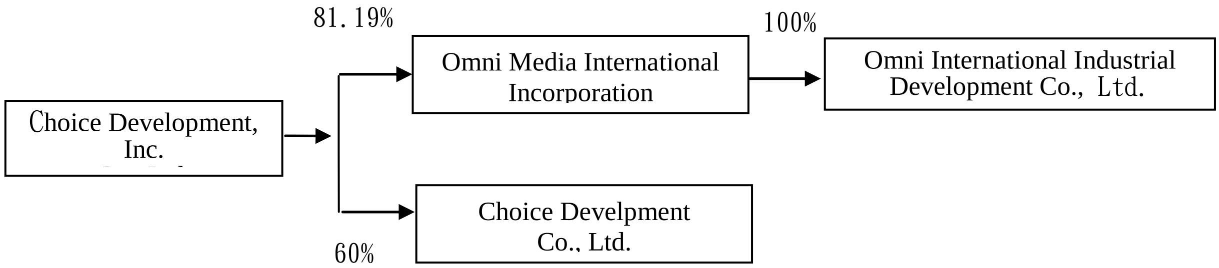
7. Other important matters: Nil

VIII. Special items

1. Information related to the company's affiliates

(1) the consolidated business report

A. Affiliate Organization Chart



2. Basic information of affiliated companies

Unit: NT$1,000

Name	Established on	Address	Paid-in Capital	Business Scope
Omni Media International Incorporation	12.02.1992	9F-9, No. 288, Sec. 6, Civic Blvd., Xinyi Dist., Taipei City	658,286	Media adverstisement
Omni International Industrial Development Co., Ltd. (Note 1)	02.09.2018	9F-10, No. 288, Sec. 6, Civic Blvd., Xinyi Dist., Taipei City	500	Real estate development
Choice Develpment Co., Ltd.	12.20.2019	9F, No. 288, Sec. 6, Civic Blvd., Xinyi Dist., Taipei City	50,000	Urban renewal and reconstruction

Note 1: OMNI International Industrial Development Co., Ltd. was dissolved by Taipei City Government on September 2, 2022, and the liquidation procedure was completed on April 21, 2023.

3. Information on the same shareholders who are presumed to be in a controlling and subordinate relationship: None。

4. The industries covered by the business operated by the affiliates overall and the mutual dealings and division of work among such affiliates

Name	controlling (subordinate) company	controlling (subordinate) relationship	The businesses operated by individual affiliates and the mutual dealings and division of work among such affiliates
Choice Develpment, Inc.	controlling company	shareholding control	Engaged in plate making, printing, bookbinding, packaging material printing, etc.
Omni Media International Incorporation	subordinate company	shareholding control	Media advertisement
Omni International Industrial Development Co., Ltd.	subordinate company	shareholding control	real estate development
Choice Develpment Co., Ltd.	subordinate company	shareholding control	Urban renewal and reconstruction

5. Information on Directors, Supervisors and General Managers of affiliated companies

Name of enterprise	Title	Name or representative	Shareholding	
			Shares	Holding ratio
Omni Media International Incorporation	Chairman director director supervisor	Legal representative of Choice Develpment, Inc.:Chiu Ching-Jui Legal representative of Choice Develpment, Inc.:Chen Chia-Hsiu Legal representatives of Choice Develpment, Inc.:Lee Chen-Hua, Chiu Hsi-Wen	53,444,341 0	81.19% 0
Omni International Industrial Development Co., Ltd.	Chairman	Legal representative of Omni Media International Incorporation:Chiu Ching-Jui	50,000	100%
Choice Develpment Co., Ltd.	Chairman director director supervisor	Legal representative of Choice Develpment, Inc. :Chang Shih-Kui Legal representative of Choice Develpment, Inc.: Wang, Chih-Ying Legal represesntative of Yurui Development Co., Ltd.:Sun Yu-Chang, Huang Chih-Kai	3,000,000 500,000 0	60% 10% 0

6. Operational overview of affiliated companies (December 31, 2022)

Unit: NT$1,000

Name of enterprise	Capitali-zation	Assets Total Value	Liabilities Total amount	Net value	Business Revenue	Business Interests (loss)	Profit or loss for the period (loss)	Earnings per share (loss) (NT$)
Omni Media International Incorporation	658,286	556,873	275,901	280,972	34,387	7,306	(127,380)	(1.94)
Omni International Industrial Development Co., Ltd.	500	321	0	321	0	(27)	(34)	(0.68)
Choice Develpment Co., Ltd.	25,000	25,455	11,971	13,484	0	(4,820)	(4,722)	(1.89)

(2) Consolidated Financial Statements Covering Affiliated Enterprises (detailed in Appendix 1)

REPRESENTATION LETTER

The entities that are required to be included in the combined financial statements of Choice Development, Inc. as of and for the year 2022 (from January 1, to December 31, 2022), under the Criteria Governing the Preparation of Affiliation Reports, Consolidated Financial Statements and Consolidated Financial Statements of Affiliated Enterprises are the same as those included in the consolidated financial statements prepared in conformity with the International Financial Reporting Standard 10, "Consolidated Financial Statements." In addition, the information required to be disclosed in the combined financial statements is included in the consolidated financial statements. Consequently, Choice Development, Inc. and Subsidiaries do not prepare a separate set of combined financial statements.

Very truly yours,

Company: Choice Development, Inc.

Director: Chen, Hui-Yu

March 22, 2023

(3) Reports on Affiliations: N/A

2. Where the company has carried out a private placement of securities during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report: Nil

3. Holding or disposal of shares in the company by the company's subsidiaries during the most recent fiscal year or during the current fiscal year up to the

date of publication of the annual report: Nil

4. Other matters that require additional description: Nil

5. If any of the situations listed in Article 36, paragraph 3, subparagraph 2 of the Securities and Exchange Act, which might materially affect shareholders' equity or the price of the company's securities, has occurred during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report: Nil

Appendix I

Choice Development, Inc. and Subsidiaries
Consolidated Business Statements
with Independent Auditors’ Report
for the Years of 2022 and 2021
(Stock Code: 9929)

Address: 9F, No.288, Sec.6, Civic Blvd., Taipei City, Taiwan

Tel No.: (02)8768-1999

Choice Development, Inc. and Subsidiaries

Consolidated Financial Statements

with Independent Auditors' Report for the Years of 2022 and 2021

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Choice Development, Inc.

REPRESENTATION LETTER

The entities that are required to be included in the combined financial statements of Choice Development, Inc. as of and for the year from January 1, to December 31, 2022, under the Criteria Governing the Preparation of Affiliation Reports, Consolidated Financial Statements and Consolidated Financial Statements of Affiliated Enterprises are the same as those included in the consolidated financial statements prepared in conformity with the International Financial Reporting Standard 10, “Consolidated Financial Statements.” In addition, the information required to be disclosed in the combined financial statements is included in the consolidated financial statements. Consequently, Choice Development, Inc. and Subsidiaries do not prepare a separate set of combined financial statements.

Very truly yours,

Company: Choice Development, Inc.

Director: Chen, Hui-Yu

March 22, 2023

Independent Auditors' Report

(112) Cai-shen-bao-zi No. 22004427

To: Choice Development, Inc.

Opinion

We have audited the consolidated financial statements of Choice Development, Inc. and Subsidiaries ("Choice Group"), which comprise the Consolidated Balance Sheets as of December 31, 2021 and 2022, and the Consolidated Statements of Comprehensive Income, Consolidated Statements of Changes in Equity, Consolidated Statements of Cash Flows for the years then ended, and Notes to the Consolidated Financial Statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Choice Group and its subsidiaries as of December 31, 2022 and 2021, and their consolidated financial performance and cash flows from January 1 to December 31, 2022 and 2021, in conformity with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards, International Accounting Standards, Interpretations developed by the International Financial Reporting Interpretations Committee or the former Standing Interpretations Committee as endorsed and became effective by Financial Supervisory Commission of the Republic of China.

Basis for Opinion

We conducted our audit in accordance with the "Regulations Governing Auditing and Certification of Financial Statements by Certified Public Accountants" and the auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the Certified Public Accountants Code of Professional Ethics in the Republic of China ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. Based on our audits and the report of other auditors, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

Key Audit Matters

Based on our professional judgment, key audit matters pertain to the most important matters in the audit of consolidated financial statements for the year ended December 31, 2022 of Choice Group. Those matters have been addressed in our audit opinion on the said non-consolidated financial statements and during the formation of our audit opinion. However, we do not express an opinion on these matters individually.

The key audit matters of the non-consolidated financial statements of Choice Group in 2022 are as follows:

Key Audit Matters: Appropriateness of sales revenue cut-off

<u>Matter descriptions</u>

Please refer to Notes to the Consolidated Financial Statements 4 (25) and 6 (19) for the accounting policies and subject descriptions of sales revenue.

Choice Group's revenue is primarily from the sale of printed materials, and the sales revenue is recognized when the goods are delivered to the destination or when the sales customer picks up the goods. Choice Group recognizes revenue primarily based on the delivery receipt from the destination company and uses the destination company's receipt records as the basis for revenue recognition. Therefore, we have identified this as one of the key audit matter.

<u>Audit procedures performed:</u>

We conducted the following audit procedures in response to the key audit matters described above:

1. to understand and evaluate Choice Group's internal control procedures over sales revenue.
2. to perform a cut-off test on sales revenue transactions for the period immediately preceding and following the balance sheet date, which included a random check of the destination company's receiving records and confirmation that the recorded revenue was recorded in the appropriate period.

Other matters – Non-Consolidated Financial Statements

Choice Development, Inc. has additionally prepared non-consolidated financial statement as of and for the financial years 2022 and 2021, 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 the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards, International Accounting Standards, Interpretations developed by the International Financial Reporting Interpretations Committee or the former Standing Interpretations Committee as endorsed by 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 ability to continue as a going concern of the Company and its subsidiaries, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company and its subsidiaries 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 Choice 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 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 auditing standards generally accepted in 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 based on these consolidated financial statements.

As part of an audit in accordance with auditing standards generally accepted in the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

1. Identify and assess the risks of material misstatement of the parent company only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of Choice Group.
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 Choice Group's ability to continue as a going concern. If we determine that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the non-consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure, and content of the parent company only financial statements (including the accompanying notes) and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on Choice Group. 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 non-consolidated financial statements of Choice Group in 2022 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.

PwC Taiwan

CPA: Liao Fu-Ming

Lin Yi-Fan

Financial Supervisory Commission R.O.C. (Taiwan)
Approved file No.: Jin-guan-zheng-shen-zi 1090350620
Jin-guan-zheng-shen-zi 1030048544

March 22, 2023

CHOICE DEVELOPMENT, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
December 31, 2022 and December 31, 2021

Unit: Thousands of New Taiwan Dollars

	Assets	Note(s)	December 31, 2022 Amount	%	December 31, 2021 Amount	%
	Current assets:					
1100	Cash and cash equivalents	6(1)	$ 150,796	11	$ 175,479	9
1110	Current financial assets at fair value through profit or loss	6(2)	72,240	5	79,514	4
1136	Current financial assets at amortized cost	6(3)	159,524	11	-	-
1150	Notes receivable, net	6(4)	21,381	1	22,637	1
1170	Accounts receivable, net	6(4)	107,732	8	113,411	5
1180	Accounts receivable due from related parties, net	7	-	-	479	-
130X	Current inventories	6(5) and 8	77,154	5	53,308	3
1410	Prepayments		24,914	2	18,272	1
1479	Other current assets		1,019	-	944	-
11XX	**Total current assets**		614,760	43	464,044	23
	Non-current assets					
1517	Non-current financial assets at fair value through other comprehensive income	6(6)	166,997	12	196,488	10
1535	Non-current financial assets at amortized cost	6(3) and 8	26,000	2	28,000	1
1600	Property, plant and equipment	6(7) and 8	263,656	19	272,154	14
1755	Right-of-use assets	6(9)	238,364	17	390,366	20
1760	Investment property	6(8)	-	-	508,569	25
1900	Other non-current assets	6(10)	106,860	7	148,535	7
15XX	**Total non-current assets**		801,877	57	1,544,112	77
1XXX	**Total assets**		$ 1,416,637	100	$ 2,008,156	100

(Continued on next page)

CHOICE DEVELOPMENT, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
December 31, 2022 and December 31, 2021

Unit: Thousands of New Taiwan Dollars

	Liabilities and equity	Note(s)	December 31, 2022 Amount	%	December 31, 2021 Amount	%
	Current liabilities					
2100	Current borrowings	6(11)	$ 30,000	2	$ 60,000	3
2130	Current contract liabilities	6(19)	4,141	-	2,752	-
2150	Notes payable		1,500	-	1,505	-
2170	Accounts payable		58,580	4	62,091	3
2200	Other payables	6(13)	102,363	7	103,965	5
2230	Current tax liabilities		-	-	1,648	-
2280	Current lease liabilities	6(9)	160,311	12	297,894	15
2399	Other current liabilities, others		7,724	1	4,829	1
21XX	**Total current liabilities**		364,619	26	534,684	27
	Non-current liabilities					
2540	Non-current portion of non-current borrowings	6(12)	8,720	1	-	-
2580	Non-current lease liabilities	6(9)	94,480	7	366,812	18
2640	Net defined benefit liability, non-current	6(14)	852	-	4,071	-
2670	Other non-current liabilities, others	6(15)	22,630	1	22,605	1
25XX	**Total non-current liabilities**		126,682	9	393,488	19
2XXX	**Total liabilities**		491,301	35	928,172	46
	Equity					
	Equity attributable to owners of parent					
	Share capital					
3110	Ordinary share	6(16)	1,012,800	71	1,012,800	51
	Retained earnings	6(18)				
3310	Legal reserve		8,929	1	8,164	-
3320	Special reserve		39,845	3	-	-
3350	Unappropriated retained earnings (accumulated deficit)		11,552	1	40,610	2
	Other equity interest					
3400	Other equity interest		(206,042)	(15)	(65,730)	(3)
31XX	**Total equity attributable to owners of parent**		867,084	61	995,844	50
36XX	**Non-controlling interests**	4(3)	58,252	4	84,140	4
3XXX	**Total equity**		925,336	65	1,079,984	54
	Material contingent liabilities and unrecognized contractual commitments	9				
	Significant subsequent events	11				
3X2X	**Total liabilities and equity**		$ 1,416,637	100	$ 2,008,156	100

The attached notes to the consolidated financial statements are part of this consolidated financial report. Please refer to them together.

Chairman: Chen, Hui-Yiu　　Manager: Wang, Chih-Ying　　Accounting supervisor: Lee, Chen-Hua

CHOICE DEVELOPMENT, INC. AND SUBSIDIARIES
Consolidated Statements of Comprehensive Income
January 1 ~ December 31, 2022 and 2021

Unit: Thousands of New Taiwan Dollars
(Except Earnings Per Share)

	Accounting Title	Note(s)	FY2022 Amount	FY2022 %	FY2021 Amount	FY2021 %
4000	Operating revenue	6(19) and 7	$ 604,066	100	$ 591,369	100
5000	Operating costs	6(5)(24)	(508,486)	(84)	(502,761)	(85)
5950	Gross profit (loss) from operations		95,580	16	88,608	15
	Operating expenses	6(24) and 7				
6100	Selling expenses		(33,051)	(5)	(26,052)	(5)
6200	Administrative expenses		(45,879)	(8)	(42,230)	(7)
6450	Expected credit loss	12(2)	(283)	-	-	-
6000	Total operating expenses		(79,213)	(13)	(68,282)	(12)
6900	Net operating income (loss)		16,367	3	20,326	3
	Non-operating income and expenses					
7100	Interest Income	6(20)	2,307	-	783	-
7010	Total other income	6(21)	14,444	3	23,598	4
7020	Other gains and losses, net	6(22)	(130,820)	(22)	(25,081)	(4)
7050	Finance costs, net	6(23)	(10,810)	(2)	(16,782)	(3)
7000	Total non-operating income and expenses		(124,879)	(21)	(17,482)	(3)
7900	**Total non-operating income and expenses**		(108,512)	(18)	2,844	-
7950	Total tax expense (income)	6(25)	(211)	-	(1,648)	-
8200	**Profit (loss)**		($ 108,723)	(18)	$ 1,196	-
	Other comprehensive income, net					
	Components of other comprehensive income that will not be reclassified to profit or loss					
8311	Gains (losses) on remeasurements of defined benefit plans	6(14)	$ 1,562	-	$ 594	-
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	6(6)	(47,487)	(8)	(35,734)	(6)
8300	**Other comprehensive income, net**		($ 45,925)	(8)	($ 35,140)	(6)
8500	**Total comprehensive income**		($ 154,648)	(26)	($ 33,944)	(6)
	Profit (loss), attributable to:					
8610	Profit (loss), attributable to owners of parent		($ 82,835)	(14)	$ 4,693	1
8620	Profit (loss), attributable to non-controlling interests		(25,888)	(4)	(3,497)	(1)
			($ 108,723)	(18)	$ 1,196	-
	Comprehensive income attributable to:					
8710	Comprehensive income, attributable to owners of parent		($ 128,760)	(22)	($ 30,447)	(5)
8720	Comprehensive income, attributable to non-controlling interests		(25,888)	(4)	(3,497)	(1)
			($ 154,648)	(26)	($ 33,944)	(6)
	Basic earnings per share					
9750	Total basic earnings per share	6(26)	($ 0.82)		$ 0.05	
	Diluted earnings per share					
9850	Total diluted earnings per share	6(26)	($ 0.82)		$ 0.05	

The attached notes to the consolidated financial statements are part of this consolidated financial report. Please refer to them together.

Chairman: Chen, Hui-Yu　　Manager: Wang, Chih-Ying　　Accountant Supervisor: Lee, Chen-Hua

CHOICE DEVELOPMENT, INC. AND SUBSIDIARIES
Consolidated Statements of Changes in Equity
January 1 ~ December 31, 2022 and 2021

Unit: Thousands of New Taiwan Dollars

		Equity attributable to owners of parent								
			Retained earnings			Other equity interest				
	Note(s)	Common stock	Legal reserve	Special reserve	Unappropriated Earnings	Unrealized Gain or Loss on Financial Assets at fair value through other comprehensive income	Appreciation in Revaluation on estate	Total	Non-Controlling Interests	Total Equity
2021										
Balance at January 1, 2021		$ 1,012,800	$ -	$ -	$ 81,641	($ 120,373)	$ 92,735	$ 1,066,803	$ 87,637	$ 1,154,440
Profit for the year		-	-	-	4,693	-	-	4,693	(3,497)	1,196
Other comprehensive income (loss) for the year	6(6)	-	-	-	594	(35,734)	-	(35,140)	-	(35,140)
Total comprehensive income (loss) for the year		-	-	-	5,287	(35,734)	-	(30,447)	(3,497)	(33,944)
2020Appropriation and distribution of retained earnings:	6(18)									
Legal reserve appropriated		-	8,164	-	(8,164)	-	-	-	-	-
Cash dividends		-	-	-	(40,512)	-	-	(40,512)	-	(40,512)
Difference between consideration and carrying amount of subsidiaries acquired or disposed	6(6)	-	-	-	2,358	(2,358)	-	-	-	-
Balance on December 31, 2021		$ 1,012,800	$ 8,164	$ -	$ 40,610	($ 158,465)	$ 92,735	$ 995,844	$ 84,140	$ 1,079,984
2022										
Balance on January 1, 2022		$ 1,012,800	$ 8,164	$ -	$ 40,610	($ 158,465)	$ 92,735	$ 995,844	$ 84,140	$ 1,079,984
Profit for the year		-	-	-	(82,835)	-	-	(82,835)	(25,888)	(108,723)
Other comprehensive income (loss) for the year	6(6)	-	-	-	1,562	(47,487)	-	(45,925)	-	(45,925)
Total comprehensive income (loss) for the year		-	-	-	(81,273)	(47,487)	-	(128,760)	(25,888)	(154,648)
2021Appropriation and distribution of retained earnings:	6(18)									
Legal reserve appropriated		-	765	-	(765)	-	-	-	-	-
Cash dividends		-	-	39,845	(39,845)	-	-	-	-	-
Difference between consideration and carrying amount of subsidiaries acquired or disposed	6(6)	-	-	-	90	(90)	-	-	-	-
Derivative investment property	6(8)	-	-	-	92,735	-	(92,735)	-	-	-
Balance on December 31, 2022		$ 1,012,800	$ 8,929	$ 39,845	$ 11,552	($ 206,042)	$ -	$ 867,084	$ 58,252	$ 925,336

The attached notes to the consolidated financial statements are part of this consolidated financial report. Please refer to them together.

Chairman: Chen, Hui-Yu   Manager: Wang,Chih-Ying   Accountant Supervisor: Lee, Chen-Hua

CHOICE DEVELOPMENT, INC. AND SUBSIDIARIES
Consolidated Statements of Cash Flows
January 1 ~ December 31, 2022 and 2021

Unit: Thousands of New Taiwan Dollars

	Note(s)	Jan. 1 ~ Dec. 31 2022	Jan. 1 ~ Dec. 31 2021
Cash flows from (used in) operating activities			
Profit (loss) before tax		($ 108,512)	$ 2,844
Adjustments			
Adjustments to reconcile profit (loss)			
Net loss (gain) on financial assets or liabilities at fair value through profit or loss	6(2)(22)	10,040	(664)
Expected credit loss (gain)	12(2)	283	-
Depreciation expense	6(7)(24)	17,026	24,540
Right-of-use asset depreciation expense	6(9)(24)	7,772	7,772
Interest expense	6(23)	10,810	16,782
Amortization expense	6(24)	205	473
Interest income	6(20)	(2,307)	(783)
Other income(s)	6(21)	(11,770)	(11,770)
Dividend income	6(21)	-	(202)
Loss on lease modification	6(8)(9)(22)	133,757	-
Loss (gain) on disposal of property, plant and equipment	6(22)	(227)	(58)
Loss (gain) of investment property at fair value through profit or loss	6(8)(22)	-	18,881
Changes in operating assets and liabilities			
Changes in operating assets			
Decrease (increase) in financial assets at fair value through profit or loss, mandatorily measured at fair value		(2,766)	(78,850)
Notes receivable		1,256	(7,596)
Accounts receivable		5,397	(5,871)
Accounts receivable due from related parties		479	48
Inventories		(23,846)	2,742
Prepayments		615	(8,850)
Other current assets		162	541
Changes in operating assets			
Contract liabilities, current		1,389	(323)
Notes payable		(5)	(104)
Accounts payable		(3,511)	5,500
Other payable		(20,182)	6,681
Other current liabilities		3,331	(1,559)
Net defined benefit liability, non-current		(1,657)	(1,765)
Cash inflow (outflow) generated from operations		17,739	(31,591)
Income taxes paid		(1,871)	256
Net cash flows from (used in) operating activities		15,868	(31,335)

(Continued on next page)

CHOICE DEVELOPMENT, INC. AND SUBSIDIARIES
Consolidated Statements of Cash Flows
January 1 ~ December 31, 2022 and 2021

Unit: Thousands of New Taiwan Dollars

	Note(s)	Jan. 1 ~ Dec. 31 2022	Jan. 1 ~ Dec. 31 2021
Cash flows from (used in) investing activities			
Acquisition of financial assets at fair value through other comprehensive income		$ -	($ 86,987)
Proceeds from Proceeds from disposal of financial assets at fair value through other comprehensive income	6(6)	390	10,462
Capital deducted by cash of financial assets at fair value through other comprehensive income	6(6)	200	-
Financial assets measured at amortized cost, current (decrease) increase		(159,524)	110,240
Financial assets measured at amortized cost, non-current (decrease) increase		2,000	-
Proceeds from disposal of property, plant and equipment		1,395	62
Acquisition of property, plant, and equipment	6(27)	(6,897)	(2,468)
Acquisition of investment property	6(8)	-	(49)
Increase in prepayments for business facilities		-	(2,799)
Other non-current assets		508	632
Interest received		2,081	980
Dividends received		-	202
Decrease in refundable deposits		77	27
Collection from derecognition of investing property	6(8)	150,268	-
Net cash flows from (used in) investing activities		(9,502)	30,302
Cash flows from (used in) financing activities			
Increase (decrease) in short-term loans	6(28)	(30,000)	40,000
Increase (decrease) in other non-current liabilities		25	(100)
Interest paid		(900)	(309)
Proceeds from long-term loans	6(28)	8,720	-
Repayments of lease liabilities	6(28)	(8,894)	(8,661)
Cash dividends paid	6(18)	-	(40,512)
Net cash flows from (used in) financing activities		(31,049)	(9,582)
Net decrease in cash and cash equivalents		(24,683)	(10,615)
Cash and cash equivalents at beginning of period		175,479	186,094
Cash and cash equivalents at end of period		$ 150,796	$ 175,479

The attached notes to the consolidated financial statements are part of this consolidated financial report. Please refer to them together.

Chairman:：Chen, Hui-Yu　　Manager: Wang, Chih-Ying　　Accountant Supervisor: Lee, Chen-Hua

CHOICE DEVELOPMENT, INC. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

FY2022 and FY2021

Unit: Thousands of New Taiwan Dollars
(Unless Otherwise Specified)

1. Company History

Choice Development, Inc. ("the Company") formerly known as Choice Lithograph Inc., was founded, and started to operate in 1976, renamed into Choice Development, Inc. on June 23, 2020. The company officially listed on Taiwan Stock Exchanged in 1999. The company and subsidiaries ("the Group") is engaged in printing, paper folding and binding, photography, design, retail sale of medical equipment, general advertising services and Industrial Factory Development and Rental etc.

2. Approval date and procedures of the financial statements

The Board of Directors approved and issued the consolidated financial statements on March 22, 2023.

3. New standards, amendments and interpretations adopted.

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

The following table summarizes the new, revised or amended standards and interpretations of IFRSs applicable for 2022 that have been endorsed and published by the FSC and are effective:

New, Revised or Amended Standards and Interpretations	Effective Date Issued by IASB
Amendments to IFRS 3 "Reference to the Conceptual Framework"	January 1, 2022
Amendments to IAS 16 "Property, Plant and Equipment－Proceeds before Intended Use"	January 1, 2022
Amendments to IAS 37 "Onerous Contracts－Cost of Fulfilling a Contract"	January 1, 2022
Annual Improvements to IFRS Standards 2018–2020	January 1, 2022

The Group has assessed that the above standards and interpretations do not have a material impact on the Group's financial position and financial performance.

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

The following table summarizes the new, revised or amended standards and interpretations of IFRSs applicable for 2023:

New, Revised or Amended Standards and Interpretations	Effective Date Issued by IASB
Amendments to IAS 1 "Disclosure of Accounting Policies"	January 1, 2023
Amendments to IAS 8 "Definition of Accounting Estimates"	January 1, 2023
Amendments to IAS 12 "Deferred Tax related to Assets and Liabilities arising from a Single Transaction"	January 1, 2023

The Group has assessed that the above standards and interpretations do not have a material impact on the Group's financial position and financial performance.

(3) The impact of IFRSs issued by IASB but not yet endorsed by FSC

The following table summarizes the new, revised or amended standards and interpretations of IFRSs issued by IASB but not yet endorsed by FSC:

New, Revised or Amended Standards and Interpretations	Effective Date Issued by IASB
Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets Between an Investor and Its Associate or Joint Venture"	To be decided by IASB
Amendments to IFRS 16 "Lease liability in leaseback"	January 1, 2024
IFRS 17 "Insurance Contracts"	January 1, 2023
Amendments to IFRS 17 "Insurance Contracts"	January 1, 2023
Amendments to IFRS 17 "Initial Application of IFRS No. 17 and IFRS No. 9 - Comparative Amendments"	January 1, 2023
Amendments to IAS 1 "Current or non-current classification of liabilities"	January 1, 2024
Amendments to IAS 1 "Non-current liabilities with contractual terms"	January 1, 2024

The Group has assessed that the above standards and interpretations do not have a material impact on the Group's financial position and financial performance.

4. Summary of significant accounting policies

The following significant accounting policies have been applied consistently to all periods presented in the consolidated financial statements unless otherwise specified.

