91APP, Inc. and Subsidiaries

Consolidated Financial Statements for the Years Ended December 31, 2022 and 2021 and Independent Auditors' Report

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
91APP, Inc.

Opinion

We have audited the accompanying consolidated financial statements of 91APP, Inc. (the "Company") and its subsidiaries (collectively referred to as the "Group"), which comprise the consolidated balance sheets as of December 31, 2022 and 2021, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the consolidated financial statements, including a summary of significant accounting policies (collectively referred to as the "consolidated financial statements").

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2022 and 2021, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2022. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matter identified in the Group's consolidated financial statements for the year ended December 31, 2022 is stated as follows:

Accuracy of Online Store Services Revenue Recognized

Refer to Notes 4 and 20 for the accounting policies related to revenue.

The online store services revenue of the Group includes third party fee revenue and digital marketing revenue. The Group enters into the services contract with the customer, the services revenue is determined according to the reconciliation period and the commission ratio stipulated in the contract based on performance. As the process of online store services revenue recognition involves manual confirmation of net performance amount and verification of relevant documents, it is likely that incorrect amount of revenue has been recognized during the financial reporting period. Therefore, online store services revenue recognition was identified as a key audit matter.

Our key audit procedures performed in respect of the abovementioned key audit matter included the following:

1. We understood the key internal controls related to project sales revenue recognition and tested the operating effectiveness of these controls.

2. We took samples from the online store services revenue which had already been recognized during the reporting period, carried out a review of the contracts and reconciliation documents, and confirmed if the amounts and counterparties were the same.

3. We checked the post-period receipts and post-period sales returns or discounts, and confirmed that there was no revenue adjustment after reporting period.

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 Regulations Governing the Preparation of Financial Reports by Securities Issuers and the IFRS, IAS, IFRIC, and SIC endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

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

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

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

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 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.

The engagement partners on the audits resulting in this independent auditors' report are Chien Ming Tseng and Pan Fa Wang.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 13, 2023

<u>*Notice to Readers*</u>

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

For the convenience of readers, the independent auditors' report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and consolidated financial statements shall prevail.

91APP, INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2022 AND 2021
(In Thousands of New Taiwan Dollars)

	2022		2021	
ASSETS	**Amount**	**%**	**Amount**	**%**
CURRENT ASSETS				
Cash and cash equivalents (Notes 6 and 28)	$ 2,466,950	63	$ 643,991	16
Financial assets at amortized cost - current (Notes 8, 28 and 30)	10,400	-	1,557,508	37
Notes receivable (Notes 9 and 28)	133	-	150	-
Trade receivables (Notes 9, 20 and 28)	73,989	2	53,547	1
Trade receivables from related parties (Notes 9, 20, 28 and 29)	2,495	-	814	-
Other receivables (Notes 9, 16 and 28)	276,769	7	277,097	7
Other receivables from related parties (Notes 9, 28 and 29)	-	-	254	-
Other financial assets (Notes 16 and 28)	764,054	19	1,346,880	32
Other current assets (Note 16)	17,325	1	10,836	-
Total current assets	3,612,115	92	3,891,077	93
NON-CURRENT ASSETS				
Financial assets at fair value through other comprehensive income - non-current (Notes 7 and 28)	57,235	1	-	-
Investments accounted for using the equity method (Note 11)	186,129	5	186,959	4
Property, plant and equipment (Note 12)	31,566	1	24,829	1
Right-of-use assets (Note 13)	37,533	1	23,591	1
Goodwill (Note 14)	3,294	-	2,969	-
Other intangible assets (Note 15)	3,000	-	-	-
Deferred tax assets (Note 22)	5,319	-	1,658	-
Other non-current assets (Notes 16 and 28)	7,281	-	60,765	1
Total non-current assets	331,357	8	300,771	7
TOTAL	$ 3,943,472	100	$ 4,191,848	100
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Contract liabilities - current (Note 20)	$ 90,767	2	$ 68,252	2
Notes payable (Note 28)	128	-	86	-
Other payables (Notes 17 and 28)	1,014,367	26	1,456,255	35
Other payables to related parties (Notes 17, 28 and 29)	60	-	83	-
Current tax liabilities (Note 22)	63,530	2	59,681	1
Lease liabilities - current (Notes 13 and 28)	20,989	-	12,419	-
Other current liabilities (Notes 17 and 28)	216,425	5	163,891	4
Total current liabilities	1,406,266	35	1,760,667	42
NON-CURRENT LIABILITIES				
Contract liabilities - non-current (Note 20)	9,240	-	7,655	-
Lease liabilities - non-current (Notes 13 and 28)	18,419	1	11,488	-
Deposits received (Note 28)	-	-	100	-
Total non-current liabilities	27,659	1	19,243	-
Total liabilities	1,433,925	36	1,779,910	42
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Note 19)				
Ordinary shares	602,890	15	602,890	14
Capital surplus	1,223,378	31	1,221,152	29
Retained earnings				
Legal reserve	29,841	1	-	-
Unappropriated earnings	857,741	22	607,576	15
Other equity	124,948	3	(24,533)	-
Treasury shares	(335,477)	(8)	-	-
Total equity attributable to owners of the Company	2,503,321	64	2,407,085	58
NON-CONTROLLING INTERESTS	6,226	-	4,853	-
Total equity	2,509,547	64	2,411,938	58
TOTAL	$ 3,943,472	100	$ 4,191,848	100

The accompanying notes are an integral part of the consolidated financial statements.

91APP, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2022		2021	
	Amount	**%**	**Amount**	**%**
OPERATING REVENUE (Notes 20 and 29)	$ 1,262,840	100	$ 1,100,926	100
OPERATING COSTS (Notes 21 and 29)	314,506	25	270,480	25
GROSS PROFIT	948,334	75	830,446	75
OPERATING EXPENSES (Notes 21 and 29)				
Selling and marketing expenses	212,650	17	175,760	16
General and administrative expenses	199,795	15	167,421	15
Research and development expenses	125,291	10	119,053	11
Expected credit loss	38	-	161	-
Total operating expenses	537,774	42	462,395	42
PROFIT FROM OPERATIONS	410,560	33	368,051	33
NON-OPERATING INCOME AND EXPENSES (Notes 21 and 29)				
Interest income	30,925	2	4,540	-
Other income	14,866	1	6,317	1
Other gains and losses	(17,439)	(1)	607	-
Finance costs	(449)	-	(290)	-
Share of profit or loss of associates and joint ventures accounted for using equity method	(12,107)	(1)	(5,280)	-
Total non-operating income and expenses	15,796	1	5,894	1
PROFIT BEFORE INCOME TAX FROM CONTINUING OPERATIONS	426,356	34	373,945	34
INCOME TAX EXPENSE (Note 22)	(87,661)	(7)	(75,303)	(7)
NET PROFIT FOR THE YEAR	338,695	27	298,642	27
OTHER COMPREHENSIVE INCOME (LOSS)				
Items that will not be reclassified subsequently to profit or loss:				
Unrealized loss on investments in equity instruments at fair value through other comprehensive income	(4,186)	-	-	-
Exchange differences on translation to the presentation currency	258,203	20	(38,556)	(4)
	254,017	20	(38,556)	(4)

(Continued)

91APP, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2022		2021	
	Amount	**%**	**Amount**	**%**
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating foreign operations	$ (103,975)	(8)	$ 18,329	2
Other comprehensive income (loss) for the year, net of income tax	150,042	12	(20,227)	(2)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	$ 488,737	39	$ 278,415	25
NET PROFIT ATTRIBUTABLE TO:				
Owners of the Company	$ 337,883	27	$ 298,409	27
Non-controlling interests	812	-	233	-
	$ 338,695	27	$ 298,642	27
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
Owners of the Company	$ 487,364	39	$ 278,348	25
Non-controlling net interests	1,373	-	67	-
	$ 488,737	39	$ 278,415	25
EARNINGS PER SHARE (Note 23)				
Basic	$ 2.83		$ 2.58	
Diluted	$ 2.83		$ 2.58	

The accompanying notes are an integral part of the consolidated financial statements. (Concluded)

91APP, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021
(In Thousands of New Taiwan Dollars)

	Equity Attributable to Owners of the Company										
						Other Equity					
	Share Capital - Ordinary Shares			Retained Earnings							
	Number of Shares (In Thousands)	Amount	Capital Surplus	Legal Reserve	Unappropriated Earnings	Exchange Differences Arising on the Translation of the Financial Statements of Foreign Operations	Unrealized Gain on Investments in Equity Instruments at Fair Value Through Other Comprehensive Income	Treasury Shares	Total	Non-controlling Interests	Total Equity
BALANCE AT JANUARY 1, 2021	107,180	$ 535,900	$ 9,113	$ -	$ 309,167	$ (4,472)	$ -	$ -	$ 849,708	$ 4,786	$ 854,494
Net income for the year ended December 31, 2021	-	-	-	-	298,409	-	-	-	298,409	233	298,642
Other comprehensive loss for the year ended December 31, 2021, net of income tax	-	-	-	-	-	(20,061)	-	-	(20,061)	(166)	(20,227)
Total comprehensive income (loss) for the year ended December 31, 2021	-	-	-	-	298,409	(20,061)	-	-	278,348	67	278,415
Issue of shares	13,398	66,990	1,203,406	-	-	-	-	-	1,270,396	-	1,270,396
Share-based payments	-	-	8,633	-	-	-	-	-	8,633	-	8,633
BALANCE AT DECEMBER 31, 2021	120,578	602,890	1,221,152	-	607,576	(24,533)	-	-	2,407,085	4,853	2,411,938
Appropriation of 2021 earnings											
Legal reserve	-	-	-	29,841	(29,841)	-	-	-	-	-	-
Cash dividends distributed by the Company	-	-	-	-	(57,877)	-	-	-	(57,877)	-	(57,877)
Net income for the year ended December 31, 2022	-	-	-	-	337,883	-	-	-	337,883	812	338,695
Other comprehensive income (loss) for the year ended December 31, 2022, net of income tax	-	-	-	-	-	153,667	(4,186)	-	149,481	561	150,042
Total comprehensive income (loss) for the year ended December 31, 2022	-	-	-	-	337,883	153,667	(4,186)	-	487,364	1,373	488,737
Buy-back of ordinary shares	-	-	-	-	-	-	-	(335,477)	(335,477)	-	(335,477)
Share-based payment	-	-	2,226	-	-	-	-	-	2,226	-	2,226
BALANCE AT DECEMBER 31, 2022	120,578	$ 602,890	$ 1,223,378	$ 29,841	$ 857,741	$ 129,134	$ (4,186)	$ (335,477)	$ 2,503,321	$ 6,226	$ 2,509,547

The accompanying notes are an integral part of the consolidated financial statements.

