

## **Info-Tek Corporation and Subsidiaries**

Consolidated Financial Statements for the Three-Month  
Period Ended March 31, 2024 and 2023 and Independent  
Auditors' Review Report

(Translation)

*This document is prepared in accordance with the Chinese version and is for reference only. In the event of any inconsistency between the English version and the Chinese version, the Chinese version shall prevail.*

# **INDEPENDENT AUDITORS' REVIEW REPORT**

The Board of Directors and Shareholders  
Info-Tek Corporation

## **Introduction**

We have reviewed the accompanying consolidated balance sheets of Info-Tek Corporation (the Company) and its subsidiaries (collectively, the "Group"), as of March 31, 2024 and 2023, the related consolidated statements of comprehensive income, the consolidated statements of changes in equity and cash flows for the three-month period then ended, and the related notes to the consolidated financial statements, including a summary of significant accounting policies "(collectively referred to as the "consolidated financial statements")". Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34 "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

## **Scope of Review**

We conducted our reviews in accordance with Standards on Review Engagements of the Republic of China 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

## **Conclusion**

Base on our reviews, nothing has come to our attention that caused us to believe that the accompanying consolidated financial statements do not give a true and fair view of (or "do not present fairly, in all material respects,") the consolidated financial position of the Group as of March 31, 2024 and 2023, and of its consolidated financial performance and its consolidated cash flows for the three-month period then ended March 31, 2024 and 2023 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34 "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

The engagement partners on the reviews resulting in this independent auditors' report are Chun-Ming Hsueh and Sheng-Hsiung Yao.

Deloitte & Touche  
Taipei, Taiwan  
Republic of China

**April 23, 2023**

### **Notice to Readers**

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

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

# INFO-TEK CORPORATION AND SUBSIDIARIES

## CONSOLIDATED BALANCE SHEETS (In Thousands of New Taiwan Dollars)

	March 31, 2024 (Reviewed)		December 31, 2023 (Audited)		March 31, 2023 (Reviewed)	
	Amount	%	Amount	%	Amount	%
<b>ASSETS</b>						
<b>CURRENT ASSETS</b>						
Cash and cash equivalents (Note 6)	\$ 293,566	5	\$ 211,804	3	\$ 404,249	6
Financial assets at fair value through profit or loss (Notes 7 and 30)	2,124	-	1,413	-	748	-
Financial Assets Measured at Fair Value through Other Comprehensive Income - current (Notes 8 and 30)	160,633	2	159,426	3	88,245	1
Financial Assets at amortized cost-current (Note 9)	196,960	3	104,397	2	-	-
Notes receivable (Note 10)	1,330,216	21	997,567	16	895,743	14
Trade receivables (Note 10)	1,908,987	30	2,494,964	39	2,422,221	38
Trade receivables from related parties (Note 31)	8,550	-	19,604	-	29,731	1
Other receivables	13,954	-	13,928	-	23,748	-
Other receivables from related parties (Note 31)	-	-	76	-	5	-
Current Tax Assets	-	-	-	-	11,804	-
Inventories (Note 11)	830,217	13	771,084	12	857,071	13
Other current assets (Note 17)	280,082	4	188,251	3	305,259	5
Total current assets	5,025,289	78	4,962,514	78	5,038,824	78
<b>NON-CURRENT ASSETS</b>						
Investments accounted for using the equity method (Note 13)	2,402	-	2,447	-	-	-
Property, plant and equipment (Notes 14 and 31)	1,069,431	16	1,078,775	17	1,089,916	17
Right-of-use assets (Note 15)	111,688	2	122,359	2	161,761	2
Intangible assets (Note 16)	4,223	-	4,660	-	5,792	-
Deferred tax assets	43,015	1	54,305	1	39,450	1
Refundable deposits	2,901	-	2,743	-	7,985	-
Other non-current assets (Note 17)	178,049	3	161,668	2	107,615	2
Total non-current assets	1,411,709	22	1,426,957	22	1,412,519	22
<b>TOTAL ASSETS</b>	<b>\$ 6,436,998</b>	<b>100</b>	<b>\$ 6,389,471</b>	<b>100</b>	<b>\$ 6,451,343</b>	<b>100</b>
<b>LIABILITIES AND EQUITY</b>						
<b>CURRENT LIABILITIES</b>						
Short-term borrowings (Note 18)	\$ 418,160	7	\$ 300,000	5	\$ 398,620	6
Notes payable (Note 19)	627,210	10	464,147	7	832,732	13
Trade payables (Note 19)	1,006,464	16	1,256,826	20	1,066,435	17
Trade payables to related parties (Note 31)	10,826	-	9,263	-	9,634	-
Other payables (Note 20)	414,144	6	446,682	7	395,709	6
Other payables to related parties (Note 31)	5,937	-	6,087	-	5,837	-
Current tax liabilities	55,635	1	72,405	1	45,034	1
Lease liabilities – current (Notes 15 and 31)	64,390	1	62,734	1	74,212	1
Current portion of long-term borrowings (Note 18)	88,160	1	85,675	1	886	-
Other current liabilities (Note 20)	183,367	3	193,598	3	119,083	2
Total current liabilities	2,874,293	45	2,897,417	45	2,948,182	46
<b>NON-CURRENT LIABILITIES</b>						
Long-term borrowings (Note 18)	-	-	-	-	87,291	1
Deferred tax liabilities	105,867	2	96,218	2	100,399	2
Lease liabilities –non- current (Notes 15 and 31)	12,973	-	29,057	-	51,805	1
Net defined benefit liabilities	7,898	-	9,642	-	9,817	-
Guarantee deposits received	28,049	-	29,530	1	83,094	1
Other liabilities	-	-	12,428	-	12,726	-
Total non-current liabilities	154,787	2	176,875	3	345,132	5
<b>Total liabilities</b>	<b>3,029,080</b>	<b>47</b>	<b>3,074,292</b>	<b>48</b>	<b>3,293,314</b>	<b>51</b>
Share capital	1,212,511	19	1,212,511	19	1,212,511	19
Capital surplus						
Additional paid-in capital	179,924	3	179,924	3	179,924	3
Treasury share transactions	44,199	1	44,199	1	44,199	1
Employee stock option	7,646	-	7,646	-	7,646	-
Other capital reserve	85	-	85	-	85	-
Total capital surplus	231,854	4	231,854	4	231,854	4
Retained earnings						
Legal reserve	198,196	3	198,196	3	130,650	2
Special reserve	106,006	2	106,006	2	106,006	1
Unappropriated earnings	1,728,184	27	1,673,378	26	1,538,358	24
Total retained earnings	2,032,386	32	1,977,580	31	1,775,014	27
Other equity	( 34,728 )	( 1 )	( 72,661 )	( 1 )	( 27,245 )	-
Treasury shares	( 34,105 )	( 1 )	( 34,105 )	( 1 )	( 34,105 )	( 1 )
<b>Total equity</b>	<b>3,407,918</b>	<b>53</b>	<b>3,315,179</b>	<b>52</b>	<b>3,158,029</b>	<b>49</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$ 6,436,998</b>	<b>100</b>	<b>\$ 6,389,471</b>	<b>100</b>	<b>\$ 6,451,343</b>	<b>100</b>