(1) Statement of compliance

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

(2) Basis of preparation

A. The consolidated financial statements have been prepared on the historical cost basis except for the following material items in the balance sheets:

(a) Financial assets at fair value through profit or loss are measured at fair value;

(b) Financial assets at fair value through other comprehensive income are measured at fair value;

(c) Defined benefit liability recognized as the net amount of pension fund assets minus the Present Value of a Defined Benefit Obligation.

B. The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates and management's judgement in the process of applying the Group's accounting policies; items involving a higher degree of judgement or complexity, or items involving significant assumptions and estimates in the consolidated financial statements are described in Note 5.

(3) <u>Basis of Consolidation</u>

A. Principles of preparation of the consolidated financial statements

(a) The Group includes all its subsidiaries in the preparation of the consolidated financial statements as an entity. Subsidiaries means an entity (including a structured entity) under the control of the Group, which controls the entity when the Group is exposed to variable remuneration from participation in the entity or has rights to such variable remuneration and can influence such remuneration through its power over the entity. Subsidiaries are included in the consolidated financial statements from the date the Group obtains control, and the consolidation ceases on the date control is lost.

(b) Significant intra-group transactions, balances and unrealized gains and losses have been eliminated.

(c) The components of profit or loss and other comprehensive income are equity attributable to the owners of the parent and non-controlling interests; the total amount of comprehensive income is also the equity attributable to the owners of the parent and non-controlling interests, even if this results in a loss balance for non-controlling interests.

(d) Changes in the shareholding of subsidiaries that do not result in a loss of control (as in the case of transactions with non-controlling interests) are treated as equity transactions, that is, as transactions with owners. The difference between the fair value of the non-controlling interests and the fair value of the consideration paid or received is recognized directly in equity.

(e) When the Group loses control of a subsidiary, the remaining investment in the former subsidiary is remeasured at fair value and recognized as the fair value of the financial asset or the cost of the investment in the affiliate or joint venture, and the difference between the fair value and the carrying amount is recognized in profit or loss for the period. All amounts previously recognized in other comprehensive income relating to such subsidiaries are accounted for on the same basis as if the Group had directly disposed of the related assets or liabilities, i.e. if a gain or loss previously recognized in other comprehensive income would be reclassified to profit or loss upon disposal of the related assets or liabilities, the gain or loss is reclassified from equity to profit or loss when control over the subsidiaries is lost.

B. List of subsidiaries in the consolidated financial statements:

Name of investor	Name of subsidiary	Principal activity	Shareholding % Dec. 31, 2022	Shareholding % Dec. 31, 2021	Note
Choice Development, Inc.	Omni Media Int'l Inc.	General Advertising Services	81.19%	81.19%	
Choice Development, Inc.	Choice Development, Inc.	Housing & Building Development and Rental	60.00%	60.00%	
Omni Media Int'l Inc.	Kwong Fong Industries Corp.	Real Estate Development	100.00%	100.00%	Note

Note 1: subsequent events: Choice Development, Inc. has subscribed 1,500 thousand shares ($15,000) according to its shareholding ratio after the Board of Directors decided to handle the cash capital increase on January 4, 2023.

Note 2: Kwong Fong Industries Corp. was dissolved with the approval of Taipei City Government on September 2, 2022. As of March 22, 2023, the liquidation process has not been completed.

C. Subsidiaries excluded from the consolidated financial statements: None.

D. Adjustment and treatment methods for different accounting periods of subsidiaries: None.

E. Major restrictions: None.

F. Subsidiaries with significant non-controlling interests in the Group: The total non-controlling interests of the Group on December 31, 2022 and 2021 were $58,252 and $84,140 respectively. The non-controlling interests and subsidiaries that are material to the Group are listed below Information:

		Non-controlling interests				
		December 31, 2022		December 31, 2021		
Name of subsidiary	Location	Amount	%	Amount	%	explanation
Omni Media International Incorporation	Taiwan	$52,859	18.81%	$76,859	18.81%	

Aggregate Financial Information of Subsidiaries:

(a) Balance Sheet

	Omni Media International Incorporation	
	Dec. 31, 2022	Dec. 31, 2021
Current assets	$ 206,782	$ 39,400

Non-current assets	350,091	1,047,077
Current liabilities	(176,391)	(315,148)
Non-current liabilities	(99,510)	(362,977)
Total net assets	$ 280,972	$ 408,352

(b) Consolidated Income Statement

	Omni Media International Incorporation	
	FY2022	FY2021
Revenues	$ 34,387	$ 23,161
Loss before income tax	(127,389)	(8,396)
Income tax benefit	9	-
Loss	($ 127,380)	($ 8,396)
Other comprehensive income, after tax	-	-
Total comprehensive income	($ 127,380)	($ 8,396)
Comprehensive income, attributable to non-controlling interests	($ 23,811)	($ 1,579)

(c) Cash Flows

	Omni Media International Incorporation	
	FY 2022	FY2021
Cash provided by operating activities	$ 2,804	$ 15,285
Cash provided by (used in) investing activities	(7,223)	7,066
Cash used in financing activities	-	-
Net increase (decrease) in cash and cash equivalents	(4,419)	2,251
Cash and cash equivalents at beginning of year	19,158	16,907
Cash and cash equivalents at end of year	$ 14,739	$ 19,158

(4) Foreign currency conversion

Each item in the Group's non-consolidated financial statements is measured using the currency of the primary economic environment in which the entity operates (i.e., the functional currency). The consolidated financial statements are presented with the Group's functional currency "Taiwan Dollar" as the presentation currency.

Foreign currency transactions and balance

A. Foreign currency transactions are converted into functional currency at the spot exchange rate on the trading day or measurement date. Except for those that are deferred to other comprehensive income in line with cash flow hedging and net investment hedging, the translation differences arising from the conversion of these transactions are recognized as current profit and loss.
B. The balances of foreign currency assets and liabilities are adjusted at the spot rate at the balance sheet date and the translation difference arising from the adjustment is recognized as current profit or loss.
C. For the balance of non-monetary assets and liabilities, if it is measured by fair value through profit or loss, it shall be adjusted according to the spot exchange rate on the balance sheet date, and the exchange difference arising from the adjustment shall be recognized as current profit or loss; if is measured at fair value through other comprehensive income, adjusted according to the spot exchange rate on the balance sheet date, and the exchange difference arising from the adjustment is recognized in other comprehensive income items; if it is not measured by fair value, it shall be measured by the historical exchange rate of the initial trading day.
D. All other exchange profits and losses are reported under "Other Profits and Losses" in the comprehensive income statement according to the nature of the transaction.

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

A. An asset is classified as current under one of the following criteria, and all other assets are classified as noncurrent.
  (a) It is expected to be realized, or intended to be sold or consumed, in the normal operating cycle;
  (b) It is held primarily for the purpose of trading;
  (c) It is expected to be realized within twelve months after the reporting period; or
  (d) The asset is cash or a cash equivalent unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

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

B. An entity shall classify a liability as current when:
  (a) It is expected to be settled in the normal operating cycle;
  (b) It is held primarily for the purpose of trading;
  (c) It is due to be settled within twelve months after the reporting period; or
  (d) 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.

(6) Cash and cash equivalents

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. The saving deposits which satisfied the definition above and held for the purpose of meeting short-term cash commitments, rather than for investment or other purposes, are reported as cash equivalents.

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

A. All financial assets not classified as amortized cost or FVOCI described as above are measured at FVTPL.

B. The Group adopts trading day accounting for financial assets measured at fair value through profit and loss in accordance with customary transactions.

C. The Group measures it at fair value at the time of initial recognition, and the relevant transaction costs are recognized in profit or loss, and subsequently measured at fair value, with the benefit or loss recognized in profit or loss.

D. The Group recognizes dividend income in profit or loss when the right to receive the dividend is established, it is probable that the economic benefits associated with the dividend will flow in, and the amount of the dividend can be measured reliably.

(8) Fair value through other comprehensive income (FVOCI)

A. Refers to an irrevocable choice made at the time of original recognition to present the fair value changes of equity instrument investments not held for trading in other comprehensive income:

(a) Holding the financial assets in a business mode for the purpose of collecting contracted cash flows and selling them.

(b) The cash flows generated from the contractual terms of the financial asset on a specified date is entirely the payment of principal and interest on the outstanding principal amount.

B. The Group adopts trading day accounting for financial assets that meet trading practices and are measured at a fair value based on other comprehensive income.

C. At the time of original recognition, the Group measured it at its fair value plus transaction costs, and subsequently measured it at its fair value:

Changes in fair value of equity instruments are recognized in other comprehensive income. On derecognition, cumulative gains or losses previously recognized in other comprehensive income are not subsequently reclassified to profit or loss and are transferred to retained earnings. The Group recognizes dividend income in profit or loss when the right to receive dividends is established, it is probable that the economic benefits associated with the dividends will flow and the amount of the dividends can be measured reliably.

(9) Financial assets measured at amortized cost

A. A financial asset meets following conditions:

(a) it is held within a business model whose objective is to hold assets to collect contractual cash flows; and

(b) its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

B. The Group adopts trading day accounting for financial assets measured at amortized cost that conform to trading practices.

C. At the time of original recognition, the Group measured it at its fair value plus transaction costs, and subsequently used the effective interest method to recognize interest income and impairment losses during the circulation period according to the amortization procedure and recognized the benefits or losses in profit or loss during derecognition.

D. The Group holds time deposits that do not meet cash equivalents. Since the holding period is short, the impact of discounting is not significant and is measured by the investment amount.

(10) Accounts and Notes receivable

A. Refers to the accounts and bills that have the unconditional right to receive the consideration amount in exchange for the transfer of goods or services in accordance with the contract.

B. Refers to the short-term accounts receivable and bills that have not paid interest, because the impact of discounting is not significant, the Group measured it by the original invoice amount.

(11) Impairment of financial assets

At each balance sheet date, the Group considers all reasonable and supportable information (including prospective ones) on the financial assets measured at amortized cost and, for those whose credit risk has not increased significantly since the original designation, allowance loss is measured by 12-month expected credit loss; for those whose credit risk has increased significantly since the original recognition, the allowance loss is measured by the amount of expected credit loss during the duration; for accounts receivable or contract assets that do not contain significant financial components, the allowance loss is measured by the expected credit loss amount during the duration.

(12) Derecognition of financial assets

When the Group's contractual right to receive the cash flow from the financial asset expires, it will derecognize the financial asset.

(13) Lessor's Lease Transactions - Operating Leases

Lease income from operating leases, net of any incentives given to the lessee, is amortized on a straight-line basis over the lease term and recognized as current profit or loss.

(14) Inventories

Inventories are measured by the lower of cost and net realizable value using the perpetual inventory system; cost is determined using the weighted average method. The cost of finished goods and work in progress includes raw materials, direct labor, other direct costs, and production related manufacturing overheads, but excludes borrowing costs. When comparing the lower of cost and net realizable value, the item-by-item comparison method shall be adopted; net realizable value refers to the balance after deducting relevant variable sales expenses from the estimated selling price in the normal course of business.

(15) Property, plant, and equipment

A. Real estate, plant and equipment are recorded on an acquisition cost basis and are capitalized with interest incurred during the purchase and construction period.

B. Subsequent costs are included in the carrying amount of an asset or recognized as a separate asset only when the future economic benefits associated with the project are likely to flow into the Group and the cost of the project can be reliably measured. The carrying amount of the replaced portion should be derecognized. All other maintenance costs are recognized in profit or loss as incurred.

C. Property, plant, and equipment are subsequently measured using the cost model and are depreciated on a straight-line basis over their estimated useful lives, except for land, which is not depreciated. Separate depreciation is provided for each component of property, plant, and equipment if it is significant.

D. The Group reviews the salvage value, useful life, and depreciation method of each asset at the end of each financial year. If the expected value of the salvage value and service life is different from the previous estimate, or the expected consumption pattern of the future economic benefits contained in the asset has changed significantly, then the change shall be treated in accordance with IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors from the date of the change. The useful life of each asset is as follows:

Building	3 years ~ 45 years
Machinery and equipment	2 years ~ 15 years
Transportation equipment	5 years
Office equipment	2 years ~ 15 years
Leasehold improvements	2 years ~ 5 years
Other equipment	2 years ~ 5 years

(16) Lessee's lease transactions - right-of-use assets/lease liabilities

A. The leased assets are recognized as use assets and lease liabilities on the date they become available to the Group. When the lease contract is a short-term lease or a lease of an underlying asset of low value, the payment of the lease is recognized as an expense by the straight-line method during the lease term.

B. The lease liability is recognized as the present value of the outstanding lease benefits discounted at the Group's increased borrowing rate on the commencement date of the lease. The lease payments include the following:

(a) Fixed payments, less any rental incentives receivable; and

(b) Variable lease payments that depend on an index or a rate.

Subsequent adoption of the interest method is measured by the amortized cost method, and interest expenses are provided during the lease period. When the lease term or lease payment changes due to non-contract modification, the lease liability will be reassessed, and the remeasurement amount will be adjusted to the right-of-use asset.

C. The right-of-use asset is recognized at cost on the lease commencement date, and the cost include:

(a) original measurement amount of lease liabilities;

(b) any lease payments made on or before the commencement date; and

(c) any original direct costs incurred.

Subsequent measurement is made using the cost model, and depreciation expenses are provided when the useful life of the right-of-use asset expires or when the lease period expires, whichever is earlier. When the lease liability is reassessed, the right-of-use asset will adjust any remeasurement of the lease liability.

D. 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.

(17) Impairment of non-financial assets

A. The Group estimates the recoverable amount of assets with signs of impairment on the balance sheet date and recognizes the impairment loss when the recoverable amount is lower than its carrying amount. The recoverable amount refers to the fair value of an asset less the cost of disposal or its value in use, whichever is higher. Except for goodwill, when the asset impairment recognized in the previous year does not exist or decreases, the impairment loss shall be reversed, provided that the carrying amount of the asset increased by the reversed impairment loss does not exceed the carrying amount of the asset reduced by depreciation or amortization if the impairment loss had not been recognized.

B. Goodwill is estimated periodically at its recoverable amount. When the recoverable amount is less than its book value, an impairment loss is recognized. An impairment loss on goodwill is not reversed in subsequent years.

C. Goodwill is allocated to cash-generating units for the purposes of impairment testing. This allocation is based on the operating segment's identification of the cash-generating unit, or group of cash-generating units, that is expected to benefit from the business combination in which the goodwill arose.

(18) Borrowings

Borrowings are measured at fair value less transaction costs at the time of original recognition, and any difference between the price and the redemption value after deducting transaction costs is then measured by the effective interest method at the amortized cost during the borrowing period.

(19) Accounts and notes payable

A. Refers to debts incurred due to the purchase of raw materials, commodities, or services on credit, and notes payable incurred due to business and non-business.

B. They are short-term accounts payable and notes that are unpaid interests, and this Group measured at the original invoice amount because the effect of discounting is immaterial.

(20) Derecognition of financial liabilities

The Group derecognizes financial liabilities upon performance, cancellation or maturity of the obligations contained in the contracts.

(21) Employee benefits

A. Short term employee benefits

Short-term employee benefits are measured at non-discounted amounts expected to be paid and are recognized as an expense when the related service is rendered.

B. Pension

(a) Defined contribution plans

For the defined contribution plan, the amount of the pension fund that should be contributed is recognized as the current pension cost on the accrual basis. Prepaid contributions are recognized as assets to the extent that they are refundable in cash or reduce future benefits.

(b) Defined benefit plans

i. The net obligation under defined benefit plans is calculated by discounting the number of future benefits earned by employees in the current period or past service and deducting the fair value of the plan assets from the present value of the defined benefit obligations on the balance sheet date. The net obligation of defined benefit is calculated annually by the actuary using the Projected Unit Credit Method; the discount rate is the market yield of government bonds (on the balance sheet date) that match the currency and period of the defined benefit plans on the balance sheet date.

ii. The remeasurement amount generated by defined benefit plans is recognized in other comprehensive income in the current period and expressed in retained earnings.

iii. The expenses related to the previous service cost are immediately recognized as profit or loss.

(c) Post-employment Benefits

Post-employment Benefits are benefits provided when the employee's employment is terminated before the normal retirement date, or when the employee decides to accept the company's offer of benefits in exchange for termination of employment. The Group recognizes expenses when the offer of Post-employment Benefits can no longer be withdrawn, or upon recognition of related restructuring costs, whichever comes first Benefits that are not expected to be fully repaid 12 months after the balance sheet date should be discounted.

(d) Remuneration of employees and remuneration of directors and supervisors

Remuneration of employees and remuneration of directors and supervisors are recognized as expenses and liabilities when there is a legal or constructive obligation, and the amount can be reasonably estimated. If there is any difference between the actual allotment amount and the estimated amount in subsequent resolution, it shall be treated as a change in accounting estimate.

(22) Income tax

A. Income tax includes current and deferred income tax. Income tax is recognized in profit or loss, except that income tax related to items included in other comprehensive income or directly included in equity, which are included in other comprehensive income or directly included in equity, respectively.

B. The Group calculates the income tax for the current period based on the tax rate that has been legislated or substantively legislated on the balance sheet date in the country where the Group operates and generates taxable income. Management regularly assesses the status of income tax declarations for applicable income tax regulations and, where applicable, estimates income tax liabilities based on expected tax payments to tax authorities. For the income tax levied on the undistributed earnings according to the Income Tax Act will be recognized undistributed earnings income tax expense on the actual distribution of earnings after the shareholder meeting approves the earnings distribution plan in the year following the year in which the earnings is generated

C. The deferred income tax is recognized on the basis of temporary differences between the tax basis of assets and liabilities and their carrying amounts in the consolidated balance sheets using the balance sheet approach. Deferred income tax liabilities arising from goodwill are not recognized, and deferred income tax is not recognized if it arises from the original recognition of an asset or liability in a transaction (other than a business merger) that does not affect the accounting profit or taxable income (tax loss) at the time of the transaction. The temporary differences arising from investment in subsidiaries will not be recognized if the Group can control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future. Deferred income tax adopts the tax rate (and tax law) as of the balance sheet date when legislation is enacted or materially enacted and the deferred income tax assets are realized or the deferred income tax liabilities are liquidated.

D. Deferred income tax assets are recognized to the extent that temporary differences are likely to be used to offset future taxable income, and unrecognized and recognized deferred income tax assets are reassessed on each balance sheet date.

(23) Capital

Common stocks are classified as equity. The net amount of incremental cost directly attributable to the issuance of new shares or stock options after deducting the income tax shall be recognized as price deductions in equity.

(24) Dividend distribution

Dividends distributed to the Company's shareholders are recognized in the financial statements when the Company's shareholders resolve to distribute the dividends, and cash dividends are recognized as a liability.

(25) Revenue Recognition

A. Merchandising

(a) The Group manufactures and sells products related to the printing industry, electronic components, and medical devices; sales revenue is recognized when the control of the products is transferred to the customer, that is when the product is delivered to the customer, the customer has discretion over the access and price of the product and the Group has no outstanding obligations that may affect the customer's acceptance of the product. Delivery of goods occurs when the product has been delivered to the specified location, the risk of obsolescence and loss has been transferred to the customer, and the customer has accepted the product in accordance with the sales contract or there is objective evidence that all acceptance criteria have been met.

(b) Sales revenue is recognized based on contract prices less discounts on sales. The recognized amount of income is limited to the part that is highly unlikely to have a significant reversal in the future, and the estimate is updated on each balance sheet date. The terms of collection for sales transactions are contractually agreed on an individual basis. The Group did not adjust the transaction price to reflect the time value of money because the time interval between the goods or services promised by transfer to the customer and the customer's payment did not exceed one year.

(c) Accounts receivable is recognized when the goods are delivered to the customer, because the Group has an unconditional right to the contract price from that point on, and the consideration can be collected from the customer only after time passes.

B. Service revenue

The Group provides advertising production and placement services; sales revenue is recognized when the project (performance obligation) is completed and delivered to the customer. Revenue is measured at the fair value of the consideration agreed between the Company and the buyer and is recognized when the contractual obligation is satisfied. The contract price is paid in accordance with the agreed payment schedule and is recognized as a contract asset when the services provided by the Group exceed the amount due from the customer, or as a contract liability when the amount due from the customer exceeds the amount of services provided by the Group.

(26) Government grants

Government grants are recognized at fair value when there is reasonable assurance that the enterprise will comply with the conditions attached to the government grant and that it will receive the grant. Where the nature of government grants is to compensate the Group for costs incurred, government grants are recognized as current profit and loss on a systematic basis over the period in which the relevant costs are incurred.

(27) Operating Department

The Group's Operating Department information is reported in a consistent manner with the internal management reports provided to the chief operating decision maker. The chief operating decision maker is responsible for allocating resources to the Operating Department and evaluating its performance. The chief operating decision maker for the Group is identified as the Board of Directors.

5. Significant accounting assumptions and judgments, and major sources

In preparing these consolidated financial statements, no significant accounting judgement has been involved in the process of applying the accounting policies. Management has used its judgement in determining the accounting policies to be used and has made accounting estimates and assumptions that are based on reasonable expectations of future events under the circumstances at the balance sheet date. Significant accounting estimates and assumptions made that may differ from actual results are continually evaluated and adjusted, considering historical experience and other factors. The Group has no significant accounting judgments, estimates and assumptions that are uncertain.

6. Explanation of significant accounts

(1) Cash and cash equivalents

	Dec. 31, 2022	Dec. 31, 2021
Cash and cash equivalents	$ 810	$ 810
Cash on hand and revolving funds	141,344	114,669
Deposit account	8,642	60,000
	$ 150,796	$ 175,479

A. The Group's dealings with financial institutions are of good credit quality and the Group's dealings with several financial institutions diversify its credit risk and the likelihood of default is expected to be low.

B. For the situation that the Group provides bank deposits as pledge guarantee, please refer to Note 8, which lists Financial Assets measured at amortized cost and Other Non-current assets.

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

Item	Dec. 31, 2022	Dec. 31, 2021
Current items:		
Mandatorily measured at fair value through profit or loss		
Stocks listed on domestic markets	$ 81,616	$ 78,850
Adjustments for change in value	(9,376)	664
	$ 72,240	$ 79,514

A. The details of financial asset at fair value through profit or loss recognized in profit and loss are as follows:

	2022	2021
Mandatorily measured at fair value through profit or loss		
Equity Instrument	($ 10,040)	$ 664

B. The Group has not pledged any financial assets at fair value through profit or loss.

(3) Financial Assets measured at amortized cost

Item	Dec. 31, 2022	Dec. 31, 2021
Current items:		
Time deposits with a maturity of more than three months	$ 159,524	$ -
Fixed deposit interest rate range	4.35%~4.7%	-
Non-current items:		

	Dec. 31, 2022	Dec. 31, 2021
Pledge fixed deposit	$ 26,000	$ 28,000
Fixed deposit interest rate range	0.06%~1.465%	0.06%~1.04%
Period	3.1.2022~3.1.2025	3.4.2021~3.4.2022

A. The details of financial Assets measured at amortized cost recognized in profit and loss are as follows:

	FY2022	FY2021
Interest revenue	$ 1,607	$ 274

B. Without taking into account collateral held or other credit enhancements, the most representative financial assets held by the Group measured at amortized cost on December 31, 2022 and 2021 are equal to the carrying amount of the largest credit risk exposures respectively.

C. Please refer to Note 8 for details of the Group providing financial assets measured at amortized cost as pledge guarantee.

D. Please refer to Note 12(2) for information on the credit risk of the underlying financial assets measured at amortized cost. The Group invests in time deposits with creditworthy financial institutions and the likelihood of default is low.

(4) Notes receivable and accounts receivable

	Dec. 31, 2022	Dec. 31, 2021
Notes receivable	$ 21,381	$ 22,637
Accounts receivable	107,734	115,269
Less: Allowance for doubtful receivables	(2)	(1,858)
	$ 107,732	$ 113,411

	Dec. 31, 2022	Dec. 31, 2021
Overdue receivables (Listed other non-current assets)	$ 242,874	$ 240,735
Less: Allowance loss(note)	(242,874)	(240,735)
	$ -	-

Note: It is disclosed by the original account numbers of each consolidated entity of the Group.

A. The aging analysis of Accounts receivable (including overdue receivables and restricted assets-accounts receivable) is as follows:

	Dec. 31, 2022	Dec. 31, 2021
~ 90 days	$ 101,848	$ 107,374
91 ~ 120 days	5,179	6,514
121 ~ 180 days	707	59

181 days ~ restricted assets	2,142	2,578
181 days ~ others	242,874	242,057
	$ 352,750	$ 358,582

The above ageing analysis is based on the date of establishment of the accounts.

B. On December 31, 2022 and 2021, the Group's notes receivable are not overdue.

C. The accounts receivable and notes receivable balances on December 31, 2022 and 2021 are all generated by the customer contract, and the receivable balance of the customer contract on January 1, 2021 is $121,181.

D. If the Group's notes receivable and accounts are not pledged, but restricted due to the circumstances mentioned in Note 9, please refer to notes 6(10) and 9(1).

E. The Group does not hold any collateral.

F. The above accounts receivable includes $233,417 from certain customers of Omni Media International Incorporation (Omni Int'l) on December 31, 2022 and 2021.

G. Since these accounts have not been paid after repeated calls, Omni Int'l filed a civil ruling in Taiwan Taipei Districut Court on November 2019 for a promissory note of $134,614 issued by the specific customer, and transferred it to overdue receivables (listed in "Other non-current assets").

H. Without considering the collateral held or other credit enhancements, the risk amount that best represents the Group notes receivable and accounts receivable on December 31, 2022 and 2011 is the carrying amount.

I. Please refer to notes 12(2) for the credit risks of the notes receivable, accounts receivable.

(5) Inventories

	December 31, 2022		
	Cost	Allowance for valuation loss	Carrying amount
Development Dept.			
Land to be built	$ 21,800	$ -	$ 21,800
Printing Dept.			
Commodities	1	-	1
Material	22,775	(3,353)	19,422
Raw material	1,447	(77)	1,370
Work-in process	25,121	(301)	24,820
Finished products	9,844	(103)	9,741
Subtotal	59,188	(3,834)	55,354
Total amount	$ 80,988	($ 3,834)	$ 77,154

	December 31, 2021		
	Cost	Allowance for valuation loss	Carrying amount
Printing Dept.			
Commodities	$ 2,148	($ 2,105)	$ 43
Material	17,491	(2,510)	14,981
Raw material	938	(76)	862
Work-in process	26,333	(190)	26,143
Finished products	11,412	(133)	11,279
Total amount	$ 58,322	($ 5,014)	$ 53,308

A.

B. Inventory cost recognized as expense by the Group in the current period:

	FY2022	FY2021
Cost of Inventory Sold	$ 503,091	$ 496,995
Gain from price recovery of inventory	925	(26)
Scrap income	(3,997)	(3,071)
	$ 500,019	$ 493,898

In 2011, the Group suffered a gain from price recovery due to the price reduction and slow-moving inventory that was originally listed as having been sold..

C. Please refer to Note 8 for details of the Group providing guarantees for inventories.

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

Item	Dec. 31, 2022	Dec. 31, 2021
Non-current items:	$	
Equity instruments		
Stocks of listed companies	$ 338,935	$ 320,350
Unlisted, OTC, emerging OTC stocks	34,104	34,603
	373,039	354,953
Adjustments of change in value	(206,042)	(158,465)
Total amount	$ 166,997	$ 196,488

A. The Group has chosen to classify investments in securities that are strategic investments and receive stable dividends as financial assets measured at fair value through other comprehensive income. The fair value of these investments on December 31, 2022 and 2021 is equal to the book value of these investments, respectively.

B. Some equity instruments invested by the Group were reduced in February 2022, and the original investment of $200 was returned.

C. Due to strategic investment adjustments in 2022 and 2021, the Group sells securities investments with fair values of $390 and $10,462 respectively, and the original accumulated gains and losses in other equity of $90 and $2,358 have been transferred to retained earnings.

