Stock Code: 2373

Aurora Corporation and Subsidiaries

Consolidated Financial Statements and Independent Auditors' Report

For the Years Ended December 31, 2023 and 2022

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Notice to readers
The reader is advised that this annual report has been prepared originally in Chinese. In the event of a conflict between this annual report and the original Chinese version or difference in interpretation between the two versions, the Chinese language Consolidated Financial Statements and Independent Auditors' Report shall prevail.

Declaration of Consolidated Financial Statements of Affiliates

In 2023 (from January 1, 2023 to December 31, 2023), the companies required to be included in the consolidated financial statements of affiliates under the "Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises" are all the same as companies required to be included in the consolidated financial statements of parent and subsidiary companies as provided in the International Financial Reporting Standards (IFRS) 10, and relevant information that should be disclosed in the consolidated financial statements of affiliates has all been disclosed in the consolidated financial statements of parent and subsidiary companies. Aurora hereby produces this declaration to the effect that no preparation for the separate consolidated financial statements of affiliates is required.
Sincerely,

Company: Aurora Corporation

Chairman: Yuan Hui-Hua

March 15, 2024

Independent Auditors' Report

To Aurora Corporation:

Opinions

Aurora Corporation and its subsidiaries' Consolidated Balance Sheets as of December 31, 2023 and 2022, in addition to the Consolidated Statements of Comprehensive Income, Consolidated Statements of Changes in Equity, Consolidated Statements of Cash Flows, and Notes to the Consolidated Financial Statements (including a summary of significant accounting policies) from January 1 to December 31, 2023 and 2022, have been audited by the CPAs.

In our opinion, the Consolidated Financial Statements mentioned above have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, as well as the International Financial Reporting Standards (IFRSs), International Accounting Standards (IAS), law and regulation reviews and their announcements recognized and announced by the Financial Supervisory Commission in all material aspects, and are considered to have reasonably expressed the consolidated financial conditions of Aurora Corporation and its subsidiaries as of December 31, 2023 and 2022, as well as the consolidated financial performance and consolidated cash flows from January 1 to December 31, 2023 and 2022.

Basis for Opinions

We conducted our audit in accordance with the Regulations Governing Auditing and Attestation of Financial statements by Certified Public Accountants and auditing standards. 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 Aurora Corporation and its subsidiaries in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China ("The Norm"), and we have fulfilled our other ethical responsibilities in accordance with the Norm. 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 of Aurora Corporation and its subsidiaries for the year ended December 31, 2023. 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.

Key audit matters for the Consolidated Financial Statements of Aurora Corporation and its subsidiaries for the year ended December 31, 2023 are stated as follows:

Sales revenue

The main businesses of Aurora Corporation and its subsidiaries include the trade and lease of Multi-Functional Photocopiers (MFPs) and sales of system furniture. Printers and income from sales of system furniture in Taiwan, in particular, are material in nature for the overall financial statements. The main risk lies in whether revenue actually occurs. Accordingly, we identify the risk of revenue recognition arising from fraud as a key audit matter in accordance with the Statements on Auditing Standards in relation to significant risk.

For the accounting policies related to revenue recognition, please refer to Note IV (XIV).

We understood and tested the effectiveness of the design and implementation of internal controls in the recognition of sales revenue. We have also selected appropriate samples from the sales details, reviewed the original contracts, documents and customs declaration forms from external forwarders or signed by customers to check whether the recipients are the trading parties, and reviewed whether there is a significant amount of return and allowance subsequent to the balance sheet date to confirm whether there is any material misstatement of sales revenue.

Other Matters

We have also audited the Parent Company Only Financial Statements of Aurora Corporation for the years ended December 31, 2023 and 2022, on which we have issued an unqualified opinion.

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

To ensure that the Consolidated Financial Statements do not contain material misstatements caused by fraud or errors, the management is responsible for preparing prudent Consolidated Financial Statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, as well as the IFRS, IAS, law and regulation reviews and their announcements recognized and announced by the Financial Supervisory Commission, and for preparing and maintaining necessary internal control procedures pertaining to the Consolidated Financial Statements.

In preparing the Consolidated Financial Statements, the management is responsible for assessing Aurora Corporation and its subsidiaries' ability to continue as a going concern, disclosing, as applicable, matters related to the going concern and using the going concern basis of accounting unless the management either intends to liquidate Aurora Corporation and its subsidiaries or to cease operations, or has no realistic alternative but to do so.

Those charged with governance (including the Audit Committee) are responsible for overseeing Aurora Corporation and its subsidiaries' 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 misstatements, 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 and audit conducted in accordance with the accounting principles in the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the accounting principles in the Republic of China, we exercise professional judgment and professional skepticism. We also:

1. Identify and evaluate the risk of material misstatements due to fraud or error in the Consolidated Financial Statements; design and carry out appropriate countermeasures for the evaluated risk; and obtain sufficient and appropriate evidence as the basis for thour audit 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 controls 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 internal controls of Aurora Corporation and its subsidiaries.

3. Assess the appropriateness of the accounting policies adopted by the management, as well as the reasonableness of their accounting estimates and relevant disclosures.
4. Conclude on the appropriateness of the 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 Aurora Corporation and its subsidiaries' ability to operate 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 Aurora Corporation and its subsidiaries to cease to continue as a going concern.
5. Evaluate the overall expression, structure and contents of the Consolidated Financial Statements (including relevant Notes), and whether the Consolidated Financial Statements fairly present relevant transactions and items.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within Aurora Corporation and its subsidiaries to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision, and performance of the audit and for expressing an opinion on the Consolidated Financial Statements of Aurora Corporation and its subsidiaries.

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 the key audit matters of Aurora Corporation and its subsidiaries' Consolidated Financial Statements for the year ended December 31, 2023. 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.

Deloitte & Touche

Huang Hai-Yueh, CPA	Chi Rui-Chuan, CPA
Securities and Futures Commission Approval No. Tai-Cai-Zheng-6 No. 0920131587	Financial Supervisory Commission Approval No. Jin-Guan-Zheng-Shen No. 1060023872

March 15, 2024

Aurora Corporation and Subsidiaries
Consolidated Balance Sheets
December 31, 2023 and 2022
(In Thousands of New Taiwan Dollars)

Code	Assets	December 31, 2023 Amount	%	December 31, 2022 Amount	%
	Current Assets				
1100	Cash (NotesVI)	$ 2,723,584	15	$ 2,219,983	12
1110	Financial assets at fair value through profit or loss - current (Notes IV and VII)	97,510	1	63,953	-
1136	Financial assets at amortized cost - current (Notes IV, VIII and XXXIII)	3,858,355	22	4,316,941	24
1150	Notes receivable (Notes IV and X)	148,257	1	205,586	1
1170	Accounts receivable (Notes IV and X)	867,112	5	1,049,732	6
1180	Accounts receivable - related parties (Notes IV, X and XXXII)	135,865	1	154,855	1
1200	Other receivables (Notes IV, X, and XXXII)	54,099	-	49,580	-
1220	Current tax assets (Notes IV and XXVI)	48,347	-	93,574	-
130X	Inventories (Notes IV and XI)	1,265,110	7	1,796,514	10
1479	Other current assets (Note XVIII)	446,235	2	316,483	2
11XX	Total current assets	9,644,474	54	10,267,201	56
	Non-current assets				
1550	Investments accounted for using the equity method (Notes IV and XIII)	3,081,538	17	3,092,505	17
1560	Contract assets - non-current (Notes IV and XXIV)	113,141	1	120,794	1
1600	Property, plant, and equipment (Notes IV, XIV, XXXII, and XXXIII)	2,986,388	17	2,763,328	15
1755	Right-of-use assets (Notes IV, XV, and XXXII)	797,217	4	794,326	4
1760	Investment properties (Notes IV, XVI, and XXXIII)	510,618	3	520,856	3
1805	Goodwill (Notes IV and XVII)	133,020	1	132,947	1
1821	Other intangible assets (Notes IV and XVII)	50,417	-	58,083	-
1840	Deferred tax assets (Notes IV and XXVI)	176,670	1	183,740	1
1920	Refundable deposits (Note XXXII)	164,877	1	165,953	1
1980	Other financial assets - non-current (Notes IX and XXXIII)	28,173	-	42,432	-
1990	Other non-current assets (Note XVIII)	252,982	1	121,758	1
15XX	Total non-current assets	8,295,041	46	7,996,722	44
1XXX	Total assets	$ 17,939,515	100	$ 18,263,923	100

Code	Liabilities and Equity	December 31, 2023 Amount	%	December 31, 2022 Amount	%
	Current Liabilities				
2100	Short-term loans (Note XIX)	$ 1,832,173	10	$ 1,509,000	8
2110	Short-term notes and bills payable (Note XIX)	-	-	1,049,579	6
2130	Contract liabilities - current (Notes IV and XXIV)	285,797	2	415,415	2
2170	Accounts payable (Note XX and XXXII)	1,006,437	6	1,018,111	6
2200	Other payables (Notes XXI and XXXII)	995,916	5	1,077,942	6
2230	Current tax liabilities (Notes IV and XXVI)	135,456	1	161,889	1
2280	Lease liabilities - current (Notes IV, XV, and XXXII)	284,138	2	312,871	2
2300	Other current liabilities (Note XXI)	97,769	-	75,533	-
21XX	Total current liabilities	4,637,686	26	5,620,340	31
	Non-current liabilities				
2540	Long-term loans (Note XIX)	3,417,319	19	2,552,734	14
2570	Deferred income tax liabilities (Notes IV and XXVI)	267,603	2	321,448	2
2580	Lease liabilities - non-current (Notes IV, XV, and XXXII)	410,659	2	374,241	2
2630	Long-term deferred revenue (Notes XXVIII)	27,260	-	-	-
2640	Net defined benefit liabilities - non-current (Notes IV and XXII)	410,644	2	441,734	2
2645	Guarantee deposits received (Note XXXII)	60,247	-	69,413	-
25XX	Total non-current liabilities	4,593,732	25	3,759,570	20
2XXX	Total liabilities	9,231,418	51	9,379,910	51
	Equity attributable to owners of the Company (Note XXIII)				
	Capital Stock				
3110	Capital stock - common shares	2,362,025	13	2,362,025	13
3200	Capital surplus	1,875,002	10	1,821,477	10
	Retained earnings				
3310	Legal reserve	2,148,615	12	2,017,211	11
3320	Special reserve	852,220	5	852,220	5
3350	Unappropriated earnings	1,176,930	6	1,328,641	7
3300	Total retained earnings	4,177,765	23	4,198,072	23
3400	Other equity	(237,619)	(1)	(76,302)	(1)
3500	Treasury shares	(791,826)	(4)	(791,826)	(4)
31XX	Total equity attributable to owners of the Company	7,385,347	41	7,513,446	41
36XX	Non-controlling Interests	1,322,750	8	1,370,567	8
3XXX	Total equity	8,708,097	49	8,884,013	49
	Total liabilities and equity	$ 17,939,515	100	$ 18,263,923	100

The accompanying notes are an integral part of the Consolidated Financial Statements.

Chairman: Yuan Hui-Hua General Manager: Chou Ming-Chung Principal Accounting Officer: Lin Ya-Ling

Aurora Corporation and Subsidiaries
Consolidated Statements of Comprehensive Income
For the Years Ended December 31, 2023 and 2022

(In Thousands of New Taiwan Dollars, Except New Taiwan Dollar for Earnings Per Share)

		2023		2022	
Code		Amount	%	Amount	%
	Operating revenue (Notes IV, XXIV, and XXXII)				
4110	Sales revenue	$ 11,551,774	100	$ 12,596,436	100
4170	Sales returns	13,742	-	13,463	-
4190	Sales discounts and allowances	4,700	-	6,648	-
4000	Total operating revenue	11,533,332	100	12,576,325	100
5000	Operating costs (Notes IV, XI, XXV, and XXXII)	6,213,223	54	7,031,430	56
5900	Gross profit	5,320,109	46	5,544,895	44
5910	Realized gains from sales of associates	11,755	-	30,389	-
5950	Realized gross profit	5,331,864	46	5,575,284	44
	Operating expenses (Notes IV, X, XXV, and XXXII)				
6100	Selling and marketing expenses	2,606,248	22	2,741,965	22
6200	General and administrative expenses	1,698,270	15	1,588,315	12
6450	Expected credit losses (gains)	(4,189)	-	22,522	-
6000	Total operating expenses	4,300,329	37	4,352,802	34
6900	Net operating income	1,031,535	9	1,222,482	10
	Non-operating income and expenses (Notes IV, VII, XIII, XXV, and XXXII)				
7100	Interest income	130,632	1	164,310	1
7190	Other income	161,878	2	179,967	2

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Code		2023 Amount	2023 %	2022 Amount	2022 %
7590	Other gains and losses	$ 12,820	-	$ 42,218	-
7050	Finance costs	(91,903)	(1)	(71,964)	(1)
7060	Share of profit or loss associates accounted for using the equity method	237,542	2	273,185	2
7000	Total non-operating income and expenses	450,969	4	587,716	4
7900	Net income before tax	1,482,504	13	1,810,198	14
7950	Income tax expense (Notes IV and XXVI)	308,215	3	388,571	3
8200	Net income	1,174,289	10	1,421,627	11
	Other comprehensive income				
8310	Components that will not be reclassified to profit or loss (Notes IV, XXII, and XXVI)				
8311	Gains (losses) on re-measurements of defined benefit plans	(733)	-	23,357	-
8320	Share of other comprehensive income of associates accounted for using the equity method	(20,801)	-	(193,793)	(1)
8349	Income tax related to components that will not be reclassified to profit or loss	146	-	(4,671)	-
		(21,388)	-	(175,107)	(1)
8360	Components that may be reclassified to profit or loss (Notes IV)				
8361	Exchange differences on translation of financial statements of foreign operations	(148,319)	(1)	135,027	1
8370	Share of other comprehensive income of associates accounted for using the equity method	(12,129)	-	8,983	-
		(160,448)	(1)	144,010	1

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Code		2023 Amount	2023 %	2022 Amount	2022 %
8300	Other comprehensive income, net	(181,836)	(1)	(31,097)	-
8500	Total comprehensive income	$ 992,453	9	$ 1,390,530	11
	Net Income Attributable to:				
8610	Owners of the Company	$ 1,091,507	9	$ 1,309,368	10
8620	Non-controlling Interests	82,782	1	112,259	1
8600		$ 1,174,289	10	$ 1,421,627	11
	Total comprehensive income attributable to:				
8710	Owners of the Company	$ 928,528	8	$ 1,263,976	10
8720	Non-controlling Interests	63,925	1	126,554	1
8700		$ 992,453	9	$ 1,390,530	11
	Earnings per share (Note XXVII)				
9710	Basic	$ 4.86		$ 5.82	
9810	Diluted	$ 4.85		$ 5.82	

The accompanying notes are an integral part of the Consolidated Financial Statements.

Chairman: Yuan Hui-Hua General Manager: Chou Ming-Chung Principal Accounting Officer: Lin Ya-Ling

Aurora Corporation and Subsidiaries
Consolidated Statements of Changes in Equity
For the Years Ended December 31, 2023 and 2022
(In Thousands of New Taiwan Dollars)

				Retained earnings			Other equity					
Code		Capital Stock	Capital surplus	Legal Reserve	Special Reserve	Unappropriated earnings	Exchange differences on translation of financial statements of foreign operations	Unrealized gains or losses on financial assets at fair value through other comprehensive income	Treasury shares	Total Equity Attributable to Owners of the Company	Non-controlling Interests	Total Equity
A1	Balance as of January 1, 2022	$ 2,362,025	$ 1,939,269	$ 1,880,146	$ 852,220	$ 1,379,923	($ 682,175)	$ 655,933	($ 791,826)	$ 7,595,515	$ 1,331,119	$ 8,926,634
	Appropriation and distribution of earnings for 2021:											
B1	Legal reserve	-	-	137,065	-	(137,065)	-	-	-	-	-	-
B5	Cash dividends of common stock	-	-	-	-	(1,228,253)	-	-	-	(1,228,253)	-	(1,228,253)
C15	Cash dividends appropriated from capital surplus	-	(188,962)	-	-	-	-	-	-	(188,962)	-	(188,962)
C17	Dividends not claimed by shareholders by the given deadline	-	1,621	-	-	-	-	-	-	1,621	157	1,778
D1	Net income in 2022	-	-	-	-	1,309,368	-	-	-	1,309,368	112,259	1,421,627
D3	Other comprehensive income after tax in 2022	-	-	-	-	22,525	127,963	(195,880)	-	(45,392)	14,295	(31,097)
D5	Total comprehensive income in 2022	-	-	-	-	1,331,893	127,963	(195,880)	-	1,263,976	126,554	1,390,530
M1	Changes in capital reserve from dividends paid to subsidiaries	-	68,330	-	-	-	-	-	-	68,330	6,651	74,981
M5	Difference between the price from acquiring or disposing of shares held in subsidiaries and their book value	-	1,219	-	-	-	-	-	-	1,219	2,480	3,699
Q1	Disposal of equity instruments at fair value through other comprehensive income	-	-	-	-	(17,857)	-	17,857	-	-	-	-
O1	Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	-	(96,394)	(96,394)
Z1	Balance as of December 31, 2022	$ 2,362,025	$ 1,821,477	$ 2,017,211	$ 852,220	$ 1,328,641	($ 554,212)	$ 477,910	($ 791,826)	$ 7,513,446	$ 1,370,567	$ 8,884,013
	Appropriation and distribution of earnings for 2022:											
B1	Legal reserve	-	-	131,404	-	(131,404)	-	-	-	-	-	-
B5	Cash dividends of common stock	-	-	-	-	(1,110,152)	-	-	-	(1,110,152)	-	(1,110,152)
D1	Net income in 2023	-	-	-	-	1,091,507	-	-	-	1,091,507	82,782	1,174,289
D3	Other comprehensive income after tax in 2023	-	-	-	-	(1,662)	(142,040)	(19,277)	-	(162,979)	(18,857)	(181,836)
D5	Total comprehensive income in 2023	-	-	-	-	1,089,845	(142,040)	(19,277)	-	928,528	63,925	992,453
M1	Changes in capital reserve from dividends paid to subsidiaries	-	53,525	-	-	-	-	-	-	53,525	5,210	58,735
O1	Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	-	(116,952)	(116,952)
Z1	Balance as of December 31, 2023	$ 2,362,025	$ 1,875,002	$ 2,148,615	$ 852,220	$ 1,176,930	($ 696,252)	$ 458,633	($ 791,826)	$ 7,385,347	$ 1,322,750	$ 8,708,097

The accompanying notes are an integral part of the Consolidated Financial Statements.