91APP, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021
(In Thousands of New Taiwan Dollars)

	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax from continuing operations	$ 426,356	$ 373,945
Adjustments for:		
Depreciation expenses	36,951	22,781
Expected credit loss	38	161
Finance costs	449	290
Interest income	(30,925)	(4,540)
Share-based payments	2,226	8,633
Share of profit of associates and joint ventures accounted for using equity method	12,107	5,280
Loss on disposal of property, plant and equipment	190	375
Impairment loss recognized on investment accounted for using the equity method	1,097	-
Loss on lease modifications	-	143
Changes in operating assets and liabilities		
Notes receivable	17	(100)
Trade receivables	(22,124)	(13,243)
Other receivables	2,621	(43,058)
Other current assets	(6,489)	(3,812)
Other financial assets	582,826	(1,346,880)
Contract liabilities	24,100	17,011
Notes payable	42	86
Other payables	(441,911)	707,395
Other current liabilities	52,534	55,937
Cash generated from (used in) operations	640,105	(219,596)
Interest received	28,849	3,573
Interest paid	(449)	(290)
Income tax paid	(87,473)	(52,382)
Net cash generated from (used in) operating activities	581,032	(268,695)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets at amortized cost	(1,344,417)	(2,187,814)
Proceeds from sale of financial assets at amortized cost	2,891,525	1,273,098
Acquisition of investments accounted for using the equity method	-	(106,120)
Prepaid investments	-	(55,360)
Payments for property, plant and equipment	(19,471)	(18,618)
Proceeds from disposal of property, plant and equipment	20	-
Increase in refundable deposits	(3,329)	(298)
Payments for intangible asset	(3,000)	-
Prepayment for equipment	-	(1,453)
Dividends received	3,779	2,552
Net cash generated from (used in) investing activities	1,525,107	(1,094,013)

(Continued)

91APP, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021
(In Thousands of New Taiwan Dollars)

	2022	**2021**
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from deposits received	$ -	$ 100
Repayments of deposits received	(100)	-
Repayment of the principal portion of lease liabilities	(21,430)	(13,525)
Cash dividends	(57,877)	-
Proceeds from issuing shares	-	1,270,396
Payments for buy-back of ordinary shares	(335,477)	-
Net cash (used in) generated from financing activities	(414,884)	1,256,971
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS HELD IN FOREIGN CURRENCIES	131,704	(17,968)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	1,822,959	(123,705)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	643,991	767,696
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	$ 2,466,950	$ 643,991

The accompanying notes are an integral part of the consolidated financial statements. (Concluded)

(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

1. GENERAL INFORMATION

91APP, Inc. (the "Company") was incorporated in Cayman Islands in July 2013. The Company is mainly engaged in the general investment business, software design services, data processing services, information technology consultancy services and other related information technology businesses.

The Company's functional currency is the U.S. dollar. However, for greater comparability and consistency of financial reporting, the consolidated financial statements are presented in New Taiwan dollars since the Company's shares are listed on the Taipei Exchange.

2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were approved by the Company's board of directors on March 9, 2023.

3. APPLICATION OF NEW, AMENDED AND REVISED STANDARDS, AMENDMENTS AND INTERPRETATIONS

a. Initial application of the amendments to the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) (collectively, the "IFRSs") endorsed and issued into effect FSC.

   The initial application of the IFRSs endorsed and issued into effect by the FSC did not have material impact on the Group's accounting policies.

b. The IFRSs endorsed by the FSC for application starting from 2023

New, Amended and Revised Standards and Interpretations	Effective Date Announced by IASB
Amendments to IAS 1 "Disclosure of Accounting Policies"	January 1, 2023 (Note 1)
Amendments to IAS 8 "Definition of Accounting Estimates"	January 1, 2023 (Note 2)
Amendments to IAS 12 "Deferred Tax related to Assets and Liabilities arising from a Single Transaction"	January 1, 2023 (Note 3)

Note 1: The amendments will be applied prospectively for annual reporting periods beginning on or after January 1, 2023.

Note 2: The amendments are applicable to changes in accounting estimates and changes in accounting policies that occur on or after the beginning of the annual reporting period beginning on or after January 1, 2023.

Note 3: Except for deferred taxes that were recognized on January 1, 2022 for temporary differences associated with leases and decommissioning obligations, the amendments are applied prospectively to transactions that occur on or after January 1, 2022.

As of the date the consolidated financial statements were authorized for issue, the Group has that the application of other standards and interpretations will not have a material impact on the Group's financial position and financial performance.

c. New IFRSs in issue but not yet endorsed and issued into effect by the FSC

New IFRSs	Effective Date Announced by IASB (Note 1)
Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between An Investor and Its Associate or Joint Venture"	To be determined by IASB
Amendments to IFRS 16 "Leases Liability in a Sale and leaseback"	January 1, 2024 (Note 2)
IFRS 17 "Insurance Contracts"	January 1, 2023
Amendments to IFRS 17	January 1, 2023
Amendments to IFRS 17 "Initial Application of IFRS 9 and IFRS 17 - Comparative Information"	January 1, 2023
Amendments to IAS 1 "Classification of Liabilities as Current or Non-current"	January 1, 2024
Amendments to IAS 1 "Non-current Liabilities with Covenants"	January 1, 2024

Note 1: Unless stated otherwise, the above New IFRSs are effective for annual reporting periods beginning on or after their respective effective dates.

Note 2: A seller-lessee shall apply the Amendments to IFRS 16 retrospectively to sale and leaseback transactions entered into after the date of initial application of IFRS 16.

As of the date the consolidated financial statements were authorized for issue, the Group is continuously assessing the possible impact that the application of other standards and interpretations will have on the Group's financial position and financial performance and will disclose the relevant impact when the assessment is completed.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Statement of compliance

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

b. Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis except for financial instruments which are measured at fair value.

The fair value measurements, which are grouped into Levels 1 to 3 based on the degree to which the fair value measurement inputs are observable and based on the significance of the inputs to the fair value measurement in its entirety, are described as follows:

1) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities;

2) Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

3) Level 3 inputs are unobservable inputs for an asset or liability.

c. Classification of current and non-current assets and liabilities

Current assets include:

1) Assets held primarily for the purpose of trading;

2) Assets expected to be realized within 12 months after the reporting period; and

3) Cash and cash equivalents unless the asset is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

Current liabilities include:

1) Liabilities held primarily for the purpose of trading;

2) Liabilities due to be settled within 12 months after the reporting period; and

3) Liabilities for which the Group does not have an unconditional right to defer settlement for at least 12 months after the reporting period.

Assets and liabilities that are not classified as current are classified as non-current.

d. Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and the entities controlled by the Company (i.e., its subsidiaries).

Income and expenses of subsidiaries acquired or disposed of during the period are included in the consolidated statement of other comprehensive income from the effective dates of acquisitions up to the effective dates of disposals, as appropriate.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the Company.

All intra-group transactions, balances, income and expenses are eliminated in full upon consolidation. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the interests of the Group and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to the owners of the Company.

See Note 10 and Table 2 for detailed information on subsidiaries (including percentages of ownership and main businesses).

e. Foreign currencies

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

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Exchange differences on monetary items arising from settlement or translation are recognized in profit or loss in the period in which they arise.

Non-monetary items measured at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when fair value was determined. Exchange differences arising from the retranslation of non-monetary items are included in profit or loss for the period except for exchange differences arising from the retranslation of non-monetary items in respect of which gains and losses are recognized directly in other comprehensive income; in which cases, the exchange differences are also recognized directly in other comprehensive income.

Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rate at the date of the transaction (i.e., not retranslated).

For the purpose of presenting the consolidated financial statements, the functional currencies of the Company and its foreign operations (including subsidiaries, associates, joint ventures and branches in other countries or those that use currencies which are different from the currency of the Company) are translated into the presentation currency, the New Taiwan dollar, as follows: Assets and liabilities are translated at the exchange rates prevailing at the end of the reporting period; and income and expense items are translated at the average exchange rates for the period. The resulting currency translation differences are recognized in other comprehensive income (attributed to the owners of the Company and non-controlling interests as appropriate). The exchange differences accumulated in equity, which resulted from the translation of the assets and liabilities of the entities in the Group into the presentation currency, are not subsequently reclassified to profit or loss.

On the disposal of a foreign operation (i.e., a disposal of the Company’s entire interest in a foreign operation, or a disposal involving the loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in a joint arrangement or an associate that includes a foreign operation of which the retained interest becomes a financial asset), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

In relation to a partial disposal of a subsidiary that does not result in the Company losing control over the subsidiary, the proportionate share of accumulated exchange differences is re-attributed to the non-controlling interests of the subsidiary and is not recognized in profit or loss. For all other partial disposals, the proportionate share of the accumulated exchange differences recognized in other comprehensive income is reclassified to profit or loss.

Goodwill and fair value adjustments on identifiable assets and liabilities acquired arising from the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the rates of exchange prevailing at the end of each reporting period. Exchange differences are recognized in other comprehensive income.

f. Investments in associates

An associate is an entity over which the Group has significant influence and which is neither a subsidiary nor an interest in a joint venture. A joint venture is a joint arrangement whereby the Group and other parties that have joint control of the arrangement have rights to the net assets of the arrangement.

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

Under the equity method, investments in an associate are initially recognized at cost and adjusted thereafter to recognize the Group’s share of the profit or loss and other comprehensive income of the associate. The Group also recognizes the changes in the Group’s share of the equity of associates and joint ventures.

Any excess of the cost of acquisition over the Group's share of the net fair value of the identifiable assets and liabilities of an associate at the date of acquisition is recognized as goodwill, which is included within the carrying amount of the investment and is not amortized. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of acquisition, after reassessment, is recognized immediately in profit or loss.

When the Company subscribes for additional new shares of an associate at a percentage different from its existing ownership percentage, the resulting carrying amount of the investment differs from the amount of the Group's proportionate interest in the associate. The Group records such a difference as an adjustment to investments with the corresponding amount charged or credited to capital surplus - changes in capital surplus from investments in associates and joint ventures accounted for using the equity method. If the Group's ownership interest is reduced due to its additional subscription of the new shares of the associate, the proportionate amount of the gains or losses previously recognized in other comprehensive income in relation to that associate is reclassified to profit or loss on the same basis as would be required had the investee directly disposed of the related assets or liabilities. When the adjustment should be debited to capital surplus, but the capital surplus recognized from investments accounted for using the equity method is insufficient, the shortage is debited to retained earnings.

When the Group's share of losses of an associate equals or exceeds its interest in that associate (which includes any carrying amount of the investment accounted for using the equity method and long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognizing its share of further loss, if any. Additional losses and liabilities are recognized only to the extent that the Group has incurred legal obligations, or constructive obligations, or made payments on behalf of that associate.

The entire carrying amount of an investment (including goodwill) is tested for impairment as a single asset by comparing its recoverable amount with its carrying amount. Any impairment loss recognized is not allocated to any asset, including goodwill, that forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognized to the extent that the recoverable amount of the investment subsequently increases.

The Group discontinues the use of the equity method from the date on which its investment ceases to be an associate. Any retained investment is measured at fair value at that date, and the fair value is regarded as the investment's fair value on initial recognition as a financial asset. The difference between the previous carrying amount of the associate attributable to the retained interest and its fair value is included in the determination of the gain or loss on disposal of the associate. The Group accounts for all amounts previously recognized in other comprehensive income in relation to that associate on the same basis as would be required had that associate directly disposed of the related assets or liabilities. If an investment in an associate becomes an investment in a joint venture, the Group continues to apply the equity method and does not remeasure the retained interest.

When the Group transacts with its associate, profits and losses resulting from the transactions with the associate are recognized in the Group's consolidated financial statements only to the extent of interests in the associate that are not related to the Group.

g. Property, plant and equipment

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

The depreciation of property, plant and equipment is recognized using the straight-line method. Each significant part is depreciated separately. The estimated useful lives, residual values and depreciation methods are reviewed at the end of each reporting period, with the effects of any changes in estimates accounted for on a prospective basis.