D. Financial assets at fair value through other comprehensive income are recognized in profit and loss and the details of comprehensive income are as follows:

Financial assets at fair value through other comprehensive income	FY2022	FY2021
Changes in fair value recognized in other comprehensive income	($ 47,487)	($ 35,734)
Accumulated profit or loss transferred to retained earnings due to derecognition	$ 90	$ 2,358
Dividend income recognized as profit or loss is not still held in the current period	$ -	$ 202

E. Without considering the collateral held or other credit enhancements, the risk amount that best represents the Group holding financial assets at fair value through other comprehensive income on December 31, 2022 and 2011 is the carrying amount.

F. The Group has not pledged financial assets at fair value through other comprehensive income.

G. For relevant financial assets at fair value through other comprehensive income credit risk information, please refer to note 12(2).

(7) Property, plant and equipment

	Land	Buildings	Mechanical equipment	Transportation equipment	Office equipment	Other equipment	Lease improvement	Total amount
January 1, 2022								
Cost	$ 190,316	$ 142,964	$ 322,855	$ 4,332	$ 20,397	$ 27,394	$ 6,490	$ 714,748
Accumulated depreciation and impairment	(6,342)	(90,886)	(302,318)	(2,184)	(17,572)	(16,802)	(6,490)	(442,594)
	$ 183,974	$ 52,078	$ 20,537	$ 2,148	$ 2,825	$ 10,592	$ -	$ 272,154
FY 2022								
January 1	$ 183,974	$ 52,078	$ 20,537	$ 2,148	$ 2,825	$ 10,592	$ -	$ 272,154
Addition	-	-	5,034	1,500	363	-	-	6,897
Disposal	-	-	(1,168)	-	-	-	-	(1,168)
Transfer	-	-	2,557	-	242	-	-	2,799
Depreciation expense	-	(2,166)	(7,511)	(693)	(1,315)	(5,341)	-	(17,026)
December 31	$ 183,974	$ 49,912	$ 19,449	$ 2,955	$ 2,115	$ 5,251	$ -	$ 263,656
December 31, 2022								
Cost	$ 190,316	$ 142,964	$ 326,961	$ 4,380	$ 21,001	$ 27,394	$ 6,490	$ 719,506
Accumulated depreciation and impairment	(6,342)	(93,052)	(307,512)	(1,425)	(18,886)	(22,143)	(6,490)	(455,850)
	$ 183,974	$ 49,912	$ 19,449	$ 2,955	$ 2,115	$ 5,251	$ -	$ 263,656

	Land	Buildings	Mechanical equipment	Transportation equipment	Office equipment	Other equipment	Lease improvement	Total amount
January 1, 2021								
Cost	$ 190,316	$ 144,264	$ 323,824	$ 4,332	$ 23,139	$ 27,394	$ 6,490	$ 719,759
Accumulated depreciation and impairment	(6,342)	(89,989)	(292,607)	(1,516)	(18,844)	(11,207)	(5,681)	(426,186)
	$ 183,974	$ 54,275	$ 31,217	$ 2,816	$ 4,295	$ 16,187	$ 809	$ 293,573
FY 2021								
January 1	$ 183,974	$ 54,275	$ 31,217	$ 2,816	$ 4,295	$ 16,187	$ 809	$ 293,573
Addition	-	-	2,180	-	135	-	-	2,315
Disposal	-	-	-	-	(4)	-	-	(4)
Transfer	-	-	810	-	-	-	-	810
Depreciation expense	-	(2,197)	(13,670)	(668)	(1,601)	(5,595)	(809)	(24,540)
December 31	$ 183,974	$ 52,078	$ 20,537	$ 2,148	$ 2,825	$ 10,592	$ -	$ 272,154
December 31, 2021								
Cost	$ 190,316	$ 142,964	$ 322,855	$ 4,332	$ 20,397	$ 27,394	$ 6,490	$ 714,748
Accumulated depreciation and impairment	(6,342)	(90,886)	(302,318)	(2,184)	(17,572)	(16,802)	(6,490)	(442,594)
	$ 183,974	$ 52,078	$ 20,537	$ 2,148	$ 2,825	$ 10,592	$ -	$ 272,154

1.The Group has no interest capitalization situation at all.

2.For pledge of property, plant, and equipment, please refer to note 8.

3.Transfer is to transfer other non-current assets to real property, plant, and equipment.

(8) Investment property

	Dec. 31, 2022	Dec. 31, 2021
Investment property –superficies	$ -	$ 508,569

	FY2022	FY2021
January 1	$ 508,569	$ 527,401
Addition - from subsequent expenditures	-	49
Derecognition	(508,569)	-
Fair value adjustment loss	-	(18,881)
December 31	$ -	$ 508,569

A. Investment property–superficies are the royalties paid by Omni Media International Incorporation (hereinafter referred to as "Omni Int'l"), a subsidiary of the Company setting the superficies of the business district at Sec. Laojiexi, Zhongli Dist., Taoyuan City obtained by winning a bid in March 2018; the contract is 50 years from March 2018, and the following agreement was signed:

(a) In addition to the royalty, superficies' land rent shall be paid on an annual basis from the date of delivery, and the land rent is calculated on an annual basis. In addition to the royalties, the land rent for superficies is required to be calculated from the date of delivery, and the land rent is calculated on an annual basis. In the contracting year, the rent will be calculated at 3% annual interest of the announced land values (total $2,594); the land rent after the next contract year shall be calculated by multiplying the annual interest rate of the preceding paragraph by the announced land price of the current year; However, if the ground rent has increased by more than 6% compared with the previous year, the excess part shall not be collected. If the land rent in the previous two items is lower than the land value tax payable according to law, the land value tax shall be calculated and collected instead. In 2021, due to the impact of the Covid-19 epidemic, the Group was affected by the reduction of advertising budgets, so the Group wrote to Taoyuan City Government to agree to postpone the payment of royalties and land rent.

(b) As of December 31, 2021, the Group has paid the first installment of $56,398 and the second installment of $84,597, while the third installment of $140,994 has not been paid in accordance with the contract. A performance bond of $37,650 has been provided, which is recorded as other non-current assets - refundable deposits.

B. Fair value basis of investment properties: The investment properties—right-to-use assets held by the Group are mainly located at the business district of land No.4, Sec. Laojiexi, Zhongli Dist., Taoyuan City; at present, the assets are under development, and the main plan is to build shopping malls to collect rent. The basis of rent calculation is a fixed amount plus a commission based on the performance of the lessee.

The relevant assumptions for December 31, 2021 are described below.

(a) The location of the Group's principal investment properties and the method of valuation are shown below:

Subject	Location	Valuation Method
Laojiexi Section, A22	Zhongli Dist., Taoyuan City	

(b) The Group uses the discounted cash flow analysis method of the income approach for its principal investment properties, that is a method of calculating the price of a subject property after discounting the net income of each period and the end-of-period value of the cash flow analysis period at an appropriate discount rate in the future. It is the method to estimate that the net cash inflow that can be generated each year in the future 46 years after the completion and opening of the project is discounted at an appropriate discount rate and then summed up to calculate the price of the subject property.

i. The mainly future cash inflow items of Section Loajiexi A22 is retnal income.
The income is assessed as follows:

Operatinve reneuve	Estimated rent in this case	Local or market-similar comparison subjects
shopping mall rental income (NTD/ping/month)	$960~$2,400	Equal to the estimated rent

ii. The future cash outflow of Section Loajiexi A22
Necessary expenses directly related to operations, such as construction costs, decoration deductions, house taxes, insurance premiums, maintenance fees, and replacement contributions.

iii. The discount rate of Section Loajiexi A22 is based on two-year regular savings small deposits mobile interest rate plus 0.75% annoucned by Chunghwa Post Co., Ltd. (currently 1.595%). In addition, the risk premium is determined based on the base rate, considering factors such as liquidity, value-added, risk, and management difficulty. Finally, Section Loajiexi A22 adopts a discount rate of 3.95% on December 31, 2021 .

iv. The fair vlaue of Section Loajiexi A22 on December 31, 2021 adopts the appraisal report issued by appraiser Yang, Min-An and Tsai, Mei-Ju of Pan Asia Real Estate Appraiser Associates, and the appraisal date is December 31, 2021.

C. The superficies were originally planned to be used by Omni Int'l operations. Since the Board of Directors discussed the use plan in 2019 and changed it to the construction of a shopping mall to collect rent, it was transferred to investment property, and the difference between the fair value and the carrying amount was recognized in other comprehensive income

$138,247.

D. On April 8, 2021, by resolution of resolved by the Board of Directors, Omni Int'l intends to negotiate with the Land Administration Bureau, Taoyuan City Government to terminate the superficies set by Taoyuan City Government in the commercial district of Section Loajiexi, Zhongli District, and on March 28, 2022, this Company received a letter from the Land Administration Bureau, Taoyuan City Government, agreeing to terminate and refund $150,268; the investment property derecognized in related accounts is $508,569, refundable deposits is $37,650, and the lease liabilities are $254,937; in addition, $133,757 was recognized as a lease modification loss, and the revaluation gain of $138,247 originally recognized in equity was transferred to retained earnings. The Company recognized revaluation increment of $92,735 in equity based on the original shareholding ratio to retained earnings.

(9) Lease transaction - lessee

A. The underlying assets leased by the Group include land, buildings, and billboards, etc.; the period of the lease contract usually ranges from 1 to 7 years. The lease contract is negotiated individually and contains various terms and conditions, except that the leased assets cannot be used as loan guarantees, without imposing any other restrictions.

B. The lease period of the offices and parking spaces leased by the Group does not exceed 12 months, and the underlying assets leased are low-value office equipment, which are not recognized as right-of-use assets.

C. The book value of the right-of-use asset and the recognized depreciation expense information are as follows:

	Dec. 31, 2022 Carrying amount	Dec. 31, 2021 Carrying amount
Billboard	$ 216,345	$ 360,575
House	21,104	28,554
Parking space	915	1,237
	$ 238,364	$ 390,366

	FY2022 Depreciation Expense	FY2021 Depreciation Expense
House	$ 7,450	$ 7,450
Parking space	322	322
	$ 7,772	$ 7,772

D. The main leasing contracts related to billboards are as follows:

Omni Int'l signed a commercial advertising business contract with Taoyuan International Airport Corporation Ltd. in December 2018. The lease is for a period of 5 years and 6 months from January 1, 2019 for the use of commercial advertising in the first and second terminals of Taoyuan International Airport.

E. The Group has no additions in 2022 and 2021 right-of-use assets.

F. In addition to depreciation expense, other profit and loss items related to the lease contract are as follows:

	FY2022	FY2021
Items affecting current profit and loss		
Interest expense of lease liabilities	$ 9,916	$ 16,416
Expenses for short-term rental contracts	561	1,040
Expenses for the lease of low-value assets	123	152
Lease modification loss	133,757	-

G. The Group's total cash outflows for leases in 2022 and 2021 are $9,578 and $9,853, respectively.

H. The Group recognizes a lease modification loss of $133,757 in 2022, and the relevant instructions are detailed in Note 6(8)4.

I. The book value information of the lease liabilities (including such as the superficies of investment property in Note 6(8)) related to the above-mentioned right-of-use assets is as follows:

	Dec. 31, 2022	Dec. 31, 2021
Lease liabilities-current		
Superficies	$ -	$ 142,171
Billboards	151,447	147,197
Others	8,864	8,526
	$ 160,311	$ 297,894
Lease liabilities-non-current		
Superficies	$ -	$ 112,021
Billboard	77,356	288,803
Others	17,124	25,988
	94,480	366,812

J. The Group recognizes the profit and loss of changes in lease payments arising from rental concessions as follows:

Account items	FY2022	FY2021
Deduction for "Operating Costs - Depreciation of Right-of-Use Assets"	$ 144,230	$ 144,230
“Other revenues”	11,770	11,770

Note: Before June 30, 2022, the practical expedient method of "Covid-19-Related Rent Concessions" was adopted, and from July 1, 2022, the variable lease payments arising from rent concessions that occurred during the recognition period were recognized.

(10) Other non-current assets

	Dec. 31, 2022	Dec. 31, 2021
Refundable deposits	$ 3,859	$ 41,586
Restricted Assets—demand deposits	74,876	74,876
Restricted Assets—account receivables	2,142	2,578
Restricted Assets—other receivables	25,000	25,000
Prepayments for equipment	-	2,799
Others	983	1,696
	$ 106,860	$ 148,535

A. Restricted Assets—demand deposits, accounts receivable and other receivables provided as guarantee, please refer to note 9(1).

B. The amount of $50,084 in other receivables for December 31, 2022 and 2021 represents Omni International's loaning funds to certain customers as described in Note 6(4). Omni Int’l has transferred the above amount to overdue receivables and has recorded a full charge for expected credit losses.

	Dec. 31, 2022	Dec. 31, 2021
Overdue receivables-other receivables (listed other non-current assets)	$ 50,084	$ 50,084
Less: Allowance loss	(50,084)	(50,084)
	$ -	$ -

(11) Short-term borrowings

Nature of Borrowing	Dec. 31, 2022	Interest rate range	Collaterals
Bank Guaranteed Loan	$ 30,000	1.78%	Please refer to note 8

Nature of Borrowing	Dec. 31, 2021	Interest rate range	Collaterals
Bank Guaranteed Loan	$ 60,000	1.15%	Please refer to note 8

The interest expense recognized in profit or loss in 2022 and 2021 is $741 and $366 respectively.

(12) Long-term borrowings

Nature of Borrowing	Loan Period and Repayment Method	Interest rate range	Collaterals		Dec. 31, 2022
long-term bank loans					
Secured loan	From March 15, 2022 to March 15, 2025, interest will be paid on a monthly basis, and the principal will be repaid once due	1.80%~ 2.43%	Please refer to note 8	$	8,720

The group has no long-term borrowings as of December 31, 2021.

(13) Other payables

Item		Dec. 31, 2022		Dec. 31, 2021
Salary payable	$	11,684	$	10,302
Employee Compensation Payable		-		642
Payable service fee		2,118		930
Business tax payable		1,020		1,186
Payable business promotion fee		2,450		562
Outsourcing processing fee payable		54,321		57,468
Other payables		30,770		32,875
	$	102,363	$	103,965

The subcontract processing fee payable is the amount payable for the printed copies of the outsourced manufacturers.

(14) Pension

A. Defined benefit plans

(a) According to the provisions of the "Labor Standard Act", the Group has established a retirement method with defined benefits, which is applicable to the service years of all regular employees before the implementation of the "Labor Pension Act" on July 1, 2005. And the follow-up service years of employees who choose to continue to apply the Labor Standards Act after the implementation of the "Labor Pension Act". For employees who meet the retirement requirements, the pension payment is calculated based on the years of service and the average salary of the six months before retirement. The service years within 15 years (inclusive) will be given two bases every year, and the service years exceeding 15 years will be paid every year. A base is given for one full year, but the accumulation is limited to a maximum of 45 bases. The Group contributes 6% of the total salary to the retirement fund monthly, and deposits it in the Bank of Taiwan in a special account in the name of the Labor Pension Fund Supervisory Committee. In addition, The Group estimates the balance of the labor retirement reserve account before the end of each year. If the balance is not enough to pay the estimated amount of pension calculated above for workers who meet the retirement conditions in the next year, the Group will contribute the difference before the end of March of the following year.

(b) The amounts recognized in the balance sheet were as follows:

	Dec. 31, 2022	Dec. 31, 2021
Defined benefit obligation (present value of)	($ 12,253)	($ 16,691)
Fair value of planned assets	11,401	12,620
Net defined benefit obligation	($ 852)	($ 4,071)

(c) The changes in the net defined benefit obligation were as follows:

	Defined benefit obligation (present value of)	Fair value of planned assets	Net defined benefit obligation
FY2022			
Balance at January 1	$ 16,691	$ 12,620	$ 4,071
Interest revenue	-	90	(90)
Interest cost	115	-	115
	16,806	12,710	4,096
remeasurements:			
Planned ROA(Amounts not included in interest revenue or fees)	-	1,123	(1,123)
Impact of changes in financial assumptions	(597)	-	(597)
Experience adjustments	158	-	158
	(439)	1,123	(1,562)
Retirement funds contributed	-	1,682	(1,682)
Payment of pensions	(4,114)	(4,114)	-
Balance at December 31	$ 12,253	$ 11,401	$ 852

	Defined benefit obligation (present value of)	Fair value of planned assets	Net defined benefit obligation
FY2021			
Balance at January 1	$ 23,556	$ 17,126	$ 6,430
Interest revenue	116	-	116
Interest cost	90	-	90
Liquidation profit and loss	-	67	(67)

	23,762	17,193	6,569
remeasurements:			
Planned ROA(Amounts not included in interest revenue or fees)	-	228	(228)
Impact of changes in demographic assumptions	498	-	498
Impact of changes in financial assumptions	(467)	-	(467)
Experience adjustments	397	-	397
	(366)	228	(594)
Retirement funds contributed	-	1,904	(1,904)
Payment of pensions	(6,705)	(6,705)	-
Balance at December 31	$ 16,691	$ 12,620	$ 4,071

(d) For the Group's Defined benefit plans fund assets, Bank of Taiwan entrusts operation according to the items set forth in Article 6 of Regulations for Revenues, Expenditures, Safeguard and Utilization of the Labor Retirement Fund (that is, deposit in domestic or foreign financial institutions, Investment in domestic or foreign listed, over-the-counter, or private placement equity securities, and Investment in domestic or foreign real estate and its securitization products), within the proportion and amount of entrusted operation projects determined in accordance with the fund's annual investment and utilization plan. The relevant usage is supervised by the Labor Pension Fund Supervisory Committee. In the use of the fund, the minimum income distributed in the final accounts of each year shall not be less than the income calculated based on the two-year fixed deposit rate of the local bank. If there is any shortfall, it shall be made up by the state Treasury after approval by the competent authority. Since the Group has no right to participate in the operation and management of the fund, it is not possible to disclose the fair value classification of plan assets in accordance with paragraph 142 of International Financial Reporting Standards (IFRS) No. 19. For the fair value of the total assets of the fund on December 31, 2022 and 2021, please refer to the annual Labor Pension Fund operation report announced by the government.

(e) Actuarial assumptions related to pensions are summarized as follows:

	FY2022	FY2021
Discount rate	1.3%	0.69%
Future salary increase rate	2.00%	2.00%

The assumptions for future mortality in 2022 and 2021 are based on 90% of the 6th Experience Life Table for the Taiwan life insurance industry..

The defined benefit obligation (present value of) impacted by changes in the main actuarial assumptions adopted is analyzed as follows:

	Discount Rate		Future Salary Increase Rate	
	Increase by 0.25%	Decrease by 0.25%	Increase by 0.25%	Decrease by 0.25%
December 31, 2022				
Impact on the present value of defined benefit obligations	($ 177)	$ 182	$ 149	($ 147)

	Discount Rate		Future Salary Increase Rate	
	Increase by 0.25%	Decrease by 0.25%	Increase by 0.25%	Decrease by 0.25%
December 31, 2023				
Impact on the present value of defined benefit obligations	($ 249)	$ 255	$ 209	($ 206)

The above sensitivity analysis is based on the analysis of the impact of a single assumption change under the condition that other assumptions remain unchanged. In practice, changes in many assumptions may be linked. The sensitivity analysis is used to calculate the net pension liability of the balance sheet consistent approach.

The methods and assumptions used in the preparation of the sensitivity analysis in this period are the same as those in the previous period.

(f) The Group expects to pay $648 contributions to retirement plans in 2023.

B. Defined contribution plan

(a) Since July 1, 2005, the company and domestic subsidiaries have established a retirement method with a certain contribution in accordance with the "Labor Pension Act", which is applicable to employees of their nationality. The Group contributes 6% of the salary to the employee's personal account of the Bureau of Labor Insurance every month when the employee chooses to apply the part of the labor pension system stipulated in the "Labor Pension Act". The employee's pension is paid according to the employee's personal pension account and the amount of accumulated income in the form of monthly pension or one-time pension.

(b) In 2021 and 2020, the Group's pension costs recognized in accordance with the above pension method are $3,573 and $3,695 respectively.

(15) Other non-current liabilities

	Dec. 31, 2022	Dec. 31, 2021
Deposits received	$ 22,630	$ 22,605

The deposits received on December 31, 2022 and 2021 amounted to $22,094, representing the deposits received by the Group for signing an advertising cooperation contract with a specific manufacturer.

(16) Capital

A. On December 31, 2022, the rated capital of the company is $1,760,000, the paid-in capital is $1,012,800, and the face value of each share is NT$10. The company's issued shares have all been received.

The adjustment of the number of shares outstanding at the beginning of the period and at the end of the period is as follows (Unit: 1000 shares):

	FY2022	FY2021
January 1 (same as December 31)	$ 101,280	$ 101,280

B. Private placement is as follows:

(a) The changes in the number of private placement shares of the company are as follows:

	2022		2021	
	1000 shares	Amount	1000 shares	Amount
Beginning of period (end of same period)				
-belonging to May 2015	15,600	$ 184,600	15,600	$ 184,600
-belonging to Sept. 2015	28,200	305,500	28,200	305,500
	43,800	$ 490,100	43,800	$ 490,000

(b) The rights and obligations of the above private ordinary shares are the same as those of any other issued ordinary shares, except that they are subject to restrictions on circulation and transfer under the Securities and Exchange Act and cannot be applied for listing and trading until three years have passed on the delivery date and a supplementary public offering has been made.

(17) Capital reserve

According to the provisions set forth in the Company Act, the capital reserve of which the income derived from the issuance of new shares at a premium and the income from endowments received by the company, in addition to covering losses, where the Company incurs no loss, issue to its original shareholders in proportion to the number of shares being held by each of them or by cash. In addition, in accordance with the relevant regulations of the Securities and Exchange Act, when the above-mentioned capital reserve is allocated to capital, the total amount shall not exceed 10% of the paid-in capital each year. If the company still has insufficient surplus reserves to make up for capital losses, it may not use capital reserves to make up for it.

(18) Retained earnings

A. According to the provisions set forth in this Company's Articles of Incorporation, if this Company has earnings in its annual final accounts, it shall pay taxes and make up losses according to law, and the next 10% is the legal reserve, but this is not the case when the legal reserve has reached the paid-in capital. In addition, after the special reserve is listed or reversed according to the relevant laws and regulations, and the retained earnings-unappropriated at the beginning of the same period is the accumulated distributable earnings of shareholders, the Board will draw up a plan for the distribution of earnings. When issuing new shares, it should be submitted to the shareholders meeting for resolution before distribution. If the aforementioned special reserve is the net deduction of other equity and net increase in the fair value of investment real estate accumulated by this company in the previous period, the same amount of special reserve shall be withdrawn from the retained earnings-unappropriated in the previous period, if there is any deficiency at that time, the net profit of the current period plus the amount other than the net profit after tax of the current period included in the retained earnings-unappropriated amount of the current period shall be provided.

If this Company distributes dividends and bonuses or all or part of the legal reserve and capital reserve in the form of cash distribution, the Board is authorized to do so with the presence of more than two-thirds of the directors present and the consent of more than half of the directors present, and report to the shareholders' meeting.

The dividend policy of this Company is to calculate the distributable earnings according to the preceding paragraph, then reserve the required funds according to the operation plan of this Company, and distribute the rest as dividends to shareholders, and the proportion of cash dividends should not be less than 30%.

B. The Legal reserve shall not be used except to cover the loss of the company and to issue new shares or cash in proportion to the original shares of the shareholders. However, in the case of issuing new shares or cash, the amount of such reserves shall be limited to 25% of the paid-in capital.

C. Earnings Distribution:

(a) On May 26, 2022 and July 29, 2021, the Company resolved at the shareholders' meeting to distribute the 2021 and 2020 earnings as follows:

FY2021		FY2020	
Amount	Divident/per share($)	Amount	Divident/per share ($)

Legal reserve	$ 765		$ 8,164	
Special reserve	39,845	$ -	-	$ -
Cash dividend	-	-	40,512	0.40

(b) On 22 March 2023, the Board of Directors of the Company proposed the following distribution of the 2022 earnings:

	FY2022	
	Amount	Dividend/per share ($)
Legal reserve	$ 1,155	
Special reserve	10,397	$

The aforementioned resolution for the earnings distribution for the year 2022, as at 22 March 2023, has not yet been approved by the shareholders' meeting.

(19) Operating revenue

	FY2022	FY2021
Revenue from customer contracts	$ 604,066	$ 591,369

A. Breakdown of revenue from customer contracts

The Group's revenue is derived from the provision of modalities and labor that are progressively transferred over time and at a point in time, and can be broken down into the following key product lines:

FY2022	Printing department				Advertising department	Mask department	
	Advertising literature	periodicals	Textbooks	Other printed materials, etc.	Professional Advertising	Masks	Total
Department revenue							
Revenue from contracts with external customers	$155,676	$255,498	$46,205	$138,754	$34,386	$3,547	$604,066
Timing of revenue recognition	$155,676	$255,498	$46,205	$138,754	$4,822	$3,547	$574,502
Revenue recognized at a point in time	-	-	-	-	29,564	-	29,564
	$155,676	$255,498	$46,205	$138,754	$34,386	$3,547	$604,066

FY2021	Printing department				Advertising department	Mask department	
	Advertising literature	periodicals	Textbooks	Other printed materials, etc.	Professional Advertising	Masks	Total

Department revenue							
Revenue from contracts with external customers	$171,680	$209,156	$40,780	$122,605	$23,162	$23,986	$591,369
Timing of revenue recognition	171,680	$209,156	$40,780	$122,605	$2,234	$23,986	$570,441
Revenue recognized at a point in time	-	-	-	-	20,928	-	20,928
	$171,680	$209,156	$40,780	$122,605	$23,162	$23,986	$591,369

B. Contract assets and contract liabilities

(a) The Group recognizes contract assets and contract liabilities related to customer contract revenue as follows:

	Dec. 31, 2022	Dec. 31, 2021	Jan. 1, 2021
Contractual assets - advertising agency contracts	$-	$-	$1,400
Contractual liabilities - amounts received in advance from customers	$4,141	$2,752	$3,075

(b) Contract liabilities at the beginning of the period Recognized revenue in the current period

	FY2022	FY2021
Beginning balance of contract liabilities		
Revenue recognized in the current period		
Receive money from customers in advance	$ 1,495	$ 2,528

(20) Interest revenue

	FY2022	FY2021
Bank deposit interest	$ 2,292	$ 768
Other interest revenue	15	15
	$ 2,307	$ 783

(21) Other revenues

	FY2022	FY2021
Rental revenue	$ 238	$ 238
Dividend income	-	202
government grants income	120	320
Other subsidy income	11,770	11,770
Other Income - Other	2,316	11,068
	$ 14,444	$ 23,598

A. The Group applied the Ministry of Economic Affairs' "Operating Guidelines for Electricity and Utilities Grants" and received government grants of $120 and $0 in 2022 and 2021 respectively.

B. The Group applied the "Measures of the Ministry of Economic Affairs to Rescue and Revitalise Industries Affected by Severe and Special Pneumonia" and received government grant income of $0 and $320 in 2022 and 2021 respectively.

(22) Other profit and loss

	FY2022	FY2021
Disposal of real estate, plant, and equipment	$ 227	$ 58
Lease modification loss	(133,757)	-
foreign currency exchange gain (loss)	12,783	(6,747)
Financial assets (loss) interest measured at fair value through profit and loss	(10,040)	664
Fair value adjustment loss -investing property	-	(18,881)
Miscellaneous expenditure	(33)	(175)
	($ 130,820)	($ 25,081)

(23) Financial cost

	FY2022	FY2021
Interest expense		
Bank loan interest	$ 894	$ 366
Interest expense of lease liabilities	9,916	16,416
	$ 10,810	16,782

(24) Additional information on the nature of the fee

Nature	FY2022 Those belonging to operating costs	FY2022 Those belonging to operating expenses	FY2022 Total
Payroll expense	$38,099	$42,066	$80,165
Labor insurance premium	4,158	3,071	7,229
Pension expense	2,157	1,441	3,598
Other employment expenses	3,133	1,767	4,900
Depreciation expense	15,790	1,236	17,026
Right-of-use assets depreciation expense	1,757	6,015	7,772
Amortization expense	-	205	205

Nature	FY2021 Those belonging to operating costs	FY2021 Those belonging to operating expenses	FY2021 Total
Payroll expense	$39,545	$39,174	$78,719
Labor insurance premium	4,514	3,374	7,888
Pension expense	2,219	16,155	18,374
Other employment expenses	2,212	1,357	3,569
Depreciation expense	22,713	1,827	24,540
Right-of-use assets depreciation expense	1,780	5,992	7,772
Amortization expense	-	473	473

A. As of December 31, 2022 and 2021, the employees of this group are 132 and 131 persons respectively.

B. In accordance with the provisions set forth in the Group’s Articles of Incorporation, after deducting the accumulated losses according to the current year's profit status, this Group shall allocate no less than 3% of the employee's remuneration and no more than 3% of the director's remuneration if there is any remaining balance.