Chairman: Yuan Hui-Hua　　General Manager: Chou Ming-Chung　　Principal Accounting Officer: Lin Ya-Ling

Aurora Corporation and Subsidiaries
Consolidated Statements of Cash Flows
For the Years Ended December 31, 2023 and 2022
(In Thousands of New Taiwan Dollars)

Code		2023	2022
	Cash flows from operating activities		
A00010	Net income before tax	$ 1,482,504	$ 1,810,198
A20010	Profit or Less Items:		
A20100	Depreciation expenses	799,402	838,539
A20200	Amortization expenses	25,095	23,983
A20300	Expected credit losses(reversal)	(4,189)	22,522
A20400	Net gain on financial assets at fair value through profit or loss	(45,375)	(33,696)
A20900	Finance costs	91,903	71,964
A21200	Interest income	(130,632)	(164,310)
A22300	Profit and loss share of associated enterprises using the equity method	(237,542)	(273,185)
A22500	Loss on disposal of property, plant, and equipment	11,740	2,673
A22800	Loss on disposal of intangible assets	37	235
A29900	Impairment loss of associated enterprises using the equity method on disposal of intangible assets	10,946	-
A23900	Realized gains from associates	(11,755)	(30,389)
A29900	Gains on lease modifications	(1,267)	(778)
A30000	Net change in operating assets and liabilities		
A31130	Notes receivable	57,329	(8,269)
A31150	Accounts receivable	187,523	94,908
A31160	Accounts receivable - related parties	18,990	(57,069)
A31180	Other receivables	(4,257)	139,941
A31200	Inventories	216,996	(389,258)
A31240	Other current assets	(129,752)	(36,795)
A31125	Contract assets	7,653	(37,318)
A32150	Accounts payable	(11,674)	(333,754)
A32180	Other payables	(82,774)	(168,972)
A32210	Deferred revenue	27,260	-
A32230	Other current liabilities	(107,382)	(67,397)
A32240	Net defined benefit liabilities	(31,823)	(23,247)
A33000	Cash generated from operations	2,138,956	1,380,526
A33300	Interest paid	(90,683)	(71,705)
A33500	Income tax paid	(336,050)	(509,157)
AAAA	Net cash flows generated from operating activities	1,712,223	799,664

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Code		2023	2022
	Cash flows from investing activities		
B01800	Aquisition long-term equity investment using equity method	($ 10,336)	$ -
B00040	Purchase of financial assets at amortized cost	(1,054,873)	(18,339)
B00050	Disposal of financial assets measured at amortized cost	1,488,945	-
B00100	Purchase of financial assets at fair value through profit or loss	(9,755,552)	(7,000,055)
B00200	Disposal of financial assets measured at fair value through profit or loss	9,767,370	7,046,448
B02700	Payments for property, plant and equipment	(361,159)	(456,678)
B02800	Proceeds from disposal of property, plant and equipment	6,888	2,745
B03700	Increase in refundable deposits	-	(13,588)
B03800	Decrease in refundable deposits	1,076	-
B04500	Payments for intangible assets	(18,248)	(19,364)
B04600	Droceeds of disposal of intangible assets	-	29
B06800	Increase in other non-current assets	(116,965)	(54,818)
B07500	Interest received	81,386	118,168
B07600	Dividends received	236,423	224,755
BBBB	Net cash inflows (outflows) from investing activities	264,955	(170,697)
	Cash flows from financing activities		
C00100	Increase in short-term loans	323,173	-
C00200	Decrease in short-term loans	-	(1,847,812)
C00500	Increase in short-term notes and bills payable	-	1,049,579
C00600	Decrease in short-term notes and bills payable	(1,049,579)	-
C01600	Application for long-term borrowings	864,585	1,422,734
C03100	Decrease in guarantee deposits received	(9,166)	(5,674)
C04020	Repayment of the principal portion of lease liabilities	(383,401)	(401,495)
C04500	Cash dividends paid	(1,168,841)	(1,438,628)
C05800	Changes in non-controlling interests	-	3,699
CCCC	Net cash flows used in financing activities	(1,423,229)	(1,217,597)
DDDD	Effects of exchange rate changes on the balance of cash equivalents	(50,348)	114,760
EEEE	Net increase (decrease) in cash	503,601	(473,870)
E00100	Cash at beginning of period	2,219,983	2,693,853
E00200	Cash at end of period	$ 2,723,584	$ 2,219,983

The accompanying notes are an integral part of the Consolidated Financial Statements.

Chairman: Yuan Hui-Hua General Manager: Chou Ming-Chung Principal Accounting Officer: Lin Ya-Ling

Aurora Corporation and Subsidiaries

Notes to Consolidated Financial Statements

For the Years Ended December 31, 2023 and 2022

(Amount in Thousands of New Taiwan Dollars, Unless Specified Otherwise)

1. Company History

Aurora Corporation (the Company; the Company and entities controlled by the Company collectively referred to as the "Group") was founded in Taipei in October 1965. The main businesses of the Company include the trade, lease, and repair of Multi-Functional Photocopiers (MFPs) and computer equipment and the sales of system furniture.

The Company's shares have been listed on the Taiwan Stock Exchange since August 1991.

The Consolidated Financial Statements are presented in the New Taiwan dollar, the Company's functional currency.

2. Date of Authorization for Issuance of the Consolidated Financial Statements and Procedures for Authorization

The Consolidated Financial Statements have been approved by the Board of Directors on March 14, 2024.

3. Application of New and Amended Standards and Interpretations

a. Initial application of the latest Regulations Governing the Preparation of Financial Reports by Securities Issuers, as well as the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), International Financial Reporting Interpretations Committee (IFRIC), and Standard Interpretations Committee (SIC) (the "IFRSs") endorsed and issued into effect by the Financial Supervisory Commission (the "FSC").

   The application of the latest Regulations Governing the Preparation of Financial Reports by Securities Issuers and the IFRSs endorsed and issued into effect by the FSC should not result in major changes in the accounting policies of the Group.

b. FSC-endorsed IFRS that are applicable from 2023 onward

New/Revised/Amended Standards and Interpretations	Effective Date of Issuance by the IASB (Note 1)
Amendment to IFRS 16 "Lease Liabilities for Sale and Leaseback"	January 1, 2024 (Note 2)
Amendments to IAS 1 "Classify Liabilities as Current or Non-current"	January 1, 2024
Amendment to IAS 1 “Non-current liabilities with contract terms and conditions"	January 1, 2024
Amendments to IAS 7 and IFRS 7 regarding “Supplier Finance Arrangements”	January 1, 2024 (Note 3)

Note 1. Unless otherwise specified, the aforementioned New/Amended/Revised Standards and Interpretations shall be effective for the annual reporting period after the specified dates.

Note 2. The seller and lessee shall retroactively apply the amendments to IFRS 16 for sale and leaseback transactions signed after the initial date of application of IFRS 16.

Note 3. Certain requirements on the disclosure may be exempted at the time of the Company's first application of the amendments.

As of the date the consolidated financial statements were approved for issue, the consolidated company evaluated that the amendments to the other standards and interpretations would not pose significant impact on the consolidated financial position and consolidated financial performance.

c. IFRS accounting standards issued by the IASB but not yet endorsed and issued into effect by the FSC

New, Revised or Amended Standards and Interpretations	Effective Date Issued by IASB (Note1)
Amendment to IFRS 10 and IAS 28 “Sale or Contribution of Assets between an Investor and its Associate or Joint Venture”	To be determined
IFRS 17 “Insurance Contracts”	January 1, 2023
Amendment to IFRS 17	January 1, 2023
Amendment to IFRS 17 “Initial Application of IFRS 9 and IFRS 17 – Comparative Information”	January 1, 2023
Amendments to IAS No. 21 "Lack of Exchangeability	January 1, 2025 (Note 2)

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. Applicable for annual reporting periods beginning on or after January 1, 2025. When the amendment is first applied, the impact will be recognized in retained earnings as of the initial application date. When the consolidated company adopts the non-functional currency as the presentation currency, the effects are adjusted into the exchange differences on translation of foreign financial statements under the equity title on the date of the first-time application.

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

4. Summary of Significant Accounting Policies

a. Compliance declaration

The Consolidated Financial Statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the IFRS accounting standard endorsed and issued into effect by the FSC.

b. Preparation basis

The Consolidated Financial Statements have been prepared on a historical cost basis, except for financial instruments measured at fair value and net defined benefit liabilities recognized at the present value of defined benefit obligations less fair value of plan assets.

The fair value measurement is classified into three levels based on the observability and importance of related input:

1) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities on the measurement date.

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

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

c. Standards for assets and liabilities classified as current and non-current

Current assets include:

1) Assets held primarily for trading purposes;

2) Assets expected to be realized within 12 months after the balance sheet date; and

3) Cash (excluding assets restricted from being exchanged or used to settle a liability for at least 12 months after the balance sheet date).

Current liabilities include:

1) Liabilities held primarily for trading purposes;

2) Liabilities with settlement within 12 months after the balance sheet date; and

3) Liabilities with a repayment schedule that cannot be unconditionally deferred till at least 12 months after the publication of the balance sheet.

All other assets or liabilities that are not specified above are classified as non-current.

d. Basis of consolidation

The Consolidated Financial Statements include the financial statements of the Company and entities controlled by the Company (i.e., subsidiaries). The financial statements of the subsidiaries have been adjusted to bring their accounting policies in line with those used by the Group. All intergroup transactions, balances, income and expenses are eliminated in full upon consolidation. A subsidiary's total comprehensive income is attributed to the owners of the Company and non-controlling interests, even if non-controlling interests become having deficit balances in the process.

When the change in the Group's company's ownership interest in the subsidiary does not result in a loss of control, it is treated as an equity transaction. The carrying amounts of the Group and non-controlling interests have been adjusted to reflect changes in their relative interests in subsidiaries. The difference between the adjustment amount of non-controlling interests and the fair value of the consideration paid or received is directly recognized as equity and attributed to the owners of the Company.

Please refer to Notes XII and XXXVII (Tables 6 and 7) for details, shareholding ratio, and business activities of subsidiaries.

e. Foreign currencies

In the preparation of each individual financial statements, transactions denominated in a currency other than the entity's functional currency (i.e., foreign currency) are translated into the entity's functional currency by using the exchange rate at the date of the transaction before they are recorded by each entity.

Monetary items denominated in foreign currencies are translated at the closing rates on the balance sheet date. Exchange differences arising from settlement or translation of monetary items are recognized in profit or loss in the year in which they arise.

Non-monetary items measured at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. The resulting exchange difference is recognized in profit or loss. For items whose changes in fair value are recognized in other comprehensive income, the resulting exchange difference is recognized in other comprehensive income.

Non-monetary items measured at historical cost that are denominated in foreign currencies are translated at the rates of exchange prevailing on the transaction dates and are not re-translated.

In the preparation of the consolidated financial statements, the assets and liabilities of foreign operations (including subsidiaries and affiliated enterprises that operate in a country or currency different from the Company) are translated into the New Taiwan dollar at the closing rate of exchange prevailing on the balance sheet date. Income and expenses are translated at the average rate of the year. The exchange differences arising are recognized in other comprehensive income (and are attributable to owners of the Company and non-controlling interests respectively).

f. Inventories

Inventories comprise office automation products, office supplies, computer equipment, system furniture, raw materials, and work in process. Inventory costs are calculated using the weighted average method. Inventories are measured at the lower of cost and net realizable value. The comparison between costs and net realizable values is based on individual items except for the same type of inventory. The net realizable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and the estimated cost necessary to make the sale.

g. Investments in associates

An associate is an entity over which the Group has significant influence other than a subsidiary or a joint venture.

The Group accounts for investments in associates by using the equity method.

Under the equity method, investments are initially treated at cost and adjusted thereafter for the post-acquisition change in the Group's interest in profit or loss, share in other comprehensive income, and profits of associates. In addition, equity changes in associates are recognized based on the shareholding ratio.

Any excess of the cost of acquisition over the Group’s share of the net fair value of the identifiable assets, and liabilities of associates recognized at the date of acquisition is recognized as goodwill, which is included in the carrying amount of the investment and may not be amortized. Any excess of the Group’s share of the net fair value of the identifiable assets and liabilities over the cost of acquisition is recognized as profit or loss in the current year.

When associates issue new shares and the Group does not subscribe to such shares to the extent that its original shareholding ratio can be changed, the difference is recorded as an adjustment to capital surplus - changes in the net value of shares in associates accounted for using the equity method and other investments accounted for using the equity method. If the amount of ownership interests in associates is not subscribed for or obtained in proportion to the shareholding ratio, the amount of the related assets or liabilities shall be recognized in other comprehensive income. The basis of the accounting treatment is the same as that of the associates. The difference in the balance of the capital reserve accounted for using the equity method shall be recognized in retained earnings.

To assess impairment, the Group has to consider the overall carrying amount (including goodwill) of the investment as a single asset to compare the recoverable and carrying amounts. The cost of impairment identified is to be deemed as part of the carrying amount of the investment. Reversal of the impairment loss is recognized to the extent of subsequent increases in the recoverable amount of investment.

Profits and losses in upstream, downstream and side-stream transactions between the Group and associates and between the Group are recognized in the consolidated financial statements only when the profits and losses are irrelevant to the Group's interests in the associates.

h. Property, plant, and equipment

Property, plant, and equipment shall be recognized at cost and subsequently at cost less accumulated depreciation.

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

When property, plant, and equipment is derecognized, the difference between the net disposal proceeds and the carrying amount of the asset shall be recognized in profit or loss.

i. Investment property

Investment property is real estate held for rent or capital appreciation or both.

Investment property owned by the Group is measured initially at cost (including transaction costs) and subsequently at cost less accumulated depreciation. Depreciation is recognized on a straight-line basis.

j. Goodwill

The value of goodwill received through business combinations has to be shown as the amount of goodwill recognized on the acquisition date and subsequently evaluated as cost less accumulated impairment loss.

To evaluate impairment, goodwill is distributed among various cash-generating units or cash-generating unit groups ("cash-generating units") which the Group expects to benefit by business combinations.

The cash-generating units that are allocated goodwill will compare the unit's carrying amount and its recoverable amount including goodwill every year (and whenever there are signs of impairment) to evaluate the impairment of the unit. If the goodwill is obtained by the cash-generating units through a business combination in the current year, an impairment test is to be conducted prior to the end of the current year. If the recoverable amount of the cash-generating units is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating units and then to the other assets of the unit on a pro rata basis based on the carrying amount of each asset in the unit. Impairment loss is considered as loss in the current year. The impairment loss of goodwill shall not be reversed in subsequent periods.

k. Intangible assets

1) Separate acquisition

Intangible assets with a limited useful life will be evaluated initially at cost and subsequently at cost less accumulated amortization. Intangible assets will be amortized using the straight-line method within the useful life. The Group will review the estimated useful life, residual value, and depreciation methods at the end of each year at least once a year to deduce the effect of the changes in accounting estimates.

2) Derecognition

When intangible assets are derecognized, the difference between the net disposal proceeds and the carrying amount of the asset shall be recognized in profit or loss of the current year.

l. Impairment of property, plant, and equipment as well as right-of-use assets, investment property, and intangible assets (excluding goodwill)

On each balance sheet date, the Group reviews the carrying amounts of its property, plant, and equipment as well as right-of-use assets, investment property and 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.

The recoverable amount is the fair value minus cost of sales or its value in use, whichever is higher. If the recoverable amount of individual asset or the cash-generating unit is lower than its carrying amount, the carrying amount of the asset or the cash-generating unit shall be reduced to the recoverable amount and the impairment loss shall be recognized in profit or loss.

When the impairment loss is subsequently reversed, the carrying amount of the asset or the cash-generating unit will be reduced to the extent of recoverable amount prior to revision, provided the increased carrying amount does not exceed the carrying amount (minus amortization or depreciation) of the asset or of the cash-generating unit not declared as impairment loss in the previous years. A reversal of an impairment loss is recognized immediately in profit or loss.

m. Financial instruments

Financial assets and liabilities will be recognized in the consolidated balance sheets when the Group becomes a party to the contract of the financial instrument.

When showing the original financial assets and liabilities, if their fair value was not assessed based on profit or loss, it is the fair value plus the cost of transaction, that is, of its acquisition or issuance of the financial assets or financial liabilities. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

1) Financial assets

Regular trading of financial assets shall be recognized and derecognized in accordance with trade date accounting.

a) Types of measurement

Financial assets held by the Group are classified as financial assets at fair value through profit or loss, financial assets at amortized cost, and investments in equity instruments at fair value through other comprehensive income.

i. Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets at fair value through profit or loss that are required to be measured at fair value and financial assets that are designated as at fair value through profit or loss. Financial assets at fair value through profit or loss that are required to be measured at fair value include equity instrument investments not designated as at fair value through other comprehensive income or loss and debt instrument investments that do not qualify under the classification of investments measured at amortized cost or at fair value through other comprehensive income.

Financial assets measured at fair value through profit or loss are measured at fair value, with dividends, interest and remeasurement gains or losses recognized in other gains and losses. Please refer to Note XXXI for the method of determining fair value.

ii. Financial assets at amortized cost

When the Group's investments in financial assets satisfy the following two conditions simultaneously, they are classified as financial assets at amortized cost:

i) Financial assets are under a business model whose purpose is to hold financial assets and collecting contractual cash flows; and

ii) The terms of the contract generate a cash flow on a specified date that is solely for the payment of interest on the principal and the amount of principal outstanding.

After initial recognition, financial assets measured at amortized cost are measured at amortized cost, which equals to gross carrying amount determined by the effective rate method less any impairment loss. Any foreign exchange gains or losses, on the other hand, are recognized under gains or losses.

Except for the following two circumstances, interest income is calculated at the value of effective interest rate times the gross carrying amount of financial assets:

i) For purchased or originated credit-impaired financial assets, interest income is calculated by applying the credit-adjusted effective interest rate times the amortized cost of the financial assets.

ii) For financial assets that are not acquired or originated credit-impaired but subsequently become credit-impaired, interest income is calculated by applying the effective interest rate times the amortized cost balance of such financial assets from the next reporting period after the impairment.

iii. Investments in equity instruments at fair value through other comprehensive income

The Group may, at initial recognition, make an irrevocable decision to designate an equity instrument that is neither held for trading nor contingent consideration arising from a business combination to be measured at fair value through other comprehensive income.

Investments in equity instruments at fair value through other comprehensive income are measured at fair value, and any subsequent fair value changes are recognized in other comprehensive income and accumulated in other equity. When the investment is disposed of, the cumulative profit or loss is directly transferred to retained earnings and not reclassified to profit or loss.

Dividends of investments in equity instruments at fair value through other comprehensive income are recognized in profit or loss when the Group's right to receive payment is confirmed unless such dividends clearly represent the recovery of a part of the investment cost.

b) Impairment of financial assets

The impairment loss of financial assets at amortized cost is measured by the Group on the balance sheet date based on the expected credit losses.

Allowances shall be appropriated for accounts receivable for expected credit losses for the duration of their existence. A loss allowance for the 12-month expected credit losses is required for a financial asset if its credit risk has not increased significantly since initial recognition. A loss allowance for full lifetime expected credit losses is required for a financial asset if its credit risk has increased significantly since initial recognition.

The expected credit loss is the weighted average credit loss determined by the risk of default. The 12-month expected credit losses represent the expected credit losses arising from the possible default of the financial instrument in the 12 months after the balance sheet date, and the expected credit losses during the lifetime represent the expected credit losses arising from all possible defaults of the financial instrument during the expected existence period.

For the purpose of internal credit risk management, under the premise that the collateral held is not under consideration, the Group determines that there is internal or external information indicating that the debtor cannot settle the debt, which represents that the financial assets have breached the contract.

The impairment loss of all financial assets is reduced based on the allowance account.

c) Derecognition of financial assets

The Group derecognizes the financial assets when the contractual rights to the cash flow from the said financial assets expire or when the Group transfers almost all the risks and rewards of ownership of the financial assets to other enterprises.

On derecognition of a financial asset measured at amortized cost, the difference between the asset's carrying amount and the sum of the consideration received is recognized in profit or loss. Through the full derecognition of the investments in equity instruments at fair value through other comprehensive income, the cumulative profit or loss is directly transferred to retained earnings and not reclassified to profit or loss.