On derecognition of an item of property, plant and equipment, the difference between the sales proceeds and the carrying amount of the asset is recognized in profit or loss.

h. Goodwill

Goodwill arising from the acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment loss.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units or groups of cash-generating units (referred to as cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired, by comparing its carrying amount, including the attributed goodwill, with its recoverable amount. However, if the goodwill allocated to a cash-generating unit was acquired in a business combination during the current annual period, that unit shall be tested for impairment before the end of the current annual period. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss is recognized directly in profit or loss. An impairment loss recognized for goodwill is not reversed in subsequent periods.

If goodwill has been allocated to a cash-generating unit and the Group disposes of an operation within that unit, the goodwill associated with the operation which is disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal and is measured on the basis of the relative values of the operation disposed of and the portion of the cash-generating unit retained.

i. Intangible assets

1) Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are initially measured at cost and subsequently measured at cost less accumulated amortization and accumulated impairment loss. Amortization is recognized on a straight-line basis. The estimated useful lives, residual values, and amortization methods are reviewed at the end of each reporting period, with the effect of any changes in the estimates accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are measured at cost less accumulated impairment loss.

2) Intangible assets acquired in a business combination

Intangible assets acquired in a business combination and recognized separately from goodwill are initially recognized at their fair value at the acquisition date (which is regarded as their cost). Subsequent to initial recognition, they are measured on the same basis as intangible assets that are acquired separately.

3) Derecognition of intangible assets

On derecognition of an intangible asset, the difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss.

j. Impairment of property, plant and equipment, right-of-use asset, intangible assets other than goodwill and assets related to contract costs

At the end of each reporting period, the Group reviews the carrying amounts of its property, plant and equipment, right-of-use asset, intangible assets, excluding goodwill, to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Corporate assets are allocated to the smallest group of cash-generating units on a reasonable and consistent basis of allocation.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually and whenever there is an indication that the assets may be impaired.

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

Before the Group recognizes an impairment loss from assets related to contract costs, any impairment loss on inventories, property, plant and equipment and intangible assets related to the contract applicable under IFRS 15 shall be recognized in accordance with applicable standards. Then, impairment loss from the assets related to the contract costs is recognized to the extent that the carrying amount of the assets exceeds the remaining amount of consideration that the Group expects to receive in exchange for related goods or services less the costs which relate directly to providing those goods or services and which have not been recognized as expenses. The assets related to the contract costs are then included in the carrying amount of the cash-generating unit to which they belong for the purpose of evaluating impairment of that cash-generating unit.

When an impairment loss is subsequently reversed, the carrying amount of the corresponding asset, cash-generating unit or assets related to contract costs is increased to the revised estimate of its recoverable amount, but only to the extent of the carrying amount that would have been determined had no impairment loss been recognized on the asset, cash-generating unit or assets related to contract costs in prior years. A reversal of an impairment loss is recognized in profit or loss.

k. Financial instruments

Financial assets and financial liabilities are recognized when the Group becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issuance of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognized immediately in profit or loss.

1) Financial assets

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

a) Measurement categories

Financial assets are classified into the following category: Financial assets at amortized cost, and investments in equity instruments at FVTOCI.

i. Financial assets at amortized cost

Financial assets that meet the following conditions are subsequently measured at amortized cost:

i) The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and

ii) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Subsequent to initial recognition, financial assets at amortized cost, including cash and cash equivalents, financial assets at amortized cost - current, notes receivable, trade receivables, other receivables and refundable deposits, are measured at amortized cost, which equals the gross carrying amount determined using the effective interest method less any impairment loss. Exchange differences are recognized in profit or loss.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of such a financial asset, except for:

i) Purchased or originated credit-impaired financial assets, for which interest income is calculated by applying the credit adjusted effective interest rate to the amortized cost of such financial assets; and

ii) Financial assets that are not credit impaired on purchase or origination but have subsequently become credit impaired, for which interest income is calculated by applying the effective interest rate to the amortized cost of such financial assets in subsequent reporting periods.

Cash equivalents include time deposits with original maturities within 3 months from the date of acquisition, which are highly liquid, readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These cash equivalents are held for the purpose of meeting short-term cash commitments.

ii. Investments in equity instruments at FVTOCI

On initial recognition, the Group may make an irrevocable election to designate investments in equity instruments as at FVTOCI. Designation as at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognized by an acquirer in a business combination.

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

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

b) Impairment of financial assets and contract assets

The Group recognizes a loss allowance for expected credit losses on financial assets at amortized cost (including trade receivables).

The Group always recognizes lifetime expected credit losses (ECLs) for trade receivables. For all other financial instruments, the Group recognizes lifetime ECLs when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on a financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECLs.

Expected credit losses reflect the weighted average of credit losses with the respective risks of default occurring as the weights. Lifetime ECLs represent the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECLs represent the portion of lifetime ECLs that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

For internal credit risk management purposes, the Group considers the following situations as indication that a financial asset is in default (without taking into account any collateral held by the Group):

i. Internal or external information shows that the debtor is unlikely to pay its creditors.

ii. Financial asset is more than 365 days past due unless the Group has reasonable and corroborative information to support a more lagged default criterion.

The impairment loss of all financial assets is recognized in profit or loss by a reduction in their carrying amounts through a loss allowance account.

c) Derecognition of financial assets

The Group derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset at amortized cost in its entirety, the difference between the asset’s carrying amount and the sum of the consideration received and receivable is recognized in profit or loss. However, on derecognition of an investment in an equity instrument at FVTOCI, the difference between the asset’s carrying amount and the sum of the consideration received and receivable is recognized in profit or loss, and the cumulative gain or loss which had been recognized in other comprehensive income is transferred directly to retained earnings, without recycling through profit or loss.

2) Equity instruments

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

Equity instruments issued by the Group are recognized at the proceeds received, net of direct issue costs.

The repurchase of the Company's own equity instruments is recognized in and deducted directly from equity, and its carrying amounts are calculated based on weighted average by share types. No gain or loss is recognized in profit or loss on the purchase, sale, issuance or cancellation of the Company's own equity instruments.

3) Financial liabilities

a) Subsequent measurement

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

b) Derecognition of financial liabilities

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

l. Revenue recognition

The Group's operating revenue comes from recurring revenue (including system maintenance service revenue and online store value-added service revenue) and non-recurring revenue.

The Group recognizes contract liabilities before the services are completed, and subsequently recognizes revenue when the contractual obligations are satisfied.

System maintenance service revenue is derived from the system maintenance services provided by the Group. In addition to the fixed price, the service contract also stipulates that the price shall be charged based on a certain percentage of the system transaction amount. As the Group provides system maintenance services, customers simultaneously receive and consume the benefits provided by the Group's performance, and the Group recognizes revenue on a straight-line basis during the performance period.

When the Group transferred contractual obligations to the customer, online store value-added services revenue is charged based on a certain percentage of the system transaction amount.

Non-recurring revenue comes from project sales revenue. When the Group creates or strengthens an asset and transfer to the customers, the Group measures progress on the basis of the output method and recognizes revenue over time.

m. Leases

At the inception of a contract, the Group assesses whether the contract is, or contains, a lease.

1) The Group as lessor

Leases are classified as finance leases whenever the terms of a lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Lease payments (less any lease incentives payable) from operating leases are recognized as income on a straight-line basis over the terms of the relevant leases. Initial direct costs incurred in obtaining operating leases are added to the carrying amounts of the underlying assets and recognized as expenses on a straight-line basis over the lease terms.

2) The Group as lessee

The Group recognizes right-of-use assets and lease liabilities for all leases at the commencement date of a lease.

Right-of-use assets are initially measured at cost, which comprises the initial measurement of lease liabilities adjusted for lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs needed to restore the underlying assets, and less any lease incentives received. Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses and adjusted for any remeasurement of the lease liabilities. Right-of-use assets are presented on a separate line in the consolidated balance sheets.

Right-of-use assets are depreciated using the straight-line method from the commencement dates to the earlier of the end of the useful lives of the right-of-use assets or the end of the lease terms.

Lease liabilities are initially measured at the present value of the lease payments, which comprise fixed payments, in-substance fixed payments, variable lease payments which depend on an index or a rate, residual value guarantees, the exercise price of a purchase option if the Group is reasonably certain to exercise that option, and payments of penalties for terminating a lease if the lease term reflects such termination, less any lease incentives receivable. The lease payments are discounted using the interest rate implicit in a lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses the lessee's incremental borrowing rate.

Subsequently, lease liabilities are measured at amortized cost using the effective interest method, with interest expense recognized over the lease terms. When there is a change in a lease term, a change in the amounts expected to be payable under a residual value guarantee, a change in the assessment of an option to purchase an underlying asset, or a change in future lease payments resulting from a change in an index or a rate used to determine those payments, the Group remeasures the lease liabilities with a corresponding adjustment to the right-of-use-assets. However, if the carrying amount of the right-of-use assets is reduced to zero, any remaining amount of the remeasurement is recognized in profit or loss. Lease liabilities are presented on a separate line in the consolidated balance sheets.

The Group negotiates with the lessor for rent concessions as a direct consequence of the Covid-19 to change the lease payments originally due by June 30, 2022, that results in the revised consideration for the lease substantially less than the consideration for the lease immediately preceding the change. There is no substantive change to other terms and conditions. The Group elects to apply the practical expedient to all of these rent concessions and, therefore, does not assess whether the rent concessions are lease modifications. Instead, the Group recognizes the reduction in lease payment in profit or loss, in the period in which the events or conditions that trigger the concession occur, and makes a corresponding adjustment to the lease liability.

Variable lease payments that do not depend on an index or a rate are recognized as expenses in the periods in which they are incurred.

n. Government grants

Government grants are not recognized until there is reasonable assurance that the Group will comply with the conditions attached to them and that the grants will be received.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognized in profit or loss in the period in which they are received.

o. Employee benefits

1) Short-term employee benefits

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

2) Retirement benefits

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

p. Share-based payment arrangements

Equity-settled share-based payment arrangements granted to employees by the shareholders of the Group

The fair value at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's best estimates of the number of shares or options that are expected to ultimately vest, with a corresponding increase in capital surplus - employee share options. The shareholders of the Group and specific employees sign the equity-settled share-based payment arrangements, promising to grant the shares free of charge. The grant date is the date the arrangement is signed.

q. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

1) Current tax

Income tax payable (recoverable) is based on taxable profit (loss) for the year determined according to the applicable tax laws of each tax jurisdiction.

According to the Income Tax Law in the ROC, an additional tax on unappropriated earnings is provided for in the year the shareholders approve to retain earnings.

Adjustments of prior years' tax liabilities are added to or deducted from the current year's tax provision.

2) Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences and unused loss carryforwards to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are recognized only to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the assets to be recovered. A previously unrecognized deferred tax asset is also reviewed at the end of each reporting period and recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liabilities are settled or the assets are realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

3) Current and deferred taxes

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

5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group’s accounting policies, management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

6. CASH AND CASH EQUIVALENTS

	December 31	
	2022	**2021**
Cash on hand	$ 40	$ 40
Checking accounts and demand deposits	313,379	574,751
Cash equivalents (investments with original maturities within 3 months)		
Time deposits	2,153,531	69,200
	$ 2,466,950	$ 643,991

The market rate intervals of cash in bank and time deposits at the end of the reporting period were as follows:

	December 31	
	2022	**2021**
Bank deposits	0.385%-1.05%	0.001%-0.05%
Time deposits	4.38%-4.92%	0.25%-0.28%

7. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

Investments in Equity Instruments at FVTOCI

	December 31	
	2022	**2021**
Non-current		
Foreign investments		
Unlisted shares	$ 57,235	$ -

In November 2021, the Group acquired preference shares of inline group Limited for cash of US$2,000 thousand (listed in the prepaid investments). The equity interest was transferred on February 25, 2022.