C. The Group did not estimate staff remuneration and directors' remuneration for 2022 as no profit was made; 2021 staff remuneration and directors' remuneration were estimated at $196 and $0 respectively, which are included in the salary expense account.

D. The Board of Directors' resolution on the remuneration of employees and directors and supervisors for 2021 is consistent with the amounts recognized in the 2021 financial statements. Information on the remuneration of employees and directors and supervisors approved by the Board of Directors and resolved by the shareholders' meeting of the Company is available on the Market Observation Post System.

(25) Income tax

A. The amount of income tax was as follows:

	FY2022	FY2021
Current income tax expense:		
Current period	$ -	$ -
Undistributed Earnings Levy	-	1,648
Adjustment for prior periods	211	-
Total amount of current period	$ 211	1,648
Income tax expense	$ 211	$ 1,648

B. The relationship between income tax expenses and accounting profit

	FY2022	FY2021
Net profit before tax calculated according to the statutory tax rate income tax	($ 21,703)	$ 569
Expenses that should be excluded according to the tax law	23,123	4,032
Income exempted from tax according to the tax law	(31,590)	(31,304)
Temporary differences are not recognized as deferred income tax assets	1,361	3
Tax loss unrecognized deferred income tax assets	36,031	29,873
Change in realizability assessment of deferred income tax assets	(7,222)	(3,173)
Undistributed earnings plus levy	-	1,648
Low performance in previous years	211	-
Income tax fee	$ 211	1,648

C. The effective periods of the Group's unused tax losses and the related amounts of unrecognised deferred income tax assets are as follows:

(a) The Group and domestic subsidiaries :

December 31, 2022				
year of occurrence	Amount approved/reported	Amount not yet deducted	Amount of unrecognized deferred income tax assets	Last year to be deducted
2016	$ 448,619	$ 436,033	$ 436,033	2026
2018	29,455	29,455	29,455	2028

2019	218,217	218,217	218,217	2029
2020	88,587	88,857	88,587	2030
2021	170,609	170,609	170,609	2031
2022	180,123	180,123	180,123	2032

December 31, 2021				
year of occurrence	Amount approved/reported	Amount not yet deducted	Amount of unrecognized deferred income tax assets	Last year to be deducted
2015	$ 1,497	$ 1,497	$ 1,497	2025
2016	448,619	448,619	448,619	2026
2018	29,455	29,455	29,455	2028
2019	216,872	216,872	216,872	2029
2020	88,463	88,463	88,463	2030
2021	170,609	170,609	170,609	2031

D. Deductible temporary differences not recognized as deferred income tax assets

	Dec. 31, 2022	Dec. 31, 2021
Deductible temporary differences	$ 64,262	$ 48,020

E. The income tax of the Company and its subsidiaries - Omni Int'l, Choice Development Co., Ltd, and Omni Enterprise Co., Ltd. have been approved by the tax authorities until 2020.

(26) (Loss) earnings per share

	FY2022		
	After-tax amount	Weighted average shares outstanding (1000 shares)	loss per share
Basic and diluted loss per share			
Net loss for the period attributable to the parent company	($ 82,835)	101,280	($ 0.82)

	FY2021		
	After-tax amount	Weighted average shares outstanding (1000 shares)	loss per share
basic earnings per share			
Net loss for the period attributable to the parent company	$ 4,693	101,280	$ 0.05

Diluted earnings per share

Effect of potential ordinary shares with dilution			
Staff remuneration	-	68	
Net profit for the period attributable to ordinary shareholders of the parent plus the effect of potential ordinary shares	$ 4,693	101,348	$ 0.05

(27) Cash flow supplementary information

Investing activities that are only partially paid in cash:

	FY2022	FY2021
Purchase of property, plant, and equipment	$ 6,897	$ 2,315
Plus: Opening payables (including notes payable)	-	153
Cash paid during the period	$ 6,897	$ 2,468

(28) Changes in liabilities arising from financing activities

	Short-term debt	Long-term borrowings	lease liabilities	Total liabilities from financing activities
January 1, 2022	$ 60,000	$ -	$ 664,706	$ 724,706
Changes in financing cash flow	(30,000)	8,720	(8,894)	(30,174)
Interest expense	-	-	9,916	9,916
Termination of lease	-	-	(254,937)	(254,937)
Rent concession	-	-	(156,000)	(156,000)
December 31, 2022	$ 30,000	$ 8,720	$ 254,791	$ 293,511

	Short-term debt	Long-term borrowings	lease liabilities	Total liabilities from financing activities
January 1, 2021	$ 20,000	$ -	$ 812,951	$ 832,951
Changes in financing cash flow	40,000	-	(8,661)	31,339
Interest expense	-	-	16,416	16,416
Termination of lease	-	-	(156,000)	(156,000)
December 31, 2021	$ 60,000	$ -	$ 664,706	$ 724,706

7. Related-party transactions

(1) Names and relationship with related parties

Name of related party	**Relationship with the Group**
TransGlobe Life Insurance Inc.	Other related-party
Grand Champ Int’l Co., Ltd.	Other related-party (became a non-related-party from July 12, 2022)

Chen, Hui-Yu	Chairman of the company
Chang, Shih-Kui	Vice Chairman of the company

(2) Significant transactions with related parties

A. Operating revenue

	FY2022	FY2021
Commodities sale:		
Other related-party	$ 3,253	$ 1,567

There is no material difference in the transaction price and payment terms of sales from those of non-related parties.

B. Business Promotion Service Fee (Accounted Operating Expenses)

	FY2022	FY2021
Other related-party	$ 2,349	$ -

The company's subsidiary—Omni Int'l entrust other related parties to be responsible for business promotion services, and the relevant fees are determined by considering comprehensive factors such as labor costs and business promotion.

C. Receivables from related parties

	Dec. 31, 2022	Dec. 31, 2021
Accounts receivable		
Other related-party	$ -	$ 479

The receivables from related parties are mainly from the sale of commodities, and the receivables are due two months after the trading day. The receivables are unsecured and interest-bearing.

D. Circumstances in which a related party provides an endorsement guarantee

The company's long-term short-term debt for December 31, 2022 and 2021 is $138,720 and $150,000 respectively, which are guaranteed by the main management.

(3) Key management personnel remuneration

	FY2022	FY2021
Short-term employee benefits	$ 12,297	$ 11,885
Post-employment benefits	108	108
Termination benefits	868	-
Total amount	$ 13,273	$ 11,993

8. Mortgaged (pledged) assets

The Group's asset guarantee details are as follows:

Carrying Amount

Capital items	Dec. 31, 2022	Dec. 31, 2021	Guarantee purposes
inventory	$	$	
Land to be built	21,800	-	Long-term borrowings
Finance measured at amortized cost			
Assets-non-current			
Time deposit	26,000	28,000	Material purchase deposit and advertising deposit
Net real estate, plant, and equipment	233,886	236,052	Short-term debt and amount
Other non-current assets			
Refundable deposits	3,859	41,586	Lease office deposit, advertising deposit and superficies performance bond, etc.
Restricted asset-demand deposit	74,876	74,876	Deposit seized by Taipei District Court
Restricted asset-accounts receivable	2,142	2,578	Receivables provisional attachment by Taipei District Court
Restricted asset-other receivables	25,000	25,000	Receivables provisional attachment by Taipei District Court
	$ 387,563	$ 408,902	

For the above pledged time deposits, please refer to Note 6(3) for the interest rate range and period.

9. Material contingent liabilities and unrecognized contractual commitments

(1) Contingencies

In January 2020, a specific customer filed with the Taipei District Court and claimed to hold promissory notes issued by Omni Int'l totaling $134,614, and applied for compulsory execution against Omni Int'l, so the accounts receivable and Other receivables perform provisional attachment within the scope of $100,000 and related expenses. However, Omni Int'l has no record of issuing a promissory note, and Omni Int'l still holds a promissory note of the same denomination jointly issued by the counterparty and guaranteed by outsiders Li OO and Xie OO (detailed in Note 6 (4) 6) Therefore, Omni Int’l also appointed a lawyer to initiate a lawsuit on the authenticity of the promissory note, and held relevant persons accountable. At present, the Taipei District Court has made a civil judgment of the first instance that the promissory note held by a specific customer is not forged, but Omni Int’l has already filed an appeal.

In addition to the promissory notes mentioned above, the prosecution found that Lee OO and Xie

OO have other promissory notes issued in the name of Omni Int'l in the amount of $245,444, and that Omni Int'l has no record of issuing such notes. The Group has voluntarily appointed a lawyer to file a lawsuit to confirm the non-existence of the promissory note claims and related criminal complaints. The damages caused to the Group will also be claimed in accordance with the law in the subsequent court proceedings. As of March 22, 2023, Omni Int'l's lawsuits against specific customers, Li OO and Xie OO to confirm the non-existence of promissory note claims have been ruled by the court and Omni Int'l has won the case. However, specific customers, Li OO and Xie OO have all appealed, of which $122,722 has been rejected by the Supreme Court in February 2023, and the remaining cases are still under trial.

In addition, Lee Oo filed a claim for damages against the Company and Omni Int'l for the failure of Omni Int'l to retain a director to its designee. The Company and Omni Int'l have appointed attorneys to defend the Company's and Omni Int'l's interests in a lawsuit filed by a certain customer against Omni Int'l for the non-existence of a promissory note with a face value of $122,722, of which $104,932 was denied.

As of December 31, 2022, Omni Int'l's bank deposits, accounts receivable and other receivables seized by Taipei District Court due to the aforementioned case amounted to $74,876, $2,142 and $25,000 respectively.

(2) Commitments

None.

10. Losses due to major disasters

None.

11. Significant subsequent events

(1) The company proposed the 2022 earnings distribution on March 22, 2023 Board of Directors, please refer to note 6(18)3.

(2) Please refer to note 4(3)2.

12. Other

(1) Capital management

The Group's objectives in managing capital are to safeguard the Group's ability to continue as a going concern, to maintain an optimal capital structure to reduce the cost of capital and to provide returns to shareholders. To maintain or adjust the capital structure, the Group may issue new shares or sell assets to reduce debt. The Group monitors its capital by using a debt-to-capital ratio, which is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including "current and non-current borrowings" as reported in the consolidated balance sheet) less cash and cash equivalents. Total capital is calculated as "equity" plus net debt as reported in the consolidated balance sheet.

The Group's strategy for 2022 remains the same as for 2021, with a commitment to a zero debt-to-capital ratio. As on December 31, 2022 and 2021, the Group's debt-to-capital ratio is as follows:

	Dec. 31, 2022	Dec. 31, 2021
Total borrowings	$ 38,720	$ 60,000
Less: cash and cash equivalents	(150,796)	(175,479)
Net debt	(112,076)	(115,479)
Total equity	925,336	1,079,984
Total capital	$ 813,260	$ 964,505
Debt to capital ratio	-	-

(2) Financial instrument

A. Kind of financial instrument

	Dec. 31, 2022	Dec. 31, 2021
Financial assets	$	$
Financial asset at fair value through profit or loss		
Restricted financial asset or financial liability at fair value through profit or loss	72,240	79,514
Financial assets at fair value through other comprehensive income		
Select a designated equity instrument for investment	$ 166,997	196,488
Financial Assets measured at amortized cost		
Cash and cash equivalents	$ 150,796	175,479
Financial Assets measured at amortized cost - Current	159,524	-
Notes receivable	21,381	22,637
Accounts receivable	107,732	113,411
Accounts receivable - related party	-	479
Other receivables	-	-
Financial Assets measured at amortized cost – Non-current	26,000	28,000
Other non-current assets	105,877	144,040
	$ 571,310	$ 484,046
Financial liabilities		
Financial Assets measured at amortized cost		
Short-term debt	$ 30,000	$ 60,000

Notes payable		1,500		1,505
Accounts payable		58,580		62,091
Other payable		102,363		103,965
Long-term borrowings		8,720		-
deposits received		22,630		22,605
	$	223,793	$	250,166

Lease liabilities -current	$	160,311	$	297,894
Lease liabilities -non-current		94,480		366,812
	$	254,791	$	664,706

B. Risk Management Policy

(a) The Group's day-to-day operations are subject to several financial risks, including market risk (including exchange rate risk and price risk), credit risk and liquidity risk.

(b) Risk management is performed by the Group's Finance Department in accordance with policies approved by the Board of Directors. The Group's Finance Department is responsible for identifying, evaluating and mitigating financial risks by working closely with the Group's operating units. The Group's significant financial activities are reviewed by the Board of Directors in accordance with relevant regulations and internal control systems. The Group's significant financial activities are reviewed by the Board of Directors in accordance with relevant regulations and internal control systems. During the execution of the financial plan, the Group must comply with relevant financial operating procedures regarding overall financial risk management and segregation of duties and responsibilities.

C. Nature and extent of significant financial risks

(c) Market risk

<u>Exchange rate risk</u>

i. The Group operates internationally and is exposed to foreign exchange rate risk, primarily in U.S. dollars, Hong Kong dollars and Australian dollars. The related exchange rate risk arises from future business transactions and are recognized assets and liabilities.

ii. The management of the Group has formulated a policy requiring each company in the group to manage the exchange rate risk relative to its functional currency.

iii. The Group's business involves certain non-functional currencies, so it is affected by exchange rate fluctuations. The foreign currency assets and liabilities with significant exchange rate fluctuations are as follows: The Group's business involves certain non-functional currencies, so it is affected by exchange rate fluctuations.

The foreign currency assets and liabilities with significant exchange rate fluctuations are as follows:

	December 31, 2022		
	foreign currency (thousand)	Rate	Book amount
(Foreign currency: Functional Currency)			
Financial Assets			
Monetary item			
USD:NTD	$ 5,291	30.71	$ 162,506
NZD:NTD	211	19.44	4,106
AUD:NTD	535	20.83	11,147
Non-monetary items			
HKD:NTD	47,779	3.94	188,152

	December 31, 2021		
	foreign currency (thousand)	Rate	Book amount
(Foreign currency: Functional Currency)			
Financial Assets			
Monetary item			
USD:NTD	$ 103	27.68	$ 2,840
NZD:NTD	75	18.89	1,414
AUD:NTD	206	20.08	4,133
Non-monetary items			
HKD:NTD	47,779	3.55	169,566

iv. For the Group’s monetary items, due to the significant impact of exchange rate fluctuations, the aggregated amounts of all exchange profit and loss (including realized and unrealized) recognized in 2022 and 2021 are $12,783 and ($6,747), respectively.

v. The Group's foreign currency market risk analysis due to major exchange rate fluctuations is as follows:

	FY2022		
	Sensitivity analysis		
	Range of change	Affect profit	Affect other comprehensive

		and loss income	income
(foreign currency : Functional Currency)			
Financial Assets			
Monetary item			
USD:NTD	1%	$ 1,625	
NZD:NTD	1%	41	
AUD:NTD	1%	111	
Non-monetary items			
HKD:NTD	1%	-	1,882

	FY2021		
	Sensitivity analysis		
	Range of change	Affect profit and loss income	Affect other comprehensive income
(foreign currency : Functional Currency)			
Financial Assets			
Monetary item			
USD:NTD	1%	$ 28	$ -
NZD:NTD	1%	14	-
AUD:NTD	1%	41	-
Non-monetary items			
HKD:NTD	1%	-	1,696

Price risk

i. The Group's equity instruments exposed to price risk are financial assets held at fair value through profit or loss and financial assets held at fair value through other comprehensive income. To manage the price risk of its investments in equity instruments, the Group diversifies its investment portfolio. The diversification is carried out according to the limits set by the Group.

ii. The Group invests primarily in equity instruments and closed-end funds issued by domestic and foreign companies, the prices of which are subject to uncertainty regarding the future value of the underlying investments. If the price of these equity instruments were to increase or decrease by 1%, all other factors being equal, net income after tax for 2022 and 2021 would increase or decrease by $722 and $795, respectively, due to the gain or loss on equity instruments measured at fair value through profit or loss; for other comprehensive income, the gain or loss on equity investments classified as fair value through other comprehensive income would increase or decrease by $1,670 and $1,965, respectively.

(b) Credit Risk

i. The Group's credit risk is the risk of financial loss resulting from the failure of customers or counterparties to financial instruments to meet their contractual obligations, primarily due to the failure of counterparties to settle accounts receivable paid in accordance with collection terms.

ii. The Group establishes credit risk management from the perspective of the group. For banks and financial institutions, only those with an independent credit rating of at least "A" can be accepted as transaction objects. In accordance with the internal credit policy, each operating entity within the Group and each new customer is required to manage and analyze credit risk before establishing payment and delivery terms and conditions. According to the internally specified credit policy, each operating entity within the group and each new customer must conduct management and credit risk analysis before setting payment and proposing the terms and conditions of delivery. Internal risk control is to evaluate the credit quality of customers by considering their financial status, past experience and other factors. The limits of individual risks are formulated by the Board of Directors based on internal or external ratings, and the use of credit limits is regularly monitored.

iii. The Group adopts IFRS 9 to provide the following assumptions as the basis for judging whether the credit risk of financial instruments has increased significantly since the original recognition:

When the contract payment is more than 30 days overdue according to the agreed payment terms, it is considered that the credit risk of the financial asset has increased significantly since the original recognition.

iv. For customers with overdue accounts, the Group will list them as key assessment customers if they have any doubts about being uncollectable after assessment, and measure their credit risk at the same time, and carry out related operating procedures to list bad debts for those who have doubts about default.

v. The Group groups customers' accounts receivable according to the characteristics of customer types and uses a simplified method to estimate expected credit losses based on the provision matrix.

vi. The loss rates are based on historical and current information for specific periods that the Group adjusted for forward-looking assumptions to estimate the allowance loss of accounts receivable (including related persons), the preparation matrix for December 31, 2022 and 2021 is as follows:

(i) General Customer Accounts:

December 31, 2022

Group 1	age range: within 90 days	91-120 days	121-180 days	more than 181 days	Total amount
Expected loss rate	0%~0.03%	0%~0.03%	0%~0.03%	0%~0.03%	
Total book value	$ 93,809	$ 5,179	$ 707	$ -	$ 99,695
Allowance loss	$ -	$ -	$ 2	$ -	$ 2
Group 2	within 90 days	91-120 days	121-180 days	more than 181 days	Total amount
Expected loss rate	0%~0.03%	0.52%~1.74%	2.34%~7.74%	100%	
Total book value	$ 8,039	$ -	$ -	$ 2,142	$ 10,181
Allowance loss	$ -	$ -	$ -	$ -	$ -

December 31, 2021

Group 1	age range: within 90 days	91-120 days	121-180 days	more than 181 days	Total amount
Expected loss rate	0%~0.03%	0%~0.03 %	0%~0.03%	100%	
Total book value	$ 104,848	$ 6,514	$ 59	$ 1,233	$ 112,654
Allowance loss	$ -	$ -	$ -	$ 1,769	$ 1,769
Group 2	within 90 days	91-120 days	121-180 days	more than 181 days	Total amount
Expected loss rate	0%~0.03%	0.52%~1.74%	2.34%~7.74%	100%	
Total book value	$ 3,005	$ -	$ -	$ 2,667	$ 5,672
Allowance loss	$ -	$ -	$ -	$ 89	$ 89

Note: Restricted assets-account receivable $2,142 was under provisional attachment by Taipei District Court, so no expected credit loss was provided.

(ii) Individual assessment account:

December 31, 2022

	age range: within 90 days	91-120 days	121-180 days	more than 181 days	Total amount
Expected loss rate	0%	0%	0%	0%	
Total book value	$ -	$ -	$ -	$ 242,874	$ 242,874
Allowance loss	$ -	$ -	$ -	$ 242,874	$ 242,874

	December 31, 2021				
	age range				
Group 1	within 90 days	91-120 days	121-180 days	more than 181 days	Total amount
Expected loss rate	100%	100%	100%	100%	
Total book value	$ -	$ -	$ -	$ 240,735	$ 240,735
Allowance loss	$ -	$ -	$ -	$ 240,735	$ 240,735

vii. The Group adopts the simplified method of accounts receivable allowance loss change table as follows:

	FY2022	FY2021
January 1	$ 242,593	$ 242,593
Provision for impairment loss	283	-
December 31	$ 242,876	$ 242,593

Note: It is disclosed based on the original account numbers of the consolidated entities of the Group.

viii. The notes receivable on December 31, 2022 and 2021 are not overdue, and the allowance loss is $0.

(c) Liquidity risk

i. The cash flow forecast is performed by each operating entity within the group and is summarized by the Group's Finance Department. The Group Finance Department monitors the forecast of the Group's liquidity needs to ensure that it has sufficient funds to meet operating needs and maintain sufficient unused loan commitments at any time. These forecasts take into account the Group's debt financing plans, compliance with internal balance sheet financial ratio targets, and external regulatory requirements such as foreign exchange controls.

ii. The Group's unused loan amount on December 31, 2022 and 2021 are $450,000 and $423,780 respectively.

iii. The following table is the grouping of the Group's non-derivative financial liabilities according to the relevant maturity date, which is analyzed based on the remaining period from the balance sheet date to the contract maturity date. The contract cash flow amount disclosed in the table below is the undiscounted amount.

Non-derivative financial liabilities

December 31, 2022	Within 1 year	Within 1~2 years	over 2 years
Short-term debt	$ 30,000	$ -	$ -

Notes and account payable	60,080	-	-
Other payable	102,363	-	-
lease liabilities	165,127	87,361	7,963
Long-term borrowings	211	211	8,755
deposits received	-	-	22,630
	$ 357,781	87,572	39,348

Non-derivative financial liabilities

December 31, 2021	Within 1 year	Within 1~2 years	over 2 years
Short-term debt	$ 60,000	$ -	$ -
Notes and account payable	63,596	-	-
Other payable	103,965	-	-
lease liabilities	314,199	169,283	274,011
deposits received	-	-	22,605
	$ 541,760	169,283	296,616

(3) Fair value information

A. The various levels of valuation technique used to measure the fair value of financial and non-financial instruments are defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that are available to the Company at the measurement date. An active market is one in which transactions in assets or liabilities occur with sufficient frequency and volume to provide pricing information on an ongoing basis. The fair value of the Group's investments in publicly traded stocks are included in this category.

Level 2: Observable inputs directly or indirectly to assets or liabilities, other than those included in Level 1 quoted prices.

Level 3: Unobservable inputs to assets or liabilities. Equity in the non-active market invested by the Group, including instrument investment and investment real estate.

B. Financial instruments that are not measured by fair value include cash and cash equivalents, notes receivable, accounts receivable, short-term debt, notes payable, accounts payable and other payables. The carrying amount is a reasonable approximation of fair value.

C. The financial and non-financial instruments measured by fair value are classified by the Group according to the nature, characteristics and risks of assets and liabilities and the basic classification of fair value levels. The relevant information is as follows:

December 31, 2022	Level 1	Level 2	Level 3	Total
Assets				

	Level 1	Level 2	Level 3	Total
Repetitive fair value				
Financial asset at fair value through profit or loss				
Domestic and foreign listed (OTC) stocks	$ 72,240	$ -	$ -	$ 72,240
Financial assets at fair value through other comprehensive income				
Domestic and foreign listed (OTC) stocks	$ 148,531	$ -	$ -	$ 148,531
Domestic and foreign non-listed (OTC) stocks	-	-	18,466	18,466
Total amount	$ 148,531	$ -	$ 18,466	$ 166,997

December 31, 2021	Level 1	Level 2	Level 3	Total
Assets				
Repetitive fair value				
Financial asset at fair value through profit or loss				
Domestic and foreign listed (OTC) stocks	$ 79,514	$ -	$ -	$ 79,514
Financial assets at fair value through other comprehensive income				
Domestic and foreign listed (OTC) stocks	$ 169,390	$ -	$ -	$ 169,390
Domestic and foreign non-listed (OTC) stocks	-	-	27,098	27,098
Investment property	-	-	508,569	508,569
Total amount	$ 169,390	$ -	$ 535,667	$ 705,057

D. The methods and assumptions used by the Group to measure fair value are explained below:

(a) The Group adopts the quoted market price as the input value of the fair value (i.e. Level 1), which is classified according to the characteristics of the instrument as follows:

	Listed (OTC) company stocks
Quoted market price	Closing price

(b) Except for the above-mentioned financial instruments with an active market, the rest of the fair value measurement is based on the net asset value method and the valuation technique of the analogous listing and OTC company method. The price of the same or similar transaction in the market is used as the observable input value, and the calculation is made its fair value.

(c) The fair value valuation technique of the investment real estate measured by the fair value of the Group is based on the provisions of the financial reporting standards for securities issuers, and is calculated by the self-assessment method using the income method. The relevant parameter assumptions and input value information are as follows:

i. Cash flow: Based on the local rent or the rental price of similar comparative targets in the market, and excluding those that are too high or too low, if there is an end-of-period value, the present value of the end-of-period value may be added.

ii. Analysis period: If the revenue has a specific period, the remaining period is estimated..

iii. Discount rate: The discount rate is estimated using the Risk Premium Method, which is based on a certain interest rate, plus the individual characteristics of investment properties. The so-called certain interest rate as the base shall not be lower thantwo-year regular savings small deposits mobile interest rate plus 0.75% annoucned by Chunghwa Post Co., Ltd.

E. No transfer between Level 1 and Level 2 in 2022 and 2021.

F. The Group's fair value valuation process for financial instruments classified as Level 3 is performed by the Group's Finance Department, which conducts independent fair value verification of the financial instruments, using independent sources of information to closely approximate market conditions, confirm that the sources of information are independent, reliable, consistent with other sources and representative of executable prices. It also updates the input values and information required by the valuation model and any other necessary fair value adjustments to ensure that the valuation results are reasonable.

G. The quantitative information and sensitivity analysis of the changes in the Significant unobservable inputs of the evaluation model used for Level 3 fair value measures are as follows:

December 31, 2022	Fair value	Valuation technique	Significant unobservable inputs	Relationship between input value and fair value
Domestic and foreign non-listed (OTC) stocks	$ 18,466	Net asset value method	N/A	N/A

December 31, 2021	Fair value	Valuation technique	Significant unobservable inputs	Relationship between input value and fair value
Domestic and foreign non-listed (OTC) stocks	$ 27,098	Net asset value method	N/A	N/A
Investing properity	508,569	Discounted Cash	Long-term	The higher the

	Flow	revenue growth rate discount rate	long-term revenue growth rate, the higher the fair value; the higher the discount rate, the lower the fair value

(4) Others

The Group operated normally during the COVID-19 epidemic and the government's promotion of various anti-epidemic measures. It has been assessed that the ability to continue operating, asset impairment and financing risks have not been significantly affected.

13. Other disclosures

(1) Information on significant transactions

A. Fund financing to other parties: please refer to appendix 1.

B. Endorsements for other parties: none.

C. Securities held as of end of the year (excluding investment in subsidiaries, associates and joint ventures): please refer to appendix 2.

D. Accumulated buying/selling of the same marketable securities for which the dollar amount reaches $300 million or 20% or more of paid-in capital: None.