2) Financial liabilities

a) Subsequent measurement

Financial liabilities are assessed at amortized cost using the effective interest method.

b) Derecognition of financial liabilities

When financial liabilities are derecognized, the difference between their carrying amount and the paid consideration (including any transferred non-cash assets or liabilities assumed) shall be recognized in profit or loss.

n. Revenue recognition

After the Group identifies its performance obligations in contracts with customers, it shall amortize the transaction costs to each obligation in the contract and recognize revenue upon satisfaction of performance obligations.

1) Sales revenue of commodities

Sales revenue of commodities comes from the sale of Multi-Functional Photocopiers (MFPs) and fax machines. When MFPs and fax machines are shipped to the locations designated by the customers, the customers have already obtained the rights to establish the price and usage of the commodities and are primarily liable for the resale of the commodities. The customers shall undertake the related obsolescence risk and the Group will recognize revenue and accounts receivable at that time. The expected payments to be collected from the sale of commodities are recognized as contract liabilities before customers use the said amusement tickets.

2) Service revenue

Service revenue is derived from the maintenance services of the equipment. Relevant revenue is recognized when services are rendered.

o. Leases

The Group assesses whether the contract is (or includes) a lease on the date of its establishment.

1) Where the Group is a lessor:

Under operating leases, lease payments after deducting lease incentives are recognized as revenue on a straight-line basis over the relevant lease term.

2) Where the Group is a lessee:

Except that the lease payments of the low value subject-matter assets and short-term leases applicable to recognition exemption are recognized as expenses on a straight-line basis during the lease period, other leases are recognized as right-of-use assets and lease liabilities on the lease commencement date.

The right-of-use asset is initially measured at cost (including the original measured amount of the lease liability), and subsequently measured at cost minus the accumulated depreciation and the accumulated impairment loss and adjusted for the remeasurement of the lease liability. The right-of-use assets are separately expressed in the consolidated balance sheets.

The right-of-use assets shall be depreciated on a straight-line basis from lease commencement date to the end of the useful life or the end of the lease term.

Lease liabilities are initially measured at the present value of lease payments (including fixed payments). If the implicit interest rate of lease is easy to determine, the interest rate is used to discount the lease payment. If the interest rate is not easy to determine, the lessee's incremental borrowing rate shall be used.

Subsequently, the lease liability is measured on the basis of amortized cost using the effective interest method, and the interest expense is apportioned during the lease period. If the assessments on lease terms, amounts expected to be paid under residual value guarantees and purchase option of the underlying assets; or changes in the index or rate which determines the lease payments result in changes in future lease payments, the Group would remeasure the lease liabilities with a corresponding adjustment on the right-of-use assets. However, if the carrying amount of right-of-use assets has been reduced to zero, the remaining remeasurement amount is recognized in profit or loss. With regard to changes in leases that are not considered separate leases, the remeasurement of lease liabilities as a result of the decrease in the scope of the lease refers to the reduction in right-of-use assets, with the recognition of the gains or losses on partial or complete termination of the lease. The remeasurement of lease liabilities as a result of other amendments refers to the adjustment in right-of-use assets. Lease liabilities are presented separately in the consolidated balance sheets.

p. Benefits after retirement

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

The costs of defined benefits under the defined benefit pension plan (including service cost, net interest, and the remeasurement amount) are calculated based on the projected unit credit method. The cost of services (including the cost of services of the current and previous periods) and the net interest of the net defined benefit liabilities are recognized as employee benefit expenses. The remeasurement amount (including actuarial gains and losses (assets) and the return on plan assets after deducting interest) is recognized in other comprehensive income and presented in retained earnings when it occurs or when the plan is revised or reduced. It shall not be reclassified to profit or loss in subsequent periods.

Net defined benefit liabilities are the deficit of the contribution made according to the defined benefit pension plan.

q. Income Tax

Income tax expenses are the sum of the current tax and deferred income tax.

1) Current Income tax

The Group determines the income (loss) of the current year in accordance with the laws and regulations in each income tax declaration jurisdiction, and calculates the income tax payable (recoverable) accordingly.

A tax is levied on the unappropriated earnings pursuant to the Income Tax Act of the Republic of China and is recorded as an income tax expense in the year when the shareholders' meeting resolves to appropriate the earnings.

Adjustments to prior year income taxes are shown in the taxes of the current year.

2) Deferred income tax

Deferred income tax is calculated based on the temporary difference between the carrying amount of the assets and liabilities and the taxable basis of the taxable income. Deferred income tax liabilities are generally recognized for all taxable temporary differences and deferred income tax assets are recognized when there are likely taxable income for the deducting temporary differences.

Deferred income tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and affiliated enterprises, 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. For deductible temporary differences associated with such investment and equity, when it is probable that sufficient taxable income will be available to realize such temporary difference, a deferred tax asset is recognized, but only to the extent of the amount that is expected to be reversed in the foreseeable future.

The carrying amount of the deferred income tax assets is re-examined at each balance sheet date and the carrying amount is reduced for assets that are no longer likely to generate sufficient taxable income to recover all or part of the assets.

Deferred income tax assets and liabilities are measured at the tax rate of the period of expected repayment of liabilities or realization of assets. The rate is based on the tax rate and tax laws that have been enacted prior to the balance sheet date or have been substantially legislated. 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 income taxes

Current income tax and deferred income tax are recognized in profit or loss except for those related to items recognized in other comprehensive income that shall be recognized in other comprehensive income.

5. Primary Sources of Uncertainties in Material Accounting Judgments, Estimates, and Assumptions

When the Group adopts accounting policies, the management must make judgments, estimates, and assumptions based on historical experience and other critical factors for related information that are not readily available from other sources. Actual results may differ from these estimates.

When developing significant accounting estimates, the Group will take into account possible impacts on cash flow estimates, growth rates, discount rates, profitability and other related major estimates. Management will continue to review estimates and basic assumptions.

After reviewing the accounting policies, estimates, and assumptions adopted by the Group, the management found no material uncertainties.

6. Cash

	December 31, 2023	December 31, 2022
Cash on hand and working capital	$ 3,195	$ 3,325
Checks and demand deposits in banks	2,720,389	2,216,658
	$ 2,723,584	$ 2,219,983

7. Financial Instruments at Fair Value through Profit or Loss

	December 31, 2023	December 31, 2022
Financial assets - current		
Mandatorily measured at fair value through profit or loss		
Non-derivative financial assets		
— Fund beneficiary certificates	$ 97,510	$ 63,953

a. For the years ended December 31, 2023 and 2022, net income from financial assets at fair value through profit or loss were and NT$45,375 thousand and NT$33,696 thousand, respectively.

b. For securities held by the Group as of December 31, 2023, please refer to Note XXXVII (Table 2).

8. Financial Assets at Amortized Cost - Current

	December 31, 2023	December 31, 2022
Time deposits with original maturity over 3 months	$ 3,858,355	$ 4,316,941

Interest rate ranges for time deposits with original maturity over 3 months December 31, 2023 and 2022 as of are as follows:

	December 31, 2023	December 31, 2022
RMB	2.00%～3.91%	2.68%～4.18%

For securities held by the Group as of December 31, 2023, please refer to Note XXXVI I (Table 2).

9. Other Financial Assets - Non-current

	December 31, 2023	December 31, 2022
Restricted bank deposits	$ 28,173	$ 42,432

10. Notes Receivables, Accounts Receivables, and Other Receivables

	December 31, 2023	December 31, 2022
Notes receivable		
Measured at amortized cost		
Total carrying amount	$ 148,257	$ 205,586
Less: loss allowance	-	-
	$ 148,257	$ 205,586
Accounts receivable		
Measured at amortized cost		
Total carrying amount	$ 896,257	$ 1,097,136
Less: loss allowance	(29,145)	(47,404)
	$ 867,112	$ 1,049,732
Accounts receivable - related parties		
Measured at amortized cost		
Total carrying amount	$ 135,865	$ 154,855
Less: loss allowance	-	-
	$ 135,865	$ 154,855

Other receivables		
Related parties	$ 10,744	$ 10,648
Interest receivable	2	73
Others	$ 54,099	$ 49,580

Overdue receivables		
Overdue receivables	$ 18,361	$ 10,008
Less: loss allowance	(18,361)	(10,008)
	$ -	$ -

Accounts receivable

The Group's credit period for commodity sales averages 60~90 days. To minimize credit risk, the management of the Group has delegated a team responsible for taking other monitoring measures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual receivable on the balance sheet date to ensure that adequate allowances are made for possible irrecoverable amounts. As such, the Group's management concludes that the credit risk has been significantly reduced.

The Group recognizes loss allowances for accounts receivables based on the lifetime expected credit losses. The lifetime expected credit losses are calculated based on a provision matrix that takes into account the default history and current financial position of customers, as well as the GDP forecast. Due to the historical experience of credit losses of the Group, there is no significant difference in the loss patterns of different customer groups. Therefore, the provision matrix does not further distinguish the customer base, and only sets the expected credit loss rate based on the overdue days of accounts receivable.

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

Loss allowances for accounts receivable based on the provision matrix are as follows:

December 31, 2023

	Not Past Due	1 to 90 Days Past Due	More than 91 Days Past Due	Total
Expected credit loss rate	0.34%~4.38%	1.00%~100%	21.42%~100%	
Total carrying amount	$ 700,842	$ 114,367	$ 81,048	$ 896,257
Allowance for loss (expected credit losses during the period)	(3,732)	(8,049)	(17,364)	(29,145)
Amortized cost	$ 697,110	$ 106,318	$ 63,684	$ 867,112

December 31, 2022

	Not Past Due	1 to 90 Days Past Due	More than 91 Days Past Due	Total
Expected credit loss rate	0.60%~3.03%	1.00%~94.78%	10.33%~100%	
Total carrying amount	$ 807,456	$ 206,372	$ 83,308	$ 1,097,136
Allowance for loss (expected credit losses during the period)	(7,036)	(30,702)	(9,666)	(47,404)
Amortized cost	$ 800,420	$ 175,670	$ 73,642	$ 1,049,732

Changes in loss allowances for receivables (accounts receivable and overdue receivables) are as follows:

	2023	2022
Beginning balance	$ 57,412	$ 46,392
Add (Less): (Reversal of) Impairment loss in the current period	(4,189)	22,522
Less: Write-off in the current year	(5,003)	(11,968)
Exchange difference	(714)	466
Ending balance	$ 47,506	$ 57,412

11. Inventories

	December 31, 2023	December 31, 2022
Commodities		
Office automation products, office supplies, and computer equipment	$ 728,973	$ 1,173,758
System furniture	400,835	474,565
Raw materials	102,751	120,393
Work in process	23,998	22,219
Goods in Transit	8,553	5,579
	$ 1,265,110	$ 1,796,514

The costs of goods sold related to inventories for the years ended December 31, 2023 and 2022 were NT$5,973,876 thousand and NT$6,795,219 thousand, respectively. Operating costs, including inventory write-down, for the years ended December 31, 2023 and 2022 were NT$4,562 thousand and NT$10,417 thousand, respectively.

12. **Subsidiaries**

a. Subsidiaries included in the consolidated financial statements

The entities involved in the preparation of the Consolidated Financial Statements are listed as follows:

			Percentage of Ownership			
Name of Investor	Name of Subsidiary	Place of Establishment	December 31, 2023	December 31, 2022	Main Business Activities	Functional Currency
The Company	Aurora (Bermuda) Investment Ltd. (Aurora (Bermuda))	Bermuda	88.04%	88.04%	A holding company. The main operating risks of Aurora (Bermuda) and its subsidiaries are political risks and exchange rate risks arising from government orders and cross-strait movements.	RMB
	Aurora Office Automation Corporation (Aurora Office Automation)	Taiwan	91.13%	91.13%	Import/export and wholesale of Multi-Functional Photocopiers (MFPs). The main operating risks are exchange rate risks.	NTD
	General Integration Technology Co., Ltd. (General Integration)	Taiwan	55.00%	55.00%	Manufacturing of molds and machinery and wholesale of precision instruments. The main operating risks are exchange rate risks.	NTD
	KM Developing Solutions Co., Ltd. (KM Developing)	Taiwan	70.00%	70.00%	Wholesale and retail of information software, computer equipment, and Multi-Functional Photocopiers (MFPs). The main operating risks are exchange rate risks.	NTD
	Aurora Machinery Equipment (Shanghai) Co., Ltd. (Aurora Machinery Equipment) (Notes 1)	Mainland China	70.00%	70.00%	Wholesale of mechanical and electronic equipment, ICT equipment, and computer hardware and software. The main operating risks are political risks and exchange rate risks arising from government orders and cross-strait movements.	RMB
	Ever Young Biodimension Corporation (Ever Young Biodimension) (Note 2)	Taiwan	26.00%	26.00%	Wholesale of precision instruments. The main operating risks are interest risks.	NTD
General Integration	Ever Young Biodimension (Note 2)	Taiwan	25.00%	25.00%	Wholesale of precision instruments. The main operating risks are interest risks.	NTD
	Aurora Machinery Equipment (Note 1)	Mainland China	30.00%	30.00%	Wholesale of mechanical and electronic equipment, ICT equipment, and computer hardware and software. The main operating risks are political risks and exchange rate risks arising from government orders and cross-strait movements.	RMB
Aurora (Bermuda)	Aurora (China) Investment Co., Ltd. (Aurora (China) Investment)	Mainland China	100.00%	100.00%	A holding company. The main operating risks of Aurora (Bermuda) and its subsidiaries are political risks and exchange rate risks arising from government orders and cross-strait movements.	RMB

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Name of Investor	Name of Subsidiary	Place of Establishment	Percentage of Ownership December 31, 2023	December 31, 2022	Main Business Activities	Functional Currency
Aurora (China) Investment	Aurora Office Equipment Co., Ltd. (Shanghai) (Aurora Office Equipment)	Mainland China	100.00%	100.00%	Manufacturing and sales of Multi Functional Photocopiers (MFPs). The main operating risks of Aurora (Bermuda) and its subsidiaries are political risks and exchange rate risks arising from government orders and cross-strait movements.	RMB
	Aurora (China) Co., Ltd. (Aurora (China))	Mainland China	100.00%	100.00%	Manufacture and sales of office furniture.. The main operating risks are political risks and exchange rate risks arising from government orders and cross-strait movements.	RMB
	Aurora (Jiang Su) Enterprise Development Co., Ltd. (Aurora (Jiang Su)) (Note 3)	Mainland China	50.00%	50.00%	A holding company and property lease. The main operating risks of Aurora (Bermuda) and its subsidiaries are political risks and exchange rate risks arising from government orders and cross-strait movements.	RMB
Aurora (China)	Aurora Office Automation Sales Co., Ltd. Shanghai	Mainland China	100.00%	100.00%	Sales, lease, and agency of Aurora brand products The main operating risks of Aurora (Bermuda) and its subsidiaries are political risks and exchange rate risks arising from government orders and cross-strait movements.	RMB
	Aurora (Shanghai) Cloud Technology Co., Ltd. (Aurora Cloud) (Note 4)	Mainland China	100.00%	70.00%	Sale and consulting service of printing and office equipment and furniture and consulting service. The main operating risks are political risks and exchange rate risks arising from government orders and cross-strait movements.	RMB
	Aurora Home Furniture Co., Ltd. (Aurora Home)	Mainland China	100.00%	100.00%	Manufacturing and sales of furniture. The main operating risks of Aurora (Bermuda) and its subsidiaries are political risks and exchange rate risks arising from government orders and cross-strait movements.	RMB
	Aurora (Shanghai) Electronic Commerce Co., Ltd. (Aurora Electronic Commerce) (Note 5)	Mainland China	70.00%	70.00%	E-commerce platform sales. The main operating risks are political risks and exchange rate risks arising from government orders and cross-strait movements.	RMB
	Aurora (Jiang Su) Enterprise Development Co., Ltd. (Aurora (Jiang Su)) (Note 3)	Mainland China	-	50.00%	A holding company and property lease. The main operating risks of Aurora (Bermuda) and its subsidiaries are political risks and exchange rate risks arising from government orders and cross-strait movements.	RMB

Note 1. The financial statements of Aurora Machinery Equipment were not audited by the CPAs; however, the management of the Group believed that this fact would not cause any significant difference.

Note 2. The Company's shareholding in Ever Young Biodimension is 26%, and General Integration holds 25% of Ever Young Biodimension's shares, totaling over 50% of the voting rights of Ever Young Biodimension. As the Group has control over Ever Young Biodimension, it is classified as a subsidiary.

Note 3. Aurora (China) Co., Ltd, a subsidiary of the company, passed a resolution of the board of directors on April 10, 2023, to sell the entire equity of Aurora (Jiang Su) to Aurora (China) Investment for RMB 100,000 thousand.

Note 4. Aurora (China) Investment, a subsidiary of the company, passed the resolution of the board of directors on April 11, 2023, to increase the capital of Aurora (Jiang Su) by RMB 100,000 thousand. As of December 31, 2023, it was still in progress.

Note 5. Aurora China acquired 30% of non-controlling interests in Aurora Cloud with CNY678 thousand (NTD3,012 thousand) in June 2022. The $1,219 thousand as the difference between the transfer consideration and the net worth of acquired equities is recognized under capital reserve - difference between the stock options in subsidiaries actually obtained or disposed of and the book value.

Note 6. Aurora (China) E-commerce Co., Ltd. increased its capital size by RMB5,000 thousand (NTD22,295 thousand) in September 2022, including RMB 3,500 from Aurora (China) Co., Ltd. and RMB 1,500 from Aurora International Building

(Shanghai) Co., Ltd. The paid-in capital size of Aurora (Shanghai) E-commerce Co, Ltd. after the capital increase had come to RMB 10,000 thousand.