These investments in equity instruments are held for medium- to long-term strategic purposes. Accordingly, the management elected to designate these investments in equity instruments as at FVTOCI as they believe that recognizing short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Group's strategy of holding these investments for long-term purposes.

8. FINANCIAL ASSETS AT AMORTIZED COST

	December 31	
	2022	**2021**
Current		
Time deposits with original maturities of more than 3 months (a)	$ 1,000	$ 1,548,108
Pledged time deposits (b)	9,400	9,400
	$ 10,400	$ 1,557,508

a. The ranges of interest rates for time deposits with original maturities of more than 3 months were approximately 1.2% and 0.22%-0.81% per annum as of December 31, 2022 and 2021, respectively.

b. Refer to Note 30 for information relating to investments in financial assets at amortized cost pledged as security.

9. NOTES RECEIVABLE, TRADE RECEIVABLES AND OTHER RECEIVABLES

	December 31	
	2022	**2021**
Notes receivable		
At amortized cost		
Gross carrying amount	$ 133	$ 150
Less: Allowance for impairment loss	-	-
	$ 133	$ 150

(Continued)

	December 31	
	2022	2021
Trade receivables		
At amortized cost		
Gross carrying amount	$ 73,998	$ 53,555
Less: Allowance for impairment loss	(9)	(8)
	$ 73,989	$ 53,547
Trade receivables from related parties		
At amortized cost		
Gross carrying amount	$ 2,495	$ 814
Less: Allowance for impairment loss	-	-
	$ 2,495	$ 814
Other receivables		
At amortized cost		
Gross carrying amount	$ 277,061	$ 277,352
Less: Allowance for impairment loss	(292)	(255)
	$ 276,769	$ 277,097
Other receivables from related parties		
At amortized cost		
Gross carrying amount	$ -	$ 254
Less: Allowance for impairment loss	-	-
	$ -	$ 254

(Concluded)

a. Notes receivable and trade receivables

The average credit period of sales was 30-130 days, and no interest was charged on trade receivables. When determining the recoverability of trade receivables, the Group considered if there were any changes in the credit quality of the trade receivables from the date credit was initially granted to the balance sheet date.

In order to control credit risk, the management of the Company has delegated the accounting department responsible for determining credit limits and monitoring various factors that may affect the customer's ability to pay, such as the historical transaction records and current economic conditions to ensure the recoverability of trade receivables. In addition, the Group reviews the recoverable amount of each individual trade debt at the end of the year to ensure that adequate allowance is made for possible irrecoverable amounts.

The Group applies the simplified approach prescribed by IFRS 9, which measures the loss allowance for trade receivables at an amount equal to lifetime ECLs. The expected credit losses on trade receivables are estimated using a provision matrix by reference to the past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of economic conditions at the reporting date. As the Group's historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision for loss allowance based on the transaction date status is not further distinguished according to the Group's different customer base.

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

The following table details the loss allowance of trade receivables based on the Group's provision matrix (based on invoice date).

Notes receivable

December 31, 2022

	1 to 30 Days	31 to 90 Days	Total
Expected credit loss rate	-	-	-
Gross carrying amount	$ 133	$ -	$ 133
Loss allowance (Lifetime ECLs)	-	-	-
Amortized cost	$ 133	$ -	$ 133

December 31, 2021

	1 to 30 Days	31 to 90 Days	Total
Expected credit loss rate	-	-	-
Gross carrying amount	$ 100	$ 50	$ 150
Loss allowance (Lifetime ECLs)	-	-	-
Amortized cost	$ 100	$ 50	$ 150

The movements of the loss allowance of trade receivables in 2022 and 2021 have not changed.

Trade receivables

December 31, 2022

	1 to 30 Days	31 to 90 Days	91 to 180 Days	Over 181 Days	Total
Expected credit loss rate	-	-	-	100%	-
Gross carrying amount	$ 60,429	$ 15,584	$ 471	$ 9	$ 76,493
Loss allowance (Lifetime ECLs)	-	-	-	(9)	(9)
Amortized cost	$ 60,429	$ 15,584	$ 471	$ -	$ 76,484

December 31, 2021

	1 to 30 Days	31 to 90 Days	91 to 180 Days	Over 181 Days	Total
Expected credit loss rate	-	-	-	100%	-
Gross carrying amount	$ 48,673	$ 5,542	$ 146	$ 8	$ 54,369
Loss allowance (Lifetime ECLs)	-	-	-	(8)	(8)
Amortized cost	$ 48,673	$ 5,542	$ 146	$ -	$ 54,361

The movements of the loss allowance of trade receivables were as follows:

	For the Year Ended December 31	
	2022	2021
Balance at January 1	$ 8	$ 7
Add: Net remeasurement of loss allowance	1	1
Balance at December 31	$ 9	$ 8

b. Other receivables (Note 16)

Other receivables are mainly derived from the contracts signed by the Group and online stores; the Group provides customers with store opening services and collects payment from general customers through collection agencies. On the date agreed in the contract, the Group collects the payment for goods from the collection agencies for each period. The average collection period for collection agencies is 0-15 days.

The Group recognized an allowance for 100% impairment of other doubtful receivables.

The movements of the allowance for doubtful other receivables were as follows:

	For the Year Ended December 31	
	2022	2021
Balance at January 1	$ 255	$ 95
Add: Net remeasurement of loss allowance	37	160
Balance at December 31	$ 292	$ 255

10. SUBSIDIARIES

Subsidiaries Included in the Consolidated Financial Statements

Investor	Investee	Nature of Activities	Proportion of Ownership December 31 2022	Proportion of Ownership December 31 2021	Remark
91APP, Inc.	91APP (Taiwan), Inc.	Internet related business	100	100	-
91APP, Inc.	Omni-channel Retail System Corporation	Internet related business	100	100	-
91APP, Inc.	91APP HK Limited	Internet related business	70	70	-

The financial statements of the above-mentioned subsidiaries have been audited.

11. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

Investments in Associates	December 31 2022	December 31 2021
Material associate		
EasyStore Commerce Sdn. Bhd.	$ 101,585	$ 100,615
Omnichat Limited	49,350	50,048
Associates that are not individually material	35,194	36,296
	$ 186,129	$ 186,959

a. Material associate

Investments in Associates	Proportion of Ownership and Voting Rights December 31 2022	Proportion of Ownership and Voting Rights December 31 2021
EasyStore Commerce Sdn. Bhd.	36.35%	36.35%
Omnichat Limited	35.80%	35.80%

Refer to Table 2 “Information on Investees” for the nature of activities, principal place of business and country of incorporation of the associate.

EasyStore Commerce Sdn. Bhd. and Omnichat Limited are the Group’s strategic partner for acquiring new customers in Malaysia and Hongkong, respectively, by entering into the market.

In 2022, EasyStore Commerce Sdn. Bhd., the Group’s equity investment accounted for using the equity method, continued to result in loss, and the overall profitability of EasyStore Commerce Sdn. Bhd. was not as expected. The Group carried out the impairment test on the equity investment. Based on the assessment, the carrying amount of the Group’s equity investment of EasyStore Commerce Sdn. Bhd. was higher than its recoverable amount as of December 31, 2022. Therefore, the Group recognized impairment losses of $1,097 thousand (listed in other gains and losses). In determining the value in use of the investments, the Group estimated the present value of the estimated future cash flows expected to arise from the operation of the invested company by using the discount rate of 16.5%.

Summarized financial information in respect of the Group's material associate is set out below. The summarized financial information below represents amounts shown in the associate's financial statements prepared in accordance with the IFRSs adjusted by the Group for equity accounting purposes.

EasyStore Commerce Sdn. Bhd.

	December 31	
	2022	**2021**
Current assets	$ 81,527	$ 26,072
Non-current assets	19,070	19,322
Current liabilities	(131,957)	(51,558)
Equity	$ (31,360)	$ (6,164)
Proportion of the Group's ownership	36.35%	36.35%
Equity attributable to the Group	$ (11,399)	$ (2,241)
Goodwill	113,017	102,856
Effect of foreign currency exchange differences	(33)	-
Carrying amount	$ 101,585	$ 100,615

	For the Year Ended December 31	
	2022	**2021**
Operating revenue	$ 81,683	$ 69,979
Net loss for the year	$ (24,119)	$ (24,907)
Other comprehensive income (loss)	-	-
Total comprehensive loss for the year	$ (24,119)	$ (24,907)

Omnichat Limited

	December 31	
	2022	**2021**
Current assets	$ 58,821	$ 58,349
Non-current assets	32,263	11,755
Current liabilities	(42,081)	(5,708)
Equity	$ 49,003	$ 64,396
Proportion of the Group's ownership	35.80%	35.80%
Equity attributable to the Group	$ 17,543	$ 23,054
Goodwill	29,042	24,148
Customer relationships	2,765	2,846
Carrying amount	$ 49,350	$ 50,048

	For the Year Ended December 31	
	2022	2021
Operating revenue	$ 34,743	$ 11,320
Net loss for the year	$ (15,740)	$ (2,085)
Other comprehensive loss	-	(16)
Total comprehensive loss for the year	$ (15,740)	$ (2,101)

b. Aggregate information of associates that are not individually material

	For the Year Ended December 31	
	2022	2021
The Group's share of:		
Profit from continuing operations	$ 2,677	$ 2,771

Investments accounted for using the equity method and the Group's share of profit or loss and other comprehensive income of these investments were based on the associates' financial statements which have been audited for the same periods.

12. PROPERTY, PLANT AND EQUIPMENT

	December 31	
	2022	2021
Assets used by the Group	$ 31,566	$ 24,829

Assets used by the Group

	Office Equipment	Leasehold Improvements	Total
Cost			
Balance at January 1, 2022	$ 40,873	$ 31,995	$ 72,868
Additions	9,902	9,569	19,471
Disposals	(4,167)	(4,267)	(8,434)
Reclassification	-	1,453	1,453
Effects of foreign currency exchange differences	68	-	68
Balance at December 31, 2022	$ 46,676	$ 38,750	$ 85,426

(Continued)

	Office Equipment	Leasehold Improvements	Total
Accumulated depreciation			
Balance at January 1, 2022	$ 28,308	$ 19,731	$ 48,039
Disposals	(3,957)	(4,267)	(8,224)
Depreciation expenses	7,242	6,773	14,015
Effects of foreign currency exchange differences	23	7	30
Balance at December 31, 2022	$ 31,616	$ 22,244	$ 53,860
Carrying amount at December 31, 2022	$ 15,060	$ 16,506	$ 31,566
Cost			
Balance at January 1, 2021	$ 35,621	$ 21,041	$ 56,662
Additions	7,664	10,954	18,618
Disposals	(2,399)	-	(2,399)
Effects of foreign currency exchange differences	(13)	-	(13)
Balance at December 31, 2021	$ 40,873	$ 31,995	$ 72,868
Accumulated depreciation			
Balance at January 1, 2021	$ 24,389	$ 16,631	$ 41,020
Disposals	(2,024)	-	(2,024)
Depreciation expenses	5,948	3,098	9,046
Effects of foreign currency exchange differences	(5)	2	(3)
Balance at December 31, 2021	$ 28,308	$ 19,731	$ 48,039
Carrying amount at December 31, 2021	$ 12,565	$ 12,264	$ 24,829

(Concluded)

The above items of property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives as follows:

Office equipment	3-5 years
Leasehold improvements	3-5 years

The Group did not recognize any impairment loss for the years ended December 31, 2022 and 2021 as there were no indications of impairment.