E. Acquisition of real estate for which the dollar amount reaches $300 million or 20% or more of paid in capital: None.

F. Disposition of real estate for which the dollar amount reaches $300 million or 20% or more of paid-in capital: None.

G. Buying/selling products with related-parties for which the dollar amount reaches $100 million or 20% or more of paid-in capital:

H. Accounts receivable from related parties for which the dollar amount reaches $100 million or 20%or more of paid-in capital: none.

I. Derivative transactions: None.

J. Business relationships and significant inter-company transactions: none.

(2) Information on reinvestment

The information on investees (excluding investees in Mainland China): please refer to appendix 3.

(3) Information on investment in Mainland China

A. Basic information: None.

B. Significant transactions that occurred directly or indirectly through enterprises in third regions and investee companies reinvested in mainland China: None.

(4) Major shareholders

14. Operating department information

(1) General information

The management of the Group has identified the reporting departments based on the reporting information used by the Board of Directors in making decisions.

the reporting department of the Group should report that the developments are distinguished by product and business structure, mainly divided into printing, advertising, mask, and development departments.

(2) Measurement of departmental information

The accounting policy of the Group Operating Department is the same as the summary description of important accounting policies described in Note 4 of the financial report. Operating segment profit and loss is measured by operating profit and loss and is used as the basis for evaluating the performance of the Operating Department. The reportable information of departments provided to the chief operating decision maker is as follows:

FY2022	Printing Dept.	Advertising Dept.	Mask Dept.	Development Dept.	Total amount
External revenue	$ 566,133	$ 34,386	$ 3,547	$ -	$ 604,066
Internal revenue	-	-	-	-	-
Segment revenue	$ 566,133	$ 34,386	$ 3,547	$ -	$ 604,066
Segment profit and loss	$ 12,916	$ 8,121	$ 150	($ 4,820)	$ 16,367
Segment profit and loss include:					
Depreciation and amortization	$ 19,040	$ 5,747	$ 216	$ -	$ 25,003
Interest expense	$ 1,109	$ 9,549	$ -	$ 152	$ 10,810
Interest revenue	$ 507	$ 1,789	$ -	$ 11	$ 2,307

FY2021	Printing Dept.	Advertising Dept.	Mask Dept.	Development Dept.	Total amount
External revenue	$ 544,221	$ 23,162	$ 23,986	$ -	$ 591,369
Internal revenue	-	-	-	-	-
Segment revenue	$ 544,221	$ 23,162	$ 23,986	$ -	$ 591,369
Segment profit and loss	$ 14,392	$ 4,715	$ 6,032	($ 4,813)	$ 20,326
Segment profit and loss include:					
Depreciation and amortization	$ 26,221	$ 6,348	$ 216	$ -	$ 32,785
Interest expense	$ 788	$ 15,994	$ -	$ -	$ 16,782
Interest revenue	$ 571	$ 182	$ -	$ 30	$ 783

(3) Segment revenue and adjustment of profit and loss

A. The adjustment of operating segment profit and loss and continuing operating income before tax for 2022 and 2021 to be reported is as follows:

Revenue	FY2022	FY2021
The total department revenue should be reported	$ 604,066	$ 591,369
Sales department revenue	-	-
Operating revenue	$ 604,066	$ 591,369

Profit (loss)	FY2022	FY2021
Segment profit and loss	$ 16,367	$ 20,326
Adjustments and write-offs	-	-
Non-operating income and expenses	(124,879)	(17,482)
continuing operating income before tax	($ 108,512)	($ 2,844)

B. The Group does not provide the operating decision maker with total assets and total liabilities for operating decisions, as the statements provided to the operating decision maker for segment operating decisions do not differ from the statement of segment profit and loss and therefore no adjustment is required.

(4) Product information

The Group's main product revenue details are as follows:

	FY2022	FY2021
Advertising	$ 155,676	$ 171,680
Project Advertising	34,386	23,162
Periodicals	255,498	209,156
Textbooks	46,205	40,780
Masks	3,547	23,986
Others	138,754	122,605
Total amount	$ 604,066	$ 591,369

(5) Information about Geographical Areas

The Group's Information about Geographical Areas in 2022 and 2021 are as follows:

	FY2022		FY2021	
	Revenue	Non-current asset	Revenue	Non-current revenue
Taiwan	$ 604,066	$ 503,003	$ 591,369	$ 1,175,584

Non-current assets mean real property, plant and equipment, right-of-use assets, investment real estate and other non-current assets - other but excluding financial instruments.

(6) Information about Major Customers

The Group's information about major customers in 2022 and 2021 are as follows:

	FY2022		FY2021	
	Revenue	Department	Revenue	Department
Company A	$ 82,454	Printing Dept.	$ 81,322	Printing Dept.

Choice Development Inc. and Subsidiaries

FINANCING PROVIDED TO OTHERS

January 1 ~ December 31, 2022

Attached table 1

(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

No. (note1)	Lender	Borrower	Financial Statement Account (note 2)	Related Party Related (y/n)	Highest Balance for the Period (note 3)	Ending Balance (note 8)	Actual Borrowing Amoun	Range of Interest Rates	Nature of Financing (note 4)	Business Transaction Amounts (note 5)	Reasons for Short-term Financing (note 6)	Allowance for Impairment Loss	Collateral Item	Collateral Value	Financing Limit for Each Borrower (note 7)	Aggregate Financing Limit (note 7)	Remarks
1	Omni Media Int'l Inc.	Hohoad International Incorporation	Other receivables	N	$ 41,000	$ 41,000	$ 39,857	2.80%	Those who need short-term financing	$ -	Turnover	$ 39,857	-	$ -	$ 56,194	$ 112,388	
2	"	Taiwan More Media International Incorporation	Other reveivables	N	37,000	37,000	10,227	2.80%	Those who need short-term financing	-	Turnover	10,227	-	-	56,194	112,388	

Note 1: The numbers filled in for the loans provided by the Company or subsidiaries are as follows:
(1) The Company is '0'.
(2) The subsidiaries are numbered in order starting from '1'.

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

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

Note 4: The column of'Nature of loan' shall fill in 'Business transaction' or 'Short-term financing'.

Note 5: Fill in the amount of business transactions when nature of the loan is related to business transactions, which is the amount of business transactions occurred between the creditor and borrower in the current period.

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

Note 7: The total amount of funds loaned to others shall not exceed 40% of the net value of Omni Media International Incorporation (Omni Int'l); however, the total amount of funds loaned to the same borrower:
1. For companies or firms that have business dealings with Omni Int'l, the amount of funds loaned to individual objects shall not exceed the amount of business transactions between the two parties.
2. For companies or firms that need short-term financing, the amount of funds loaned to individual objects shall not exceed 20% of Omni Int'l's net worth.

Note 8: The amounts of funds to be loaned to others which have been approved by the Board of Directors of a public company in accordance with Paragraph 1, Article 14 of the "Regulations Governing Loaning of Funds and Making o Endorsements/Guarantees by Public Companies" should be included in its published balance of loans to others at the end of the reporting period to reveal the risk of loaning the public company bears, even though they have not appropriated. However, this balance should exclude the loans repaid when repayments are done subsequently to reflect the risk adjustment. In addition, if the Board of Directors of a public company has authorized the Chairmai funds in instalments or in revolving within certain lines and within one year in accordance with Article 14, Item 2 of the "Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companie published balance of loans to others at the end of the reporting period should also include these lines of loaning approved by the Board of Directors, and these lines of loaning should not be excluded from this balance even thou are repaid subsequently, for taking into consideration that they could be loaned again thereafter.

Note 9: On 13 July 2022, Omni Int'l formally appointed a lawyer to file a criminal complaint against the relevant persons to recover the outstanding amounts; on 3 August 2022, Omni Int'l held a board meeting to approve amendments "Procedures for the Funds Loaning to Others" to improve compliance and on 10 August 2022, the Company's Audit Committee and the Board of Directors presented the relevant audit report and will regularly follow up on the improvement of the implementation

Note 10: The amounts shown as "other non-current assets", which have not been paid after repeated collections, have been transferred to collections and are have been set aside as an allowance for uncollectible accounts.

Choice Development Inc. and Subsidiaries

Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures)

December 31, 2022

Attached table 2

(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Holding Company Name	Type and Name of Marketable Securities (note 1)	Relationship with the Holding Company (note 2)	Financial Statement Account	December 31, 2022 Unit/Share	Carrying Amount (note 3)	Percentage of Ownership (%)	Fair Value	Remarks (note 4)
Choice Development Inc.	Domestic Listed (OTC) Stocks/Shihlin Development Co., Ltd.	-	Current Financial Assets at Fair Value through Profit or Los	8,300,000	$ 72,240	3.80	$ 72,240	
					$ 72,240			
Choice Development Inc.	Domestic Listed (OTC) Stocks/Shihlin Development Co., Ltd.	-	Non-current financial assets at fair value through other comprehensive income	13,206,014	110,931	5.83	110,931	
Choice Development Inc.	Domestic Listed (OTC) Stocks/Eslite Spectrum Corporation	-	Non-current financial assets at fair value through other comprehensive income	150,000	9,150	0.32	9,150	
Choice Development Inc.	Foreign Listed (OTC) Stocks/Beijing Enterprises Medical and Health Industry Group Limited, common stocks	-	Non-current financial assets at fair value through other comprehensive income	106,242,000	28,450	1.75	28,450	
Choice Development Inc.	Unlisted (OTC) stocks /ImageDJ Corporation	-	Non-current financial assets at fair value through other comprehensive income	29,760	172	1.19	172	
Choice Development Inc.	Unlisted (OTC) stocks /SCI, StemCyte Taiwan Co., Ltd	-	Non-current financial assets at fair value through other comprehensive income	5,326	56	0.01	56	
Choice Development Inc.	Unlisted (OTC) stocks /e-Formula Technologies, INC.	-	Non-current financial assets at fair value through other comprehensive income	2,010,346	18,238	9.25	18,238	
					$ 166,997			

Note 1: Marketable securities in the table refer to stocks, bonds, beneficiary certificates and other related derivative securities within the scope of IFRS9, 'Financial instruments: recognition and measurement'.

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

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

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

Choice Development Inc. and Subsidiaries

Information on investees (not including investee company of Mainland China)

Janaury 1 ~ December 31, 2022

Attached table 3

(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investor	Investee (note 1, 2)	Location	Main Businesses and Products	Original Investment Amount December 31, 2022	Original Investment Amount December 31, 2021	As of December 31, 2022 Number of Shares	As of December 31, 2022 Percentage (%)	As of December 31, 2022 Carrying Amount	Net Income (Loss) of the Investee (note 2(2))	Share of Profit (Loss) (note 2(3))	Remarks
Choice Development Inc.	Omni Media Int'l Inc.	Taiwan	Media Advertising	$ 571,854	$ 571,854	53,444,341	81.19%	$ 228,113	($ 127,380)	($ 103,568)	
"	Choice Development Inc.	"	Residential & Building Development & Leasing	15,000	15,000	1,500,000	60.00%	8,090	(4,722)	(2,834)	
Omni Media Int'l Inc.	Omni Int'l Devp. Co., Ltd.	"	Real Estate Development	500	500	50,000	100.00%	321	(34)	(34)	

Note1: This transaction was written off when the consolidated financial statements were prepared. Note 1: If a public company is equipped with an overseas holding company and takes consolidated financial report as the main financial report according to the local law rules, it can only disclose the information of the overseas holding company about the disclosure of related overseas investee information.

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

(1) The columns of 'Investee', 'Location', 'Main business activities', 'Initial investment amount' and 'Shares held as at December 31, 2022' should fill orderly in the Company's (public company's) information on investees and every directly or indirectly controlled investee's investment information, and note the relationship between the Company (public company) and its investee each (ex. direct subsidiary or indirect subsidiary) in the 'footnote' column.

(2) The 'Net profit (loss) of the investee for the year ended December 31, 2022' column should fill in amount of net profit (loss) of the investee for this period.

(3) The'Investment income (loss) recognised by the Company for the year ended December 31, 2022' column should fill in the Company (public company) recognised investment income (loss) of its direct subsidiary and recognised investment income (loss) of its investee accounted for under the equity method for this period. When filling in recognised investment income (loss) of its direct subsidiary, the Company (public company) should confirm that direct subsidiary's net profit (loss) for this period has included its investment income (loss) which shall be recognised by regulations.

Note 3: Omni nternational Industrial Development Co., Ltd. was dissolved with the approval of the Taipei City Government on September 2, 2022. As of March 22, 2013, the liquidation process has not been completed

Choice Development Inc. and Subsidiaries

INFORMATION ON MAJOR SHAREHOLDERS

December 31, 2022

Attached table 4

(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Names of Major Shareholders	Shares		
	Number of Shares Held (commond)	Number of Shares Held (Preferred)	Percentage of Ownership (%)
Peng, Teng-Te	19,999,800	-	19.74%
Yaotze Co., Ltd.	7,470,000	-	7.37%
Xi Jui Investment Co., Ltd.	6,000,000	-	5.92%
Chuan Sheng Investment Co., Ltd.	5,740,200	-	5.66%
Hsu, Chien-Chen	5,670,194	-	5.59%

Note 1. The table discloses shareholding information of shareholders whose shareholding percentage is more than 5%. The Taiwan Depository & Clearing Corporation (TDC) calculates the total number of ordinary shares and preferred shares (including treasury shares) that have completed the dematerialized registration and delivery on the last business day of the quarter. The share capital reported in the Company's consolidated financial statements and the actual number shares that have completed the dematerialized registration and delivery may be different due to the difference in the basis of calculation.

Note 2. In the event where the shareholders delivers its equity to trust, the information is disclosed in the form of individual trust accounts opened by the trustee. As for the shareholders declaring insider equity holdings of more than 10% of the shares in accordance with the Securities and Exchange Act, their shareholdings include the shares held by themselves plus the shares delivered to trust while retaining the right to determine the utilization. For information on insider equity declarations, please refer to the Market Observatory Post System

Appendix II

Choice Development, Inc.

Parent Company Only Financial Statements
with Independent Auditors' Report
for the Years of 2022 and 2021
(Stock code: 9929)

Address: 9F, No. 288, Sec. 6, Civic Blvd., Xinyi Dist.,
Taipei City
Tel No. : (02)8768-1999

Choice Development, Inc.

Parent Company Only Financial Statements

with Independent Auditors' Report for the Years of 2022 and 2021

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Independent Auditors' Report

(112) cai-shen-bao-zi 22004141

To: Choice Development, Inc.

Opinion

We have audited the non-consolidated financial statements of Choice Development, Inc. ("the company"), which comprise the Non-Consolidated Balance Sheets as of December 31, 2021 and 2022, and the Non-Consolidated Statements of Comprehensive Income, Non-Consolidated Statements of Changes in Equity, Non-Consolidated Statements of Cash Flows for the years then ended, and Notes to the Non-Consolidated Financial Statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the non-consolidated financial position of the Company as of December 31, 2021 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 audit in accordance with the "Regulations Governing Auditing and Certification of Financial Statements by Certified Public Accountants" and the auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Non-Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the Certified Public Accountants Code of Professional Ethics in the Republic of China ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. Based on our audits and the report of other auditors, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

Key Audit Matters

Based on our professional judgment, key audit matters pertain to the most important matters in the audit of non-consolidated financial statements for the year ended December 31, 2022 of Choice Development, Inc. Those matters have been addressed in our audit opinion on the said non-consolidated financial statements and during the formation of our audit opinion. However, we do not express an opinion on these matters individually.

The key audit matters of the non-consolidated financial statements of Choice Development, Inc. in 2022 are as follows:

Key audit matters: Appropriateness of sales revenue cut-off

Matter descriptions

Please refer to Notes to the Non-Consolidated Financial Statements 4 (24) and 6 (17) for the accounting policies and subject descriptions of sales revenue.

Choice Development, Inc.'s revenue is primarily from the sale of printed materials, and the sales revenue is recognized when the goods are delivered to the destination or when the sales customer picks up the goods. Choice Development, Inc. Choice Development, Inc. recognizes revenue primarily based on the delivery receipt from the destination company and uses the destination company's receipt records as the basis for revenue recognition. Therefore, we have identified this as a key audit matter.

Audit procedures performed:

We conducted the following audit procedures in response to the key audit matters described above:

1. to understand and evaluate Choice Development, Inc.'s internal control procedures over sales revenue.
2. to perform a cut-off test on sales revenue transactions for the period immediately preceding and following the balance sheet date, which included a random check of the destination company's receiving records and confirmation that the recorded revenue was recorded in the appropriate period.

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

Management is responsible for the preparation and fair presentation of the non-consolidated financial statements in accordance with 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 non-consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the non-consolidated financial statements, management is responsible for assessing Choice Development, Inc.'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 Choice Development, Inc.'s financial reporting process.

Auditors' Responsibilities for the Audit of the Non-Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the non-consolidated financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the auditing standards generally accepted in 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 auditing standards generally accepted in the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also

1. Identify and assess the risks of material misstatement of the non-consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtained 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 to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Choice Development, Inc.'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 Choice Development, Inc.'s ability to continue as a going concern. If we determine that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the non-consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure, and content of the non-consolidated 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 entities or business activities within the Company to express an opinion on Choice Development, Inc. 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 non-consolidated financial statements of Choice Development, Inc. in 2022 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.

PwC Taiwan

CPA: Liao Fu-Ming

Lin Yi-Fan

Financial Supervisory Commission R.O.C. (Taiwan)
Approved file No.: Jin-guan-zheng-shen-zi 1090350620
Jin-guan-zheng-shen-zi 1030048544

March 22, 2023

Choice Development, Inc.

Non-Consolidated Balance Sheets

December 31, 2022 and 2021

Unit: NT$1,000

	Asset	Note	December 31, 2022 Amount	%	December 31, 2021 Amount	%
	Current assets					
1100	Cash and cash equivalents	6 (1)	$ 132,985	13	$ 137,448	11
1110	Current financial assets at fair value through profit or loss	6 (2)	72,240	7	79,514	7
1150	Notes receivable, net	6 (4)	21,381	2	21,126	2
1170	Accounts receivable, net	6 (4)	99,693	9	110,407	9
1180	Accounts receivable－due from related parties, net	7	-	-	479	-
130X	Inventories	6 (5)	55,354	5	53,308	4
1410	Prepayments		672	-	2,272	-
1479	Other current assets, others		510	-	926	-
11XX	**Total current assets**		382,835	36	405,480	33
	Non-current assets:					
1517	Financial assets measured at fair value through other comprehensive income or loss－non-current	6 (6)	166,997	16	196,488	16
1535	Gain from Sale of Amortized Cost Financial Assets－non-current	6 (3) and 8	1,000	-	3,000	-
1550	Investments using equity method	6 (7)	236,203	22	342,605	27
1600	Property, plant, and equipment	6 (8) and 8	258,231	24	261,187	21
1755	Right-of-use assets	6 (9)	22,019	2	29,791	2
1990	Other non-current assets－others	6 (10) and 8	3,549	-	6,735	1
15XX	**Total non-current assets**		687,999	64	839,806	67
1XXX	**Total assets**		$ 1,070,834	100	$ 1,245,286	100

(continued on next page)

Choice Development, Inc.

Non-Consolidated Balance Sheets

December 31, 2022 and 2021

Unit: NT$1,000

	Liabilities and Equity	Note	December 31, 2022 Amount	%	December 31, 2021 Amount	%
	Current liabilities					
2100	Short-term loan	6 (11)	$ 30,000	3	$ 60,000	5
2130	contract liabilities－current	6 (17)	3,536	-	1,862	-
2150	Notes payable		1,500	-	1,505	-
2170	Accounts payable		58,460	6	61,917	5
2200	Other payables	6 (12)	78,208	7	79,103	7
2230	Current tax liabilities		-	-	1,648	-
2280	Lease liabilities－current	6 (9)	8,864	1	8,526	1
2399	Other current liabilities, others		4,756	-	4,372	-
21XX	**Total current liabilities**		185,324	17	218,933	18
	Non-Current liabilities					
2580	Lease liabilities－non-current	6 (9)	17,124	2	25,988	2
2640	Net defined benefit liability, non-current	6 (13)	852	-	4,071	-
2645	Deposits received		450	-	450	-
25XX	**Total non-current liabilities**		18,426	2	30,509	2
2XXX	**Total liabilities**		203,750	19	249,442	20
	Equity					
	Capital stock	6 (14)				
3110	Common stock		1,012,800	94	1,012,800	81
	Retained earnings:	6 (16)				
3310	Legal reserve		8,929	1	8,164	1
3320	Special reserve		39,845	4	-	-
3350	Unappropriated retained earnings		11,552	1	40,610	3
	Other equity					
3400	Other equity		(206,042)	(19)	(65,730)	(5)
3XXX	**Total equity**		867,084	81	995,844	80
	Significant subsequent events	11				
3X2X	**Total liabilities and equity**		$ 1,070,834	100	$ 1,245,286	100

The attached notes to the non-consolidated financial statements are part of this non-consolidated financial report. Please refer to them together.

Chairman: Chen, Hui-Yiu　　Manager: Wang, Chih-Ying　　Accounting supervisor: Lee, Chen-Hua

Choice Development, Inc.

Non-Consolidated Statements of Comprehensive Income

For the years ended December 31, 2022 and 2021

Unit: NT$1,000

(Except for earnings per share (loss) in NT$)

	Item	Note	For the year ended 2022 Amount	%	For the year ended 2021 Amount	%
4000	Operating revenue	6 (17) and 7	$ 569,680	100	$ 568,207	100
5000	Operating costs	6 (5) (22)	(500,019)	(88)	(493,898)	(87)
5950	Gross margin, net		69,661	12	74,309	13
	Operating expenses	6 (2102)				
6100	Selling expenses		(21,657)	(4)	(20,964)	(3)
6200	Administrative expenses		(34,656)	(6)	(32,922)	(6)
6450	Expected credit loss	102(2)	(282)	-	-	-
6000	Total operating expenses		(56,595)	(10)	(53,886)	(9)
6900	Operating Income		13,066	2	20,423	4
	Non-operating income and expenses					
7100	Interest income	6 (18)	507	-	571	-
7010	Other income	6 (19) and 7	1,514	-	2,027	-
7020	Other gains and losses	6 (20)	9,809	2	(6,199)	(1)
7050	Other gains and losses	6 (21)	(1,109)	-	(788)	-
7070	Share of profit (loss) of associates and joint ventures accounted for using equity method	6 (7)	(106,402)	(19)	(9,693)	(2)
7000	Total non-operating income and expenses		(95,681)	(17)	(14,082)	(3)
7900	**Income before tax**		(82,615)	(15)	6,341	1
7950	Income tax expenses	6 (23)	(220)	-	(1,648)	-
8200	Profit (loss)		($ 82,835)	(15)	$ 4,693	1
	Other comprehensive income Components of other comprehensive income that will not be reclassified to profit or loss					
8311	Gains (losses) on remeasurements of defined benefit plans	6 (13)	$ 1,562	-	$ 594	-
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	6 (6)	(47,487)	(8)	(35,734)	(6)
8310	Components of other comprehensive income that will not be reclassified to profit or loss		(45,925)	(8)	(35,140)	(6)
8300	**Total other comprehensive income**		($ 45,925)	(8)	($ 35,140)	(6)
8500	**Total comprehensive income**		($ 128,760)	(23)	($ 30,447)	(5)
	Basic earnings(loss) per share	6 (24)				
9750	Profit (loss)		($ 0.82)		$ 0.05	
	Diluted earnings(loss) per share	6 (24)				
9850	Profit (loss)		($ 0.82)		$ 0.05	

The attached notes to the non-consolidated financial statements are part of this non-consolidated financial report. Please refer to them together.

Chairman: Chen, Hui-Yu　　Manager: Wang, Chih-Ying　　Accounting supervisor: Lee, Chen-Hua

CHOICE DEVELOPMENT, INC.
Non-consolidated Statements of Changes in Equity
January 1 ~ December 31, 2022 and 2021

Unit: Thousands of New Taiwan Dollars

	Note(s)	Common stock	Retained earnings: Legal reserve	Retained earnings: Special reserve	Retained earnings: Unappropriated Earnings	Other equity interest: Unrealized Gain or Loss on Financial Assets at fair value through other comprehensive income	Other equity interest: Appreciation in Revaluation on estate	Total Equity
Year 2021								
Balance at January 1, 2021		$ 1,012,800	$ -	$ -	$ 81,641	($ 120,373)	$ 92,735	$ 1,066,803
Profit for the year		-	-	-	4,693	-	-	4,693
Other comprehensive income (loss) for the year	6 (6)(13)	-	-	-	594	(35,734)	-	(35,140)
Total comprehensive income (loss) for the year		-	-	-	5,287	(35,734)	-	(30,447)
2020 Appropriation and distribution of retained earnings:	6 (16)							
Legal reserve		-	8,164	-	(8,164)	-	-	-
Cash dividends		-	-	-	(40,512)	-	-	(40,512)
Disposal of investments in equity instruments designated at fair value through other comprehensive income	6 (6)	-	-	-	2,358	(2,358)	-	-
Balance at December 31, 2021		$ 1,012,800	$ 8,164	$ -	$ 40,610	($ 158,465)	$ 92,735	$ 995,844
Year 2022								
Balance at January 1, 2022		$ 1,012,800	$ 8,164	$ -	$ 40,610	($ 158,465)	$ 92,735	$ 995,844
Loss of this year		-	-	-	(82,835)	-	-	(82,835)
Other comprehensive income (loss) for the year	6 (6)(13)	-	-	-	1,562	(47,487)	-	(45,925)
Total comprehensive income (loss) for the year		-	-	-	(81,273)	(47,487)	-	(128,760)
2021 Appropriation and distribution of retained earnings:	6 (16)							
Legal reserve appropriated		-	765	-	(765)	-	-	-
Cash dividends of ordinary share		-	-	39,845	(39,845)	-	-	-
Disposal of investments in equity instruments designated at fair value through other comprehensive income	6 (6)	-	-	-	90	(90)	-	-
Derecognition of investments property in subsidiaries	6 (7)	-	-	-	92,735	-	(92,735)	-
Balance at December 31, 2022		$ 1,012,800	$ 8,929	$ 39,845	$ 11,552	($ 206,042)	$ -	$ 867,084

The attached notes to the non-consolidated financial statements are part of this non-consolidated financial report. Please refer to them together.

Chairman: Chen, Hui-Yu Manager: Wang, Chih-Ying Accounting supervisor: Lee, Chen-Hua

CHOICE DEVELOPMENT, INC.
Non-consolidated Statements of Cash Flows
January 1 ~ December 31, 2022 and 2021

Unit: Thousands of New Taiwan Dollars

	note	January 1 to December 31, 2022	January 1 to December 31, 2021
Cash flows from (used in) operating activities			
Profit (loss) before tax		($ 82,615)	$ 6,341
Adjustments			
Adjustments to reconcile profit (loss)			
Net loss (gain) on financial assets or liabilities at fair value through profit or loss	6 (2)(20)	10,040	(664)
Expected credit loss (gain	102(2)	282	-
Depreciation expense	6 (8)(22)	11,484	18,665
Depreciation of right-of-use assets	6 (9)(22)	7,772	7,772
Interest expense	6 (21)	1,109	788
Interest income	6 (18)	(507)	(571)
Dividend income	6 (19)	-	(202)
Share of loss (profit) of associates and joint ventures accounted for using equity method	6 (7)	106,402	9,693
Loss (gain) on disposal of property, plant, and equipment	6 (20)	(227)	(60)
Changes in operating assets and liabilities			
Changes in operating assets			
financial assets at fair value through profit or loss, measured at fair value		(2,766)	(78,850)
Notes receivable		(255)	(7,660)
Accounts receivable		10,432	(7,059)
Accounts receivable－due from related parties		479	48
Inventories		(2,046)	2,742
Prepayment		1,600	(1,148)
Other current assets - others		271	496
Changes in operating liabilities			
Contract liabilities - current		1,674	(113)
Notes payable		(5)	(104)
Accounts payable		(3,457)	5,480
Other payable		(19,467)	5,732
Other current liabilities – others		384	(1,559)
Net defined benefit liability – non-current		(1,657)	(1,765)
Cash inflow (outflow) generated from operations		38,927	(41,998)
Income taxes paid (refund)		(1,756)	237
Net cash flows from (used in) operating activities		37,171	(41,761)

(continued to next pages)

CHOICE DEVELOPMENT, INC.
Non-consolidated Statements of Cash Flows
January 1 ~ December 31, 2022 and 2021

Unit: Thousands of New Taiwan Dollars

	note	January 1 to December 31, 2022	January 1 to December 31, 2021
Cash flows from (used in) investing activities			
Financial assets measured at fair value through other comprehensive income or loss-Capital Reduction on Stock Return	6 (6)	$ 200	$ -
Proceeds from Proceeds from disposal of financial assets at fair value through other comprehensive income	6 (6)	390	10,462
Acquisition of financial assets at fair value through other comprehensive income		-	(86,987)
Decrease in repayments of financial assets at amortized cost		2,000	104,240
Acquisition of property, plant and equipment	6 (25)	(6,897)	(2,468)
Proceeds from disposal of property, plant and equipment		1,395	60
Decrease in prepayments for business facilities		-	(2,799)
Decrease (Increase) in refundable deposits		387	(533)
Interest received		540	771
Dividends received		-	202
Net cash flows from (used in) investing activities		(1,985)	22,948
Cash flows from (used in) financing activities			
Increase(decrease) in short-term loans		(30,000)	60,000
Interest paid		(755)	(261)
Payments of lease liabilities	6 (26)	(8,894)	(8,661)
Cash dividends paid	6 (16)	-	(40,512)
Net cash flows from (used in) financing activities		(39,649)	10,566
Net increase (decrease) in cash and cash equivalent		(4,463)	(8,247)
Cash and cash equivalents at beginning of period		137,448	145,695
Cash and cash equivalents at end of period		$ 132,985	$ 137,448

The attached notes to the non-consolidated financial statements are part of this non-consolidated financial report. Please refer to them together.