Please refer to Note XXXVII (Tables 6 and 7) for information on the main business premises and countries of registration.

b. Subsidiaries not included in the consolidated financial statements: None.

c. Information on subsidiaries with material non-controlling interests

	Percentage of Shares and Voting Rights Held by Non-controlling Interests	
Name of Subsidiary	December 31, 2023	December 31, 2022
Aurora (Bermuda) and its subsidiaries	11.96%	11.96%
Aurora Office Automation	8.87%	8.87%

	Profit or Loss Allocated to Non-controlling Interests		Non-controlling Interests	
Name of Subsidiary	2023	2022	December 31, 2023	December 31, 2022
Aurora (Bermuda) and its subsidiaries (excluding non-controlling interests of its subsidiaries)	$ 46,853	$ 79,038	$1,000,018	$1,049,721
Aurora Office Automation	23,670	26,018	189,502	192,561

The summarized financial information of the following subsidiaries is prepared according to the amount before the write-off of intercompany transactions:

Aurora (Bermuda) and its subsidiaries

	December 31, 2023	December 31, 2022
Current Assets	$ 8,028,595	$ 8,602,884
Non-current assets	2,890,137	2,743,931
Current Liabilities	(1,607,809)	(2,009,069)
Non-current liabilities	(940,663)	(550,365)
Equity	$ 8,370,260	$ 8,787,381
Equity attributable to:		
Owners of the Company	$ 7,361,336	$ 7,727,207
Non-controlling interests of Aurora (Bermuda)	1,000,018	1,049,721
Non-controlling interests of Aurora (Bermuda)'s subsidiaries	8,906	10,453
	$ 8,370,260	$ 8,787,381

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	2023	2022
Operating revenue	$ 7,091,461	$ 8,180,807
Net income	$ 390,373	$ 661,955
Other comprehensive income	(157,378)	124,680
Total comprehensive income	$ 232,995	$ 786,635
Net Income Attributable to:		
Owners of the Company	$ 344,896	$ 581,815
Non-controlling interests of Aurora (Bermuda)	46,853	79,038
Non-controlling interests of Aurora (Bermuda)'s subsidiaries	(1,376)	1,102
	$ 390,373	$ 661,955

	2023	2022
Total Comprehensive Income Attributable to:		
Owners of the Company	$ 206,492	$ 691,555
Non-controlling interests of Aurora (Bermuda)	28,051	93,946
Non-controlling interests of Aurora (Bermuda)'s subsidiaries	(1,548)	1,134
	$ 232,995	$ 786,635
Cash flows from:		
Operating activities	$ 914,437	$ 278,764
Investing activities	87,798	(234,304)
Financing activities	(475,817)	(570,403)
Net cash inflow (outflow)	$ 526,418	($ 525,943)
Dividends paid to non-controlling interests		
Aurora (Bermuda)	$ 77,754	$ 56,050

Aurora Office Automation

	December 31, 2023	December 31, 2022
Current Assets	$ 512,724	$ 543,816
Non-current assets	2,546,173	2,556,709
Current Liabilities	(251,812)	(446,948)
Non-current liabilities	(670,643)	(482,653)
Equity	$ 2,136,442	$ 2,170,924
Equity attributable to:		
Owners of the Company	$ 1,946,940	$ 1,978,363
Non-controlling interests of Aurora Office Automation	189,502	192,561
	$ 2,136,442	$ 2,170,924

	2023	2022
Operating revenue	$ 860,723	$ 851,627
Net income	$ 266,852	$ 293,330
Other comprehensive income	(21,434)	140,240
Total comprehensive income	$ 245,418	$ 433,570
Net Income Attributable to:		
Owners of the Company	$ 243,182	$ 267,312
Non-controlling interests of Aurora Office Automation	23,670	26,018
	$ 266,852	$ 293,330
Total comprehensive income attributable to:		
Owners of the Company	$ 223,649	$ 395,112
Non-controlling interests of Aurora Office Automation	21,769	38,458
	$ 245,418	$ 433,570
Cash flows from:		
Operating activities	$ 172,346	$ 196,819
Investing activities	92,638	108,807
Financing activities	(302,492)	(224,767)
Net cash inflow (outflow)	($ 37,508)	$ 80,859
Dividends paid to non-controlling interests		
Aurora Office Automation	($ 24,827)	$ 24,037

13. **Investments Accounted for Using the Equity Method**

a. Investments in associates

	December 31, 2023	December 31, 2022
Significant associates		
Listed companies		
Huxen Corporation	$ 1,703,888	$ 1,740,573
Individually insignificant associates		
Unlisted companies		
Aurora Development Corp.	472,883	468,162
Huxen (China) Co., Ltd.	715,861	686,077
Aurora Telecom Co., Ltd.	188,906	194,440
Chongqing Gonggangzhihui Additive Manufacturing Technology Research Institute Co., Ltd.	-	3,253
	$ 3,081,538	$ 3,092,505

The percentage of ownership, equities, and voting rights of the Group in associates on the balance sheet date are as follows:

Name of Company	December 31, 2023	December 31, 2022
Huxen Corporation	40.26%	40.26%
Aurora Development Corp.	46.67%	46.67%
Huxen (China) Co., Ltd.	30.00%	30.00%
Aurora Telecom Co., Ltd.	30.40%	30.40%
Chongqing Gonggangzhihui Additive Manufacturing Technology Research Institute Co., Ltd.	29.41%	20.00%

Please refer to Note XXXVII (Tables 6 and 7) for the aforementioned associates' nature of business, main business premises, and countries of registration.

In 2023, the Group acquired 9.41% equity of Chongqing Gonggang Zhihui Additive Manufacturing Technology Research Institute Co., Ltd., which was indirectly held by the local government, for NTD 10,336,000 thousand (RMB 2,353,000 thousand). After the acquisition, the Group held 29.41% of the shares. At the end of 2023, after evaluation by the management of the Group, impairment losses on the investment were fully recognized, and impairment losses of NTD 10,946,000 thousand (RMB 2,491,000 thousand) were recognized and included in the account under other benefits and losses (Note XXV).

The share of profits and losses and other comprehensive profits and losses enjoyed by investment and Group that adopt the equity method are calculated based on financial reports that have not been audited by accountants, except for Aurora Telecom Co., Ltd., which is calculated based on financial reports that have not been audited by accountants. The management of the merged company believes that if the financial reports of the above-mentioned related companies are audited by accountants, there will be no significant adjustments.

Fair values (Level 1) of investments in associates with open market quotations are summarized as follows:

Name of Company	December 31, 2023	December 31, 2022
Huxen Corporation	$ 3,042,846	$ 2,801,397

All the aforementioned associates are accounted for using the equity method.

The summary of financial information below is based on individual associates' financial statements prepared in accordance with the IFRS for which adjustments have been made in the Consolidated Financial Statements due to the use of the equity method.

Huxen Corporation

	December 31, 2023	December 31, 2022
Current Assets	$ 1,194,534	$ 1,242,354
Non-current assets	4,784,917	4,780,558
Current Liabilities	(872,888)	(1,159,863)
Non-current liabilities	(1,271,596)	(907,821)
Equity	$ 3,834,967	$ 3,955,228
Percentage of shares held by the Group	40.26%	40.26%
Interests of the Group	$ 1,543,958	$ 1,592,374
Unrealized gains (losses) on transactions with investees	(87,679)	(83,536)
Unrealized gains (losses) on transactions between investees	(135,586)	(151,482)
Goodwill	383,195	383,217
Investment carrying amount	$ 1,703,888	$ 1,740,573

	2023	2022
Operating revenue	$ 1,429,198	$ 1,415,637
Net income	$ 490,289	$ 561,175
Other comprehensive income	(90,364)	(326,072)
Total comprehensive income	$ 399,925	$ 235,103
Dividends received from the associate	$ 209,450	$ 203,632

Information on individually insignificant associates is summarized below:

	2023	2022
The Group's share of:		
Net income	$ 40,152	$ 47,256

	2023	2022
Other comprehensive income	13,161	(43,970)
Total comprehensive income	$ 53,313	$ 3,286
Dividends received from the associate	$ 26,973	$ 21,123

b. Share of profit or loss and other comprehensive income of associates accounted for using the equity method are as follows

1) Share of profit (loss) of associates accounted for using the equity method:

	2023		2022	
	Profit or Loss of Investee	Investment Profit or Loss Recognized by the Group	Profit or Loss of Investee	Investment Profit or Loss Recognized by the Group
Huxen Corporation	$ 490,289	$ 197,390	$ 561,175	$ 225,929
Aurora Development Corp.	61,209	28,243	102,093	47,970
Huxen (China) Co., Ltd.	66,914	20,074	75,404	22,621
Aurora Telecom Co., Ltd.	(18,204)	(5,534)	(64,555)	(19,625)
Chongqing Gonggangzhihui Additive Manufacturing Technology Research Institute Co., Ltd.	(13,155)	(2,631)	(18,550)	(3,710)
		$ 237,542		$ 273,185

2) Share of other comprehensive income of associates accounted for using the equity method:

	2023		2022	
	Other Comprehensive Income of Investee	Other Comprehensive Income Recognized by the Group	Other Comprehensive Income of Investee	Other Comprehensive Income Recognized by the Group
Huxen Corporation	($ 90,363)	($ 36,380)	($ 326,072)	($ 131,276)
Aurora Development Corp.	7,394	3,451	(114,706)	(53,533)
Huxen (China) Co., Ltd.	32,368	9,710	31,876	9,563
		($ 23,219)		($ 175,246)

14. **Property, plant, and equipment**

	December 31, 2023	December 31, 2022
For self-use	$ 2,499,585	$ 2,337,334
Operating lease	486,803	425,994
	$ 2,986,388	$ 2,763,328

a. For self-use

	Self-owned Land	Housing and Construction	Machinery	Transportation Equipment	Office Equipment	Construction in Process	Total
Cost							
Balance as of January 1, 2023	$ 572,586	$ 1,575,681	$ 717,473	$ 33,122	$ 530,470	$ 1,135,186	$ 4,564,518
Addition		20,646	41,658	6,433	28,239	264,183	361,159
Inventories transferred to property, plant, and equipment	-	-	-	-	17,836	-	17,836
Property, plant, and equipment transferred to inventories	-	-	-	-	(7,204)	-	(7,204)
Disposal and obsolescence	-	(7,276)	(79,235)	(1,800)	(78,646)	-	(166,957)
Transfer of investment real estate	-	10,082	-	-	-	-	10,082
Reclassifications (Note)	-	538,266	109,343	-	6,171	(653,780)	-
Conversion adjustment	-	(33,479)	(13,206)	(659)	(6,528)	(14,963)	(68,835)
Balance as of December 31, 2023	572,586	2,103,920	776,033	37,096	490,338	730,626	4,710,599
Accumulated depreciation							
Balance as of January 1, 2023	-	1,196,080	557,349	28,942	444,813	-	2,227,184
Depreciation expenses	-	77,095	43,250	1,454	50,380	-	172,179
Property, plant, and equipment transferred to inventories	-	-	-	-	(6,718)	-	(6,718)
Disposal and obsolescence	-	(5,902)	(58,532)	(1,770)	(83,207)	-	(149,411)
Re-listed as investment-oriented real estate properties	-	4,415	-	-	-	-	4,415
Conversion adjustment	-	(20,520)	(9,366)	(523)	(6,226)	-	(36,635)
Balance as of December 31, 2023	-	1,251,168	532,701	28,103	399,042	-	2,211,014
Net amount as of December 31, 2023	$ 572,586	$ 852,752	$ 243,332	$ 8,993	$ 91,296	$ 730,626	$ 2,499,585
Cost							
Balance as of January 1, 2022	$ 621,068	$ 1,560,096	$ 689,824	$ 33,010	$ 554,266	$ 749,099	$ 4,207,363
Addition	29,387	6,634	25,549	252	18,622	376,234	456,678
Inventories transferred to property, plant, and equipment	-	-	-	-	25,879	-	25,879
Property, plant, and equipment transferred to inventories	-	-	-	-	(21,015)	-	(21,015)
Disposal and obsolescence	-	(6,049)	(17,423)	(611)	(53,055)	-	(77,138)
Transfer of investment real estate	(77,869)	(4,908)	-	-	-	-	(82,777)
Reclassifications (Note)	-	-	10,405	-	-	-	10,405
Conversion adjustment	-	19,908	9,118	471	5,773	9,853	45,123
Balance as of December 31, 2022	572,586	1,575,681	717,473	33,122	530,470	1,135,186	4,564,518
Accumulated depreciation							
Balance as of January 1, 2022	-	1,113,690	521,915	27,998	433,052	-	2,096,655
Depreciation expenses	-	74,599	43,779	1,146	74,659	-	194,183
Property, plant, and equipment transferred to inventories	-	-	-	-	(17,717)	-	(17,717)
Disposal and obsolescence	-	(6,049)	(15,409)	(603)	(50,077)	-	(72,138)
Re-listed as investment-oriented real estate properties	-	(467)	-	-	-	-	(467)
Conversion adjustment	-	14,307	7,064	401	4,896	-	26,668
Balance as of December 31, 2022	-	1,196,080	557,349	28,942	444,813	-	2,227,184
Net amount as of December 31, 2022	$ 572,586	$ 379,601	$ 160,124	$ 4,180	$ 85,657	$ 1,135,186	$ 2,337,334

Note: The Group did not re-categorize pre-paid equipment that had been accepted as properties, plants and equipment until August 2023.

No indication of impairment was identified in 2023 and 2022.

Depreciation expenses are calculated on a straight-line basis according to the following durable years:

Housing and Construction	
Warehouses	20 years
Plants and buildings	20~55 years
Mechanical and electrical engineering	25~30 years
Housing improvements	10~34 years
Machinery	2~16 years

Transportation Equipment	4~5 years
Office Equipment	1~15 year(s)

b. Operating leases - office equipment

	2023	2022
Cost		
Beginning balance	$ 1,353,668	$ 1,308,300
Inventories transferred to property, plant, and equipment	310,695	240,324
Property, plant, and equipment transferred to inventories	(68,995)	(88,851)
Disposal and obsolescence	(170,297)	(106,164)
Effect of exchange rate changes	(72)	59
Ending balance	1,424,999	1,353,668
Accumulated depreciation		
Beginning balance	927,674	875,088
Depreciation expenses	235,160	230,991
Property, plant, and equipment transferred to inventories	(55,358)	(72,711)
Disposal and obsolescence	(169,215)	(105,746)
Effect of exchange rate changes	(65)	52
Ending balance	938,196	927,674
Ending net amount	$ 486,803	$ 425,994

For the Group's MFPs through operating leases, the lease period is 1 to 6 year(s). Lessees do not have preferential rights to acquire the MFPs at the expiration of the lease period.

The total lease payments (excluding revenue from printing services) to be received in the future for operating leases are as follows:

	December 31, 2023	December 31, 2022
Year 1	$ 53,556	$ 44,914
Year 2	36,469	26,230
Year 3	25,427	15,277
Year 4	16,793	8,526
Year 5	9,537	3,007
Year 6	225	235
	$ 142,007	$ 98,189

Depreciation expenses are calculated on a straight-line basis according to the following durable years:

Leased assets (MFPs)

Used MFPs	1~2 year(s)
New MFPs	3~5 years

c. For the amount of properties, plants, and equipment pledged as collaterals for borrowings, refer to Note XXXIII.

15. Lease Agreements

a. Right-of-use assets

	2023		
	Land and Buildings	Transportation Equipment	Total
Cost			
Beginning balance	$ 1,251,287	$ 41,739	$ 1,293,026
Addition	440,426	21,695	462,121
Disposal and obsolescence	(372,764)	(27,915)	(400,679)
Conversion adjustment	(16,928)	-	(16,928)
Ending balance	1,302,021	35,519	1,337,540
Accumulated depreciation			
Beginning balance	471,463	27,237	498,700
Depreciation expenses	369,648	17,844	387,492
Disposal and obsolescence	(311,037)	(27,725)	(338,762)
Conversion adjustment	(7,107)	-	(7,107)
Ending balance	522,967	17,356	540,323
Ending net amount	$ 779,054	$ 18,163	$ 797,217

	2022		
	Land and Buildings	Transportation Equipment	Total
Cost			
Beginning balance	$ 1,238,036	$ 46,102	$ 1,284,138
Addition	590,967	9,557	600,524
Disposal and obsolescence	(591,153)	(13,920)	(605,073)
Conversion adjustment	13,437	-	13,437
Ending balance	1,251,287	41,739	1,293,026
Accumulated depreciation			
Beginning balance	577,811	24,706	602,517
Depreciation expenses	392,259	16,240	408,499
Disposal and obsolescence	(505,477)	(13,709)	(519,186)
Conversion adjustment	6,870	-	6,870
Ending balance	471,463	27,237	498,700
Ending net amount	$ 779,824	$ 14,502	$ 794,326

b. Lease liabilities

	December 31, 2023	December 31, 2022
Carrying amount of lease liabilities		
Current	$ 284,138	$ 312,871
Non-current	$ 410,659	$ 374,241

Ranges of discount rates for lease liabilities are as follows:

	December 31, 2023	December 31, 2022
Land and Buildings	0.653%~4.745%	0.691%~5.005%
Transportation Equipment	0.653%~1.640%	0.691%~0.862%

c. Major lease activities and terms

The Group leases land, buildings, and transportation equipment for operations, and the lease term is between 1 to 23 year(s). When the lease term ends, the Group has no preferential rights to purchase the leased vehicles and business premises.

In May 2020, Aurora (Jiang Su), a subsidiary of the Group, acquired the land use right of Nantong City, Jiangsu Province for the construction of the plant. The term of use of the land is 50 years from May 2020 to May 2070 as stipulated in the contract.

d. Other lease information

For agreements on operating leases for the leasing out of property, plant, and equipment and investment property, please refer to Notes XIV and XVI.

	2023	2022
Short-term lease expenses	($ 4,126)	($ 3,351)
Total cash flows on lease		
- Repayment of lease liabilities	($ 383,401)	($ 401,495)
- Interest expenses paid	(17,533)	(21,408)
	($ 400,934)	($ 422,903)

The Group selects to apply the recognition exemptions to leases of parking spaces that qualify as short-term leases and cloud service platforms that qualify as leases of low-value assets. Consequently, the Group does not recognize any right-of-use assets or lease liabilities for the said leases.

16. **Investment property**

	2023			2022		
	Land	Housing and Construction	Total	Land	Housing and Construction	Total
Cost						
Beginning balance	$ 445,309	$ 170,992	$ 616,301	$ 367,440	$ 166,273	$ 533,713
Disposal and obsolescence	-	(21,021)	(21,021)	-	(189)	(189)
Reclassifications	-	(10,082)	(10,082)	77,869	4,908	82,777
Ending balance	445,309	139,889	585,198	445,309	170,992	616,301
Accumulated depreciation						
Beginning balance	-	95,445	95,445	-	90,301	90,301
Depreciation expenses	-	4,571	4,571	-	4,866	4,866
Disposal and obsolescence	-	(21,021)	(21,021)	-	(189)	(189)
Reclassifications	-	(4,415)	(4,415)	-	467	467
Ending balance	-	74,580	74,580	-	95,445	95,445
Ending net amount	$ 445,309	$ 65,309	$ 510,618	$ 445,309	$ 75,547	$ 520,856

The investment property is subject to a lease term of 2 to 5 years. Lessees have no preferential right to purchase the investment property at the end of the lease term.

The total amount of lease payments to be collected in the future for investment property on operating lease is as follows:

	December 31, 2023	December 31, 2022
Year 1	$ 19,098	$ 16,469
Year 2	19,212	13,608
Year 3	10,136	13,608
Year 4	5,714	4,536
Year 5	2,857	-
	$ 57,017	$ 48,221

Depreciation expenses are calculated on a straight-line basis according to the following durable years:

Main buildings	20~55 years
Decoration	5~10 years

For the amount of investment property pledged as collateral, please refer to Note XXXZZZ.

The fair value of the investment property was assessed by the management with reference to the prevailing market information as follows:

	December 31, 2023	December 31, 2022
Fair value	$ 758,020	$ 671,683

17. **Intangible assets**

a. Goodwill

	December 31, 2023	December 31, 2022
Carrying amount		
Goodwill	$ 133,020	$ 132,947

No indication of impairment of goodwill was identified in 2023 and 2022.

b. Other intangible assets

	2023			2022		
	Trademark right	Computer Software	Total	Trademark right	Computer Software	Total
Cost						
Beginning balance	$ 808	$ 139,619	$ 140,427	$ 808	$ 135,645	$ 136,453
Addition	-	18,248	18,248	-	19,364	19,364
Disposal and obsolescence	(808)	(17,687)	(18,495)	-	(16,974)	(16,974)
Conversion adjustment	-	(2,158)	(2,158)	-	1,584	1,584
Ending balance	-	138,022	138,022	808	139,619	140,427
Accumulated amortization						
Beginning balance	808	81,536	82,344	808	73,431	74,239
Amortization expenses	-	25,095	25,095	-	23,983	23,983
Disposal and obsolescence	(808)	(17,650)	(18,458)	-	(16,710)	(16,710)
Conversion adjustment	-	(1,376)	(1,376)	-	832	832
Ending balance	-	87,605	87,605	808	81,536	82,344
Ending net amount	$ -	$ 50,417	$ 50,417	$ -	$ 58,083	$ 58,083

No indication of impairment of assets above was identified in 2023 and 2022.