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

# INFO-TEK CORPORATION AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Three-Month Period Ended March 31			
	2024		2023	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 23 and 31)	\$ 1,309,553	100	\$ 1,500,607	100
COST OF GOODS SOLD (Notes 11, 24 and 31)	<u>1,115,375</u>	<u>85</u>	<u>1,192,004</u>	<u>79</u>
GROSS PROFIT	<u>194,178</u>	<u>15</u>	<u>308,603</u>	<u>21</u>
OPERATING EXPENSES (Notes 24 and 31)				
Selling and marketing expenses	15,953	1	13,884	1
General and administrative expenses	47,109	4	89,038	6
Research and development expenses	56,316	4	54,848	4
Expected credit loss (reversal gain) (Note 10)	<u>7,421</u>	<u>1</u>	<u>( 457)</u>	<u>-</u>
Total operating expenses	<u>126,799</u>	<u>10</u>	<u>157,313</u>	<u>11</u>
PROFIT FROM OPERATIONS	<u>67,379</u>	<u>5</u>	<u>151,290</u>	<u>10</u>
NON-OPERATING INCOME AND EXPENSES(Note 24 )				
Interest income	4,520	-	3,269	-
Other income	13,632	1	773	-
Other gains and losses	12,605	1	4,059	1
associates accounted for using the equity method	<u>( 45)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Finance costs(Note 31 )	<u>( 12,518)</u>	<u>( 1)</u>	<u>( 13,696)</u>	<u>( 1)</u>
Total non-operating income and expenses	<u>18,194</u>	<u>1</u>	<u>( 5,595)</u>	<u>-</u>
PROFIT BEFORE INCOME TAX FROM CONTINUING OPERATIONS	85,573	6	145,695	10
INCOME TAX EXPENSE (Note 25)	<u>30,767</u>	<u>2</u>	<u>34,529</u>	<u>3</u>

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# INFO-TEK CORPORATION AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