Chairman: Chen, Hui-Yu Manager: Wang, Chih-Ying Accounting supervisor: Lee, Chen-Hua

CHOICE DEVELOPMENT, INC.

Notes to the Non-Consolidated Financial Statements

FY2022 and FY2021

Unit: Thousands of New Taiwan Dollars

(Unless Otherwise Specified)

1. Company history

Choice Development, Inc. (“the Company”) formerly known as Choice Lithograph Inc., was founded, and started to operate in 1976, renamed into Choice Development, Inc. on June 23, 2020. The company officially listed on Taiwan Stock Exchanged in 1999. The company's main business items are printing, packaging material production, photography, plate making, binding, planning and design, and medical equipment retailing.

2. Approval date and procedures of the financial statements

The non-consolidated financial statements were authorized for issue by the Board of Directors on March 22, 2023.

3. New standards, amendments and interpretations adopted

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

The following table summarizes the new, revised or amended standards and interpretations of IFRSs applicable for 2022 that have been endorsed and published by the FSC and are effective:

New, Revised or Amended Standards and Interpretations	Effective Date Issued by IASB
Amendments to IFRS 3 “Reference to the Conceptual Framework”	January 1, 2022
Amendments to IAS 16 “Property, Plant and Equipment－Proceeds before Intended Use”	January 1, 2022
Amendments to IAS 37 “Onerous Contracts－Cost of Fulfilling a Contract”	January 1, 2022
Annual Improvements to IFRS Standards 2018–2020	January 1, 2022

The Company has assessed that the above standards and interpretations do not have a material impact on the Company's financial position and financial performance.

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

The following table summarizes the new, revised or amended standards and interpretations of IFRSs issued by IASB but not yet endorsed by FSC:

New, Revised or Amended Standards and Interpretations	**Effective date per IASB**
Amendments to IAS 1 “Disclosure of Accounting Policies”	January 1, 2023

Amendments to IAS 8 “Definition of Accounting Estimates”	January 1, 2023
Amendments to IAS 12 “Deferred Tax related to Assets and Liabilities arising from a Single Transaction”	January 1, 2023

The Company has assessed that the above standards and interpretations do not have a material impact on the Company's financial position and financial performance.

(3) The impact of IFRSs issued by IASB but not yet endorsed by FSC

The following table summarizes the new, revised or amended standards and interpretations of IFRSs issued by IASB but not yet endorsed by FSC:

New, Revised or Amended Standards and Interpretations	Effective Date Issued by IASB
Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets Between an Investor and Its Associate or Joint Venture”	To be decided by IASB
Amendments to IFRS 16 “Lease liability in leaseback”	January 1, 2024
IFRS 17 “Insurance Contracts”	January 1, 2023
Amendments to IFRS 17 “Insurance Contracts”	January 1, 2023
Amendments to IFRS 17 “Initial Application of IFRS No. 17 and IFRS No. 9 - Comparative Amendments”	January 1, 2023
Amendments to IAS 1 “Current or non-current classification of liabilities”	January 1, 2024
Amendments to IAS 1 “Non-current liabilities with contractual terms”	January 1, 2024

The Company has assessed that the above standards and interpretations do not have a material impact on the Company's financial position and financial performance.

4. Summary of significant accounting policies

The following significant accounting policies have been applied consistently to all periods presented in the non-consolidated financial statements unless otherwise specified.

(1) Statement of compliance

The non-consolidated financial statements are prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

(2) Basis of preparation

(1) The non-consolidated financial statements have been prepared on the historical cost basis except for the following material items:

A. Financial instruments measured at fair value through profit or loss and liability are measured at fair value;

B. Financial assets at fair value through other comprehensive income and liability are measured at fair value;

C. Defined benefit liability recognized as the net amount of pension fund assets minus the Present Value of a Defined Benefit Obligation.

(2) The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates and management's judgement in the process of applying the Company's accounting policies; items involving a higher degree of judgement or complexity, or items involving significant assumptions and estimates in the consolidated financial statements are described in Note 5.

(3) <u>Foreign currency conversion</u>

The non-consolidated financial statements are presented with the 's functional currency "Taiwan Dollar" as the presentation currency.
Foreign currency transactions and balance

A. Foreign currency transactions are converted into functional currency at the spot exchange rate on the trading day or measurement date. The translation differences arising from the conversion of these transactions are recognized as current profit and loss.

B. The balances of foreign currency assets and liabilities are adjusted at the spot rate at the balance sheet date and the translation difference arising from the adjustment is recognized as current profit or loss.

C. For the balance of non-monetary assets and liabilities, if it is measured by fair value through profit or loss, it shall be adjusted according to the spot exchange rate on the balance sheet date, and the exchange difference arising from the adjustment shall be recognized as current profit or loss; if is measured at fair value through other comprehensive income, adjusted according to the spot exchange rate on the balance sheet date, and the exchange difference arising from the adjustment is recognized in other comprehensive income items; if it is not measured by fair value, it shall be measured by the historical exchange rate of the initial trading day.

D. All other exchange profits and losses are reported under "Other Profits and Losses" in the comprehensive income statement according to the nature of the transaction.

(4) <u>Classification of current and non-current assets and liabilities</u>

A. An asset is classified as current when：

(a) It is expected to be realized the asset, or intended to be sold or consumed, during the normal operating cycle;
(b) It is held primarily for the purpose of trading;
(c) It is expected to be realized within twelve months after the reporting period; or
(d) The asset is cash and cash equivalent unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

B. liability is classified as current when

(a) It is expected to be realized the asset, or intended to be sold or consumed, during the normal operating cycle;

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

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

(d) The Company does not have an unconditional right to defer settlement 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.

All other liabilities are classified as non-current.

(5) Cash and cash equivalents

Cash comprises cash on hand and demand deposits. Cash equivalents are assets that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in their fair value. Time deposits are accounted under cash and cash equivalents if they are accord with the definition aforementioned and are held for the purpose of meeting short-term cash commitment rather than for investment or other purpose.

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

A. All financial assets not classified as amortized cost or FVOCI described as above are measured at FVTPL.

B. The Company adopts trading day accounting for financial assets measured at fair value through profit and loss in accordance with customary transactions.

C. The Company measures it at fair value at the time of initial recognition, and the relevant transaction costs are recognized in profit or loss, and subsequently measured at fair value, with the benefit or loss recognized in profit or loss.

D. The Company recognizes dividend income in profit or loss when the right to receive the dividend is established, it is probable that the economic benefits associated with the dividend will flow in, and the amount of the dividend can be measured reliably.

(7) Financial assets measured at fair value through other comprehensive income or loss

A. Refers to an irrevocable choice made at the time of original recognition to present the fair value changes of equity instrument investments not held for trading in other comprehensive income:

(a) Holding the financial assets in a business mode for the purpose of collecting contracted cash flows and selling them.

(b) The cash flows generated from the contractual terms of the financial asset on a specified date is entirely the payment of principal and interest on the outstanding principal amount.

B. The Company adopts trading day accounting for financial assets that meet trading practices and are measured at a fair value based on other comprehensive income.

C. At the time of original recognition, the Company measured it at its fair value plus transaction costs, and subsequently measured it at its fair value:

Changes in fair value of equity instruments are recognized in other comprehensive income. On derecognition, cumulative gains or losses previously recognized in other comprehensive income are not subsequently reclassified to profit or loss and are transferred to retained earnings. The Company recognizes dividend income in profit or loss when the right to receive dividends is established, it is probable that the economic benefits associated with the dividends will flow and the amount of the dividends can be measured reliably.

(8) <u>Financial assets measured at amortized cost</u>

A. A financial asset meets following conditions:

(a) it is held within a business model whose objective is to hold assets to collect contractual cash flows; and

(b) its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

B. The Company adopts trading day accounting for financial assets measured at amortized cost that conform to trading practices.

C. At the time of original recognition, the Company measured it at its fair value plus transaction costs, and subsequently used the effective interest method to recognize interest income and impairment losses during the circulation period according to the amortization procedure and recognized the benefits or losses in profit or loss during derecognition.

D. The Company holds time deposits that do not meet cash equivalents. Since the holding period is short, the impact of discounting is not significant and is measured by the investment amount.

(9) Accounts and notes receivable

A. Refers to the accounts and bills that have the unconditional right to receive the consideration amount in exchange for the transfer of goods or services in accordance with the contract.

B. Refers to the short-term accounts receivable and bills that have not paid interest, because the impact of discounting is not significant, the Company measured it by the original invoice amount.

(10) Impairment of financial assets

At each balance sheet date, the Company considers all reasonable and supportable information (including prospective ones) on the financial assets measured at amortized cost and, for those whose credit risk has not increased significantly since the original designation, allowance loss is measured by 12-month expected credit loss; for those whose credit risk has increased significantly since the original recognition, the allowance loss is measured by the amount of expected credit loss during the duration; for accounts receivable or contract assets that do not contain significant financial components, the allowance loss is measured by the expected credit loss amount during the duration.

(11) Derecognition of financial assets

When the Company's contractual right to receive the cash flow from the financial asset expires, it will derecognize the financial asset.

(12) Lessor's Lease Transactions - Operating Leases

Lease income from operating leases, net of any incentives given to the lessee, is amortized on a straight-line basis over the lease term and recognized as current profit or loss.

(13) Inventories

Inventories are measured by the lower of cost and net realizable value using the perpetual inventory system; cost is determined using the weighted average method. The cost of finished goods and work in progress includes raw materials, direct labor, other direct costs, and production related manufacturing overheads, but excludes borrowing costs. When comparing the lower of cost and net realizable value, the item-by-item comparison method shall be adopted; net realizable value refers to the balance after deducting relevant variable sales expenses from the estimated selling price in the normal course of business。

(14) Investments using the equity method

A. Subsidiaries means an entity (including a structured entity) under the control of the Company, which controls the entity when the Company is exposed to variable remuneration from participation in the entity or has rights to such variable remuneration and can influence such remuneration through its power over the entity.

B. Significant transactions, balances and unrealized gains and losses between the have been eliminated. The accounting policies of the subsidiaries have been adjusted as necessary to be consistent with the policies adopted by the Company.

C. The Company recognizes the share of profit or loss acquired by the subsidiary as current profit or loss, and the share of other comprehensive profit or loss acquired by the subsidiary as other comprehensive profit or loss. If the share of losses recognized by the Company for a subsidiary is equal to or exceeds the equity in the subsidiary, the company will continue to recognize losses in proportion to its shareholding.

D. When the Company loses control of a subsidiary, the remaining investment in the former subsidiary is remeasured at fair value and recognized as the fair value of the financial asset or the cost of the investment in the affiliate or joint venture, and the difference between the fair value and the carrying amount is recognized in profit or loss for the period. All amounts previously recognized in other comprehensive income relating to such subsidiaries are accounted for on the same basis as if the Company had directly disposed of the related assets or liabilities, i.e. if a gain or loss previously recognized in other comprehensive income would be reclassified to profit or loss upon disposal of the related assets or liabilities, the gain or loss is reclassified from equity to profit or loss when control over the subsidiaries is lost.

E. According to Regulations Governing the Preparation of Financial Reports by Securities Issuers, the current profit and loss and other comprehensive profit and loss in the non-consolidated statements should be the same as the share of the current profit and loss and other comprehensive profit and loss attributable to the owner of the parent company in the financial report prepared based on consolidation. The owner's equity in the financial report shall be the same as the equity attributable to the owner of the parent company in the financial report prepared on a consolidated basis. The owner's equity in the non-consolidated statements shall be the same as the equity attributable to the owner of the parent company in the financial report prepared on a consolidated basis.

(15) Property, plant, and equipment

A. Real estate, plant and equipment are recorded on an acquisition cost basis and are capitalized with interest incurred during the purchase and construction period.

B. Subsequent costs are included in the carrying amount of an asset or recognized as a separate asset only when the future economic benefits associated with the project are likely to flow into the Company and the cost of the project can be reliably measured. The carrying amount of the replaced portion should be derecognized. All other maintenance costs are recognized in profit or loss as incurred.

C. Property, plant, and equipment are subsequently measured using the cost model and are depreciated on a straight-line basis over their estimated useful lives, except for land, which is not depreciated. Separate depreciation is provided for each component of property, plant, and equipment if it is significant.

D. The Company reviews the salvage value, useful life, and depreciation method of each asset at the end of each financial year. If the expected value of the salvage value and service life is different from the previous estimate, or the expected consumption pattern of the future economic benefits contained in the asset has changed significantly, then the change shall be treated in accordance with IAS 8, Accounting

Policies, Changes in Accounting Estimates and Errors from the date of the change. The useful life of each asset is as follows:

Building	3 years ~ 45 years
Machinery and equipment	2 years ~ 15 years
Transportation equipment	5 years
Office equipment	2 years ~ 15 years
Leasehold improvements	2 years ~ 5 years
Other equipment	2 years ~ 5 years

(16) Lessee's lease transactions - right-of-use assets/lease liabilities

A. The leased assets are recognized as use assets and lease liabilities on the date they become available to the Company. When the lease contract is a short-term lease or a lease of an underlying asset of low value, the payment of the lease is recognized as an expense by the straight-line method during the lease term.

B. The lease liability is recognized as the present value of the outstanding lease benefits discounted at the Company's increased borrowing rate on the commencement date of the lease. The lease payments include the following:

Fixed payments, less any rental incentives receivable;
Subsequent adoption of the interest method is measured by the amortized cost method, and interest expenses are provided during the lease period. When the lease term or lease payment changes due to non-contract modification, the lease liability will be reassessed, and the remeasurement amount will be adjusted to the right-of-use asset.

C. The right-of-use asset is recognized at cost on the lease commencement date, and the cost include:

(a) original measurement amount of lease liabilities;
(b) any lease payments made on or before the commencement date; and
(c) any original direct costs incurred.

Subsequent measurement is made using the cost model, and depreciation expenses are provided when the useful life of the right-of-use asset expires or when the lease period expires, whichever is earlier. When the lease liability is reassessed, the right-of-use asset will adjust any remeasurement of the lease liability.

(17) Impairment of non-financial assets

The Company estimates the recoverable amount of assets with signs of impairment on the balance sheet date and recognizes the impairment loss when the recoverable amount is lower than its carrying amount. The recoverable amount refers to the fair value of an asset less the cost of disposal or its value in use, whichever is higher. Except for goodwill, when the asset impairment recognized in the previous year does not exist or decreases, the impairment loss shall be reversed, provided that the carrying amount of the asset increased by the reversed impairment loss does not exceed the carrying amount of the asset reduced by depreciation or amortization if the impairment loss had not been recognized.

(18) Borrowings

It refers to short-term funds borrowed from banks. The company measures them at fair value less transaction costs at the time of original recognition, and any difference between the price and the redemption value after deducting transaction costs is then measured by the effective interest method at the amortized cost during the borrowing period.

(19) Accounts and notes payable

A. Refers to debts incurred due to the purchase of raw materials, commodities, or services on credit, and notes payable incurred due to business and non-business.

B. They are short-term accounts payable and notes that are unpaid interests, and this Company measured at the original invoice amount because the effect of discounting is immaterial.

(20) Derecognition of financial liabilities

The Company derecognizes financial liabilities upon performance, cancellation or maturity of the obligations contained in the contracts.

(21) Employee benefits

A. Short term employee benefits

Short-term employee benefits are measured at non-discounted amounts expected to be paid and are recognized as an expense when the related service is rendered.

B. Pension

i. Defined contribution plans

For the defined contribution plan, the amount of the pension fund that should be contributed is recognized as the current pension cost on the accrual basis. Prepaid contributions are recognized as assets to the extent that they are refundable in cash or reduce future benefits.

ii. Defined benefit plans

① The net obligation under defined benefit plans is calculated by discounting the number of future benefits earned by employees in the current period or past service and deducting the fair value of the plan assets from the present value of the defined benefit obligations on the balance sheet date. The net obligation of defined benefit is calculated annually by the actuary using the Projected Unit Credit Method; the discount rate is the market yield of government bonds (on the balance sheet date) that match the currency and period of the defined benefit plans on the balance sheet date.

② The remeasurement amount generated by defined benefit plans is recognized in other comprehensive income in the current period and expressed in retained earnings.

③ The expenses related to the previous service cost are immediately recognized as profit or loss.

C. Post-employment Benefits

Post-employment Benefits are benefits provided when the employee's employment is terminated before the normal retirement date, or when the employee decides to accept the company's offer of benefits in exchange for termination of employment. The Company recognizes expenses when the offer of Post-employment Benefits can no longer be withdrawn, or upon recognition of related restructuring costs, whichever comes first Benefits that are not expected to be fully repaid 12 months after the balance sheet date should be discounted.

D. Remuneration of employees and remuneration of directors and supervisors

Remuneration of employees and remuneration of directors and supervisors are recognized as expenses and liabilities when there is a legal or constructive obligation, and the amount can be reasonably estimated. If there is any difference between the actual allotment amount and the estimated amount in subsequent resolution, it shall be treated as a change in accounting estimate.

(22) Income tax

A. Income tax includes current and deferred income tax. Income tax is recognized in profit or loss, except that income tax related to items included in other comprehensive income or directly included in equity, which are included in other comprehensive income or directly included in equity, respectively.

B. The Company calculates the income tax for the current period based on the tax rate that has been legislated or substantively legislated on the balance sheet date in the country where the Company operates and generates taxable income. Management regularly assesses the status of income tax declarations for applicable income tax regulations and, where applicable, estimates income tax liabilities based on expected tax payments to tax authorities. For the income tax levied on the undistributed earnings according to the Income Tax Act will be recognized undistributed earnings income tax expense on the actual distribution of earnings after the shareholder meeting approves the earnings distribution plan in the year following the year in which the earnings is generated.

C. The deferred income tax is recognized on the basis of temporary differences between the tax basis of assets and liabilities and their carrying amounts in the non-consolidated balance sheets using the balance sheet approach. Deferred income tax liabilities arising from goodwill are not recognized, and deferred income tax is not recognized if it arises from the original recognition of an asset or liability in a transaction (other than a business merger) that does not affect the accounting profit or taxable income (tax loss) at the time of the transaction. The temporary differences arising from investment in subsidiaries will not be recognized if the Company can control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future. Deferred income tax adopts the tax rate (and tax law) as of the balance sheet date when legislation is enacted, or materially enacted and the deferred income tax assets are realized, or the deferred income tax liabilities are liquidated.

D. Deferred income tax assets are recognized to the extent that temporary differences are likely to be used to offset future taxable income, and unrecognized and recognized deferred income tax assets are reassessed on each balance sheet date.

(23) Dividend distribution

Dividends distributed to the Company's shareholders are recognized in the financial statements when the Company's shareholders resolve to distribute the dividends, and cash dividends are recognized as a liability.

(24) Revenue Recognition

Merchandising

A. The Company manufactures and sells products related to the printing industry, electronic components, and medical devices; sales revenue is recognized when the control of the products is transferred to the customer, that is when the product is delivered to the customer, the customer has discretion over the access and price of the product and the Company has no outstanding obligations that may affect the customer's acceptance of the product. Delivery of goods occurs when the product has been delivered to the specified location, the risk of obsolescence and loss has been transferred to the customer, and the customer has accepted the product in accordance with the sales contract or there is objective evidence that all acceptance criteria have been met.

B. Sales revenue is recognized based on contract prices less discounts on sales. The recognized amount of income is limited to the part that is highly unlikely to have a significant reversal in the future, and the estimate is updated on each balance sheet date. The terms of collection for sales transactions are contractually agreed on an individual basis. The Company did not adjust the transaction price to reflect the time value of money because the time interval between the goods or services promised by transfer to the customer and the customer's payment did not exceed one year.

C. Accounts receivable is recognized when the goods are delivered to the customer, because the Company has an unconditional right to the contract price from that point on, and the consideration can be collected from the customer only after time passes.

(25) Government grants

Government grants are recognized at fair value when there is reasonable assurance that the enterprise will comply with the conditions attached to the government grant and that it will receive the grant. Where the nature of government grants is to compensate the Company for costs incurred, government grants are recognized as current profit and loss on a systematic basis over the period in which the relevant costs are incurred.

5. Significant accounting assumptions and judgments, and major sources

In preparing these non-consolidated financial statements, no significant accounting judgement has been involved in the process of applying the accounting policies. Management has used its judgement in determining the accounting policies to be used and has made accounting estimates and assumptions that are based on reasonable expectations of future events under the circumstances at the balance sheet date. Significant accounting estimates and assumptions made that may differ from actual results are continually evaluated and adjusted, considering historical experience and other factors. The Company has no significant accounting judgments, estimates and assumptions that are uncertain.

6. Explanation of significant accounts

(1) Cash and cash equivalents

	December 31, 2022	December 31, 2021
Cash on hand and revolving funds	$ 810	$ 810
Checking Deposits and Demand Deposits	126,033	92,638
Deposit account	6,142	44,000
	$ 132,985	$ 137,448

A. The Company's dealings with financial institutions are of good credit quality and the Company's dealings with several financial institutions diversify its credit risk and the likelihood of default is expected to be low.

B. As of December 31, 2011 and 2011, cash and cash equivalents were pledged as collateral as described in Note 8 and shown in the table under Other non-current assets – other.

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

Item	December 31, 2022	December 31, 2021
Financial assets designated as fair value through profit or loss		
Listed, OTC stocks	$ 81,616	$ 78,850
Adjustments for change in value	(9,376)	664

Total	$ 72,240	$ 79,514

A. The details of financial asset at fair value through profit or loss recognized in profit and loss are as follows::

	Year 2022	Year 2021
Mandatorily measured at fair value through profit or loss		
Equity Instrument	($ 10,040)	$ 664

B. The Company has not pledged any financial assets at fair value through profit or loss.

(3) Financial Assets measured at amortized cost

Item	December 31, 2022	December 31, 2021
Non-current items:		
Pledge fixed deposit	$ 1,000	$ 3,000
Fixed deposit interest rate range	1.465%	1.04%
Period	3.1.2022~3.1.2025	3.4.2011~3.4.2022

A. The details of financial Assets measured at amortized cost recognized in profit and loss are as follows:

	FY2022	FY2021
Interest revenue	$ 104	$ 260

B. Without taking into account collateral held or other credit enhancements, the most representative financial assets held by the Company measured at amortized cost on December 31, 2022 and 2021 are equal to the carrying amount of the largest credit risk exposures respectively.

C. Please refer to Note 12(2) for information on the credit risk of the underlying financial assets measured at amortized cost. The Company invests in time deposits with creditworthy financial institutions and the likelihood of default is low.

(4) Notes receivable and accounts receivable

	December 31, 2022	December 31, 2021
Notes receivable	$ 21,381	$ 21,126
Accounts receivable	$ 99,695	$ 112,176
Less: Allowance for doubtful receivables	(2)	(1,769)
	$ 99,693	$ 110,407

	December 31, 2022	December 31, 2021
Overdue receivables (Listed other non-current assets)	$ 9,367	$ 7,318
Less: Allowance loss	(9,367)	(7,318)
	$ -	$ -

A. The aging analysis of Accounts receivable is as follows:

	December 31, 2022	December 31, 2021
~ 90 days	$ 93,809	$ 104,370
91 ~ 120 days	5,179	6,514
121 ~ 180 days	707	59
181 days ~ others	9,367	8,551
	$ 109,062	$ 119,494

The above ageing analysis is based on the date of establishment of the accounts.

B. The accounts receivable and notes receivable balances on December 31, 2022 and 2021 are all generated by the customer contract, and the receivable balance of the customer contract on January 1, 2021 is $116,814.

C. On December 31, 2022 and 2021, the Company's notes receivable are not overdue.

D. The Company's notes receivable and accounts are not pledged.

E. The Company does not hold any collateral.

F. Without considering the collateral held or other credit enhancements, the risk amount that best represents the Company's notes receivable on December 31, 2022 and 2011 are $21,381＆$21,126; the risk amount that best represents the Company's accounts receivable on December 31, 2022 and 2011 are$99,693 and $110,407 respectively.

G. Please refer to notes 12(2) for the credit risks of the notes receivable, accounts receivable.

(5) Inventories

	December 31, 2022		
	Cost	Allowance for valuation loss	Carrying amount
Commodities	$ 1	$ -	$ 1
Material	22,775	(3,353)	19,422
Raw material	1,447	(77)	1,370
Work-in process	25,121	(301)	24,820
Finished products	9,844	(103)	9,741
Total	$ 59,188	($ 3,834)	$ 55,354

	December 31, 2021		
	Cost	Allowance for valuation loss	Carrying amount
Commodities	$ 2,148	($ 2,105)	$ 43
Material	17,491	(2,510)	14,981
Raw material	938	(76)	862
Work-in process	26,333	(190)	26,143
Finished products	11,412	(133)	11,279
Total	$ 58,322	($ 5,014)	$ 53,308

Inventory cost recognized as expense by the Company in the current period:

	FY2022	FY2021
Cost of Inventory Sold	$ 503,091	$ 496,995
Gain from price recovery of inventory	925	(26)
Scrap income	(3,997)	(3,071)
	$ 500,019	$ 493,898

In 2011, the Company suffered a gain from price recovery due to the price reduction and slow-moving inventory that was originally listed as having been sold.

(6) Financial assets measured at fair value through other comprehensive income or loss

Item	December 31, 2022	December 31, 2021
Non-current items:		
Equity instruments		
Stocks of listed companies	$ 338,935	$ 320,350
Unlisted, OTC, emerging OTC stocks	34,104	34,603
	373,039	354,953
Adjustments of change in value	(206,042)	(158,465)
Total amount	$ 166,997	$ 196,488

A. The Company has chosen to classify investments in securities that are strategic investments and receive stable dividends as financial assets measured at fair value through other comprehensive income. The fair value of these investments on December 31, 2022 and 2021 are $166,997 and $196,488 of these investments, respectively.

B. Some equity instruments invested by the Company were reduced in February 2022, and the original investment of $200 was returned.

C. Due to strategic investment adjustments in 2022 and 2021, the Company sells securities investments with fair values of $390 and $10,462 respectively, and the original accumulated gains and losses in other equity of $90 and $2,358 have been transferred to retained earnings.