Amortization expenses are calculated on a straight-line basis over the following useful lives:

Trademark right	20 years
Computer Software	1~10 year(s)

18. Other Assets

	December 31, 2023	December 31, 2022
Prepayments for goods	$ 252,552	$ 257,074
Prepayments for premises	65,100	66,318
Other prepayments	50,548	49,354
Prepayments for equipment	183,665	50,986
Others	147,352	14,509
	$ 699,217	$ 438,241

Current	$ 446,235	$ 316,483
Non-current	252,982	121,758
	$ 699,217	$ 438,241

19. Loans

a. Short-term loans

	December 31, 2023	December 31, 2022
Credit loans	$ 1,826,000	$ 1,509,000
Loans for material purchase	6,173	-
	$ 1,832,173	$ 1,509,000
Credit loans:		
NTD	1.55%~2.41%	1.335%~2.29%
Loans for material purchase:		
USD	1.65%~1.68%	-

1) Please refer to Note XXXIII for assets pledged as collateral for the above-mentioned loans.

2) Please refer to Note XXXIV (II) for guaranteed notes issued to financial institutions.

b. Short-term notes and bills payable

The outstanding short-term bills payable as of the balance sheet date are as follows:

December 31, 2022

Guarantor/Accepting Institution	Nominal Amount	Discounted Amount	Carrying amount	Range of Interest Rate	Collateral
Commercial paper payable					
TAIWAN FINANCE CORPORATION	$ 150,000	($ 37)	$ 149,963	1.928%	None
DAH CHUNG BILLS FINANCE CORP.	300,000	(69)	299,931	1.928%	None
MEGA BILLS FINANCE CO., LTD.	150,000	(46)	149,954	1.838%-1.928%	None
Bank of Taiwan	450,000	(269)	449,731	1.820%	None
	$ 1,050,000	($ 421)	$ 1,049,579		

c. Long-term loans

	December 31, 2023	December 31, 2022
Secured loans		
Bank loans (1)	$ 2,152,319	$ 1,862,734
Unsecured loans		
Bank loans (2)	1,265,000	690,000
	$ 3,417,319	$ 2,552,734

1) Loans are secured by pledge of land and buildings held by the Group (see Note XXXIII), with interest accruing at floating rates and the remaining maturity period of not more than 2 years as of December 31, 2023 and 2022. The rate ranges were 1.53%~4.00% and 1.54% ~4% per annum, respectively. Interest is paid on a monthly basis, and the principal is paid at maturity for subsequent borrowing.

2) Unsecured loans are bank loans at floating rates. As of December 31, 2023 and 2022, the rate ranges were 1.53%~1.67% and 1.48%~1.66% per annum, respectively. Interest is paid on a monthly basis, and the principal is paid at maturity for subsequent borrowing.

20. Accounts payable

The payment period averages 2 months. The Group has financial risk management policies to ensure that all payables are paid within the pre-agreed credit terms.

21. Other Liabilities

a. Other payables

	December 31, 2023	December 31, 2022
Salaries and bonuses payable	$ 464,811	$ 497,705
Incentives payable	207,356	222,704
Advertising fees payable	81,244	105,683
Business taxes payable	34,458	69,609
Labor and health insurance payable	16,458	16,587
Holiday benefits payable	10,032	9,767
Pension payable	7,917	7,901
Dividends payable	2,286	2,758
Related parties	13	84
Others	171,341	145,144
	$ 995,916	$ 1,077,942

Other payables - related parties are monthly payments of rental collected from lessees by the Group on behalf of related parties.

b. Other current liabilities

	December 31, 2023	December 31, 2022
Temporary credits	$ 90,061	$ 67,935
Receipts under custody	7,708	7,598
	$ 97,769	$ 75,533

22. Post-retirement Benefit Plan

a. Defined contribution plans

The Company and Aurora Office Automation, General Integration, KM Developing, and Ever Young Biodimension adopt a pension plan under the Labor Pension Act, which is a state-managed defined contribution plan. According to the Labor Pension Act, the Group makes monthly contributions to employees' individual pension accounts at 6% of their monthly salaries.

Aurora (Bermuda), and Aurora Machinery Equipment did not draw up a retirement policy. Aurora (Bermuda)'s subsidiaries, including Aurora (China) Investment, Aurora Office Equipment, Aurora (China), Aurora (Jiang Su), Aurora Office Automation Sales Co., Ltd., Aurora Cloud, Aurora Home Furniture Co., Ltd., and Aurora (Shanghai) Electronic Commerce Co., Ltd. have drawn up the retirement policies in accordance with the regulations of the Shanghai Municipal People's Government, which also fell into the defined contribution plans; that is, a certain percentage of the employees’ basic wages would be contributed to the pension fund and deposited into the designated pension fund accounts. The above companies contributed a certain percentage of employees' basic wages to the pension fund.

b. Defined benefit plans

The pension system adopted by the Company, Aurora Office Automation, and General Integration under the "Labor Standards Act" is a state-managed defined benefit plan. The payment of the employee's pension is based on the period of service and the average salary of 6 months before the approved retirement date. The Company, Aurora Office Automation, and General Integration allocate 10% 、 10% and 2% of employees' monthly salaries respectively to the Supervisory Committee of Labor Retirement Reserve's dedicated account in the Bank of Taiwan as pension reserve funds. The Bureau of Labor Funds, Ministry of Labor administers the account. The Company, Aurora Office Automation, and General Integration have no right over its investment and administration strategies.

The amounts of defined benefit plans included in the consolidated balance sheets are as follows:

	December 31, 2023	December 31, 2022
Present value of defined benefit obligation	$ 483,227	$ 518,223
Fair value of plan assets	(72,583)	(76,489)
Net defined benefit liabilities	$ 410,644	$ 441,734

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

	Present value of defined benefit obligation	Fair value of plan assets	Net defined benefit liabilities (assets)
January 1, 2023	$ 518,223	($ 76,489)	$ 441,734
Service costs			
Service costs for the current period	586	-	586
Service costs for the previous period	1,460	-	1,460
Interest expenses (income)	7,017	(1,204)	5,813
Recognized in profit or loss	9,063	(1,204)	7,859
Remeasurements			
Return on plan assets (excluding interest income calculated by a discount rate)	-	(262)	(262)
Actuarial - changes in financial assumptions	9,220	-	9,220

Actuarial losses - experience adjustments	(8,225)	-	(8,225)
Recognized in other comprehensive income	995	(262)	733
Contribution by the employer	-	(25,002)	(25,002)
Benefits paid on plan assets	(30,374)	30,374	-
Payments from the Group	(14,680)	-	(14,680)
December 31, 2023	$ 483,227	($ 72,583)	$ 410,644
January 1, 2022	$ 546,764	($ 59,345)	$ 487,419
Service costs			
Service costs for the current period	2,720	-	2,720
Service costs for the previous period	405	-	405
Interest expenses (income)	3,649	(723)	2,926
Recognized in profit or loss	6,774	(723)	6,051
Remeasurements			
Return on plan assets (excluding interest income calculated by a discount rate)	-	(3,813)	(3,813)
Actuarial losses - changes in demographic assumptions	1,980	-	1,980
Actuarial gains - changes in financial assumptions	(25,494)	-	(25,494)
Actuarial losses - experience adjustments	3,970	-	3,970
Recognized in other comprehensive income	(19,544)	(3,813)	(23,357)
Contribution by the employer	-	(28,379)	(28,379)
Benefits paid on plan assets	(15,771)	15,771	-
December 31, 2022	$ 518,223	($ 76,489)	$ 441,734

The Group has the following risks owing to the implementation of the pension system under the Labor Standards Act:

1) Investment risks: The Bureau of Labor Funds, Ministry of Labor invests the labor pension fund in equity securities, debt securities, and bank deposits in domestic (foreign) banks through independent implementation and commissioned operations. However, the distributed amount from the plan assets received by the Group shall not be lower than interest on a two-year time deposit at a local bank.

2) Interest rate risk: The decrease in the interest rate of government bonds/corporate bonds will increase the present value of defined benefit obligations, but the yield on debt investment of plan assets will also increase accordingly, which will partially offset the impact on net defined benefit liabilities.

3) Salary risk: The present value of defined benefit obligations is calculated with reference to future salaries of plan members. Therefore, the salary increase of plan members will increase the present value of the defined benefit obligation.

The present value of the Group's defined benefit obligations is calculated by certified actuaries and the major assumptions on the assessment date are as follows:

	December 31, 2023	December 31, 2022
Discount rate	1.125%~1.25%	1.375%
Average long-term salary adjustment rate	2%~2.25%	2%~2.25%

If changes occur in major actuarial assumptions with other assumptions unchanged, the present value of defined benefit obligations will increase (decrease) as follows:

	December 31, 2023	December 31, 2022
Discount rate		
Increase by 0.25%	($ 9,993)	($ 11,119)
Decrease by 0.25%	$ 10,313	$ 11,488
Expected salary increase rate		
Increase by 0.25%	$ 10,020	$ 11,186
Decrease by 0.25%	($ 9,761)	($ 10,883)

As actuarial assumptions may be related to one another, the likelihood of fluctuation in a single assumption is not high. Therefore, the aforementioned sensitivity analysis may not reflect the actual fluctuations of the present value of defined benefit obligations.

	December 31, 2023	December 31, 2022
Expected amount of contribution within 1 year	$ 24,775	$ 26,258
Average duration of defined benefit obligations	8.6-8.9 year	8.9-9.4 year

23. Equity

a. Capital stock

Common stock

	December 31, 2023	December 31, 2022
Number of shares authorized (in thousands)	500,000	500,000
Share capital authorized	$ 5,000,000	$ 5,000,000
Number of shares issued and fully paid (in thousands)	236,202	236,202
Share capital issued	$ 2,362,025	$ 2,362,025

b. Capital surplus

	December 31, 2023	December 31, 2022
May be used to offset deficits, appropriated as cash dividends or transferred to capital (1)		
Premium on conversion of corporate bonds	$ 742,679	$ 742,679
Treasury share transactions	3,333	3,333
Donations	938	938
Disposal of the Company's shares by subsidiaries recognized as treasury share transactions	54,838	54,838
Difference between the actual price from acquiring or disposing of shares held in subsidiaries and the book value	1,219	1,219
Cash dividends received from the Company for shares of the Company held by subsidiaries	1,014,266	960,741
May only be used to offset deficits		
Recognized value of changes in equity of ownership of subsidiaries (2)	7,913	7,913
Dividends that are not collected before the designated date	9,569	9,569
May not be used for any purpose		
Employees stock option	40,247	40,247
	$ 1,875,002	$ 1,821,477

1) This type of capital surplus may be used to cover loss or issue cash or replenish capital when there is no loss, but capital replenishment is restricted to the ratio of actual capital stock each year.

2) This type of capital surplus recognized as equity transaction effect due to changes in subsidiary equity, when the Company's has not acquired or disposed of subsidiary shares, or as adjustment value of capital surplus from subsidiary recognized by the Company using the equity method.

c. Retained earnings and dividend policy

The Company's shareholders' meeting on June 9, 2022 resolved to amend the Articles of Incorporation. The Board of Directors is authorized to resolve, with at least two-thirds of the directors present and the consent of a majority of the directors, that all or part of the dividends and bonuses, capital surplus or legal reserve to be distributed shall be paid in cash and reported to the shareholders' meeting.

According to the earnings distribution policy under the Company’s Articles of Incorporation before the amendment, if there is a profit in the Company's annual final accounts, it shall first pay tax and make up for the accumulated losses of the past years, and then appropriate 10% as the legal reserve. Meanwhile, the special reserve shall be appropriated or reversed in accordance with laws. If there is any surplus, the remaining balance, plus the accumulated undistributed earnings in previous years, shall be distributed based on the distribution proposal drafted by the Board of Directors and resolved by a shareholders' meeting. For the policy of employee remuneration estimation and distribution, please refer to Note 25(6) Employee Remuneration.

Appropriation of earnings to legal reserve shall be made until the legal reserve equals the Company's paid-in capital. The legal reserve may be used to offset deficits. If he Company suffers no loss, the amount of legal reserve in excess of 25% of the paid-in capital may be appropriated as the share capital and distributed in cash.

When special reserve is provided for the net decrease in other equity accumulated in prior periods, only the undistributed earnings of prior periods are provided for.

As the industry into which the Company falls is currently in a stage of steady growth, demand for capital has lowered. In the future, operating results will be returned to shareholders as many as possible. In consideration of business development, financial conditions, capital expansion, and shareholders' equity, the Company will distribute dividends in a combination of stock and cash, where cash dividends will account for more than 10% of the dividends distributed for the year.

The shareholders' meetings which approved the distribution of earnings for years ended December 31, 2022 and 2021 were held on June 19, 2023 and June 9, 2022, respectively; the distributions of earnings are as follows:

	Distribution of Earnings		Dividends Per Share (NT$)	
	2022	2021	2022	2021
Legal reserve	$ 131,404	$ 137,065		
Cash dividends	1,110,152	1,228,253	$ 4.7	$ 5.2

In addition, the 2022 Annual Shareholders' Meeting approved the distribution of cash dividends (NT$0.8) from capital surplus - stock issuance premium of NT$188,962 thousand.

On March 14, 2024, the Board of Directors proposed the distribution of earnings for the year ended December 31, 2023 as follows:

	Distribution of Earnings	Dividends Per Share (NT$)
Legal reserve	$ 108,985	
Cash dividends	968,430	$ 4.1

The above-mentioned cash dividends have been distributed by the board of directors, and the rest are yet to be resolved by the shareholders' meeting expected to be held on June 19, 2024.

d. Special reserve arising from first-time application of IFRS

The special surplus reserve set aside by the company for the first time using IFRS accounting standards is as follows:

	December 31, 2023	December 31, 2022
Special reserve	$ 331,624	$ 331,624

The amount recorded as cumulative translation adjustments transferred to retained earnings was NT$452,517 thousand. As the increase in retained earnings arising from first-time application of IFRS was insufficient, special reserve was only set aside for the increase in retained earnings arising from application, NT$331,624 thousand.

Where relevant assets are subsequently used, disposed of or reclassified, the original proportion of special reserve may be reversed for the distribution of earnings. Special reserve that should be set aside upon first-time application of IFRS may be used to make up losses in subsequent years. Special reserve should be set aside for the deficit until there is a profit in subsequent years and the reasons for the provision of special reserve are resolved.

e. Other equity items

	December 31, 2023	December 31, 2022
Exchange differences on translation of financial statements of foreign operations		
Attributable to the Group	($ 636,863)	($ 506,745)
Associates accounted for using the equity method	(59,389)	(47,467)
	(696,252)	(554,212)
Unrealized gains (losses) on financial assets at fair value through other comprehensive income		
Associates accounted for using the equity method	458,633	477,910
	($ 237,619)	($ 76,302)

1) Exchange differences on translation of financial statements of foreign operations

Exchange differences on translation of foreign operations' net assets denominated in functional currencies into the Group's presentation currency (NTD) are directly recognized in other comprehensive income as exchange differences on translation of financial statements of foreign operations. The cumulative exchange differences on translation of financial statements of foreign operations are reclassified to profit or loss upon disposal of foreign operations.

	2023	2022
Beginning balance	($ 554,212)	($ 682,175)
Incurred this year		
Exchange differences on translation of foreign operations	(130,118)	119,132
Share of associates accounted for using the equity method	(11,922)	8,831
Other comprehensive income	(142,040)	127,963
Ending balance	($ 696,252)	($ 554,212)

2) Unrealized gains (losses) on financial assets at fair value through other comprehensive income

	2023	2022
Beginning balance	$ 477,910	$ 655,933
Incurred this year		
Unrealized gains (losses)		
Share of associates accounted for using the equity method	(19,277)	(195,880)
Other comprehensive income	(19,277)	(195,880)
Accumulated gains (losses) on disposal of equity instruments transferred to retained earnings	-	17,857
Ending balance	$ 458,633	$ 477,910

f. Treasury shares

	December 31, 2023	December 31, 2022
Shares of the Company held by subsidiaries	$ 791,826	$ 791,826

1) Information on subsidiaries holding the Company's shares on the balance sheet date is as follows:

	December 31, 2023				
	The Company's Shareholding (%)	Number of Shares (in Thousands)	Amount of Treasury Shares	Current Market Value	Reason
Aurora Office Automation Corporation	91.13	12,496	$ 791,826	$ 949,756	To maintain credit and shareholders' equity

	December 31, 2022				
	The Company's Shareholding (%)	Number of Shares (in Thousands)	Amount of Treasury Shares	Current Market Value	Reason
Aurora Office Automation Corporation	91.13	12,496	$ 791,826	$ 973,500	To maintain credit and shareholders' equity

2) Treasury shares held by the Company may be neither pledged nor assigned rights such as dividend appropriation and voting rights in accordance with the Securities and Exchange Act. Subsidiaries holding the Company's shares, which are considered treasury shares, are bestowed shareholders' rights, except for the rights to participate in any share issuance for cash and to vote.

24. Revenue

a. Breakdown of revenue from contracts with customers

	2023	2022
Product category		
MFPs	$ 6,847,694	$ 7,696,083
System furniture	4,527,027	4,757,476
Others	158,611	122,766
	$ 11,533,332	$ 12,576,325
Region		
Asia	$ 10,790,770	$ 11,431,920
America	632,237	1,091,751
Europe	104,673	48,191
Others	5,652	4,463
	$ 11,533,332	$ 12,576,325

b. Contract balance

	December 31, 2023	December 31, 2022	January 1, 2022
Contract assets	$ 113,141	$120,794	$ 83,476
Contract liabilities	$ 285,797	$415,415	$ 463,585

Changes in contract assets and liabilities are mainly due to timing difference between performance obligations and customer payment.

The Group recognizes loss allowances for contract assets based on the lifetime expected credit losses. For the lifetime expected credit losses, taking into account the customers' past default history and current financial position, there were no past due contract assets as of December 31, 2023 and 2022, and the Group assessed that no provision for expected credit losses is required.

The amounts of contract liabilities at the beginning of the period and previously fulfilled that were recognized in revenue for the years ended December 31, 2023 and 2022 were NT397,897 thousand and NT$246,914 thousand, respectively.