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

	For the Three-Month Period Ended March 31			
	2024		2023	
	Amount	%	Amount	%
NET PROFIT	<u>54,806</u>	<u>4</u>	<u>111,166</u>	<u>7</u>
OTHER COMPREHENSIVE INCOME (LOSS)				
Items that will not be reclassified subsequently to profit or loss:				
Unrealized loss on investments in equity instruments at fair value through other comprehensive income	( 4,087)	-	5,523	-
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating the financial statements of foreign operations	<u>42,020</u>	<u>3</u>	<u>10,141</u>	<u>1</u>
Other comprehensive income(loss) for the period, net of income tax	<u>37,933</u>	<u>3</u>	<u>15,664</u>	<u>1</u>
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u>\$ 92,739</u>	<u>7</u>	<u>\$ 126,830</u>	<u>8</u>
EARNINGS PER SHARE (Note 26)				
Basic	<u>\$ 0.45</u>		<u>\$ 0.93</u>	
Diluted	<u>\$ 0.45</u>		<u>\$ 0.92</u>	

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

**INFO-TEK CORPORATION AND SUBSIDIARIES**
**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**  
(In Thousands of New Taiwan Dollars)

	Share Capital	Capital Surplus	Retained Earnings			Other equity(Note 22)			Treasury shares	Total
	(Note 22)	(Note 22)	Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translating the Financial Statements of Foreign Operations	Unrealized gain(loss) on financial assets measured at fair value through other comprehensive income	Remeasurement of defined benefit obligation		
BALANCE AT JANUARY 1, 2023	\$ 1,212,511	\$ 191,691	\$ 130,650	\$ 106,006	\$ 1,427,192	( \$ 74,056 )	\$ 23,796	\$ 7,351	( \$ 49,996 )	\$ 2,975,145
Net profit for the three-month period ended March 31, 2023	-	-	-	-	111,166	-	-	-	-	111,166
Other comprehensive income (loss) for the three-month period ended March 31, 2023	-	-	-	-	-	10,141	5,523	-	-	15,664
Total comprehensive income (loss) for the three-month period ended March 31, 2023	-	-	-	-	111,166	10,141	5,523	-	-	126,830
Treasury stock transferred to employees	-	40,163	-	-	-	-	-	-	15,891	56,054
BALANCE, AT MARCH 31, 2023	<u>\$ 1,212,511</u>	<u>\$ 231,854</u>	<u>\$ 130,650</u>	<u>\$ 106,006</u>	<u>\$ 1,538,358</u>	<u>( \$ 63,915 )</u>	<u>\$ 29,319</u>	<u>\$ 7,351</u>	<u>( \$ 34,105 )</u>	<u>\$ 3,158,029</u>
BALANCE AT JANUARY 1, 2024	\$ 1,212,511	\$ 231,854	\$ 198,196	\$ 106,006	\$ 1,673,378	( \$ 117,258 )	\$ 37,165	\$ 7,432	( \$ 34,105 )	\$ 3,315,179
Net profit for the three-month period ended March 31, 2024	-	-	-	-	54,806	-	-	-	-	54,806
Other comprehensive income (loss) for the three-month period ended March 31, 2024	-	-	-	-	-	42,020	( 4,087 )	-	-	37,933
otal comprehensive income (loss) for the three-month period ended March 31, 2024	-	-	-	-	54,806	42,020	( 4,087 )	-	-	92,739
BALANCE, AT MARCH 31, 2024	<u>\$ 1,212,511</u>	<u>\$ 231,854</u>	<u>\$ 198,196</u>	<u>\$ 106,006</u>	<u>\$ 1,728,184</u>	<u>( \$ 75,238 )</u>	<u>\$ 33,078</u>	<u>\$ 7,432</u>	<u>( \$ 34,105 )</u>	<u>\$ 3,407,918</u>

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

# INFO-TEK CORPORATION AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF CASH FLOWS (In Thousands of New Taiwan Dollars)

	For the Three-Month Period Ended March 31	
	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax from continuing operations	\$ 85,573	\$ 145,695
Adjustments for:		
Expected credit loss (reversal gain) of trade receivables	7,421	( 457)
Depreciation expense	67,623	68,543
Amortization expense	517	670
Net gain from changes of financial assets at fair value through profit or loss	( 29)	( 191)
Interest expense	12,518	13,696
Interest income	( 4,520)	( 3,269)
Treasury stock transferred to employees cost	-	40,201
Share of profit of associates	45	-
Write-downs of inventories	905	11,355
(Gain) loss on disposal of property, plant and equipment	706	-
Net gain on foreign currency exchange	( 372)	( 926)
Changes in operating assets and liabilities		
Notes receivable	( 332,649)	( 173,317)
Trade receivables	573,971	296,825
Trade receivables from related parties	11,131	4,833
Other receivables	( 629)	( 803)
Other receivables from related parties	76	193
Inventories	( 60,911)	( 78,284)
Other current assets	( 91,694)	( 50,292)
Non-current assets	7,348	1,157
Notes payable	163,063	83,121
Trade payables	( 252,269)	( 102,551)
Trade payables to related parties	1,523	913
Other payables	( 3,711)	( 96,901)
Other payables to related parties	( 150)	( 678)
Other current liabilities	( 10,361)	7,490
Net defined benefit liabilities	( 1,744)	( 75)
Non-current liabilities	( 12,428)	66