D. Financial assets at fair value through other comprehensive income are recognized in profit and loss and the details of comprehensive income are as follows:

Financial assets at fair value through other comprehensive income	FY2022	FY2021
Changes in fair value recognized in other comprehensive income	($ 47,487)	($ 35,734)
Accumulated profit or loss transferred to retained earnings due to derecognition	$ 90	$ 2,358
Dividend income recognized as profit or loss is not still held in the current period	$ -	$ 202

E. Without considering the collateral held or other credit enhancements, the risk amount that best represents the Company holding financial assets at fair value through other comprehensive income on December 31, 2022 and 2011 is the carrying amount.

F. The Company has not pledged financial assets at fair value through other comprehensive income.

G. For relevant financial assets at fair value through other comprehensive income credit risk information, please refer to note 12(2).

(7) Investments using the equity method/subsequent events

	FY2022	FY2021
1 January	$ 342,605	$ 352,298
Share of investment gains and losses using the equity method	(106,402)	(9,693)
31 December	$ 236,203	$ 342,605

	December 31, 2022	December 31, 2021
Omni Media Int’l Inc.	$ 228,113	$ 331,681
Choice Development Co., Ltd.	8,090	10,924
	$ 236,203	$ 342,605

A. For information about the company's subsidiaries, please refer to Note 4, (3) of the company's 2011 consolidated financial statements.

B. This Company's subsidiary, Omni Media International Incorporation received a letter from the Land Administration Bureau, Taoyuan City Government on March 28, 2011, agreeing to terminate the superficies of the business district at Sec. Laojiexi, Zhongli Dist., Taoyuan City Government and refund $150,268; the investment property derecognized in related accounts is $508,569, refundable deposits is $37,650, and the lease liabilities are $254,937; in addition, $133,757 was recognized as a lease modification loss, and the revaluation gain of $138,247 originally recognized in equity was transferred to retained earnings. The Company recognized revaluation increment of $92,735 in equity based on the original shareholding ratio to retained earnings.

C. Subsequent events: On January 4, 2012, Choice Development Co., Ltd. was approved by the board of directors to increase capital in cash. The company has subscribed 1,500,000 shares for $15,000 according to the shareholding ratio.

(Blank below)

(8) Property, plant and equipment

	Land	Buildings	Mechanical equipment	Transportation equipment	Office equipment	Lease improvement	Total amount
January 1, 2022							
Cost	$ 190,316	$ 142,964	$ 322,855	$ 4,332	$ 18,273	$ 6,490	$ 685,230
Accumulated depreciation and impairment	(6,342)	(90,886)	(302,318)	(2,184)	(15,822)	(6,490)	(442,043)
	$ 183,974	$ 52,078	$ 20,537	$ 2,148	$ 2,451	$ -	$ 261,187
FY 2022							
January 1	$ 183,974	$ 52,078	$ 20,537	$ 2,148	$ 2,451	$ -	$ 261,187
Addition	-	-	5,034	1,500	363	-	6,897
Disposal	-	-	(1,168)	-	-	-	(1,168)
Transfer	-	-	2,557	-	242	-	2,799
Depreciation expense	-	(2,166)	(7,511)	(693)	(1,115)	-	(17,026)
December 31	$ 183,974	$ 49,912	$ 19,449	$ 2.055	$ 1,941	$ -	$ 258,231
December 31, 2022							
Cost	$ 190,316	$ 142,964	$ 326,961	$ 4,380	$ 18,878	$ 6,490	$ 689,989
Accumulated depreciation and impairment	(6,342)	(93,052)	(307,512)	(1,425)	(16,937)	(6,490)	(431,758)
	$ 183,974	$ 49,912	$ 19,449	$ 2,955	$ 1,941	$ -	$ 258,231

	Land	Buildings	Mechanical equipment	Transportation equipment	Office equipment	Lease improvement	Total amount
January 1, 2021							
Cost	$ 190,316	$ 144,264	$ 323,824	$ 4,332	$ 21,010	$ 6,490	$ 690,236
Accumulated depreciation and impairment	(6,342)	(89,989)	(292,607)	(1,516)	(17,374)	(5,681)	(413,509)
	$ 183,974	$ 54,275	$ 31,217	$ 2,816	$ 3,636	$ 809	$ 276,727
FY 2021							
January 1	$ 183,974	$ 54,275	$ 31,217	$ 2,816	$ 1,320	$ 809	$ 276,727
Addition	-	-	52,180	-	135	-	2,315
Transfer	-	-	810	-	-	-	810
Depreciation expense	-	(2,197)	(13,670)	(669)	(1,320)	(809)	(18,665)
December 31	$ 183,974	$ 52,078	$ 20,537	$ 2,147	$ 2,451	$ -	$ 261,187
December 31, 2021							
Cost	$ 190,316	$ 142,964	$ 322,855	$ 4,332	$ 18,273	$ 6,490	$ 685,230
Accumulated depreciation and impairment	(6,342)	(90,886)	(302,318)	(2,185)	(15,822)	(6,490)	(424,043))
	$ 183,974	$ 52,078	$ 20,537	$ 2,147	$ 2,451	$ -	$ 261,187

A. The Company has no interest capitalization situation at all.

B. For pledge of property, plant, and equipment, please refer to note 8.

C. Transfer is to transfer other non-current assets to real property, plant, and equipment.

(9) Lease transaction - lessee

A. The underlying assets leased by the Company include land, buildings, and billboards, etc.; the period of the lease contract usually ranges from 1 to 7 years. The lease contract is negotiated individually and contains various terms and conditions, except that the leased assets cannot be used as loan guarantees, without imposing any other restrictions.

B. The lease period of the offices and parking spaces leased by the Company does not exceed 12 months, and the underlying assets leased are low-value office equipment, which are not recognized as right-of-use assets.

C. The book value of the right-of-use asset and the recognized depreciation expense information are as follows:

	Dec. 31, 2022 Carrying amount	Dec. 31, 2021 Carrying amount
House	21,104	28,554
Parking space	915	1,237
	$ 22,019	$ 29,791

	FY2022 Depreciation Expense	FY2021 Depreciation Expense
House	$ 7,450	$ 7,450
Parking space	322	322
	$ 7,772	$ 7,772

D. The Company has no additions in 2022 and 2021 right-of-use assets.

E. Other profit and loss items related to the lease contract are as follows:

	FY2022	FY2021
Items affecting current profit and loss		
Interest expense of lease liabilities	$ 368	$ 468
Expenses for short-term rental contracts	189	190
Expenses for the lease of low-value assets	120	134

F. The Company's total cash outflows for leases in 2022 and 2021 are $9,203 and $8,985 respectively.

G. The book value information of the lease liabilities related to the above-mentioned right-of-use assets is as follows:

	FY2022	FY2021
Lease liabilities-current		
House	$ 8,537	$ 8,203
Parking space	327	323

	$ 8,864	$ 8,526
Lease liabilities-non-current		
House	$ 16,515	$ 25,053
Parking space	609	935
	$ 17,124	$ 25,988

(10) Other non-current assets

Item	December 31, 2022	December 31, 2021
Refundable deposits	$ 3,549	$ 3,936
Prepayments for equipment	-	2,799
Overdue receivables	9,367	7,318
Less: allowance for bad debts	(9,367)	(7,318)
	$ 3,549	$ 6,735

(11) Short-term loan

Nature of Borrowing	Dec. 31, 2022	Interest rate range	Collaterals
Bank Guaranteed Loan	$ 30,000	1.78%	Please refer to note 8

Nature of Borrowing	Dec. 31, 2021	Interest rate range	Collaterals
Bank Guaranteed Loan	$ 60,000	1.15%	Please refer to note 8

The interest expense recognized in profit or loss in 2022 and 2021 is $741 and $320 respectively.

(12) Other payables

Item	December 31, 2022	December 31, 2021
Salary payable	$ 9,843	$ 9,278
Employee Compensation Payable	-	642
Payable service fee	1,818	750
Business tax payable	1,020	1,186
Outsourcing processing fee payable	54,321	57,468
Other payables	11,206	9,779
	$ 78,208	$ 79,103

The subcontract processing fee payable is the amount payable for the printed copies of the outsourced manufacturers.

(13) Pension

A. Defined benefit plans

(a) According to the provisions of the "Labor Standard Act", the Company has established a retirement method with defined benefits, which is applicable to the service years of all regular employees before the implementation of the "Labor Pension Act" on July 1, 2005. And the follow-up service years of employees who choose to continue to apply the Labor Standards Act after the implementation of the "Labor Pension Act". For employees who meet the retirement requirements, the pension payment is calculated based on the years of service and the average salary of the six months before retirement. The service years within 15 years (inclusive) will be given two bases every year, and the service years exceeding 15 years will be paid every year. A base is given for one full year, but the accumulation is limited to a maximum of 45 bases. The Company contributes 6% of the total salary to the retirement fund monthly, and deposits it in the Bank of Taiwan in a special account in the name of the Labor Pension Fund Supervisory Committee. In addition, The Company estimates the balance of the labor retirement reserve account before the end of each year. If the balance is not enough to pay the estimated amount of pension calculated above for workers who meet the retirement conditions in the next year, the Company will contribute the difference before the end of March of the following year.

(b) The amounts recognized in the balance sheet were as follows:

	Dec. 31, 2022	Dec. 31, 2021
Defined benefit obligation (present value of)	($ 12,253)	($ 16,691)
Fair value of planned assets	11,401	12,620
Net defined benefit obligation	($ 852)	($ 4,071)

(c) The changes in the net defined benefit obligation were as follows:

	Defined benefit obligation (present value)	Fair value of planned assets	Net defined benefit obligation
FY2022			
Balance at January 1	$ 16,691	$ 12,620	$ 4,071
Interest revenue	-	90	(90)
Interest cost	115	-	115
	16,806	12,710	4,096
remeasurements:			
Planned ROA(Amounts not included in interest revenue or fees)	-	1,123	(1,123)
Impact of changes in financial assumptions	(597)	-	(597)
Experience adjustments	158	-	158
	(439)	1,123	(1,562)

	Defined benefit obligation (present value)	Fair value of planned assets	Net defined benefit obligation
Retirement funds contributed	-	1,682	(1,682)
Payment of pensions	(4,114)	(4,114)	-
Balance at December 31	$ 12,253	$ 11,401	$ 852

	Defined benefit obligation (present value)	Fair value of planned assets	Net defined benefit obligation
FY2021			
Balance at January 1	$ 23,556	$ 17,126	$ 6,430
Interest revenue	116	-	116
Interest cost	90	-	90
Liquidation profit and loss	-	67	(67)
	23,762	17,193	6,569
remeasurements:			
Planned ROA(Amounts not included in interest revenue or fees)	-	228	(228)
Impact of changes in demographic assumptions	498	-	498
Impact of changes in financial assumptions	(467)	-	(467)
Experience adjustments	397	-	397
	(366)	228	(594)
Retirement funds contributed	-	1,904	(1,904)
Payment of pensions	(6,705)	(6,705)	-
Balance at December 31	$ 16,691	$ 12,620	$ 4,071

(d) For the Company's Defined benefit plans fund assets, Bank of Taiwan entrusts operation according to the items set forth in Article 6 of Regulations for Revenues, Expenditures, Safeguard and Utilization of the Labor Retirement Fund (that is, deposit in domestic or foreign financial institutions, Investment in domestic or foreign listed, over-the-counter, or private placement equity securities, and Investment in domestic or foreign real estate and its securitization products), within the proportion and amount of entrusted operation projects determined in accordance with the fund's annual investment and utilization plan. The relevant usage is supervised by the Labor Pension Fund Supervisory Committee. In the use of the fund, the minimum income distributed in the final accounts of each year shall not be less than the income calculated based on the two-year fixed deposit rate of the local bank. If there is any shortfall, it shall be made up by the state Treasury after approval by the competent authority. Since the Company has no right to participate in the operation and management of the fund, it is not possible to disclose the fair value classification of plan assets in accordance with paragraph 142 of International Financial Reporting Standards (IFRS) No. 19. For the fair value of the total assets of the fund on December 31, 2022 and 2021, please refer to the annual Labor Pension Fund operation report announced by the government.

(e) Actuarial assumptions related to pensions are summarized as follows:

	FY2022	FY2021
Discount rate	1.3%	0.69%
Future salary increase rate	2.00%	2.00%

The assumptions for future mortality in 2022 and 2021 are based on 90% of the 6th Experience Life Table for the Taiwan life insurance industry..

The defined benefit obligation (present value of) impacted by changes in the main actuarial assumptions adopted is analyzed as follows:

	Discount Rate		Future Salary Increase Rate	
	Increase by 0.25%	Decrease by 0.25%	Increase by 0.25%	Decrease by 0.25%
December 31, 2022				
Impact on the present value of defined benefit obligations	($ 177)	$ 182	$ 149	($ 147)

	Discount Rate		Future Salary Increase Rate	
	Increase by 0.25%	Decrease by 0.25%	Increase by 0.25%	Decrease by 0.25%
December 31, 2023				
Impact on the present value of defined benefit obligations	($ 249)	$ 255	$ 209	($ 206)

The above sensitivity analysis is based on the analysis of the impact of a single assumption change under the condition that other assumptions remain unchanged. In practice, changes in many assumptions may be linked. The sensitivity analysis is used to calculate the net pension liability of the balance sheet consistent approach.

The methods and assumptions used in the preparation of the sensitivity analysis in this period are the same as those in the previous period.

(f) The Company expects to pay $648 contributions to retirement plans in 2023.

B. Defined contribution plan

(a) Since July 1, 2005, the company and domestic subsidiaries have established a retirement method with a certain contribution in accordance with the "Labor Pension Act", which is applicable to employees of their nationality. The Company contributes 6% of the salary to the employee's personal account of the Bureau of Labor Insurance every month when the employee chooses to apply the part of the labor pension system stipulated in the "Labor Pension Act". The employee's pension is paid according to the employee's personal pension account and the amount of accumulated income in the form of monthly pension or one-time pension.

(b) In 2021 and 2020, the Company's pension costs recognized in accordance with the above pension method are $3,349 and $3,328 respectively.

(14) Capital

A. On December 31, 2022, the rated capital of the company is $1,760,000, the paid-in capital is $1,012,800, and the face value of each share is NT$10. The company's issued shares have all been received.

The adjustment of the number of shares outstanding at the beginning of the period and at the end of the period is as follows (Unit: 1000 shares):

	FY2022	FY2021
January 1 (same as December 31)	$ 101,280	$ 101,280

B. Private placement is as follows:

(a) The changes in the number of private placement shares of the company are as follows:

	2022		2021	
	1000 shares	Amount	1000 shares	Amount
1 January				
-belonging to May 2015	15,600	$ 184,600	15,600	$ 184,600
-belonging to Sept. 2015	28,200	305,500	28,200	305,500
	43,800	$ 490,100	43,800	$ 490,100
31 December				
-belonging to May 2015	15,600	$ 184,600	15,600	$ 184,600
-belonging to Sept. 2015	28,200	305,500	28,200	305,500
	43,800	$ 490,100	43,800	$ 490,100

(b) The rights and obligations of the above private ordinary shares are the same as those of any other issued ordinary shares, except that they are subject to restrictions on circulation and transfer under the Securities and Exchange Act and cannot be applied for listing and trading until three years have passed on the delivery date and a supplementary public offering has been made.

(15) Capital reserve

According to the provisions set forth in the Company Act, the capital reserve of which the income derived from the issuance of new shares at a premium and the income from endowments received by the company, in addition to covering losses, where the Company incurs no loss, issue to its original shareholders in proportion to the number of shares being held by each of them or by cash. In addition, in accordance with the relevant regulations of the Securities and Exchange Act, when the above-mentioned capital reserve is allocated to capital, the total amount shall not exceed 10% of the paid-in capital each year. If the company still has insufficient surplus reserves to make up for capital losses, it may not use capital reserves to make up for it.

(16) Retained earnings

A. According to the provisions set forth in this Company's Articles of Incorporation, if this Company has earnings in its annual final accounts, it shall pay taxes and make up losses according to law, and the next 10% is the legal reserve, but this is not the case when the legal reserve has reached the paid-in capital. In addition, after the special reserve is listed or reversed according to the relevant laws and regulations, and the retained earnings-unappropriated at the beginning of the same period is the accumulated distributable earnings of shareholders, the Board will draw up a plan for the distribution of earnings. When issuing new shares, it should be submitted to the shareholders meeting for resolution before distribution. If the aforementioned special reserve is the net deduction of other equity and net increase in the fair value of investment real estate accumulated by this company in the previous period, the same amount of special reserve shall be withdrawn from the retained earnings-unappropriated in the previous period, if there is any deficiency at that time, the net profit of the current period plus the amount other than the net profit after tax of the current period included in the retained earnings-unappropriated amount of the current period shall be provided.

If this Company distributes dividends and bonuses or all or part of the legal reserve and capital reserve in the form of cash distribution, the Board is authorized to do so with the presence of more than two-thirds of the directors present and the consent of more than half of the directors present, and report to the shareholders' meeting.

The dividend policy of this Company is to calculate the distributable earnings according to the preceding paragraph, then reserve the required funds according to the operation plan of this Company, and distribute the rest as dividends to shareholders, and the proportion of cash dividends should not be less than 30%.

B. The Legal reserve shall not be used except to cover the loss of the company and to issue new shares or cash in proportion to the original shares of the shareholders. However, in the case of issuing new shares or cash, the amount of such reserves shall be limited to 25% of the paid-in capital.

C. Earnings Distribution:

(a) On May 26, 2022 and July 29, 2021, the Company resolved at the shareholders' meeting to distribute the 2021 and 2020 earnings as follows:

	FY2021		FY2020	
	Amount	Dividend/per share ($)	Amount	Dividend/per share ($)
Legal reserve	$ 765		$ 8,164	
Special reserve	39,845	$ -	-	$ -
Cash dividend	-	-	40,512	0.40

(b) On 22 March 2023, the Board of Directors of the Company proposed the following distribution of the 2022 earnings:

	FY2022	
	Amount	Dividend/per share ($)
Legal reserve	$ 1,155	
Special reserve	10,397	$

The aforementioned resolution for the earnings distribution for the year 2022, as at 22 March 2023, has not yet been approved by the shareholders' meeting.

(17) Operating revenue

	FY2022	FY2021
Revenue from customer contracts	$ 569,680	$ 568,207

A. Breakdown of revenue from customer contracts

The Company's revenue is derived from the provision of modalities and labor at a point in time, and can be broken down into the following key product lines:

FY2022	Advertising literature	periodicals	Textbooks	Masks	Other	Total
Timing of revenue recognition	$155,676	$225,498	$46,205	$3,547	$138,754	$569,680

FY2021	Advertising literature	periodicals	Textbooks	Masks	Other	Total
Timing of revenue recognition	$171,680	$209,156	$40,780	$23,986	$122,605	$568,207

B. Contract liabilities

(a) The Company recognizes contract liabilities related to customer contract revenue as follows:

	December 31, 2022	December 31, 2021	January 1, 2021
Contractual liabilities:			
Contractual liabilities - amounts received in advance from customers	$ 3,536	$ 1,862	$ 1,975

(b) Contract liabilities at the beginning of the period Recognized revenue in the current period

	FY2022	FY2021
Beginning balance of contract liabilities Revenue recognized in the current period	$ 1,495	$ 1,883

(18) Interest revenue

	FY2022	FY2021
Bank deposit interest	$ 492	$ 556
Other interest revenue	15	15
	$ 507	$ 571

(19) Other revenues

	FY2022	FY2021
Rental revenue	$ 762	$ 900
Dividend income	-	202
government grants income	120	-
Other subsidy income	632	925
Other Income - Other	$ 1,514	$ 2,027

The Company applied the Ministry of Economic Affairs' "Operating Guidelines for Electricity and Utilities Grants" and received government grants of $120 and $0 in 2022 and 2021 respectively.

(20) Other profit and loss

	FY2022	FY2021

Disposal of real estate, plant, and equipment	$	227	$	60
foreign currency exchange gain (loss)		19,648	(	6,747)
Financial assets (loss) interest measured at fair value through profit and loss	(	10,040)		664
Miscellaneous expenditure	(	26)	(	176)
Total	$	9,809	($	6,199)

(21) Financial cost

		FY2022		FY2021
Interest expense				
Bank loan interest	$	741	$	320
Interest expense of lease liabilities		368		468
Total	$	1,109	$	788

(22) Additional information on the nature of the fee

	FY2022				
Nature	Those belonging to operating costs		Those belonging to operating expenses		Total
Payroll expense	$	37,160	$	27,863	$65,023
Labor insurance premium		4,068		2,604	6,672
Pension expense		2,103		1,271	3,374
Director's remuneration		-		6,740	6,740
Other employment expenses		3,090		1,575	4,665
Depreciation expense		10,654		830	11,484
Depreciation expense on right-of-use assets		1,757		6,015	7,772

	FY2021				
Nature	Those belonging to operating costs		Those belonging to operating expenses		Total
Payroll expense	$	38,600	$	24,666	$63,266
Labor insurance premium		4,396		2,712	7,108
Pension expense		2,163		1,304	3,467
Director's remuneration		-		6,618	6,618
Other employment expenses		2,910		1,456	4,366
Depreciation expense		17,155		1,510	18,665
Depreciation expense on right-of-use assets		1,780		5,992	7,772

A. As of December 31, 2022 and 2021, the employees of this Company are 123 and the number of directors who are not part-time employees is 5.

B. In accordance with the provisions set forth in the Company’s Articles of Incorporation, after deducting the accumulated losses according to the current year's profit status, this Company shall allocate no less than 3% of the employee's remuneration and no more than 3% of the director's remuneration if there is any remaining balance.

C. The company's average employee welfare expenses in 2022 and 2021 are $676 and $660 respectively; the company's average employee salaries in 2022 and 2021 are $551 and $536, respectively, and the average employee salary expense adjustment changes by 2.8%.

D. The Company did not estimate staff remuneration and directors' remuneration for 2022 as no profit was made; 2021 staff remuneration and directors' remuneration were estimated at $196 and $0 respectively, which are included in the salary expense account.

E. The Board of Directors' resolution on the remuneration of employees and directors and supervisors for 2021 is consistent with the amounts recognized in the 2021 financial statements.

   Information on the remuneration of employees and directors and supervisors approved by the Board of Directors and resolved by the shareholders' meeting of the Company is available on the Market Observation Post System.

F. The Company's remuneration policy for directors, independent directors, managers and employees is described below:
   (a) The Directors of the Company shall be entitled to remuneration for the performance of their duties with the Company, irrespective of the profit or loss of the Company, which shall be determined by the Board of Directors on the basis of their participation in and contribution to the operations of the Company at a level not exceeding the maximum salary scale established by the Company.
   (b) The remuneration of the general manager, assistant manager and other managers, including salaries, bonuses and staff remuneration, is based on the position held, the responsibilities assumed and the level of contribution to the Company, and is determined by reference to industry standards.
   (c) Employees' fixed and variable salaries are agreed upon in consideration of employees' education, experience and annual performance appraisal.

(23) Income tax

A. Income tax expense

Components of income tax expense:

	FY2022	FY2021
Current income tax expense:		
Current period	$ -	$ -
Adjustment for prior periods	220	-
Total amount of current period	-	1,648
Income tax expense	$ 220	$ 1,648

B. The relationship between income tax expenses and accounting profit

	FY2022	FY2021
Net profit before tax calculated according to the statutory tax rate income tax	($ 16,523)	$ 1,268
Expenses that should be excluded according to the tax law	23,746	1,945
Income exempted from tax according to the tax law	-	(40)
Temporary differences are not recognized as deferred income tax assets	(7,223)	(3,173)
Tax loss unrecognized deferred income tax assets	-	1,648
Change in realizability assessment of deferred income tax assets	220	-
Undistributed earnings plus levy	$ 220	$ 1,648

C. The effective periods of the Company's unused tax losses and the related amounts of unrecognised deferred income tax assets are as follows:

December 31, 2022

year of occurrence	Amount approved/reported	Amount not yet deducted	Amount of unrecognized deferred income tax assets	Last year to be deducted
2016	$ 448,619	$ 436,033	$ 436,033	2026
2019	31,390	31,390	31,390	2029
2020	23,858	23,858	23,858	2030

December 31, 2021

year of occurrence	Amount approved/reported	Amount not yet deducted	Amount of unrecognized deferred income tax assets	Last year to be deducted
2015	$ 1,497	$ 1,497	$ 1,497	2025
2016	448,619	$ 448,619	$ 448,619	2026
2019	31,390	31,390	31,390	2029

2020	23,858	23,858	23,858	2030

D. Deductible temporary differences not recognized as deferred income tax assets

	Dec. 31, 2022	Dec. 31, 2021
Deductible temporary differences	$ 61,928	$ 48,003

E. The income tax of the Company has been approved by the tax authorities until 2020.

(24) (Loss) earnings per share

	FY2022		
	After-tax amount	Weighted average shares outstanding (1000 shares)	loss per share
Basic and diluted loss per share			
Net loss for the period attributable to the parent company	($ 82,835)	101,280	($ 0.82)

	FY2021		
	After-tax amount	Weighted average shares outstanding (1000 shares)	loss per share
basic earnings per share			
Net loss for the period attributable to the parent company	$ 4,693	101,280	$ 0.05
Diluted earnings per share			
Effect of potential ordinary shares with dilution			
Staff remuneration	-	68	
Net profit for the period attributable to ordinary shareholders of the parent plus the effect of potential ordinary shares	$ 4,693	101,348	$ 0.05

(25) Cash flow supplementary information

Investing activities that are only partially paid in cash:

	FY2022	FY2021
Purchase of property, plant, and equipment	$ 6,897	$ 2,315
Plus: Opening payables (including notes payable)	-	153
Cash paid during the period	$ 6,897	$ 2,468

(26) Changes in liabilities arising from financing activities

	Short-term loan	Lease liabilities	Total liabilities from financing activities
January 1, 2022	$ 60,000	$ 34,514	$ 94,514
Changes in financing cash flow	(30,000)	(8,894)	(38,894)
Interest expense	-	368	368
December 31, 2022	$ 30,000	$ 25,988	$ 55,988

	Short-term loan	Lease liabilities	Total liabilities from financing activities
January 1, 2021	$ -	$ 42,707	$ 42,707
Changes in financing cash flow	60,000	(8,661)	51,339
Interest expense	-	468	468
December 31, 2021	$ 60,000	$ 34,514	$ 94,514

7. Related-party transactions

(1) Names and relationship with related parties

Name of related party	Relationship with the Company
Omni International Media Incorporation	The Company's subsidiary
TransGlobe Life Insurance Inc.	Other related-party
Chen, Hui-Yu	Chairman of the company

(2) Significant transactions with related parties

A. Operating revenue

	FY2022	FY2021
Commodities sale:		
Other related-party	$ 1,357	$ 1,567

There is no material difference in the transaction price and payment terms of sales from those of non-related parties.

B. Receivables from related parties

	December 31, 2022	December 31, 2021
Accounts receivable:		
Other related-party	$ -	$ 479

The receivables from related parties are mainly from the sale of commodities, and the receivables are due two months after the trading day. The receivables are unsecured and interest-bearing.

C. Operating lease

The company leases some offices and parking spaces to Omni International Media Incorporation, the details are as follows:

Lease subject	Rental period	monthly rent	FY 2022	
Office subletting	From May 1, 2022 to October 31, 2023	$47-$72	$	718
Parking space subletting	〃	$4		44
			$	762

Lease subject	Rental period	monthly rent	FY2021	
Office subletting	From May 1, 2021 to April 30, 2022	$69-$71	$	852
Parking space subletting	〃	$4		48
			$	900

The lease agreement between the Company and Omni International Media Incorporation is determined with reference to the market rate and the rent is charged monthly.

D. Other revenue

	FY2022		FY2021	
subsidiary	$	267	$	420

Other revenue is the management service provided by the company to Omni International Media Incorporation.