25. Net Income

a. Other income

	2023	2022
Income from consultancy	$ 57,164	$ 55,175
Subsidy income	52,627	63,620
Rental income	26,021	23,393
Other income	26,066	37,779
	$ 161,878	$ 179,967

Income from consultancy represents the fees received by the Group from related parties for rendering consulting services.

b. Other gains and losses

	2023	2022
Gains on financial assets		
Financial assets mandatorily measured at fair value through profit or loss	$ 45,375	$ 33,696
Net foreign exchange gain	4,209	23,665
Loss on disposal of property, plant, and equipment	(11,740)	(2,673)
Gains on lease modifications	1,267	778
Losses from disposal of intangible assets	(37)	(235)
Impairment losses of associated enterprises using the equity method	(10,946)	-
Others	(15,308)	(13,013)
	$ 12,820	$ 42,218

c. Finance costs

	2023	2022
Bank overdrafts and interest on bank loans	$ 74,316	$ 50,537
Interest expenses - leases	17,533	21,408
Imputed interest on deposits	54	19
	$ 91,903	$ 71,964

d. Depreciation and amortization expenses

	2023	2022
Property, plant, and equipment	$ 407,339	$ 425,174
Right-of-use assets	387,492	408,499
Investment property	4,571	4,866
Intangible assets	25,095	23,983
	$ 824,497	$ 862,522
Depreciation expenses by function		
Operating costs	$ 268,346	$ 272,584
Operating expenses	526,485	561,089
Non-operating income and expenses	4,571	4,866
	$ 799,402	$ 838,539
Amortization expenses by function		
Operating costs	$ 851	$ 1,365
Operating expenses		
Marketing expenses	6,172	8,156
Administrative expenses	18,072	14,462
	$ 25,095	$ 23,983

e. Employee benefits

	2023	2022
Short-term employee benefits	$ 2,251,080	$ 2,373,199
Benefits after retirement (Note XXII)		
Defined contribution plans	194,590	206,387
Defined benefit plans	7,859	6,051
	$ 2,453,529	$ 2,585,637

By function		
Operating costs	$ 157,583	$ 231,258
Operating expenses	2,295,946	2,354,379
	$ 2,453,529	$ 2,585,637

f. Employee compensation

The Company sets aside 1%~10% of income before tax for a year as employee compensation. Employee compensation for the years ended December 31, 2023 and 2022 was resolved by the Board of directors on March 14, 2024 and March 13, 2023:

Estimated percentage

	2023	2022
Employee compensation	1%	1%

Amount

	2023	2022
Employee compensation	$ 12,700	$ 15,310

If there is still any change in the amount after the annual consolidated financial statements are authorized for issue, the differences shall be treated as a change in accounting estimates in the following year.

The amounts of employee compensation distributed for the years ended December 31, 2022 and 2021 and those recognized in the consolidated financial statements are consistent.

Information on employee compensation resolved by the Board of Directors is available on the "Market Observation Post System" of the Taiwan Stock Exchange Corporation.

26. Income Tax

a. Income tax recognized in profit or loss

Major components of income tax expenses (benefits) are as follows:

	2023	2022
Current income tax		
Accrued this year	$ 364,152	$ 387,045
Adjustments from previous years	(8,132)	(18,537)
	356,020	368,508
Deferred income tax		
Accrued this year	(47,805)	20,063
Income tax expense recognized in profit or loss	$ 308,215	$ 388,571

Reconciliation between accounting income and current income tax expenses is as follows:

	2023	2022
Net income before tax	$ 1,482,504	$ 1,810,198
Income tax expenses calculated at the statutory rate (20%)	$ 446,904	$ 575,789
Unrecognized deductible temporary difference	(21,823)	(30,519)
Fees that cannot be deducted from taxes	5,028	3,623
Tax-exempted income	(113,647)	(144,585)
Unrecognized loss carryforwards	($ 100)	$ 2,786
Others	(15)	14
Adjustments of current income tax expenses in previous years	(8,132)	(18,537)
Income tax expense recognized in profit or loss	$ 308,215	$ 388,571

The tax rate applicable to subsidiaries in mainland China is 15%~25%. Tax arising from other jurisdictions is calculated at the rates applicable in the respective jurisdictions.

b. Income tax recognized in other comprehensive income

	2023	2022
Deferred income tax		
Accrued this year - remeasurements of defined benefit plans	($ 146)	$ 4,671

c. Current income tax assets and liabilities

	December 31, 2023	December 31, 2022
Current income tax assets		
Tax refunds receivable	$ 48,347	$ 93,574
Current income tax liabilities		
Income tax payable	$ 135,456	$ 161,889

d. Deferred income tax assets and liabilities

Changes in deferred income tax assets and liabilities are as follows:

2023

	Beginning balance	Recognized in profit or loss	Recognized in other comprehensive income	Exchange Differences	Ending balance
Deferred income tax assets					
Temporary differences					
Deferred revenue	$ 18,709	$ 7,719	$ -	($ 105)	$ 26,323
Loss allowances	8,399	(1,306)	-	78	7,171
Loss on inventory write-down	27,035	(3,222)	-	36	23,849
Holiday benefits payable	2,414	37	-	-	2,451
Book-tax difference in pensions	8,134	(5,510)	-	-	2,624
Impairment loss	11,660	(760)	-	(191)	10,709
Litigation compensations	3,293	(3,282)	-	(11)	-
Marketing and promotion fees payable	51,104	453	-	(924)	50,633
Right-of-use assets' impact on profits or losses	$ 3,357	($ 169)	$ -	($ 59)	$ 3,129
Defined benefit plans	49,635	-	146	-	49,781
	$ 183,740	($ 6,040)	$ 146	($ 1,176)	$ 176,670
Deferred income tax liabilities					
Temporary differences					
Share of profit or loss of subsidiaries accounted for using the equity method	$ 320,308	($ 53,173)	$ -	$ -	$ 267,135
Unrealized exchange gains	-	15	-	-	15
Rental stabilization	1,140	(687)	-	-	453
	$ 321,448	($ 53,845)	$ -	$ -	$ 267,603

2022

	Beginning balance	Recognized in profit or loss	Recognized in other comprehensive income	Exchange Differences	Ending balance
Deferred income tax assets					
Temporary differences					
Deferred revenue	$ 20,044	($ 1,335)	$ -	$ -	$ 18,709
Loss allowances	6,834	1,682	-	(117)	8,399
Loss on inventory write-down	26,159	382	-	494	27,035
Holiday benefits payable	2,400	14	-	-	2,414
Book-tax difference in pensions	12,681	(4,547)	-	-	8,134
Impairment loss	11,301	201	-	158	11,660
Litigation compensations	3,245	-	-	48	3,293
Marketing and promotion fees payable	48,184	2,241	-	679	51,104
Right-of-use assets' impact on profits or losses	-	3,368	-	(11)	3,357
Defined benefit plans	54,306	-	(4,671)	-	49,635
	$ 185,154	$ 2,006	($ 4,671)	$ 1,251	$ 183,740
Deferred income tax liabilities					
Temporary differences					
Share of profit or loss of subsidiaries accounted for using the equity method	$ 298,634	$ 21,674	$ -	$ -	$ 320,308
Unrealized exchange gains	136	(136)	-	-	-
Rental stabilization	609	531	-	-	1,140
	$ 299,379	$ 22,069	$ -	$ -	$ 321,448

e. Amount of temporary differences in unrecognized deferred income tax liabilities related to investments

As of December 31, 2023 and 2022, the taxable temporary differences related to investments in subsidiaries and associates not recognized as deferred income tax liabilities were NT$852,204 thousand and NT$841,321 thousand, respectively.

f. Income tax assessment

The corporate income tax of the Company and its subsidiaries have been assessed by the Tax Authorities. There is no difference between the assessment result and the filing. The assessment years are as follows.

	Year of Assessment
The Company	2021
Aurora Office Automation	2021
KM Developing	2021
General Integration	2021
Ever Young Biodimension	2021

27. **Earnings per Share**

Net income and weighted average number of common shares used for calculation of earnings per share are as follows:

Net income

	2023	2022
Net income attributable to the Company	$ 1,091,507	$ 1,309,368

Number of Shares

Unit: Thousand shares

	2023	2022
Weighted average number of common shares used for calculation of basic earnings per share	224,814	224,814
Effect of potentially dilutive common shares:		
Employee compensation	207	237
Weighted average number of common shares used for calculation of diluted earnings per share	225,021	225,051

If the Group chooses to offer employee compensation or share profits in the form of cash or stock, while calculating diluted earnings per share, and assuming that the compensation is paid in the form of stock, the dilutive potential common shares will be included in the weighted average number of outstanding shares to calculate diluted earnings per share. The dilutive effect of such potential common shares shall continue to be considered when calculating diluted earnings per share before the number of shares to be distributed as employee compensation is approved in the following year.

28. Government subsidies

Aurora (Jiang Su) Enterprise Development Co. Ltd., a subsidiary of the merged company, obtained industrial support funds based on the project investment agreement signed between Aurora (China) Investment Co., Ltd. and the Nantong High-tech Industrial Development Zone Management Committee on December 24, 2018, the total subsidy is approximately RMB 21,000 thousand. As of December 31, 2023, RMB 6,300 thousand (equivalent to NT$27,260 thousand) has been obtained, which is recorded as deferred income and transferred to profit and loss within the useful life of the relevant assets.

29. Capital Risk Management

The Group manages capital management under the precondition for sustainable development to ensure that it is able to maximize the benefit for its shareholders by optimizing debt and equity.

The management reviews the capital structure of the Group from time to time in light of the economic environment and business considerations. According to the management's opinions and statutory requirements, the Group balances the overall capital structure through the payment of dividends, issuance of shares, and financing.

30. Non-cash Transactions

a. The acquisition of property, plant, and equipment by the Group during the years ended December 31, 2023 and 2022 that affected both cash and non-cash items is as follows:

	2023	2022
Inventories transferred to property, plant, and equipment	$ 328,531	$ 266,203
Property, plant, and equipment transferred to inventories	$ 14,123	$ 19,438

b. Changes in liabilities from financing activities

2023

	January 1, 2023	Cash flow	Non-cash flow changes: New leasehold	Non-cash flow changes: Others	December31,2023
Short-term borrowings	$ 1,509,000	$ 323,173	$ -	$ -	$ 1,832,173
Short-term notes and bills payable	1,049,579	(1,049,579)	-	-	-
Long-term borrowings	2,552,734	864,585	-	-	3,417,319
Guarantee deposits	69,413	(9,166)	-	-	60,247
Lease liabilities	687,112	(383,401)	462,121	(71,035)	694,797
	$ 5,867,838	($ 254,388)	$ 462,121	($ 71,035)	$ 6,004,536

2022

	January 1, 2022	Cash flow	Non-cash flow changes: New leasehold	Non-cash flow changes: Others	December31,2022
Short-term borrowings	$ 3,356,812	($ 1,847,812)	$ -	$ -	$1509,000
Short-term notes and bills payable	-	1,049,579	-	-	1,049,579
Long-term	1,130,000	1,422,734	-	-	2,552,734

borrowings					
Guarantee deposits	75,087	(5,674)	-	-	69,413
Lease liabilities	569,867	(401,495)	600,524	(81,784)	687,112
	$ 5,131,766	$ 217,332	$ 600,524	($ 81,784)	$ 5,867,838

Note: Others include lease modification adjustments and foreign currency exchange rate effects.

31. Financial instruments

a. Information on fair value - financial instruments not measured at fair value

The management of the Group considers that the carrying amounts of financial assets and financial liabilities not measured at fair value are close to their fair value.

b. Information on fair value - financial instruments measured at fair value on a recurring basis

1) Fair value level

December 31, 2023

	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss				
Fund beneficiary certificates	$ 97,510	$ -	$ -	$ 97,510

December 31, 2022

	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss				
Fund beneficiary certificates	$ 63,953	$ -	$ -	$ 63,953

In 2023 and 2022, there was no transfer between Level 1 and Level 2 fair value measurement.

c. Category of financial instruments

	December 31, 2023	December 31, 2022
Financial assets		
Measured at fair value through profit or loss		
Mandatorily measured at fair value through profit or loss	$ 97,510	$ 63,953
Measured at amortized cost (Note 1)	7,981,142	8,205,062
Financial liabilities		
Measured at amortized cost (Note 2)	6,776,130	6,672,452

Note 1. The balance includes cash, financial assets at amortized cost-current, account and note receivables (including related pauties), other receivables, other financial assets- non current refundable deposits, and other financial assets at amortized cost.

Note 2. The balance includes short-term loans, short-term bills payable, accounts payable (including related parties), other payables (excluding employee benefits payable, dividends payable and business tax payable), long-term loans, guarantee deposits received, and other financial liabilities at amortized cost.

d. Financial risk management objectives and policies

The main financial instruments of the Group include equity investments, accounts receivable, accounts payable, loans, and lease liabilities. The financial management department of the Group provides services to the business units, including coordinating operations in the domestic and international financial markets and managing financial risks relating to the operations of the Group based on the degree and breadth of risk. Such risks include market risk (including foreign exchange risk, interest rate risk, and other price risk), credit risk, and liquidity risk.

1) Market risk

The main financial risks the Group is exposed to in the business activities are foreign exchange risk, interest rate risk, and other price risk.

Market risk in relation to the Group's financial instruments and its management and measurement approaches remain unchanged.

a) Foreign exchange risk

For the monetary assets and liabilities of the Group denominated in non-functional currencies on the balance sheet date (including those written off in the consolidated financial), please refer to Note XXXVI.

Sensitivity analysis

The Group is mainly impacted by the exchange rate fluctuations in USD.

The sensitivity analysis below indicates the amount of decrease/increase in net income before tax arising from foreign exchange losses/gains on net monetary assets and liabilities when the New Taiwan dollar (functional currency) against each foreign currency appreciated by 3% for the years ended December 31, 2023 and 2022. When the New Taiwan dollar depreciated, its impact on net income before tax was the reverse equivalent amount. A sensitivity rate of 3% is used internally when foreign exchange risk is reported to the management. It also represents the management's assessment on the reasonably possible scope of foreign exchange rates.

	Impact of USD	
	2023	2022
Profit or loss	$ 73	($ 109)

The impact of profit or loss was mainly attributable to the demand deposits, accounts payable, and loans for material purchasing denominated in USD that were still outstanding and not hedged in cash flows on the balance sheet date. The Group's sensitivity to the exchange rate of USD increase in the current period due to the decrease in the net asset denominated in USD held by the Group.

b) Interest rate risk

The carrying amounts of financial assets and financial liabilities of the Group exposed to interest rate risk on the balance sheet date are as follows:

	December 31, 2023	December 31, 2022
Fair value interest rate risk		
- Financial liabilities	$ 694,797	$ 687,112
Cash flow interest rate risk		
- Financial assets	6,557,870	6,499,160
- Financial liabilities	3,417,319	2,552,734

Sensitivity analysis

The sensitivity analysis below is prepared based on the risk exposure of non-derivative instruments to the interest rates at balance sheet date. The rate of change adopted is 25 basis points increase/decrease in the interest rate, which also represents the management's assessment on the reasonably possible scope of the interest rate.

If the interest rate increased or decreased by 25 basis points, the Group's net income before tax in 2023 and 2022 would have decreased or increased by NT$7,851 thousand and NT$9,866 thousand, respectively, with all other variables remaining constant. This is mainly attributable to the exposure to the risks of interest rates of the Group's deposits, financial assets at amortized cost, other financial assets, and long-term loans.

c) Other price risk

The Group is exposed to equity price risk through its investments in monetary funds.

Sensitivity analysis

The sensitivity analysis below is carried out based on the exposure to equity price risk on the balance sheet date.

If the monetary fund price increased/decreased by 5%, income before tax in 2023 and 2022 would have increased/decreased by NT$4,876 thousand and NT$3,198 thousand, respectively, due to a change in the fair value of financial assets at fair value through profit or loss.

2) Credit risk

Credit risk refers to risk that causes the financial loss of the Group due to a counterparty's delay in performing contractual obligations. As of the balance sheet date, the Group's largest credit risk exposure from a counterparty's failure to fulfill obligations came from the carrying amount of financial assets recognized in the consolidated balance sheets.

The Group uses publicly obtainable financial information and past transaction records to grade main customers while monitoring its credit risk exposure and credit ratings of the counterparties.

The Group’s credit risk is concentrated on the top 10 customers, accounting for 21% and 29% of the total accounts receivable as of December 31, 2023 and 2022, respectively.

3) Liquidity risk

The Group supports the operations and reduces the impact of fluctuating cash flows by managing and maintaining sufficient cash and cash equivalents. The management of the

Group supervises the use of the credit line and ensures compliance with the terms of the loan contracts.

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables had been drawn up based on the undiscounted cash flows of financial liabilities from the earliest date on which the Group can be required to repay.

December 31, 2023

	Weighted Average Effective Rate (%)	Payment on Sight or within 1 Month	1~3 Month(s)	3~12 Months	1~5 Year(s)	Over 5 Years
Non-derivative financial liabilities						
Zero-interest-bearing liabilities		$ 582,915	$ 594,387	$ 138,028	$ 209,375	$ 1,933
Lease liabilities		29,812	55,217	216,682	283,770	136,451
Variable-rate instruments	1.99%	-	-	-	3,417,319	-
Instruments with fixed interest rates	1.68%	1,606,173	225,000	1,000	-	-
		$2,218,900	$ 874,604	$ 355,710	$3,910,464	$ 138,384

December 31, 2022

	Weighted Average Effective Rate (%)	Payment on Sight or within 1 Month	1~3 Month(s)	3~12 Months	1~5 Year(s)	Over 5 Years
Non-derivative financial liabilities						
Zero-interest-bearing liabilities		$ 909,114	$ 388,021	$ 194,417	$ 67,145	$ 2,442
Lease liabilities		33,488	65,386	231,474	272,068	111,595
Variable-rate instruments	1.76%	-	-	-	2,552,734	-
Instruments with fixed interest rates	1.77%	1,199,579	1,150,000	209,000	-	-
		$2,447,181	$1,603,407	$ 634,891	$2,891,947	$ 114,037

Line of credit

	December 31, 2023	December 31, 2022
Unsecured banking facilities		
- Amount utilized	$ 3,149,972	$ 3,342,872
- Amount not utilized	6,510,028	6,017,128
	$ 9,660,000	$ 9,360,000
Secured banking facilities		
- Amount utilized	$ 2,152,319	$ 1,862,734
- Amount not utilized	290,000	290,000
	$ 2,442,319	$ 2,152,734

32. Related Party Transactions

All transactions between the Company and its subsidiaries (related parties of the Company), account balances, income, and expenses are eliminated upon consolidation and therefore are not shown in the note. In addition to those disclosed in other notes, the transactions between the Group and other related parties are as follows.

a. Names and relations of related parties

Related Party	Relationship with the Group
Aurora Holdings Incorporated (Aurora Holdings)	Investor of significant influence
Aurora Telecom Co., Ltd. (Aurora Telecom)	Associate
Huxen Corporation (Huxen)	Associate
Aurora Development Corp. (Aurora Development)	Associate
Huxen (China) Co., Ltd. (Huxen (China))	Associate
Aurora Leasing Corporation (Aurora Leasing)	Other related party
Aurora Holdings (Shanghai) Inc. (Aurora Holdings (Shanghai))	Other related party
Shanghai Jiading New Partnership Rural Community Cooperative (formerly Shanghai Jianbang Asset Management Co., Ltd.)(Shanghai Jiading)	Other related party
Aurora Museum	Other related party
Aurora Building Management (Shanghai) Co., Ltd. (Aurora Building Management)	Other related party
Y. T. Chen Sustainable Management Foundation (formerly Aurora Sustainable Management Foundation)(Sustainable Foundation)	Other related party
Aurora Interior Design Co., Ltd. (Aurora Interior Design)	Other related party
Aurora Corp. of America (ACA)	Other related party
Aurora International (Singapore) (AIS)	Other related party
Aurora Japan Corporation (AJC)	Other related party

b. Operating revenue

Type/Name of Related Party	2023	2022
Other related party	$ 1,387,139	$ 1,704,902
Associate	770,372	910,398
Investor of significant influence	631	1,009
	$ 2,158,142	$ 2,616,309

Sales by the Group to related parties are made based on the market price, with payments collected within 1~4 month(s).

c. Purchase of goods

Type/Name of Related Party	2023	2022
Associate	$ 61,644	$ 73,778
Other related party	51,873	45,738
	$ 113,517	$ 119,516

Purchases from related parties are made by the Group based on the market price, with payments made in cash within 1~3 month(s).

d. Other revenue

Type/Name of Related Party	2023	2022
Huxen (China)	$ 52,229	$ 57,211
Huxen	32,200	32,441
Aurora Leasing	30,917	28,923
Other related party	2,677	1,200
Associate	420	912
	$ 118,443	$ 120,687

Other revenue mainly represents revenue from consulting services rendered to related parties by the Group.

e. Operating expenses

Type/Name of Related Party	2023	2022
Other related party	$ 39,243	$ 39,670
Investor of significant influence	3,759	4,009
Associate	2,055	3,372
	$ 45,057	$ 47,051

Operating expenses represent expenses paid to related parties for advertising and marketing.

f. Receivables from related parties

Accounting Subject	Type/Name of Related Party	December 31, 2023	December 31, 2022
Accounts receivable	Aurora Leasing	$ 91,764	$ 92,744
	ACA	38,917	56,398
	Other related party	4,576	5,536
	Associate	595	135
	Investor of significant influence	13	42
		$ 135,865	$ 154,855

Other receivables	Other related party	$ 6,177	$ 5,894
	Huxen (China)	4,026	4,754
	Other related party	541	-
		$ 10,744	$ 10,648

Other receivables represent receivables and purchase allowances arising from advance payments between the Group and related parties.