13. LEASE ARRANGEMENTS

a. Right-of-use assets

	December 31	
	2022	2021
Carrying amounts		
Buildings	$ 35,967	$ 23,591
Transportation equipment	1,566	-
	$ 37,533	$ 23,591

	For the Year Ended December 31	
	2022	2021
Additions to right-of-use assets	$ 36,339	$ 26,998
Depreciation charge for right-of-use assets		
Buildings	$ 22,023	$ 12,637
Transportation equipment	913	1,098
	$ 22,936	$ 13,735

Except for the addition and recognition of depreciation expenses listed above, there was no major sublease or impairment of the right-of-use assets of the Group for the years ended December 31, 2022 and 2021.

b. Lease liabilities

	December 31	
	2022	2021
Carrying amounts		
Current	$ 20,989	$ 12,419
Non-current	$ 18,419	$ 11,488

Range of discount rate for lease liabilities was as follows:

	December 31	
	2022	2021
Buildings	0.74%-2.18%	0.94%-2.66%
Transportation equipment	1.49%	-

c. Material leasing activities and terms

The Group leases buildings for the use of offices with lease terms of 2 to 5 years. The Group does not have bargain purchase options to acquire the buildings at the end of the lease terms. In addition, the Group is prohibited from subleasing or transferring all or any portion of the underlying assets without the lessor’s consent.

14. GOODWILL

	For the Year Ended December 31	
	2022	2021
Cost		
Balance at January 1	$ 6,144	$ 6,322
Effect of foreign currency exchange differences	673	(178)
Balance at December 31	$ 6,817	$ 6,144
Accumulated impairment losses		
Balance at January 1	$ (3,175)	$ (3,267)
Effect of foreign currency exchange differences	(348)	92
Balance at December 31	$ (3,523)	$ (3,175)
Carrying amount at December 31	$ 3,294	$ 2,969

The Group acquired Omni-channel Retail System Corporation and 91APP HK Limited on June 1, 2016 and October 22, 2019, respectively, and recognized goodwill relating to control premium.

15. INTANGIBLE ASSETS

	Computer Software
Cost	
Balance at January 1, 2022	$ 579
Additions	3,000
Balance at December 31, 2022	$ 3,579
Accumulated amortization	
Balance at January 1, 2022	$ 579
Balance at December 31, 2022	$ 579
Carrying amount at December 31, 2022	$ 3,000
Cost	
Balance at January 1, 2021	$ 579
Balance at December 31, 2021	$ 579
Accumulated amortization	
Balance at January 1, 2021	$ 579
Balance at December 31, 2021	$ 579
Carrying amount at December 31, 2021	$ -

Computer software costs are amortized on a straight line basis over their useful lives of 3 years.

16. OTHER ASSETS

	December 31	
	2022	2021
Current		
Other receivables		
Interest receivables	$ 4,665	$ 2,589
Receivables from receipts under custody (a)	262,597	261,427
Others	9,507	13,081
	$ 276,769	$ 277,097
Other financial assets		
Restricted trust deposits (b)	$ 764,054	$ 1,346,880
Other assets		
Prepayments	$ 15,269	$ 9,518
Others	2,056	1,318
	$ 17,325	$ 10,836
Non-current		
Prepaid investments (c)	$ -	$ 55,360
Prepaid equipment	-	1,453
Refundable deposits	7,281	3,952
	$ 7,281	$ 60,765

a. Receivables from receipts under custody are payments that third-party agencies collect from consumers.

b. Amounts for receipts and payables under custody of payment and logistic services provided by the Group are guaranteed through trust, which refers to a signed trust contract with a trust management bank, and a special deposit account is used as a special trust account for receipts and payables under custody and stored-value funds. The Group recognized the account as “other financial assets - restricted trust deposits”.

c. In November 2021, the Group subscribed for 200,000 shares after the consolidation of inline group Limited for cash of US$2,000 thousand; the procedure has not yet been completed, so it is listed in the prepaid investments. The equity interest was transferred on February 25, 2022 and reclassified to financial assets at fair value through other comprehensive income.

17. OTHER LIABILITIES

	December 31	
	2022	2021
Current		
Other payables		
Payables for receipts under custody*	$ 831,208	$ 1,293,476
Payables for salaries or bonuses	78,349	72,295
Payables for annual leave	320	320
Payables for employees' compensation	14,788	13,208
Payables for insurance premiums	7,578	6,384
Payables for pension	6,998	6,340
Payables for VAT	24,109	29,271
Others	51,017	34,961
	$ 1,014,367	$ 1,456,255
Payables to related parties	$ 60	$ 83
Other liabilities		
Receipts under custody	$ 213,893	$ 157,608
Temporary receipts	2,532	6,283
	$ 216,425	$ 163,891

* Payables for receipts under custody of payment flow services are the amounts payable to stores for the amounts collected on behalf of these stores in accordance with the contracts which the Group signed with these stores. The amounts for receipts and payables under custody mentioned above are transferred into a trust since April 2021, and recognized as other financial assets; refer to Note 16.

18. RETIREMENT BENEFIT PLANS

Defined Contribution Plans

91APP (Taiwan), Inc. and Omni-channel Retail System Corporation of the Group adopted a pension plan under the Labor Pension Act (LPA), which is a state-managed defined contribution plan. Under the LPA, an entity makes monthly contributions to employees' individual pension accounts at 6% of monthly salaries and wages.

The Group recognized pension costs of $28,112 thousand and $24,467 thousand for the years ended December 31, 2022 and 2021, respectively.

The employees of the Group's subsidiaries, 91APP HK Limited, are members of a state-managed retirement benefit plan operated by the local government. The subsidiaries are required to contribute a specified percentage of payroll costs to the retirement benefit scheme to fund the benefits. The only obligation of the Group with respect to the retirement benefit plan is to make the specified contributions.

19. EQUITY

a. Share capital - ordinary shares

	December 31	
	2022	2021
Shares authorized (in thousands of shares)	180,000	180,000
Shares authorized	$ 900,000	$ 900,000
Shares issued and fully paid (in thousands of shares)	120,578	120,578
Shares issued and fully paid	$ 602,890	$ 602,890

For first listing on the Taipei Exchange, the Company's board of directors resolved to issue 13,398 thousand ordinary shares with a par value of $5 on March 25, 2021; the cash capital increase from issuance of new shares includes public subscription, employee subscription and bidding auction with 2,412 thousand shares, 1,340 thousand shares, and 9,646 thousand shares, respectively, of which the public subscription and employee subscriptions are all issued at a premium of $66 per share, and bidding auction was issued at a premium of $106.76 per share at the weighted average price of the bid, and the base date of the increase in capital was May 21, 2021; the total proceeds amounted to $1,277,396 thousand. After the capital increase, the paid-in capital was $602,890 thousand, divided into 120,578 thousand ordinary shares.

b. Capital surplus

	December 31	
	2022	2021
May be used to offset a deficit, distributed as cash dividends, or transferred to share capital*		
Additional paid-in capital	$ 1,219,040	$ 1,215,858
May not be used for any purpose		
Employee share options	4,338	5,294
	$ 1,223,378	$ 1,221,152

* Such capital surplus may be used to offset a deficit; in addition, when the Company has no deficit, such capital surplus may be distributed as cash dividends or transferred to share capital (limited to a certain percentage of the Company's capital surplus and to once a year).

c. Retained earnings and dividend policy

Except as provided in the Company law of the Cayman Islands, the Group is currently in the growth stage. The board of directors should prepare a distribution plan which should be resolved in the shareholders' meeting for the distribution of dividends and bonuses to shareholders, with the future operational development plan in mind and in response to funding needs and long-term financial planning, at the same time taking into consideration shareholder interests.

Under the dividends policy as set forth in the Articles of the Company

1) Where based on the Company's final accounts in respect of a current year, when the Company proposes to make profit distribution, such distribution shall be calculated based on the after-tax net profit of that current fiscal year, and shall be distributable only after (i) covering accumulated losses (including any adjustment to the retained earnings), (ii) setting aside a sum for any capital reserve pursuant to these Articles, (iii) setting aside a sum equal to ten percent (10%) for any capital reserve pursuant to the Applicable Public Company Rules, unless the accumulated amount of such reserve equals to the total paid-up capital of the Company, and (iv) setting aside a sum for an additional special reserve or reversing the special reserve back to the undistributed profit in compliance with the requirements promulgated by applicable ROC authorities so long as the Shares are listed on any ROC Securities Exchange. After deducting the aforementioned amounts from the Company's net profit after tax, any remaining profit will be distributed as dividends to shareholders based on the shareholding ratios of the respective shareholders.

2) When the Company's shares are traded on any of the stock exchanges in the Republic of China, the Company's dividend distribution policy should be proposed by the board of directors and resolved in the shareholders' meeting whereby no less than 10% of the accumulated retained earnings for each year should be distributed as shareholder dividends., however, that if the accumulated retained earnings is less than 10% of the capital paid up, the Company may not declare dividends. Such dividends may be distributed by cash or by issuing shares, provided that the percentage of the cash dividend shall not be less than five (5) percent of the total dividend.

The shareholders of the Company held their regular meeting on April 16, 2021 and in that meeting, resolved the amendments to the Company's Articles of Incorporation. The amendments explicitly stipulate that the proposal for profit distribution or offsetting of losses should be made at the end of year, the board of directors is authorized to adopt a resolution to distribute dividends and bonuses in cash and a report of such distribution should be submitted in the shareholders' meeting.

For information about the distribution policy of compensation of employees and remuneration of directors stipulated in the Company's Articles of Incorporation, refer to Note 21, g (employees' compensation and the remuneration of directors).

The Group held regular shareholders' meetings on April 16, 2021, and resolved to consider the Company's needs for future expansion of the scale of operations, and all surpluses for 2020 were retained without distribution.

The appropriation of earnings for 2021 have been approved in the shareholders' meetings on June 9, 2022; the amounts were as follows:

	For the Year Ended December 31, 2021
Legal reserve	$ 29,841
Cash dividends	$ 57,877
Cash dividends per share (NT$)	$ 0.48

The appropriation of earnings for 2022, has been proposed by the Company's board of directors on March 9, 2023, was as follows:

	For the Year Ended December 31, 2022
Legal reserve	$ 33,788
Cash dividends	$ 82,655
Cash dividends per share (NT$)	$ 0.7

The above appropriation for cash dividends has been resolved by Company's board of directors, and the other proposed appropriations will be resolved by the shareholders in their meeting to be held on June 9, 2023.

d. Other equity items

1) Exchange differences on the translating of the financial statements of foreign operations

	For the Year Ended December 31	
	2022	2021
Balance at January 1	$ (24,533)	$ (4,472)
Exchange differences on the translation of the financial statements of foreign operations	(103,975)	18,329
Exchange differences on translation to the presentation currency	257,642	(38,390)
Balance at December 31	$ 129,134	$ (24,533)

2) Unrealized valuation gain on financial assets at FVTOCI

	For the Year Ended December 31, 2022
Balance at January 1	$ -
Recognized for the year	
Unrealized gain or loss	
Equity Instruments	(4,816)
Other comprehensive loss for the year	(4,816)
Balance at December 31	$ (4,816)

e. Treasury shares

Purpose of Buy-back	Shares Transferred to Employees (In Thousands of Shares)
Number of shares at January 1, 2022	-
Increase during the period	2,500
Number of shares at December 31, 2022	2,500

In order to motivate employees and enhance the cohesiveness, the board of directors resolved to buy back 2,500 thousand shares for transferring shares to employees on May 3, 2022. The buyback period is from May 4, 2022 to July 3, 2022. The buyback price range is from $91.5 to $229.5. When the share price is lower than the limit of the buyback price range, the Company can still buy back the shares. As of December 31, 2022, the Company has bought back 2,500 thousand shares at a total amount $335,477 thousand.