E. Circumstances in which a related party provides an endorsement guarantee

The company's long-term short-term debt for December 31, 2022 and 2021 is $130,000 and $150,000 respectively, which are guaranteed by the main management. ◦

(3) Key management personnel remuneration

	FY2022		FY2021	
Short-term employee benefits	$	10,084	$	9,675
Post-employment benefits		976		108
Total amount	$	11,060	$	9,783

8. Mortgaged (pledged) assets

As of December 31, 2011 and 2011, the company's asset guarantee details are as follows:

	Carrying Amount		
Assets items	Dec. 31, 2022	Dec. 31, 2021	Guarantee purposes
Financial assets measured at amortized cost -non-current			
Time deposit	$ 1,000	$ 3,000	Material purchase deposit
Real estate, plant, and equipment	233,886	236,052	Short-term debt and amount
Other non-current assets－other			
Refundable deposits	3,549	3,936	Lease office deposit and contract deposit, etc.
	$ 238,435	$ 242,988	

For the above pledged time deposits, please refer to Note 6(3) for the interest rate range and period.

9. Material contingent liabilities and unrecognized contractual commitments

(1) Contingencies

None.

(2) Commitments

None.

10. Losses due to major disasters

None.

11. Significant subsequent events

(1) The company proposed the 2022 earnings distribution on March 22, 2023 Board of Directors, please refer to Note 6 (16)3.

(2) Please refer to Note 6 (7)3. 。

12. Other

(1) Capital management

The Company's objectives in managing capital are to safeguard the Company's ability to continue as a going concern, to maintain an optimal capital structure to reduce the cost of capital and to provide returns to shareholders. To maintain or adjust the capital structure, the Company may issue new shares or sell assets to reduce debt. The Company monitors its capital by using a debt-to-capital ratio, which is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including "current and non-current borrowings" as reported in the consolidated balance sheet) less cash and cash equivalents. Total capital is calculated as "equity" plus net debt as reported in the consolidated balance sheet.

The Company's strategy for 2022 remains the same as for 2021, with a commitment to a zero debt-to-capital ratio. As on December 31, 2022 and 2021, the Company's debt-to-capital ratio is as follows:

	Dec. 31, 2022	Dec. 31, 2021
Total borrowings	$ 30,000	$ 60,000
Less: cash and cash equivalents	(132,985)	(137,448)
Net debt	(102,985)	(77,448)
Total equity	867,084	995,844
Total capital	$ 764,099	$ 918,396
Debt to capital ratio	-	-

(2) Financial instrument`

A. Kind of financial instrument

	December 31, 2022	December 31, 2021
Financial assets		
Financial asset at fair value through profit or loss		
Restricted financial asset or financial liability at fair value through profit or loss	$ 72,240	$ 79,514
Financial assets at fair value through other comprehensive income		
Select a designated equity instrument for investment	$ 166,997	$ 196,488
Financial Assets measured at amortized cost		
Cash and cash equivalents	$ 132,985	$ 137,448
Notes receivable	21,381	21,126
Accounts receivable	99,693	110,407
Accounts receivable- related party	-	479
Financial Assets measured at amortized cost – Non-current	1,000	3,000
Deposit margin (other non-current assets in the account)	3,549	3,936
	$ 258,608	$ 276,396

	December 31, 2022	December 31, 2021
Financial liabilities		
Financial Assets measured at amortized cost		
Short-term debt	$ 30,000	$ 60,000
Notes payable	1,500	1,505
Accounts payable	58,460	61,917
Other payable	78,208	79,103
Long-term borrowings	450	450
	$ 168,618	$ 202,975
Lease liabilities -current	$ 8,864	$ 8,526
Lease liabilities -non-current	17,124	25,988
	$ 25,988	$ 34,514

B. Risk Management Policy

(a) The Company's day-to-day operations are subject to several financial risks, including market risk (including exchange rate risk and price risk), credit risk and liquidity risk.

(b) Risk management is performed by the Company's Finance Department in accordance with policies approved by the Board of Directors. The Company's Finance Department is responsible for identifying, evaluating and mitigating financial risks by working closely with the Company's operating units. The Company's significant financial activities are reviewed by the Board of Directors in accordance with relevant regulations and internal control systems. The Company's significant financial activities are reviewed by the Board of Directors in accordance with relevant regulations and internal control systems. During the execution of the financial plan, the Company must comply with relevant financial operating procedures regarding overall financial risk management and segregation of duties and responsibilities.

C. Nature and extent of significant financial risks

(a) Market risk

Exchange rate risk

i. The Company operates internationally and is exposed to foreign exchange rate risk, primarily in U.S. dollars, Hong Kong dollars and Australian dollars. The related exchange rate risk arises from future business transactions and are recognized assets and liabilities.

ii. The management of the Company has formulated a policy requiring each company in the Company to manage the exchange rate risk relative to its functional currency.

iii. The Company's business involves certain non-functional currencies, so it is affected by exchange rate fluctuations. The foreign currency assets and liabilities with significant exchange rate fluctuations are as follows: The Company's business involves certain non-functional currencies, so it is affected by exchange rate fluctuations. The foreign currency assets and liabilities with significant exchange rate fluctuations are as follows:

	December 31, 2022		
	Foreign currency (thousand)	Rate	Book amount (NTD)
(Foreign currency: Functional Currency)			
Financial Assets			
Monetary item			
USD:NTD	$ 262	30.71	$ 8,052
NZD:NTD	211	19.44	4,106
AUD:NTD	535	20.83	11,147
Non-monetary items			
HKD:NTD	47,779	3.94	188,152

	December 31, 2021		
	Foreign currency (thousand)	Rate	Book amount (NTD)
(Foreign currency: Functional Currency)			
Financial Assets			
Monetary item			
USD:NTD	$ 103	27.68	$ 2,840
NZD:NTD	75	18.89	1,414
AUD:NTD	206	20.08	4,133
Non-monetary items			
HKD:NTD	47,779	3.55	169,566

iv. For the Company’s monetary items, due to the significant impact of exchange rate fluctuations, the aggregated amounts of all exchange profit and loss (including realized and unrealized) recognized in 2022 and 2021 are $19,648 and ($6,747), respectively.

v. The Company's foreign currency market risk analysis due to major exchange rate fluctuations is as follows:

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	FY2022
	Sensitivity analysis

	Range of change	Affect profit and loss income	Affect other comprehensive income
(foreign currency : Functional Currency)			
Financial Assets			
Monetary item			
USD:NTD	1%	$ 81	
NZD:NTD	1%	41	
AUD:NTD	1%	111	
Non-monetary items			
HKD:NTD	1%	-	1,882

	FY2021		
	Sensitivity analysis		
	Range of change	Affect profit and loss income	Affect other comprehensive income
(foreign currency : Functional Currency)			
Financial Assets			
Monetary item			
USD:NTD	1%	$ 28	$ -
NZD:NTD	1%	14	-
AUD:NTD	1%	41	-
Non-monetary items			
HKD:NTD	1%	-	1,696

Price risk

i. The Company's equity instruments exposed to price risk are financial assets held at fair value through profit or loss and financial assets held at fair value through other comprehensive income. To manage the price risk of its investments in equity instruments, the Company diversifies its investment portfolio. The diversification is carried out according to the limits set by the Company.

ii. The Company invests primarily in equity instruments and closed-end funds issued by domestic and foreign companies, the prices of which are subject to uncertainty regarding the future value of the underlying investments. If the price of these equity instruments were to increase or decrease by 1%, all other factors being equal, net income after tax for 2022 and 2021 would increase or decrease by $722 and $795, respectively, due to the gain or loss on equity instruments measured at fair value through profit or loss; for other comprehensive income, the gain or loss on equity investments classified as fair value through other comprehensive income would increase or decrease by $1,670 and $1,965, respectively.

(b) Credit Risk

i. The Company's credit risk is the risk of financial loss resulting from the failure of customers or counterparties to financial instruments to meet their contractual obligations, primarily due to the failure of counterparties to settle accounts receivable paid in accordance with collection terms.

ii. The Company establishes credit risk management from the perspective of the Company. For banks and financial institutions, only those with an independent credit rating of at least "A" can be accepted as transaction objects. In accordance with the internal credit policy, each operating entity within the Company and each new customer is required to manage and analyze credit risk before establishing payment and delivery terms and conditions. According to the internally specified credit policy, each operating entity within the Company and each new customer must conduct management and credit risk analysis before setting payment and proposing the terms and conditions of delivery. Internal risk control is to evaluate the credit quality of customers by considering their financial status, past experience and other factors. The limits of individual risks are formulated by the Board of Directors based on internal or external ratings, and the use of credit limits is regularly monitored.

iii. The Company adopts IFRS 9 to provide the following assumptions as the basis for judging whether the credit risk of financial instruments has increased significantly since the original recognition:

When the contract payment is more than 30 days overdue according to the agreed payment terms, it is considered that the credit risk of the financial asset has increased significantly since the original recognition.

iv. For customers with overdue accounts, the Company will list them as key assessment customers if they have any doubts about being uncollectable after assessment, and measure their credit risk at the same time, and carry out related operating procedures to list bad debts for those who have doubts about default.

v. The Company customers' accounts receivable according to the characteristics of customer types and uses a simplified method to estimate expected credit losses based on the provision matrix.

vi. The loss rates are based on historical and current information for specific periods that the Company adjusted for forward-looking assumptions to estimate the allowance loss of accounts receivable (including related persons), the preparation matrix for December 31, 2022 and 2021 is as follows:

(i) General Customer Accounts:

December 31, 2022

Dec. 31, 2022	age range: within 90 days	91-120 days	121-180 days	more than 181 days	Total amount
Expected loss rate	0%~0.03%	0%~0.03%	0%~0.03%	100%	
Total book value	$ 93,809	$ 5,179	$ 707	$ -	$ 99,695
Allowance loss	$ -	$ -	$ 2	$ -	$ 2

Dec. 31, 2021	age range: within 90 days	91-120 days	121-180 days	more than 181 days	Total amount
Expected loss rate	0%~0.03%	0.52%~1.74%	0%~0.03	100%	
Total book value	$ 104,849	$ 6,154	$ 59	$ 1,233	$ 112,655
Allowance loss	$ -	$ -	$ -	$ 1,769	$ 1,769

(ii) Individual assessment account:

December 31, 2022

Dec. 31, 2022	age range: within 90 days	91-120 days	121-180 days	more than 181 days	Total amount
Expected loss rate	100%	100%	100%	100%	
Total book value	$ -	$ -	$ -	$ 9,367	$ 9,367
Allowance loss	$ -	$ -	$ -	$ 9,367	$ 9,367

December 31, 2021

Dec. 31, 2021	age range: within 90 days	91-120 days	121-180 days	more than 181 days	Total amount
Expected loss rate	100%	100%	100%	100%	
Total book value	$ -	$ -	$ -	$ 7,318	$ 7,318
Allowance loss	$ -	$ -	$ -	$ 7,318	$ 7,318

vii. The Company adopts the simplified method of accounts receivable allowance loss change table as follows:

	FY2022	FY2021
January 1	$ 9,087	$ 9,087
Provision for impairment loss	282	-
December 31	$ 9,369	$ 9,087

The notes receivable on December 31, 2022 and 2021 are not overdue, and the allowance loss is $0.

(c) Liquidity risk

i. The cash flow forecast is performed by each operating entity within the Company and is summarized by the Company's Finance Department. The Company Finance Department monitors the forecast of the Company's liquidity needs to ensure that it has sufficient funds to meet operating needs and maintain sufficient unused loan commitments at any time. These forecasts take into account the Company's debt financing plans, compliance with internal balance sheet financial ratio targets, and external regulatory requirements such as foreign exchange controls.

ii. The Company's unused loan amount on December 31, 2022 and 2021 are $450,000 and $423,780 respectively.

iii. The following table is the Companying of the Company's non-derivative financial liabilities according to the relevant maturity date, which is analyzed based on the remaining period from the balance sheet date to the contract maturity date. The contract cash flow amount disclosed in the table below is the undiscounted amount.

Non-derivative financial liabilities December 31, 2022	Within 1 year	Within 1~2 years	Within 2~5 years
Short-term loan	$ 30,000	$ -	$ -
Notes and account payable	59,960	-	-
Other payable	78,208	-	-
lease liabilities	9,127	9,361	7,963
	$ 177,295	$ 9,361	$ 7,963

Non-derivative financial liabilities December 31, 2021	Within 1 year	Within 1~2 years	Within 2~5 years
Short-term loan	$ 60,000	$ -	$ -
Short-term loan	63,422	-	-
Notes and account payable	79,103	-	-
Other payable	8,894	9,127	17,323
	$ 211,419	$ 9,127	$ 17,323

D. Fair value information

A. The various levels of valuation technique used to measure the fair value of financial and non-financial instruments are defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that are available to the Company at the measurement date. An active market is one in which transactions in assets or liabilities occur with sufficient frequency and volume to provide pricing information on an ongoing basis. The fair value of the Company's investments in publicly traded stocks are included in this category.

Level 2: Observable inputs directly or indirectly to assets or liabilities, other than those included in Level 1 quoted prices.

Level 3: Unobservable inputs to assets or liabilities. Equity in the non-active market invested by the Company, including instrument investment and investment real estate.

B. Financial instruments that are not measured by fair value include cash and cash equivalents, notes receivable, accounts receivable, short-term debt, notes payable, accounts payable and other payables. The carrying amount is a reasonable approximation of fair value.

C. The financial and non-financial instruments measured by fair value are classified by the Company according to the nature, characteristics and risks of assets and liabilities and the basic classification of fair value levels. The relevant information is as follows:

December 31, 2022	Level 1	Level 2	Level 3	Total
Assets				
Repetitive fair value				
Financial asset at fair value through profit or loss Assets				
Domestic listed (OTC) stocks	$ 72,240	$ -	$ -	$ 72,240
Financial assets at fair value through other comprehensive income				
Domestic listed (OTC) stocks	$120,081	$ -	$ -	$120,081
Foreign listed (OTC) stocks	28,450	-	-	28,450
Domestic non-listed (OTC) stocks	-	-	18,410	18,410
Foreign non-listed (OTC) stocks	-	-	56	56
Total	$148,531	$ -	$ 18,466	$166,997

December 31, 2021	Level 1	Level 2	Level 3	Total
Assets				
Repetitive fair value				
Financial asset at fair value through profit or loss Assets				

Domestic listed (OTC) stocks	$ 79,514	$ -	$ -	$ 79,514
Financial assets at fair value through other comprehensive income				
Domestic listed (OTC) stocks				
Foreign listed (OTC) stocks	$135,454	$ -	$ -	$135,454
Domestic non-listed (OTC) stocks	33,936	-	-	33,936
Foreign non-listed (OTC) stocks	-	-	27,024	27,024
Total	-	-	74	74
Assets	$169,390	$ -	$ 27,098	$196,488

D. The methods and assumptions used by the Company to measure fair value are explained below:

(a) The Company adopts the quoted market price as the input value of the fair value (i.e. Level 1), which is classified according to the characteristics of the instrument as follows:

	Listed (OTC) company stocks
Quoted market price	Closing price

(b) Except for the above-mentioned financial instruments with an active market, the rest of the fair value measurement is based on the net asset value method and the valuation technique of the analogous listing and OTC company method. The price of the same or similar transaction in the market is used as the observable input value, and the calculation is made its fair value.

(c) The fair value valuation technique of the investment real estate measured by the fair value of the Company is based on the provisions of the financial reporting standards for securities issuers, and is calculated by the self-assessment method using the income method. The relevant parameter assumptions and input value information are as follows:

i. Cash flow: Based on the local rent or the rental price of similar comparative targets in the market, and excluding those that are too high or too low, if there is an end-of-period value, the present value of the end-of-period value may be added.

ii. Analysis period: If the revenue has a specific period, the remaining period is estimated..

iii. Discount rate: The discount rate is estimated using the Risk Premium Method, which is based on a certain interest rate, plus the individual characteristics of investment properties. The so-called certain interest rate as the base shall not be lower thantwo-year regular savings small deposits mobile interest rate plus 0.75% annoucned by Chunghwa Post Co., Ltd.

E. No transfer between Level 1 and Level 2 in 2022 and 2021.

F. The Company's fair value valuation process for financial instruments classified as Level 3 is performed by the Company's Finance Department, which conducts independent fair value verification of the financial instruments, using independent sources of information to closely approximate market conditions, confirm that the sources of information are independent, reliable, consistent with other sources and representative of executable prices. It also updates the input values and information required by the valuation model and any other necessary fair value adjustments to ensure that the valuation results are reasonable.

G. The quantitative information and sensitivity analysis of the changes in the Significant unobservable inputs of the evaluation model used for Level 3 fair value measures are as follows:

	Dec. 31, 2022 Fair value	Valuation technique	Significant unobservable inputs	Relationship between input value and fair value
Non-derivative equity instruments:				
Domestic and foreign non-listed (OTC) stocks	$ 18,466	Net asset value method	N/A	N/A

	Dec. 31, 2021 Fair value	Valuation technique	Significant unobservable inputs	Relationship between input value and fair value
Non-derivative equity instruments:				
Domestic and foreign non-listed (OTC) stocks	$ 27,098	Net asset value method	N/A	N/A

H. If the evaluation parameters change, there will be no significant impact on the company's financial assets classified as Level 3.

(4) Others

The Company operated normally during the COVID-19 epidemic and the government's promotion of various anti-epidemic measures. It has been assessed that the ability to continue operating, asset impairment and financing risks have not been significantly affected.

13. Other disclosures

(1) Information on significant transactions

A. Fund financing to other parties: please refer to appendix 1.

B. Endorsements for other parties: none.

C. Securities held as of end of the year (excluding investment in subsidiaries, associates and joint ventures): please refer to appendix 2.

D. Accumulated buying/selling of the same marketable securities for which the dollar amount reaches $300 million or 20% or more of paid-in capital: None.

E. Acquisition of real estate for which the dollar amount reaches $300 million or 20% or more of paid in capital: None.

F. Disposition of real estate for which the dollar amount reaches $300 million or 20% or more of paid-in capital: None.

G. Buying/selling products with related-parties for which the dollar amount reaches $100 million or 20% or more of paid-in capital:

H. Accounts receivable from related parties for which the dollar amount reaches $100 million or 20%or more of paid-in capital: none.

I. Derivative transactions: None.

J. Business relationships and significant inter-company transactions: none.

(2) <u>Information on reinvestment</u>

The information on investees (excluding investees in Mainland China): please refer to appendix 3.

(3) <u>Information on investment in Mainland China</u>

A. Basic information: None.

B. Significant transactions that occurred directly or indirectly through enterprises in third regions and investee companies reinvested in mainland China: None.

(4) <u>Major shareholders</u>

Please refer to Attached Table 4.

14. <u>Operating department information</u>

There is no need to reveal.

Choice Development Inc.

FINANCING PROVIDED TO OTHERS

January 1 ~ December 31, 2022

Attached Table 1

(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

No. (note1)	Lender	Borrower	Financial Statement Account (note 2)	Related Party Related (y/n)	Highest Balance for the Period (note 3)	Ending Balance (note 8)	Actual Borrowing Amoun	Range of Interest Rates	Nature of Financing (note 4)	Business Transaction Amounts (note 5)	Reasons for Short-term Financing (note 6)	Allowance for Impairment Loss	Collateral Item	Collateral Value	Financing Limit for Each Borrower (note 7)	Aggregate Financing Limit (note 7)	Remarks
1	Omni Media Int'l Inc.	Hohoad International Incorporation	Other receivables	N	$ 41,000	$ 41,000	$ 39,857	2.80%	Those who need short-term financing	$ -	Turnover	$ 39,857	-	$ -	$ 56,194	$ 112,388	
2	"	Taiwan More Media International Incorporation	Other reveivables	N	37,000	37,000	10,227	2.80%	Those who need short-term financing	-	Turnover	10,227	-	-	56,194	112,388	

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

(1) The Company is '0'.

(2) The subsidiaries are numbered in order starting from '1'.

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

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

Note 4: The column of'Nature of loan' shall fill in 'Business transaction' or 'Short-term financing'.

Note 5: Fill in the amount of business transactions when nature of the loan is related to business transactions, which is the amount of business transactions occurred between the creditor and borrower in the current period.

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

Note 7: The total amount of funds loaned to others shall not exceed 40% of the net value of Omni Media International Incorporation (Omni Int'l); however, the total amount of funds loaned to the same borrower:

1. For companies or firms that have business dealings with Omni Int'l, the amount of funds loaned to individual objects shall not exceed the amount of business transactions between the two parties.
2. For companies or firms that need short-term financing, the amount of funds loaned to individual objects shall not exceed 20% of Omni Int'l's net worth.

Note 8: The amounts of funds to be loaned to others which have been approved by the Board of Directors of a public company in accordance with Paragraph 1, Article 14 of the "Regulations Governing Loaning of Funds and Making o Endorsements/Guarantees by Public Companies" should be included in its published balance of loans to others at the end of the reporting period to reveal the risk of loaning the public company bears, even though they have not appropriated. However, this balance should exclude the loans repaid when repayments are done subsequently to reflect the risk adjustment. In addition, if the Board of Directors of a public company has authorized the Chairmar funds in instalments or in revolving within certain lines and within one year in accordance with Article 14, Item 2 of the "Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companie published balance of loans to others at the end of the reporting period should also include these lines of loaning approved by the Board of Directors, and these lines of loaning should not be excluded from this balance even thou are repaid subsequently, for taking into consideration that they could be loaned again thereafter.

Note 9: On 13 July 2022, Omni Int'l formally appointed a lawyer to file a criminal complaint against the relevant persons to recover the outstanding amounts; on 3 August 2022, Omni Int'l held a board meeting to approve amendments "Procedures for the Funds Loaning to Others" to improve compliance and on 10 August 2022, the Company's Audit Committee and the Board of Directors presented the relevant audit report and will regularly follow up on the improvement of the implementation

Note 10: The amounts shown as "other non-current assets", which have not been paid after repeated collections, have been transferred to collections and are have been set aside as an allowance for uncollectible accounts.

Choice Development Inc.

Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures)

December 31, 2022

Attached Table 2

(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Holding Company Name	Type and Name of Marketable Securities (note 1)	Relationship with the Holding Company (note 2)	Financial Statement Account	December 31, 2022 Unit/Share	Carrying Amount (note 3)	Percentage of Ownership (%)	Fair Value	Remarks (note 4)
Choice Development Inc.	Domestic Listed (OTC) Stocks/Shihlin Development Co., Ltd.	-	Current Financial Assets at Fair Value through Profit or Los	8,300,000	$ 72,240	3.80	$ 72,240	
					$ 72,240			
Choice Development Inc.	Domestic Listed (OTC) Stocks/Shihlin Development Co., Ltd.	-	Non-current financial assets at fair value through other comprehensive income	13,206,014	110,931	5.83	110,931	
Choice Development Inc.	Domestic Listed (OTC) Stocks/Eslite Spectrum Corporation	-	Non-current financial assets at fair value through other comprehensive income	150,000	9,150	0.32	9,150	
Choice Development Inc.	Foreign Listed (OTC) Stocks/Beijing Enterprises Medical and Health Industry Group Limited, common stocks	-	Non-current financial assets at fair value through other comprehensive income	106,242,000	28,450	1.75	28,450	
Choice Development Inc.	Unlisted (OTC) stocks /ImageDJ Corporation	-	Non-current financial assets at fair value through other comprehensive income	29,760	172	1.19	172	
Choice Development Inc.	Unlisted (OTC) stocks /SCI, StemCyte Taiwan Co., Ltd	-	Non-current financial assets at fair value through other comprehensive income	5,326	56	0.01	56	
Choice Development Inc.	Unlisted (OTC) stocks /e-Formula Technologies, INC.	-	Non-current financial assets at fair value through other comprehensive income	2,010,346	18,238	9.25	18,238	
					$ 166,997			

Note 1: Marketable securities in the table refer to stocks, bonds, beneficiary certificates and other related derivative securities within the scope of IFRS9, 'Financial instruments: recognition and measurement'.
Note 2: Leave the column blank if the issuer of marketable securities is non-related party.
Note 3: Fill in the amount after adjusted at fair value and deducted by accumulated impairment for the marketable securities measured at fair value; fill in the acquisition cost or amortised cost deducted by accumulated impairment for the marketable securities not measured at fair value.
Note 4: The number of shares of securities and their amounts pledged as security or pledged for loans and their restrictions on use under some agreements should be stated in the footnote if the securities presented herein have such conditions.

Choice Development Inc.

Information on investees (not including investee company of Mainland China)

Janaury 1 ~ December 31, 2022

Attached Table 3

(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investor	Investee (note 1, 2)	Location	Main Businesses and Products	Original Investment Amount December 31, 2022	Original Investment Amount December 31, 2021	As of December 31, 2022 Number of Shares	As of December 31, 2022 Percentage (%)	As of December 31, 2022 Carrying Amount	Net Income (Loss) of the Investee (note 2(2))	Share of Profit (Loss) (note 2(3))	Remarks
Choice Development Inc.	Omni Media Int'l Inc.	Taiwan	Media Advertising	$ 571,854	$ 571,854	53,444,341	81.19%	$ 228,113	($ 127,380)	($ 103,568)	
"	Choice Development Inc.	"	Residential & Building Development & Leasing	15,000	15,000	1,500,000	60.00%	8,090	(4,722)	(2,834)	
Omni Media Int'l Inc.	Omni Int'l Devp. Co., Ltd.	"	Real Estate Development	500	500	50,000	100.00%	321	(34)	(34)	Note 3

Note1: This transaction was written off when the consolidated financial statements were prepared. Note 1: If a public company is equipped with an overseas holding company and takes consolidated financial report as the main financial report according to the local law rules, it can only disclose the information of the overseas holding company about the disclosure of related overseas investee information.

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

(1) The columns of 'Investee', 'Location', 'Main business activities', 'Initial investment amount' and 'Shares held as at December 31, 2022' should fill orderly in the Company's (public company's) information on investees and every directly or indirectly controlled investee's investment information, and note the relationship between the Company (public company) and its investee each (ex. direct subsidiary or indirect subsidiary) in the 'footnote' column.

(2) The 'Net profit (loss) of the investee for the year ended December 31, 2022' column should fill in amount of net profit (loss) of the investee for this period.

(3) The'Investment income (loss) recognised by the Company for the year ended December 31, 2022' column should fill in the Company (public company) recognised investment income (loss) of its direct subsidiary and recognised investment income (loss) of its investee accounted for under the equity method for this period. When filling in recognised investment income (loss) of its direct subsidiary, the Company (public company) should confirm that direct subsidiary's net profit (loss) for this period has included its investment income (loss) which shall be recognised by regulations.

Note 3: Omni nternational Industrial Development Co., Ltd. was dissolved with the approval of the Taipei City Government on September 2, 2022. As of March 22, 2013, the liquidation process has not been completed.

Choice Development Inc.

INFORMATION ON MAJOR SHAREHOLDERS

December 31, 2022

Attached Table 4

(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Names of Major Shareholders	Shares		
	Number of Shares Held (commond)	Number of Shares Held (Preferred)	Percentage of Ownership (%)
Peng, Teng-Te	19,999,800	-	19.74%
Yaotze Co., Ltd.	7,470,000	-	7.37%
Xi Jui Investment Co., Ltd.	6,000,000	-	5.92%
Chuan Sheng Investment Co., Ltd.	5,740,200	-	5.66%
Hsu, Chien-Chen	5,670,194	-	5.59%

Note 1. The table discloses shareholding information of shareholders whose shareholding percentage is more than 5%. The Taiwan Depository & Clearing Corporation (TDC) calculates the total number of ordinary shares and preferred shares (including treasury shares) that have completed the dematerialized registration and delivery on the last business day of the quarter. The share capital reported in the Company's consolidated financial statements and the actual number shares that have completed the dematerialized registration and delivery may be different due to the difference in the basis of calculation.

Note 2. In the event where the shareholders delivers its equity to trust, the information is disclosed in the form of individual trust accounts opened by the trustee. As for the shareholders declaring insider equity holdings of more than 10% of the shares in accordance with the Securities and Exchange Act, their shareholdings include the shares held by themselves plus the shares delivered to trust while retaining the right to determine the utilization. For information on insider equity declarations, please refer to the Market Observatory Post System

Choice Development, Inc.

Chairman: Chen, Hui-Yu