The outstanding amount of receivables from related parties is not collateralized. No loss allowances were set aside for receivables from related parties for the years ended December 31, 2023 and 2022.

g. Payables to related parties

Accounting Subject	Type/Name of Related Party	December 31, 2023	December 31, 2022
Accounts payable	Other related party	$ 1,638	$ 2,495
	Associate	365	62
		$ 2,003	$ 2,557
Other payables	Investor of significant influence	$ 9	$ 9
	Associate	4	72
	Other related party	-	3
		$ 13	$ 84

h. Acquisition of property, plant, and equipment

	Price	
Type/Name of Related Party	2023	2022
Associate	$ 894	$ 667

The transaction prices of the aforesaid transactions are determined according to market conditions.

i. Disposal of property, plant, and equipment

	Disposal proceeds		Disposal gains (losses)	
Type/Name of Related Party	2023	2022	2023	2022
Other related party	$ -	$ 199	$ -	$ -

The transaction prices of the aforesaid transactions are determined according to market conditions.

j. Acquisition of financial assets

2022

Name of Related Party	Accounting Subject	Transaction object	Acquisition proceeds
Other related party – Aurora Holdings (Shanghai)	Investments applying the equity method (Note)	Aurora Cloud	$ 3,012

Note: It has been consolidated and offset upon preparation of this Consolidated Financial Statement.

k. Lease agreements

Type/Name of Related Party	2023	2022
Acquisition of right-of-use assets		
Investor of significant influence	$ 53,253	$ 13,971
Other related party	127	294,147
Associate	-	255
	$ 53,380	$308,373

Accounting Subject	Type/Name of Related Party	December 31, 2023	December 31, 2022
Lease liabilities	Aurora Holdings (Shanghai)	$ 91,667	$201,404
	Shanghai Jiading	146,164	155,926
	Investor of significant influence	53,948	32,682
	Associate	110	2,518
		$291,889	$392,530

	December 31, 2023	December 31, 2022
Interest expenses		
Aurora Holdings (Shanghai)	$ 5,771	$ 10,477
Other related party	1,193	1,256
Investor of significant influence	488	319
Associate	4	71
	$ 7,456	$ 12,123

The Group leased land and offices to related parties for the years ended December 31, 2023 and 2022, respectively, with the lease terms of 1 to 23 years; the rent is payable on a monthly basis and the terms are not materially different from those of the general clients.

l. Lease agreements

Operating lease

The total lease payments to be received in the future are as follows:

Type/Name of Related Party	2023	2022
Other related party	$ 340	$ 4,622

Rental income is as follows:

Type/Name of Related Party	2023	2022
Other related party	$ 4,872	$ 4,765
Associate	229	-
	$ 5,101	$ 4,765

The rental of office buildings leased by the Group to related parties is charged on a monthly basis according to general market conditions.

m. Others

Accounting Subject	Type/Name of Related Party	December 31, 2023	December 31, 2022
Refundable deposits	Aurora Holdings (Shanghai)	$ 23,352	$ 26,239
	Other related party	6,974	7,104
	Investor of significant influence	4,834	4,834
	Associate	3,839	3,839
		$ 38,999	$ 42,016
Guarantee deposits received	Other related party	$ 804	$ 804

n. Remuneration to the management

	2023	2022
Short-term employee benefits	$119,525	$108,620
Retirement benefits	1,576	1,304
	$121,101	$109,924

The remuneration to directors and the management is determined by the Remuneration Committee based on personal performances and market trends.

33. Pledged Assets

The following assets of the Group have been provided for financial institutions as collateral for loans:

	December 31, 2023	December 31, 2022
Pledged certificates of deposit (accounted for as financial assets measured at amortized cost)	$ 1,081,750	$ -
Demand deposits (recognized in other financial assets)	28,173	42,432
Investment property	295,080	297,038
Property, plant, and equipment	326,115	263,259
	$1,731,118	$ 602,729

34. Significant Contingent Liabilities and Unrecognized Contract Commitments

a. Unused letters of credit outstanding as of December 31, 2023 amounted to US$1,008 thousand.

b. Guarantee notes issued by the Group to financial institutions for short-term and long-term loans as of December 31, 2023 amounted to NT$9,520,000 thousand.

c. Guaranteed notes issued by the Group under warranty contracts or for business needs as of December 31, 2023 amounted to NT$22,066 thousand.

d. Guaranteed notes received by the Group for business operations as of December 31, 2023 amounted to NT$2,864 thousand.

e. Performance bonds issued by banks for the Group as of December 31, 2023 amounted to NT$21,880 thousand.

f. Aurora Office Equipment Co., Ltd. Shanghai and Shanghai Jianbang Asset Management Co., Ltd. (Shanghai Jianbang) entered into the "Cooperation Agreement," where Shanghai Jianbang provides land use rights for 50 years. According to Article 24 of the Cooperation Agreement, Aurora Office Equipment Co., Ltd. Shanghai shall pay Shanghai Jianbang a fixed land profit every year. Starting from 2012, RMB6,000 thousand/acre shall be paid per year based on the actual area used (282 acres). The fixed profit per acre of land shall be adjusted upwards by 5% based on the profit payable before adjustment every 5 years, but the maximum shall not exceed RMB7,500 thousand/acre per year.

g. Unrecognized contractual commitments of the subsidiaries for purchases of goods as of December 31, 2023 amounted to NT$26,337 thousand.

h. Significant contracts of the Company and its subsidiaries are disclosed as follows:

Type of Contract	Contracting Party	Contract Duration	Contract Content	Restrictions
Distribution contract	SHARP CORPORATION Aurora Corporation	2024.4.1~2025.3.31 (Automatic extension by one year upon expiry)	Sharp photocopiers	1. Exclusive distribution 2. Non-compete
OEM contract	(1)Konica Minolta , Inc (2)Konica Minolta Business Solutions (China) Co., Ltd. (3)Aurora Office Automation Sales Co., Ltd. Shanghai	2024.1.1~2024.12.31	Production and procurement of MFPs and PP printers in mainland China	None

Type of Contract	Contracting Party	Contract Duration	Contract Content	Restrictions
OEM contract	(1) Aurora Office Automation Sales Co., Ltd. Shanghai (2) Zhuhai Pantum Electronics Co., Ltd.	2024.1.1~2025.12.31	Production and procurement of A4 printer	None
Distribution contract	KONICA MINOLTA, INC Aurora Office Automation Corporation	2024.4.1~2025.03.31	KM photocopiers and printers	1. Non-compete 2. Sales in Taiwan only
Distribution contract	STRATASYS AP LTD. General Integration Technology Co., Ltd.	2024.4.1~2025.3.31	SSYS 3D printers	1. Non-Exclusive distribution 2. Non-compete clauses are applied 3. Sales in Taiwan only
Distribution contract	CREAFORM INC. General Integration Technology Co., Ltd.	2023.6.21~2024.6.20	3D scanners	1. Non- Exclusive distribution 2. Sales in Taiwan only
Distribution contract	KONICA MINOLTA, INC KM Developing Solutions Co., Ltd.	2024.4.1~2025.03.31	Large photocopiers and multi-functional photocopiers	1. Annual sales amount limit 2. Non-compete 3. Sales in Taiwan only

35. Significant Events after the Balance Sheet Date: None.

36. Information on Foreign Currency-denominated Assets and Liabilities of Significant Influence

The following summary is presented in foreign currencies other than the functional currency. The exchange rate disclosed in the summary refers to the exchange rate of a foreign currency to the functional currency. The significant impact on assets and liabilities recognized in foreign currencies is as follows:

Unit: Foreign currency/NT$ thousand

December 31, 2023

	Foreign currencies	Exchange Rate	Carrying amount
Foreign currency assets			
Monetary items			
USD	$ -	30.71 (USD:NTD)	$ 4
USD	115	7.0827 (USD:RMB)	812
Non-monetary items			
Associates accounted for using the equity method			
RMB	165,441	4.327 (RMB:NTD)	715,861
Foreign currency liabilities			
Monetary items			
USD	790	30.71(USD:NTD)	24,809
USD	760	7.0827(USD:RMB)	5,382

December 31, 2022

	Foreign currencies	Exchange Rate	Carrying amount
Foreign currency assets			
Monetary items			
USD	$ 2,619	6.9646(USD:RMB)	$ 18,242
USD	127	30.71(USD:NTD)	3,889
Non-monetary items			
Associates accounted for using the equity method			
RMB	155,644	4.4080 (RMB:NTD)	686,077
Foreign currency liabilities			
Monetary items			
USD	463	30.71(USD:NTD)	13,817
USD	674	6.9646(USD:RMB)	4,697

Realized and unrealized foreign exchange gains and losses that have significant impact on the Group are recognized in other gains and losses; please refer to Note XXV (II).

37. Supplementary Disclosures

a. Information on significant transactions:

1) Loans provided for others: None.
2) Endorsements/guarantees provided for others: Table 1.
3) Securities held at end of period (excluding investments in subsidiaries and associates): Table 2.
4) Accumulated purchase or sale of the same securities amounting to NT$300 million or 20% of paid in capital or more: Table 3.
5) Acquisition of property amounting to NT$300 million or 20% of paid in capital or more: None.
6) Disposal of property amounting to NT$300 million or 20% of paid-in capital or more: None.
7) Purchases or sales with related parties amounting to NT$100 million or 20% of paid-in capital or more: Table 4.
8) Receivables from related parties amounting to NT$100 million or 20% of paid-in capital or more: None.
9) Derivatives transactions: None.
10) Intercompany relationships and significant intercompany transactions: Table 5.

b. Information on invested companies: Table 6.

c. Information on investments in mainland China:

1) Information on any investee company in mainland China (name, main business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, investment income, carrying amount of investment at end

of period, repatriations of investment income, and limit on the amount of investment in mainland China): Table 7.

2) Major transactions with any investee company in mainland China directly or indirectly through a third region, and their prices, payment terms, unrealized gains (losses), and other information: Table 8.

d. Information on major shareholders (names of shareholders with a shareholding ratio of 5% or more as well as number and proportion of shares held): Table 9.

38. Segment Information

Information is provided for the chief business decision makers to allocate resources and to evaluate the performance of segments by company. The reportable segments of the Group are based in Taiwan and mainland China and mainly engage in the sales of office automation products, computer and communication equipment, and furniture.

The revenue and results of the Group's operations and segment assets are analyzed as follows:

	2023			
Item	Taiwan	Mainland China	Offset of Intersegment Revenue and Profit or Loss	Total
Revenue from external customers	$ 4,497,934	$ 7,035,398	$ -	$ 11,533,332
Intersegment revenue	123,118	56,062	(179,180)	-
Total revenue	$ 4,621,052	$ 7,091,460	($ 179,180)	$ 11,533,332
Segment profit or loss	$ 1,416,136	$ 489,303	($ 422,935)	$ 1,482,504
Segment assets	$ 14,158,877	$ 11,036,074	($ 7,255,436)	$ 17,939,515

	2022			
Item	Taiwan	Mainland China	Offset of Intersegment Revenue and Profit or Loss	Total
Revenue from external customers	$ 4,455,677	$ 8,120,648	$ -	$ 12,576,325
Intersegment revenue	163,831	62,494	(226,325)	-
Total revenue	$ 4,619,508	$ 8,183,142	($ 226,325)	$ 12,576,325
Segment profit or loss	$ 1,727,484	$ 786,131	($ 703,417)	$ 1,810,198
Segment assets	$ 14,505,062	$ 11,379,949	($ 7,621,088)	$ 18,263,923

Table 1

Aurora Corporation and Subsidiaries

Endorsement/Guarantee for Others

For the year ended December 31, 2023

(In Thousands of New Taiwan Dollars,unless stated otherwise)

No. (Note 1)	Name of endorser/guarantor	The endorsed party		Limits of endorsement and guarantee for a single enterprise (Note 3)	Maximum balance of endorsement and guarantee of current term	Balance of endorsement and guarantee at end of term	Actual utilized amount	Amount of endorsement/ guarantee secured by properties	Accumulated ratio of the amount of endorsement and guarantee in the net worth of financial statements of the most recent term (%)	Maximum limits of endorsement and guarantee (Note 3)	Endorsement and guarantee provided by the Company to the subsidiary (Note 4)	As a subsidiary's endorsements /guarantees toward its parent company (Note 4)	Endorsement and guarantee in Mainland China (Note 4)	Note
		Name of Company	Relationship (Note 2)											
1	Aurora (China) Co., Ltd.	Aurora (Jiangsu) Development Co., Ltd.	4	$6,114,770	$ 874,600	$ 874,600	$ 649,146	$1,093,350	12.06%	$ 6,114,770	N	N	Y	

Note 1. The No. column is described as follows:

(1) "0" for the issuer.

(2) Investees are numbered from 1 onwards.

Note 2. The relationships between the party providing endorsements/guarantees and the one receiving them are divided into the following 7 types. Simply indicate the type:

(1) Companies with current business.

(2) Companies that the Company directly and indirectly holds more than 50% of their shares with voting rights.

(3) Companies that directly and indirectly hold more than 50% of the shares of the Company with voting rights.

(4) Companies that the Company directly and indirectly holds at least 90% of their shares with voting rights.

(5) Counterparts required for undertaken projects or companies that are each other's guarantors as required in a contract as joint builders.

(6) Companies endorsed/guaranteed by all sponsoring shareholders because of the joint investment relationships according to their shareholding ratio.

(7) Counterparts that are each other's joint guarantors to ensure fulfillment of a sales contract for pre-sold housing according to the requirements of the Consumer Protection Act.

Note 3. The total amount of endorsement/guarantee specified in the "Endorsement and Guarantee Regulations" of the Company shall not exceed the net worth of the current term and that to a single enterprise shall be limited at NTD6,276,617 thousand.

Note 4. Y is provided only for endorsement and guarantee from a TWSE/TPEx parent company to a subsidiary, endorsement and guarantee from a subsidiary to a TWSE/TPEx parent company and endorsement and guarantee in Mainland China.

Table 2

Aurora Corporation and Subsidiaries

Securities Held at End of Period
December 31, 2023
(In Thousands of New Taiwan Dollars)

Securities Holding Company	Type and Name of Securities	Relationship with Issuer of Securities	Ledger Accounting Subject	Ending Balance				Remark
				Number of Shares (in Thousand Shares or Thousand Units)	Carrying amount	Shareholding (%)	Fair Value (Note 1)	
Aurora Office Automation Corporation	Stock							
	Aurora Corporation	The Company	Financial Assets at Fair Value through Other Comprehensive Income - Current	3,290	$ 250,070	1.39	$ 250,070	Notes 1 and 2
	Aurora Corporation	The Company	Financial assets at fair value through other comprehensive income - non-current	9,206	699,686	3.90	699,686	Notes 1 and 2
KM Developing Solutions Co., Ltd.	Fund							
	Hua Nan Kirin Money Market Fund	None	Financial assets at fair value through profit or loss - current	7,985	97,510	-	97,510	Note 1
Aurora (China) Co., Ltd.	Nanjing Bank - large certificates of deposits	None	Financial Assets at Amortized Cost - Current	-	2,068,127	-	2,068,127	
Aurora Office Automation Sales Co., Ltd. Shanghai	Bank of China - large certificates of deposits	None	Financial Assets at Amortized Cost - Current	-	237,286	-	237,286	
	Cathay United Bank - large certificates of deposits	None	Financial Assets at Amortized Cost - Current	-	269,194	-	269,194	
	Industrial Bank - large certificates of deposits	None	Financial Assets at Amortized Cost - Current	-	596,395	-	596,394	
Aurora Office Equipment Co., Ltd. Shanghai	Bank of China - large certificates of deposits	None	Financial Assets at Amortized Cost - Current	-	237,284	-	237,284	
	Minsheng Bank - large certificates of deposits	None	Financial Assets at Amortized Cost - Current	-	221,212	-	221,212	
	Industrial Bank - large certificates of deposits	None	Financial Assets at Amortized Cost - Current	-	131,603	-	131,603	
Aurora (Bermuda) Investment Ltd.	Taishin International Bank - time deposits	None	Financial Assets at Amortized Cost - Current	-	9,519	-	9,519	
Aurora Home Furniture Co., Ltd.	Industrial Bank - large certificates of deposits	None	Financial Assets at Amortized Cost - Current	-	87,735	-	87,735	

Note 1. Market prices of stocks with open market prices refer to the closing prices as of December 29, 2023. Market prices of open-end funds refer to the net asset value of the funds on the balance sheet date.

Note 2. The Company's shares held by subsidiaries are treated as treasury shares.

Note 3. For information on investments in subsidiaries, associates, and joint ventures, please refer to Tables 5 and 6.