Under the Securities and Exchange Act, the Company shall neither pledge treasury shares nor exercise shareholders' rights on these shares, such as the rights to dividends and to vote.

20. REVENUE

a. Revenue from contracts with customers

	For the Year Ended December 31	
	2022	2021
Operating revenue	$ 1,262,840	$ 1,100,926

b. Contract balances

	December 31, 2022	December 31, 2021	January 1, 2021
Trade receivables (Note 9)	$ 73,989	$ 53,547	$ 41,119
Trade receivables from related parties (Note 9)	$ 2,495	$ 814	$ -
Contract liabilities - current			
System services	$ 90,767	$ 68,252	$ 53,803
Contract liabilities - non-current			
System services	9,240	7,655	5,093
	$ 100,007	$ 75,907	$ 58,896

c. Disaggregation of revenue

	For the Year Ended December 31	
	2022	2021
Taiwan	$ 1,200,076	$ 1,058,251
Others	62,764	42,675
	$ 1,262,840	$ 1,100,926
Recurring revenue	$ 1,148,838	$ 1,014,000
Non-recurring revenue	114,002	86,926
	$ 1,262,840	$ 1,100,926

The Group's recurring revenues are generated from its system services and online store services. The Group's non-recurring revenue is generated from its set up and project services.

21. NET PROFIT FROM CONTINUING OPERATIONS

a. Interest income

	For the Year Ended December 31	
	2022	2021
Bank deposits	$ 30,925	$ 4,540

b. Other income

	For the Year Ended December 31	
	2022	2021
Service revenue (Note 29)	$ 2,292	$ 3,063
Government grants (Note 25)	2,010	-
Rental income (Note 29)	2,447	-
Others	8,117	3,254
	$ 14,866	$ 6,317

c. Other gains and (losses)

	For the Year Ended December 31	
	2022	2021
Net foreign exchange (losses) gains	$ (16,152)	$ 1,125
Losses on disposal of property, plant and equipment	(190)	(375)
Impairment loss recognized on investment accounted for using the equity method	(1,097)	-
Loss on lease modification	-	(143)
	$ (17,439)	$ 607

d. Finance costs

	For the Year Ended December 31	
	2022	2021
Interest on lease liabilities	$ 449	$ 290

e. Depreciation and amortization

	For the Year Ended December 31	
	2022	2021
Property, plant and equipment	$ 14,015	$ 9,046
Right-of-use assets	22,936	13,735
	$ 36,951	$ 22,781
An analysis of depreciation by function		
Operating costs	$ 11,647	$ 9,293
Operating expenses	25,304	13,488
	$ 36,951	$ 22,781

f. Employee benefits expense

	For the Year Ended December 31	
	2022	2021
Short-term benefits	$ 625,400	$ 541,156
Post-employment benefits		
Defined contribution plans (Note 18)	28,112	24,467
	653,512	565,623
Share-based payments		
Equity-settled (Note 24)	2,226	8,633
Total employee benefits expense	$ 655,738	$ 574,256
An analysis of employee benefits expense by function		
Operating costs	$ 228,321	$ 199,596
Operating expenses	427,417	374,660
	$ 655,738	$ 574,256

g. Employees' compensation and remuneration of directors

According to the Articles of the Company, the Company shall accrue employees' compensation and remuneration of directors at rates of no less than 3% and no higher than 3%, respectively, of net profit before income tax, employees' compensation and remuneration of directors. However, if the Company has accumulated losses, an amount should be set aside in advance to offset the losses. Employee's compensation can be distributed in the form of shares or cash, and should be distributed in accordance with the employee reward plan as set forth in the Company's Articles. The employees may include certain employees of the subsidiaries who meet the conditions prescribed by the Company.

For the years ended December 31, 2022 and 2021, the employees' compensation and the remuneration of directors and supervisors which have been approved by the Company's board of directors on March 9, 2023 and March 10, 2022, respectively, were as follows:

Accrual rate

	For the Year Ended December 31	
	2022	2021
Employees' compensation	3%	3%
Remuneration of directors	-	-

Amount

	For the Year Ended December 31	
	2022	2021
Employees' compensation	$ 10,470	$ 9,290
Remuneration of directors	$ -	$ -

If there is a change in the amounts after the annual consolidated financial statements are authorized for issue, the differences are recorded as a change in the accounting estimate.

There was no difference between the actual amounts of employee's compensation and remuneration of directors paid and mounts recognized in the consolidated financial statements for the years ended December 31, 2021 and 2020.

Information on the employee's compensation and remuneration of directors and supervisors resolved by the Company's board of directors in 2021 and 2020 is available at the Market Observation Post System Website of Taiwan Stock Exchange.

22. INCOME TAXES

a. Income tax recognized in profit or loss

Major components of income tax expense are as follows:

	For the Year Ended December 31	
	2022	2021
Current tax		
In respect of the current year	$ 88,722	$ 76,344
Income tax on unappropriated earnings	14,065	9,275
Adjustments for prior year	(11,465)	(11,042)
Deferred tax		
In respect of the current year	(3,661)	726
Income tax expense recognized in profit or loss	$ 87,661	$ 75,303

A reconciliation of accounting profit and income tax expense is as follows:

	For the Year Ended December 31	
	2022	**2021**
Profit before tax	$ 426,356	$ 373,945
Income tax expense calculated at the statutory rate	$ -	$ -
Effect of different tax rates of entities operating in other jurisdictions	87,661	75,303
Income tax expense recognized in profit or loss	$ 87,661	$ 75,303

b. Current tax liabilities

	December 31	
	2022	**2021**
Current tax liabilities		
Income tax payable	$ 63,530	$ 59,681

c. Deferred tax assets

The movements of deferred tax assets were as follows:

For the year ended December 31, 2022

	Beginning Balance	**Recognized in Profit or Loss**	**Ending Balance**
Deferred tax assets			
Temporary differences			
Unrealized exchange loss	$ 1,658	$ 3,661	$ 5,319

For the year ended December 31, 2021

	Beginning Balance	**Recognized in Profit or Loss**	**Ending Balance**
Deferred tax assets			
Temporary differences			
Allowance for impairment loss	$ 55	$ (55)	$ -
Unrealized exchange loss	2,329	(671)	1,658
	$ 2,384	$ (726)	$ 1,658

d. Income tax assessments

Except for the Company which is exempt from paying income tax, income tax returns of 91APP (Taiwan), Inc. and Omni-channel Retail System Corporation have been assessed by the tax authorities of the ROC as of 2020 except 2021. The rest of the companies have completed the filing of income tax within the prescribed time limits set by the local governments of each country. The tax collection agencies will not voluntarily issue approval notices to enterprises. They will only issue tax payment notices for their respective years to enterprises when there is a tax dispute and reserve the right to propose additional taxation.

23. EARNINGS PER SHARE

Unit: NT$ Per Share

	For the Year Ended December 31	
	2022	**2021**
Basic earnings per share from continuing operations	$ 2.83	$ 2.58
Diluted earnings per share from continuing operations	$ 2.83	$ 2.58

Net Profit for the Year

	For the Year Ended December 31	
	2022	**2021**
Earnings used in the computation of basic earnings per share	$ 337,883	$ 298,409
Earnings used in the computation of diluted earnings per share	$ 337,883	$ 298,409

The weighted average number of ordinary shares outstanding (in thousands of shares) are as follows:

	For the Year Ended December 31	
	2022	**2021**
Weighted average number of ordinary shares used in the computation of basic earnings per share	119,211	115,439
Effect of potentially dilutive ordinary shares		
Employees' compensation	117	56
Weighted average number of ordinary shares used in the computation of diluted earnings per share	119,328	115,495

If the Company offered to settle bonuses paid to employees in cash or shares, the Company assumed the entire amount of the bonus would be settled in shares and the resulting potential shares were included in the weighted average number of shares outstanding used in the computation of diluted earnings per share as the effect is dilutive. Such dilutive effect of the potential shares was included in the computation of diluted earnings per share until the shareholders resolve the number of shares to be distributed to employees at their meeting in the following year.

24. SHARE-BASED PAYMENT ARRANGEMENTS

The shareholders of the Company agreed in January 2020 that specific employees of subsidiaries are entitled to receive 1,088 thousand shares of the Company's stock for free. Equity-settled share-based payment arrangement granted to employees is measured by the fair value of the equity instrument on the grant date. The grant date is January 31, 2020, and the fair value per share on the grant date is $10.34-$12.62, and the vesting period is 1.5-4.5 years.

Compensation costs recognized were $2,226 thousand and $4,090 thousand for the years ended December 31, 2022 and 2021, respectively.

Issuance of shares from cash capital increase reserved for employees' subscription

On March 25, 2021, the Company's board of directors resolved to issue 13,398 thousand ordinary shares. The above transaction was approved by the FSC on April 21, 2021.

The cash capital increase from issuance of new shares will be subscribed by the employees of the Company and the employees of the affiliated companies, and the grant date is May 12, 2021.

Information on employee share options was as follows:

	For the Year Ended December 31, 2021	
	Number of Options (In Thousands of Units)	**Weighted-average Exercise Price ($)**
Balance at January 1	-	$ -
Options granted	1,340	66
Options forfeited	-	-
Options exercised	(1,340)	
Balance at December 31	-	
Options exercisable, end of the period	-	
Weighted-average fair value of options granted ($)	$ 3.39	

The weighted average exercise price of the employee share options exercised in the year 2021 was $66 on the exercise date.

The Company employees' subscriptions were priced using the Black-Scholes option pricing model.

The inputs value used in the option pricing model are as follows:

	May 2021
Number of shares	1,340 thousand
Restricted transfer period	None
Fair value per share on grant date	$69.24
Execution price	$66
Expected volatility	33.655%
Duration	0.01 years
Risk-free interest rate	0.1427%

Compensation cost recognized was $4,543 thousand for the year ended December 31, 2021

25. GOVERNMENT GRANTS

In 2022, the Group's subsidiaries in Hong Kong received a government grant of $2,010 thousand. The amount was recognized as other income as set out in Note 21.

26. CASH FLOW INFORMATION

Changes in Liabilities Arising from Financing Activities

For the year ended December 31, 2022

	For the Year Ended December 31, 2022
Total cash outflow from lease	$ (21,879)

	January 1, 2022	Cash Flows	Non-cash Changes			Included in Operating Activities Interest Paid	December 31, 2022
			New Leases	Interest Expense	Lease Modification		
Lease liabilities	$ 23,907	$ (21,430)	$ 36,339	$ 449	$ 592	$ (449)	$ 39,408

For the year ended December 31, 2021

	For the Year Ended December 31, 2021
Total cash outflow from lease	$ (13,815)

	January 1, 2021	Cash Flows	Non-cash Changes			Included in Operating Activities Interest Paid	December 31, 2021
			New Leases	Interest Expense	Lease Modification		
Lease liabilities	$ 11,480	$ (13,525)	$ 26,998	$ 290	$ (1,046)	$ (290)	$ 23,907

27. CAPITAL MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximizing the return to stakeholders through the optimization of the debt and equity balance.

The capital structure of the Group consists of net debt and equity of the Group (comprising issued capital, capital surplus, retained earnings and other equity).

The Group is not subject to any externally imposed capital requirements.

28. FINANCIAL INSTRUMENTS

a. Fair value of financial instruments that are not measured at fair value

The management believes that the book value of financial assets and financial liabilities approximate the fair value.

b. Fair value of financial instruments measured at fair value on a recurring basis

1) Fair value hierarchy

December 31, 2022

	Level 1	Level 2	Level 3	Total
Financial assets at FVTOCI investments in equity				
Unlisted shares	$ -	$ -	$ 57,235	$ 57,235

There were no transfers between Levels 1 and 2 in the December 31, 2022.

2) Reconciliation of Level 3 fair value measurements of financial instruments

For the year ended December 31, 2022

Financial Assets	Financial Assets at FVTOCI Equity Instruments
Balance at January 1, 2022	$ -
Purchases	55,360
Recognized in other comprehensive loss (unrealized loss of financial instrument at FVTOCI)	(4,186)
Foreign currency exchange differences	6,061
Balance at December 31, 2022	$ 57,235

3) Valuation techniques and inputs applied for fair value measurement

Unlisted shares

The fair values of unlisted equity securities were determined using the income approach. In this approach, the discounted cash flow method was used to calculate the present value of the expected future economic benefits to be derived from the ownership of these investees; and to assess a reasonable fair value by preferential share equity value allocation

c. Categories of financial instruments

	December 31 2022	December 31 2021
Financial assets		
Financial assets at amortized cost (1)	$ 3,602,071	$ 3,884,193
Financial assets at FVTOC	57,235	-
Financial liabilities		
Financial liabilities at amortized cost (2)	882,413	1,328,706

1) The balances included financial assets at amortized cost, which comprise cash and cash equivalents, financial assets at amortized cost - current, notes receivable, trade and other receivables (including related parties receivable), other financial assets - current and refundable deposits.

2) The balances included financial liabilities measured at amortized cost, which comprise notes payable, other payables (including related parties payables) (excluding payables for salaries or bonuses, payables for annual leave, payables for employees' compensation, payables for insurance premiums, payables for pension, and payables for VAT) and deposits received.

d. Financial risk management objectives and policies

The Group's major financial instruments include cash and cash equivalents, financial assets at amortized cost - current, financial assets at fair value through other comprehensive income, notes receivable, trade and other receivables, other receivables, other financial assets - current, refundable deposits, notes payable, other payables and lease liabilities. The Group's corporate treasury function provides services to the business and manages the financial risks relating to the operations of the Group. These risks include market risk (mainly foreign currency risk and interest rate risk), credit risk and liquidity risk.

1) Market risk

The Group's activities exposed it primarily to the financial risks of changes in foreign currency exchange rates (see (a) below) and interest rates (see (b) below).

a) Foreign currency risk

The Group had foreign currency denominated transactions, which exposed the Group to foreign currency risk.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities (including those eliminated on consolidation) at the end of the reporting period are set out in Note 31.

Sensitivity analysis

The exposure to foreign currency fluctuations mainly relates to the Group's subsidiaries in the ROC, which was mainly impacted by U.S. dollar exchange rate fluctuations.

The following table details the sensitivity of the Group's subsidiaries in ROC to a 1% increase and decrease in the New Taiwan dollar (i.e. the functional currency) against the relevant foreign currencies. The sensitivity analysis included only outstanding foreign currency denominated monetary items, and adjusts their translation at the end of the reporting period for a 1% change in foreign currency rates. A positive number below indicates an increase in pre-tax profit for a 1% weakening of the New Taiwan dollar against the relevant currency. For a 1% strengthening of the New Taiwan dollar against the relevant currency, there would be an equal and opposite impact on pre-tax profit and the balances below would be negative.

	U.S. Dollar Impact	
	For the Year Ended December 31	
	2022	**2021**
Profit or loss	$ 11,063	$ 1,417

The above impact was mainly attributable to the exposure on outstanding U.S. dollar cash, cash equivalents and time deposits with original maturities of more than 3 months of the Group's subsidiaries in the ROC which were not hedged at the end of the reporting period.

b) Interest rate risk

The Group was not exposed to interest rate risk because entities in the Group did not borrow funds.

The carrying amounts of the Group's financial assets and financial liabilities with exposure to interest rates at the end of the year were as follows:

	December 31	
	2022	**2021**
Fair value interest rate risk		
Financial assets	$ 2,163,931	$ 1,626,708
Financial liabilities	$ 39,408	$ 23,907
Cash flow interest rate risk		
Financial assets	$ 1,077,433	$ 1,921,631

Sensitivity analysis

The fixed-rate financial assets and financial liabilities held by the Company are not included in the analysis because they are measured at amortized cost. For floating rate liabilities, the analysis was prepared assuming the amount of each liability outstanding at the end of the reporting period was outstanding for the whole year. A 0.25% basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 0.25% basis points higher/lower and all other variables were held constant, the Group's pre-tax profit for the years ended December 31, 2022 and 2021 would decrease/increase by $2,694 thousand and $4,804 thousand, respectively.

c) Other price risk

The Group was exposed to equity price risk through its investments in FVTOCI.

Sensitivity analysis

The sensitivity analysis below was determined based on the exposure to equity price risks at the end of the period.

If equity prices had been 10% higher/lower, other comprehensive income for the ended December 31, 2022 would have increased/decreased by $5,724 thousand, respectively, as a result of the changes in fair value of financial assets at FVTOCI.

2) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. As at the end of the reporting period, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure of counterparties to discharge an obligation could arise from the carrying amount of the respective recognized financial assets as stated in the balance sheets.

Since the Group's counterparties are all creditworthy financial institutions and entities, no significant credit risk is expected.

The Group transacts with a large number of unrelated customers and thus, credit risk is not highly concentrated.

3) Liquidity risk

The Group manages liquidity risk by monitoring and maintaining a level of cash and cash equivalents deemed adequate to finance the Group's operations and mitigate the effects of fluctuations in cash flows. In addition, management monitors the utilization of bank borrowings and ensures compliance with loan covenants.

The Group relies on bank borrowings as a significant source of liquidity. As of December 31, 2022 and 2021, the Group had available unutilized bank loan facilities set out in (b) below.

a) Liquidity and interest rate risk tables for non-derivative financial liabilities

The following table details the Group's remaining contractual maturities for its non-derivative financial liabilities with agreed upon repayment periods. The table has been drawn up based on the undiscounted cash flows of financial liabilities from the earliest date on which the Group can be required to pay. The maturity dates for other non-derivative financial liabilities were based on the agreed upon repayment dates.

December 31, 2022

	Less than 1 Year	**1-2 Years**	**2-5 Years**	**Total**
Non-derivative financial liabilities				
Notes payable	$ 128	$ -	$ -	$ 128
Other payables	1,014,367	-	-	1,014,367
Other payables to related parties	60	-	-	60
Lease liabilities	21,316	15,944	2,611	39,871
Other current liabilities	216,425	-	-	216,425
	$ 1,252,296	$ 15,944	$ 2,611	$ 1,270,851

December 31, 2021

	Less than 1 Year	**1-2 Years**	**2-5 Years**	**Total**
Non-derivative financial liabilities				
Notes payable	$ 86	$ -	$ -	$ 86
Other payables	1,456,255	-	-	1,456,255
Other payables to related parties	83	-	-	83
Lease liabilities	12,617	7,049	4,564	24,230
Other current liabilities	163,891	-	-	163,891
	$ 1,632,932	$ 7,049	$ 4,564	$ 1,644,545

b) Financing facilities

	December 31	
	2022	2021
Unsecured bank loan facilities which may be extended by mutual agreement:		
Amount used	$ -	$ -
Amount unused	550,000	35,000
	$ 550,000	$ 35,000

29. TRANSACTIONS WITH RELATED PARTIES

Besides information disclosed elsewhere in the other notes, details of transactions between the Group and other related parties are disclosed as follows:

a. Related party name and category

Related Party Name	Related Party Category
Omnichat Limited	Associate
Jinghong, Inc.	Associate
Omni-channel Retail System Corporation	Associate
EasyStore Commerce Sdn. Bhd.	Associate
91APP SDN. BHD.	Associate
MYDRESS HOLDING LIMITED	Related party in substance

b. Operating revenue

	For the Year Ended December 31	
Related Party Name	2022	2021
91APP SDN. BHD.	$ 788	$ 783
Omni-channel Retail System Corporation	2,939	435
Omnichat Limited	39	-
MYDRESS HOLDING LIMITED	5,615	-
	$ 9,381	$ 1,218

The Company provides services to the related parties; the transaction terms with related parties were not significantly different from those with third parties.

c. Purchase of services

	For the Year Ended December 31	
Related Party Name	2022	2021
Jinghong, Inc.	$ 1,019	$ 727

The Company listed above provide 91APP, Inc. with system connection services; the transaction terms with related parties were not significantly different from those with third parties.

d. Receivables from related parties

Line Item	Related Party Name	December 31 2022	December 31 2021
Trade receivables from related parties	Jinghong, Inc.	$ -	$ 2
	91APP SDN. BHD.	104	103
	Omni-channel Retail System Corporation	674	709
	MYDRESS HOLDING LIMITED	1,717	-
		$ 2,495	$ 814
Other receivables from related parties	EasyStore Commerce Sdn. Bhd.	$ -	$ 254

Receivables from related parties mentioned above were not guaranteed, and no provision for impairment loss was accrued for the years ended December 31, 2022 and 2021.

e. Payables to related parties

Line Item	Related Party Name	December 31 2022	December 31 2021
Other payables to related parties	Jinghong, Inc.	$ 21	$ 83
	MYDRESS HOLDING LIMITED	39	-
		$ 60	$ 83

The outstanding other payables to related parties are unsecured.

f. Lease arrangements

Operating lease

The Group leases the right to use of the office to its associates, EasyStore Commerce Sdn. Bhd. and MYDRESS HOLDING LIMITED as the operating lease with the lease term of one year. The rental of EasyStore Commerce Sdn. Bhd. is calculated based on $4 thousand per person per month; and the rental of MYDRESS HOLDING LIMITED refers to the similar assets' rental level, and a fixed payment of HK$50 thousand is received monthly according to the lease agreement.

The rent income is summarized as follows:

Related Party Name	For the Year Ended December 31 2022	For the Year Ended December 31 2021
EasyStore Commerce Sdn. Bhd.	$ 163	$ -
MYDRESS HOLDING LIMITED	2,188	-
	$ 2,351	$ -

g. Others

Line Item	Related Party Name	For the Year Ended December 31 2022	2021
Service expenses	Jinghong, Inc.	$ 44	$ 67
Service revenue	EasyStore Commerce Sdn. Bhd.	$ 2,292	$ 3,063
Operating expenses	MYDRESS HOLDING LIMITED	$ 59	$ -

h. Compensation of key management personnel

	For the Year Ended December 31 2022	2021
Short-term employee benefits	$ 43,221	$ 40,054
Post-employment benefits	1,463	1,467
Share-based payments	111	432
	$ 44,795	$ 41,953

The remuneration of directors and other key executives was determined based on the performance of individuals and market trends.

30. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

The following assets were pledged as collateral for commercial credit cards and performance guarantees held by the Group:

	December 31 2022	2021
Pledged deposits (classified as financial assets at amortized cost - current)	$ 9,400	$ 9,400

31. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

The Group’s significant financial assets and liabilities denominated in foreign currencies aggregated by the foreign currencies other than functional currencies of the entities in the Group and the related exchange rates between the foreign currencies and the respective functional currencies were as follows:

December 31, 2022

	Foreign Currency	Exchange Rate	Carrying Amount
Financial assets			
Monetary items			
USD	$ 36,023	30.71 (USD:NTD)	$ 1,106,268

December 31, 2021

	Foreign Currency	Exchange Rate	Carrying Amount
Financial assets			
Monetary items			
USD	$ 5,120	27.68 (USD:NTD)	$ 141,720

The Group is mainly exposed to the USD. The following information was aggregated by the functional currencies of the entities in the Group, and the exchange rates between the respective functional currencies and the presentation currency were disclosed. The significant (realized and unrealized) foreign exchange gains (losses) were as follows:

	For the Year Ended December 31			
	2022		2021	
Functional Currency	Exchange Rate	Net Foreign Exchange Gain	Exchange Rate	Net Foreign Exchange Gain
USD	1 (NTD:NTD)	$ 2,188	1 (NTD:NTD)	$ 5,104

32. SEPARATELY DISCLOSED ITEMS

a. Information about significant transactions and b. information investees:

1) Financing provided to others (None)

2) Endorsements/guarantees provided (None)

3) Marketable securities held (excluding investments in subsidiaries, associates and joint ventures) (Table 1)

4) Marketable securities acquired or disposed of at costs or prices of at least NT$300 million or 10% of total equity attributable to owners of the Company (None, Note)

5) Acquisition of individual real estate at costs of at least NT$300 million or 10% of total equity attributable to owners of the Company (None, Note)

6) Disposal of individual real estate at prices of at least NT$300 million or 10% of total equity attributable to owners of the Company (None, Note)

7) Total purchases from or sales to related parties amounting to at least NT$100 million or 10% of total equity attributable to owners of the Company (None, Note)

8) Receivables from related parties amounting to at least NT$100 million or 10% of total equity attributable to owners of the Company (None, Note)

9) Trading in derivative instruments (None)

10) Intercompany relationships and significant intercompany transactions (Table 3)

11) Information on investees (Table 2)

Note: If the issuer's stock has no denomination or the denomination per share is not $10, the aforementioned regulations listed in numbers 4 to 8 on the transaction amount of 20% of the paid-in capital amount shall be calculated based on 10% of total equity attributable to owners of the Company on the balance sheet.

b. Information on investments in mainland China

1) Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, net income of investees, investment income or loss, carrying amount of the investment at the end of the period, repatriations of investment income, and limit on the amount of investment in the mainland China area (None)

2) Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third party, and their prices, payment terms, and unrealized gains or losses (None):

a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period

b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period

c) The amount of property transactions and the amount of the resultant gains or losses

d) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes

e) The highest balance, the end of period balance, the interest rate range, and total current period interest with respect to financing of funds

f) Other transactions that have a material effect on the profit or loss for the year or on the financial position, such as the rendering or receipt of services

c. Information of major shareholders: List all shareholders with ownership of 5% or greater showing the name of the shareholder, the number of shares owned, and percentage of ownership of each shareholder (Table 4)

33. SEGMENT INFORMATION

Information reported to the chief operating decision-maker for the purpose of resource allocation and assessment of segment performance focuses on the types of goods or services delivered or provided.

The Group's management identifies reportable segments based on regions of Taiwan. However, when preparing the consolidated financial report, the Group considers that operating segments outside of Taiwan have similar long-term operating margins. The Group summarizes these operating segments as a single segment, and takes the overall operating profit and loss as a consideration. As the Company focuses on the online merchandise sales and information system software design, the main income of the operating segments disclosed are based on the online merchandise sales and information system software design.

a. Segment revenue and results

The following was an analysis of the Group's revenue and results from continuing operations by reportable segments:

	Taiwan	Others	Total
For the year ended December 31, 2022			
Revenue from external customers	$ 1,200,076	$ 62,764	$ 1,262,840
Inter-segment revenue	2,209	-	2,209
Segment revenue	1,202,285	62,764	1,265,049
Eliminations	(2,209)	-	(2,209)
Consolidated revenue	$ 1,200,076	$ 62,764	$ 1,262,840
Segment income (excluding central administration costs)	$ 423,905	$ 960	$ 424,865
Central administration costs			(14,305)
Segment income			410,560
Interest income			30,925
Other income			14,866
Other gains and losses			(17,439)
Finance costs			(449)
Share of profit of associates accounted for using the equity method			(12,107)
Profit before tax (continuing operations)			$ 426,356
For the year ended December 31, 2021			
Revenue from external customers	$ 1,058,251	$ 42,675	$ 1,100,926
Inter-segment revenue	5,029	-	5,029
Segment revenue	1,063,280	42,675	1,105,955
Eliminations	(5,029)	-	(5,029)
Consolidated revenue	$ 1,058,251	$ 42,675	$ 1,100,926
Segment income (excluding central administration costs)	$ 378,328	$ 5,835	$ 384,163
Central administration costs			(16,112)
Segment income			368,051
Interest income			4,540
Other income			6,317
Other gains and losses			607
Finance costs			(290)
Share of profit of associates accounted for using the equity method			(5,280)
Profit before tax (continuing operations)			$ 373,945

Segment profit represented the profit before tax earned by each segment without the allocation of central administration costs and share of profit of associates, rental revenue, interest income, gains or losses on disposal of property, plant and equipment, gains on disposal of subsidiary, exchange gains or losses, finance costs and income tax expense. This was the measure reported to the chief operating decision-maker for the purpose of resource allocation and assessment of segment performance.

b. Segment total assets and liabilities

	December 31	
	2022	**2021**
Taiwan	$ 2,584,277	$ 2,609,700
Others	62,059	26,491
Headquarters	1,297,136	1,555,657
Consolidated total assets	$ 3,943,472	$ 4,191,848
Taiwan	$ 1,390,737	$ 1,767,975
Others	41,518	10,162
Headquarters	1,670	1,773
Consolidated total liabilities	$ 1,433,925	$ 1,779,910

91APP, Inc. AND SUBSIDIARIES

MARKETABLE SECURITIES HELD
DECEMBER 31, 2022
(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				Note
				Number of Shares	Carrying Amount	Percentage of Ownership (%)	Fair Value	
91APP, Inc.	Unlisted shares inline group Limited	None	Financial assets at fair value through other comprehensive income - non-current	200,000	$ 57,235	3.5	$ 57,235	-

Note 1: The term "securities" in this table refers to stocks, bonds, beneficiary certificates and the securities derived from the above items that fall within the scope of IFRS No. 9 "Financial Instruments".

Note 2: If the issuer of securities is not relationship with the holding company, this column is not required.

Note 3: The securities held by the merged company do not provide guarantees, pledge loans or other restrictions as agreed.

Note 4: Refer to Table 2 for information of investment in subsidiaries, investments in associates and joint venture.

91APP, INC. AND SUBSIDIARIES

INFORMATION ON INVESTEES
FOR THE YEAR ENDED DECEMBER 31, 2022
(In Thousands of New Taiwan Dollars, Dollars and Shares)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of December 31, 2022			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				December 31, 2022 (In Thousands of Foreign Currencies)	December 31, 2021 (In Thousands of Foreign Currencies)	Number of Shares	%	Carrying Amount			
91APP, Inc.	91APP (Taiwan), Inc.	Taiwan	Internet related business	$ 200,000	$ 200,000	20,000	100.00	$ 1,200,927	$ 339,919	$ 339,919	Note 1
	Omni-channel Retail System Corporation	Taiwan	Internet related business	6,400	6,400	2,550	100.00	2,860	1	1	Note 1
	91APP HK Limited	Hong Kong	Internet related business	13,389 (HK$ 3,400)	13,389 (HK$ 3,400)	1,400	70.00	17,820 (US$ 580)	2,707 (US$ 91)	1,895 (US$ 64)	Note 1
	EasyStore Commerce Sdn. Bhd.	Malaysia	Internet related business	111,203 (MYR 16,600)	111,203 (MYR 16,600)	568	36.35	101,585 (US$ 3,308)	(24,119) (US$ -809)	(8,768) (US$ -294)	Note 1
	Omnichat Limited	Hong Kong	Internet related business	55,727 (HK$ 14,151)	55,727 (HK$ 14,151)	10,305	35.80	49,350 (US$ 1,607)	(15,740) (US$ -528)	(6,016) (US$ -202)	Note 1
91APP (Taiwan), Inc.	Jinghong, Inc.	Taiwan	Internet related business	34,350	34,350	700	35.00	35,194	9,412	2,677	Note 1

Note 1: The marketable securities held by the companies in the above table are unsecured.

Note 2: Eliminated at the time of preparation of the consolidated financial statements.

Note 3: The amounts in this table are listed in NTD. For foreign currencies, they will be converted to NTD on the financial statement date (the current exchange rate for USD is 30.71; for HKD is 3.938; for MYR is 6.699 and the average exchange rate for USD is 29.805).

TABLE 3

91APP, INC. AND SUBSIDIARIES

INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT INTERCOMPANY TRANSACTIONS
FOR THE YEAR ENDED DECEMBER 31, 2022
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

No. (Note 1)	Investee Company	Counterparty	Relationship (Note 2)	Transaction Details			
				Financial Statement Account	Amount	Payment Terms	% of Total Sales or Assets (Note 3)
0	The Company	91APP (Taiwan) Inc.	a	Other payable to related parties	$ 10,470	Note 5	-
1	91APP (Taiwan) Inc.	91APP HK Limited	c	Receivable to related parties	315	Note 5	-
		91APP HK Limited	c	Contract liabilities	210	Note 5	-
		91APP HK Limited	c	Revenue	2,209	Note 5	-

Note 1: a. 0 represents the Company.
b. Subsidiaries are numbered from 1.

Note 2: Relationships between the investee company and counterparty are classified into the following three categories (if it is the same transaction between the parent company and the subsidiary or between the subsidiaries, it is not necessary to disclose it repeatedly. For example, if the parent company's transaction with the subsidiary is disclosed, the subsidiary's part does not need to be repeatedly disclosed; for transactions between subsidiaries, if one of the subsidiaries has already been disclosed, the other subsidiary does not need to be repeatedly disclosed).

a. Parent company to subsidiary.
b. Subsidiary to parent company.
c. Subsidiary to subsidiary.

Note 3: The calculation of the ratio of the transaction amount to the combined total revenue or total assets: If it is an asset and liability item, it is calculated as the ending balance divided by the combined total assets; if it is a profit or loss item, it is calculated as accumulated amount in the period divided by the combined total revenue.

Note 4: The listing of important transactions in this table can be determined by the Company according to the materiality principle.

Note 5: Since there is no related similar transaction to follow, the two parties negotiate and decode the transaction.

TABLE 4

91APP, INC.

INFORMATION OF MAJOR SHAREHOLDERS
DECEMBER 31, 2022

Name of Major Shareholder	Shares	
	Number of Shares	Percentage of Ownership (%)
NineYi Capital Inc.	30,764,999	25.51
N-Team, Inc.	18,545,000	15.38
Nexdoor Inc.	9,488,000	7.86
APPWORKS FUND II CO., LTD.	7,663,000	6.35

Note: The information of major shareholders presented in this table is provided by the Taiwan Depository & Clearing Corporation based on the number of ordinary shares and preferred shares held by shareholders with ownership of 5% or greater, that have been issued without physical registration (including treasury shares) by the Company as of the last business day for the current quarter. The share capital in the consolidated financial statements may differ from the actual number of shares that have been issued without physical registration because of different preparation basis.