Table 3

Aurora Corporation and Subsidiaries

Accumulated Purchase or Sale of the Same Securities Amounting to NT$300 Million or 20% of Paid-in Capital or More
For the Year Ended December 31, 2023
Unit: NT$ thousand or thousand shares (unless stated otherwise)

Company Name	Type and Name of Securities	Ledger Accounting Subject	Counterparty	Relationship	Transaction Currency	Beginning of Period		Reclassification		Purchase		Sale				Increase/Decrease		Ending Balance	
						Number of Shares (in Thousand Shares or Thousand Units)	Amount	Number of Shares (in Thousand Shares or Thousand Units)	Amount	Number of Shares (in Thousand Shares or Thousand Units)	Amount	Number of Shares (in Thousand Shares or Thousand Units)	Selling Price	Carrying Cost	Gains (Losses) on Disposal	Number of Shares (in Thousand Shares or Thousand Units)	Amount	Number of Shares	Amount
Aurora Office Automation Sales Co., Ltd. Shanghai	Income-contributing Fast Track	Financial assets at fair value through profit or loss - current	Industrial Bank	None	RMB	-	$ -	-	$ -	-	$ 160,000	-	$ 160,408	$ 160,000	$ 408	-	$ -	-	$ -
	Structured deposits	Financial assets at fair value through profit or loss - current	Industrial Bank	None	RMB						115,000	-	115,654	115,000	654	-	-	-	-
Aurora Office Equipment Co., Ltd. Shanghai	Increase profits every day for institutional funds	Financial assets at fair value through profit or loss - current	Industrial Bank	None	RMB	-	-	-	-	-	800,000	-	80,219	80,000	219	-	-	-	-
	Structured deposits	Financial assets at fair value through profit or loss - current	Minsheng Bank	None	RMB						170,000	-	171,021	170,000	1,021	-	-	-	-
Aurora (China) Co., Ltd.	Structured deposits	Financial assets at fair value through profit or loss - current	Bank Sinopac	None	RMB	-	-	-	-	-	190,000	-	190,753	190,000	753	-	-	-	-
	Timberland Express	Financial assets at fair value through profit or loss - current	Industrial Bank								150,000	-	150,460	150,000	460	-	-	-	-
	Increase profits every day for institutional funds	Financial assets at fair value through profit or loss - current	Minsheng Bank								75,000	-	75,150	75,000	150	-	-	-	-
Aurora Home Furniture Co., Ltd.	Structured deposits	Financial assets at fair value through profit or loss - current	Industrial Bank	None	RMB						75,000	-	75,469	750,000	469	-	-	-	-
Aurora (China) Investment Co., Ltd.	Structured deposits	Financial assets at fair value through profit or loss - current	Shanghai Pudong Development Bank	None	RMB	-	-	-	-	-	178,000	-	179,099	178,000	1,099	-	-	-	-
Aurora (Jiang Su) Enterprise Development Co., Ltd.	Structured deposits	Financial assets at fair value through profit or loss - current	Industrial Bank	None	RMB						138,000	-	138,813	138,000	813	-	-	-	-
	Timberland Express	Financial assets at fair value through profit or loss - current	Industrial Bank	None	RMB						113,000	-	113,566	113,000	566	-	-	-	-
	Golden Snow Ball Steady Profit Yueying No. 1	Financial assets at fair value through profit or loss - current	Industrial Bank	None	RMB	-	-	-	-	-	200,000	-	201,004	200,000	1,004	-	-	-	-

Table 4

Aurora Corporation and Subsidiaries

Purchases or Sales with Related Parties Amounting to NT$100 Million or 20% of Paid-in Capital or More
For the Year Ended December 31, 2023
(In Thousands of New Taiwan Dollars)

Company	Counterparty	Relationship	Transaction Situation				Unusual Transaction Terms and Reasons		Notes and Accounts Receivable (Payable)		Remark
			Purchases (Sales)	Amount	Percentage of Total Purchases (Sales) (%)	Credit Period	Unit price	Credit Period	Balance	Percentage of Notes and Accounts Receivable (Payable) (%) (Note)	
Aurora Corporation	Aurora Leasing Corporation	Huxen's subsidiary (associate)	Sales	($ 352,646)	(11%)	Due within 60 days	According to market conditions, no material difference	Due within 60 days	$ 55,773	22%	
Aurora Corporation	Aurora Interior Design Co., Ltd.	Other related party	Sales	(168,962)	(5%)	Due within 60 days	According to market conditions, no material difference	Due within 60 days	-	-	
Aurora Corporation	Aurora (China) Co., Ltd.	Subsidiary	Sales	(121,731)	(4%)	Due within 120 days	According to market conditions, no material difference	Due within 120 days	3,883	2%	
Aurora Office Automation Corporation	Aurora Leasing Corporation	Huxen's subsidiary (associate)	Sales	(220,360)	(26%)	Due within 60 days	According to market conditions, no material difference	Due within 60 days	35,991	33%	
Aurora Office Automation Sales Co., Ltd. Shanghai	Huxen (China) Co., Ltd.	Huxen's subsidiary (associate)	Sales	(749,996)	(11%)	Due within 120 days	According to market conditions, no material difference	Due within 120 days	-	-	
Aurora Office Equipment Co., Ltd. Shanghai	AURORA CORP OF AMERICA	Other related party	Sales	(595,510)	(8%)	Due within 120 days	According to market conditions, no material difference	Due within 120 days	38,917	6%	

Note: The above percentage is calculated as the ratio of the balance of notes and accounts receivable (payable) with related parties to the balance of total notes and accounts receivable (payable).

Table 5

Aurora Corporation and Subsidiaries

Intercompany Relationships and Significant Intercompany Transactions
For the Year Ended December 31, 2023
(In Thousands of New Taiwan Dollars)

No. (Note 1)	Company	Counterparty	Relationship (Note 2)	Description of Transactions			
				Accounting Subject	Amount (Note 3)	Transaction Terms (Note 4)	Percentage of Consolidated Total Revenue or Total Assets (%) (Note 5)
0	Aurora Corporation	Aurora Office Automation	1	Sales revenue	$ 16,922	—	-
			1	Other income	21,477	—	-
			1	Purchase of goods	88	—	-
			1	Operating expenses	622	—	-
			1	Other receivables	2,452	—	-
		Aurora Office Equipment, Shanghai	1	Purchase of goods	30,949	—	-
		Aurora (China)	1	Sales revenue	121,731	—	1
			1	Purchase of goods	21,224	—	-
			1	Accounts receivable	84	—	-
		Aurora Office Automation Sales, Shanghai	1	Sales revenue	1,387	—	-
		General Integration	1	Sales revenue	781	—	-
			1	Purchase of goods	21	—	-
			1	Accounts receivable	2	—	-
			1	Other receivables	105	—	-
			1	Accounts payable	3	—	-
		KM Developing	1	Purchase of goods	1,599	—	-
			1	Other receivables	210	—	-
		Ever Young Biodimension	1	Sales revenue	5	—	-
		Aurora Home Furniture	1	Purchase of goods	3,889	—	-
1	Aurora Office Automation	KM Developing	3	Sales revenue	2,019	—	-
			3	Purchase of goods	277	—	-
			3	Accounts receivable	469	—	-

(Continued on the next page)

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No. (Note 1)	Company	Counterparty	Relationship (Note 2)	Description of Transactions			
				Accounting Subject	Amount (Note 3)	Transaction Terms (Note 4)	Percentage of Consolidated Total Revenue or Total Assets (%) (Note 5)
2	General Integration	Ever Young Biodimension	3	Sales revenue	$ 1,992	—	-
			3	Accounts receivable	563	—	-
3	Aurora (China)	Aurora Home Furniture	3	Sales revenue	1,056	—	-
			3	Purchase of goods	452,313	—	4
			3	Accounts receivable	115	—	-
			3	Accounts payable	65,440	—	1
		Aurora Office Equipment, Shanghai	3	Purchase of goods	50,358	—	
			3	Operating expenses	24,085	—	-
			3	Other income	556	—	-
			3	Accounts payable	3,209	—	-
		Aurora (Shanghai) Electronic Commerce	3	Sales revenue	21,970	—	-
			3	Other income	50	—	-
			3	Accounts receivable	8,370	—	-
4	Aurora Office Automation Sales, Shanghai.	Aurora Cloud	3	Other income	663	—	-
			3	Operating expenses	9,100	—	-
			3	Accounts receivable	276	—	-
		Aurora Office Equipment, Shanghai	3	Operating expenses	4,514	—	-
			3	Accounts payable	706	—	-
5	Aurora Home Furniture	Aurora (Shanghai) Electronic Commerce	3	Sales revenue	5,564	—	-
			3	Accounts receivable	554	—	-
6	Aurora Office Equipment, Shanghai	Aurora Home Furniture	3	Other income	20,719	—	-
			3	Other receivables	582	—	-
		Aurora Cloud	3	Purchase of goods	1,384	—	-

Note 1. The information on business dealings between the parent company and subsidiaries should be numbered according to the following method:

1. For the parent company, fill in 0.
2. Subsidiaries are sorted in a numerical order starting from 1.

Note 2. Relationships with counterparties can be any one of the following three types:

1. The parent company to subsidiaries.
2. Subsidiaries to the parent company.
3. Subsidiaries to subsidiaries.

Note 3. When the Consolidated Financial Statements are prepared, the amounts have been offset in a consolidated manner.

Note 4. There is no material difference between the terms of the sales transactions between the parent company and subsidiaries and the normal sales of goods. The terms of other transactions are based on the agreement between both parties.

Note 5. The percentage is rounded to the nearest whole number.

Table 6

Aurora Corporation and Subsidiaries

Information on Investee Companies
For the Year Ended December 31, 2023
(In Thousands of New Taiwan Dollars)

Name of Investor	Name of Investee	Location	Main Business Activities	Initial Investment Amount: Ending Balance for the Current Period	Initial Investment Amount: Ending Balance for the Previous Period	Ending Balance: Number of Shares	Ending Balance: Shareholding (%)	Ending Balance: Carrying amount	Profit (Loss) of Investee for the Period	Investment Profit (Loss) Recognized	Distribution of Dividends by Investee: Stock Dividends	Distribution of Dividends by Investee: Cash dividends	Remark
Aurora Corporation	Aurora (Bermuda) Investment Ltd.	Bermuda	Investment holding	$ 2,177,439	$ 2,177,439	67,350	88.04	$7,251,552	$ 391,749	$ 355,879	$ -	$ 572,363	Subsidiary
	Aurora Office Automation Corporation	Taiwan	Import/export and wholesale of MFPs	2,091,992	2,091,992	82,278	91.13	1,041,842	266,852	190,301	-	255,061	Subsidiary
	General Integration Technology Co., Ltd.	Taiwan	Manufacturing of molds and machinery and wholesale of precision instruments	112,500	112,500	5,465	55.00	135,992	14,351	7,893	-	5,465	Subsidiary
	KM Developing Solutions Co., Ltd.	Taiwan	Wholesale and retail of information software, computers, and office equipment	70,000	70,000	7,000	70.00	117,092	40,446	28,312	-	23,100	Subsidiary
	Ever Young Biodimension Corporation	Taiwan	Wholesale of precision instruments	8,580	8,580	858	26.00	3,575	513	132	-	-	Subsidiary
	Huxen Corporation	Taiwan	Agency of MFPs and communications products	826,645	826,645	47,011	32.53	1,319,560	490,289	155,491	-	169,238	Investee accounted for using the equity method
	Aurora Development Corp.	Taiwan	Development of land and office buildings	140,000	140,000	32,498	46.67	472,883	61,209	28,243	-	26,973	Investee accounted for using the equity method
	Aurora Telecom Co., Ltd.	Taiwan	Sales of mobile phones and accessories and internet access	191,833	191,833	13,165	30.40	188,906	(18,204)	(5,534)	-	-	Investee accounted for using the equity method
Aurora Office Automation Corporation	Huxen Corporation	Taiwan	Agency of MFPs and communications products	359,451	359,451	11,170	7.73	510,053	490,289	37,899	-	40,212	Investee of Aurora Office Automation accounted for using the equity method
General Integration Technology Co., Ltd.	Ever Young Biodimension Corporation	Taiwan	Wholesale of precision instruments	8,250	8,250	825	25.00	3,440	513	127	-	-	Investee of General Integration accounted for using the equity method

Table 7

Aurora Corporation and Subsidiaries

Information on Investments in Mainland China
For the Year Ended December 31, 2023
Unit: NT$ thousand, US$ thousand, and RMB thousand unless specified otherwise

Investee Company	Main Business Activities	Paid-in Capital	Method of Investments	Accumulated Amount of Investments Remitted from Taiwan at Beginning of Period	Amount of Investments Remitted or Repatriated for the Period		Accumulated Amount of Investments Remitted from Taiwan at End of Period	Profit (Loss) of Investee for the Period	The Company's Direct or Indirect Ownership (%)	Investment Profit (Loss) Recognized (Note 2)	Carrying Amount of Investments at End of Period	Accumulated Investment Income Repatriated at End of Period
					Remitted	Repatriated						
Aurora (China) Investment Co., Ltd.	Investment holding	$ 2,569,980 (US$ 76,500)	Note 1 (2)	$ 2,177,439 (US$ 67,350)	$ -	$ -	$ 2,177,439 (US$ 67,350)	$ 391,193	88.04	$ 344,406 (Note 2) 2	$ 8,448,290	$ 477,436
Aurora Office Equipment Co., Ltd. Shanghai	Production and sales of MFPs	1,121,340 (US$ 33,000)	Note 1 (2)	Note 3	-	-	Note 3	23,997	88.04	21,127 (Note 2) 2	1,165,997	37,879
Aurora (China) Co., Ltd.	Manufacturing and sale of office furniture	1,007,266 (US$ 30,000)	Note 1 (2)	Note 3	-	-	Note 3	353,088	88.04	310,859 (Note 2) 2	5,287,685	297,776
Aurora Office Automation Sales Co., Ltd. Shanghai	Sales, lease, and agency of Aurora brand products	1,603,064 (RMB$ 350,000)	Note 1 (2)	Note 3	-	-	Note 3	180,700	88.04	159,089 (Note 2) 2	1,894,893	372,155
Aurora (Shanghai) Cloud Technology Co., Ltd.	Sale of printing and office equipment and furniture and consulting service	47,110 (RMB$ 10,000)	Note 1 (3)	Note 3	-	-	Note 3	10,826	88.04	9,531 (Note 2) 2	33,257	-
Huxen (China) Co., Ltd.	Sales, maintenance, and lease of printers	1,922,054 (RMB$ 400,000)	Note 1 (1)	583,044 (RMB$ 120,000)	-	-	583,044 (RMB$ 120,000)	66,914	27.34	20,074 (Note 2) 2	715,861	-
Chongqing Gonggangzhihui Additive Manufacturing Technology Research Institute Co., Ltd.	Sales, lease, and maintenance of 3D printers	114,700 (RMB$ 25,000)	Note 1 (3)	Note 3	-	-	Note 3	(13,155)	25.89	(2,631) (Note 2) 2	-	-
Aurora Home Furniture Co., Ltd.	Production and sales of furniture	243,020 (RMB$ 50,000)	Note 1 (3)	Note 3	-	-	Note 3	39,550	88.04	34,820 (Note 2) 2	272,891	238,480
Aurora Machinery Equipment (Shanghai) Co., Ltd.	Wholesale of mechanical and electronic equipment, internet communication equipment, and computer software and hardware	112,549 (RMB$ 25,000)	Note 1 (1)	112,549 (RMB$ 25,000)	-	-	112,549 (RMB$ 25,000)	53	86.50	37 (Note 2) 2	24,402	-
Aurora (Jiang Su) Enterprise Development Co., Ltd.	Reinvestment and property lease	1,322,900 (RMB$ 300,000)	Note 1 (2)	Note 3	-	-	Note 3	4,719	88.04	4,154 (Note 2) 2	1,320,133	4,453
Aurora (Shanghai) Electronic Commerce Co., Ltd.	Sales on e-commerce platforms	43,250 (RMB$ 10,000)	Note 1 (2)	Note 3	-	-	Note 3	(4,587)	61.63	(2,827) (Note 2) 2	(20,778)	-

Accumulated Amount of Investments Remitted from Taiwan to Mainland China at End of Period (Note 4)	Amount of Investments Authorized by Investment Commission, M.O.E.A. (Note 4)	Ceiling on Amount of Investments Stipulated by Investment Commission, M.O.E.A. (Note 5)
$2,837,032 (US$ 67,350 、RMB$ 145,000)	$2,881,734 (US$ 67,350 、RMB$ 145,000)	$5,224,858

Note 1. Methods of investments are divided into the following three types. Specify the type.

1. Direct investment in mainland China.
2. Investment in mainland China through Aurora (Bermuda) Investment Ltd.
3. Others.

Note 2. Investment profit (loss) recognized for the period:

1. Indicate if no investment profit (loss) is recognized as an investee is under preparation.
2. Indicate if investment profit (loss) is recognized on the following basis:
   (1) Financial statements audited by international accounting firms cooperating with accounting firms in the Republic of China.
   (2) Financial statements audited by the parent company's CPAs in Taiwan.
   (3) Others.

Note 3. The Company invested in Aurora (China) Investment Co., Ltd. directly through Aurora (Bermuda) Investment Ltd. (with 88.04% equity held by the Company) established in Bermuda. Aurora (China) Investment Co., Ltd. then invested in Aurora (Jiang Su) Enterprise Development Co., Ltd., Aurora Office Equipment Co., Ltd. Shanghai, and Aurora (China) Co., Ltd. Then, Aurora (China) Co., Ltd. invested in Aurora Office Automation Sales Co., Ltd. Shanghai, Aurora Home Furniture Co., Ltd., Aurora (Shanghai) Cloud Technology Co., Ltd., and Aurora (Shanghai) Electronic Commerce Co., Ltd. Then, Aurora Office Automation Sales Co., Ltd. Shanghai invested in Chongqing Gonggangzhihui Additive Manufacturing Technology Research Institute Co., Ltd.

Note 4. Based on the prevailing exchange rate approved by the Investment Commission, Ministry of Economic Affairs, the accumulated amount of investments remitted from Taiwan to mainland China in the foreign currency at the end of the period did not exceed the amount of investments in the foreign currency approved by the Investment Commission.

Note 5. The net worth of the Group as of December 31, 2023 was NT$8,708,097 thousand. In accordance with the "Directions Governing the Examination of Investment or Technical Cooperation in Mainland China," the cap amount should be NT$5,224,858 thousand (NT$8,708,097 thousand x 60%).

Table 8

Aurora Corporation and Subsidiaries

Major Transactions with Any Investee Company in mainland China Directly or Indirectly through a Third Region, and Their Prices, Payment terms, Unrealized Gains (Losses), and Other Information
For the Year Ended December 31, 2023
(In Thousands of New Taiwan Dollars)

Investee Company	Relationship with the Company	Type of Transaction	Amount	Transaction Term			Notes and Accounts Receivable (Payable)		Unrealized gains (losses)	Remark
				Price	Payment Terms	Difference with General Transactions	Balance	Percentage (%) (Note)		
Aurora Office Automation Sales Co., Ltd. Shanghai	The Company's sub-subsidiary	Sales	($ 888,274)	According to market conditions	Due within 120 days	No material difference	$ -	-	$ -	
Aurora Office Equipment Co., Ltd. Shanghai	The Company's sub-subsidiary	Sales	(1,068,759)	According to market conditions	Due within 120 days	No material difference	55,330	72%	-	
Aurora (China) Co., Ltd.	The Company's sub-subsidiary	Purchase of goods	121,731	According to market conditions	Due within 120 days	No material difference	(3,883)	- -	-	

Note: The above percentage is calculated as the ratio of the balance of notes and accounts receivable (payable) with related parties to the balance of total notes and accounts receivable (payable).

<u>Table 9</u>

Aurora Corporation and Subsidiaries

Information on Major Shareholders
December 31, 2023

Name of Major Shareholders	Shareholding	
	Shares	Percentage of Ownership (%)
Aurora Holdings Incorporated	101,856,312	43.12%
Chen Yung-Tai	21,834,000	9.24%
Aurora Leasing Corporation	20,791,276	8.80%
Nisheng Investment Co., Ltd.	12,514,797	5.29%
Aurora Office Automation Corporation	12,496,797	5.29%

Note 1. The major shareholders in this table are shareholders holding more than 5% of the common and preferred shares that have completed delivery without physical registration (including treasury shares) on the last business day of each quarter calculated by the Taiwan Depository & Clearing Corporation. Share capital indicated in the Company's financial statements may differ from the actual number of shares that have been issued and delivered without physical registration as a result of different basis of preparation.

Note 2. If a shareholder delivers its shareholdings to the trust, the aforesaid information shall be disclosed by the individual trustee who opened the trust account. Please refer to MOPS for information on shareholders who declare themselves to be insiders holding more than 10% of shares in accordance with the Securities and Exchange Act, and their shareholdings including their shareholdings plus their delivery of trust and shares with the right to make decisions on trust property.