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# INFO-TEK CORPORATION AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF CASH FLOWS (In Thousands of New Taiwan Dollars)

	For the Three-Month Period Ended March 31	
	2024	2023
Cash generated from operations	\$ 160,953	\$ 167,014
Interest paid	( 5,057)	( 3,724)
Income tax paid	( 37,285)	( 41,241)
Net cash generated from operating activities	<u>118,611</u>	<u>122,049</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of financial assets at fair value through other comprehensive income	-	( 57,717)
Purchase of financial assets at amortized cost	( 92,563)	-
Purchase of financial assets at fair value through profit or loss	( 599)	( 57,840)
Proceeds from sale of financial assets at fair value through profit or loss	-	57,291
Purchase of property, plant and equipment	( 82,224)	( 26,628)
Increase in refundable deposits	( 158)	-
Decrease in refundable deposits	-	343
Payments for intangible assets	-	( 329)
Interest received	<u>5,123</u>	<u>2,882</u>
Net cash used in investing activities	<u>( 170,421)</u>	<u>( 81,998)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Increase (decrease) in short-term borrowings	118,160	( 117,710)
Proceeds from long-term borrowings	2,485	-
Repayments of long-term borrowings	-	( 443)
Decrease in guarantee deposits received	( 1,481)	( 15,038)
Repayment of the principal of lease liabilities	( 16,564)	( 19,178)
Employees purchase treasury stock	<u>-</u>	<u>15,853</u>
Net cash flows used in financing activities	<u>102,600</u>	<u>( 136,516)</u>
<b>EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES</b>	<u>30,972</u>	<u>12,384</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	81,762	( 84,081)
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>	<u>211,804</u>	<u>488,330</u>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<u>\$ 293,566</u>	<u>\$ 404,249</u>

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

## INFO-TEK CORPORATION AND SUBSIDIARIES

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE-MONTH PERIOD MARCH 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

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#### 1. GENERAL INFORMATION

Info-Tek Corporation (the "Company") was incorporated in the Republic of China (ROC) in December, 1990. The Company started its business in April 1991 and is mainly engaged in the manufacture, assembly and processing, sales and distribution of information electronic products.

The company's shares were officially traded on the Taipei Exchange in March 2005.

The consolidated financial statements are presented in the Company's functional currency, the New Taiwan dollars.

#### 2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were approved by the Company's board of directors on April 23, 2024.

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

- (1) Initial application of the amendments to the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) (collectively, "IFRSs") did not have a significant effect on the company accounting policies.

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

- (2) New IFRSs in issue but not yet endorsed and issued into effect by the FSC

New IFRSs	Effective Date Issued by IASB(Note 1)
Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between An Investor and Its Associate or Joint Venture"	To be determined by IASB
IFRS 17 "Insurance Contracts"	January 1, 2023
Amendments to IFRS 17	January 1, 2023
Amendments to IFRS 17 "Initial Application of IFRS 9 and IFRS 17 -Comparative Information"	January 1, 2023
IFRS 18 "Presentation and Disclosure in Financial Statements"	January 1, 2027
Amendments to IAS 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 to annual reporting periods beginning on or after January 1, 2025. Upon initial application of the amendment, prior periods shall not be restated. Instead, the impact shall be recognized in retained earnings or the foreign operation's exchange differences under equity, as applicable, as of the initial application date, as well as in the affected related assets and liabilities.

a. Amendments to IAS 21 "Lack of Exchangeability"

The amendment stipulates that a currency is convertible when an enterprise is able to exchange one currency for another currency through an exchange transaction with enforceable rights and obligations established through the market or exchange mechanism within the time frame of normal administrative delays. When currencies are not convertible on the measurement date, the combined company should estimate spot exchange rates to reflect the exchange rates that would be used by market participants to conduct orderly transactions on the measurement date, taking into account prevailing economic conditions. In such cases, the Group should also disclose information that enables users of financial statements to assess how the lack of currency convertibility has affected or is expected to affect its results of operations, financial position and cash flows.

b. IFRS 18 "Presentation and Disclosure in Financial Statements"

IFRS 18 will replace IAS 1 "Presentation of Financial Statements." The main changes in the standard include:

- The income statement should categorize income and expenses into operating, investing, financing, income tax, and discontinued operations.
- The income statement should report subtotals and totals for operating profit or loss, profit or loss before financing and income tax, and profit or loss.
- Providing guidance to enhance aggregation and disaggregation requirements: the Group must identify assets, liabilities, equity, income, expenses, and cash flows from individual transactions or other events and classify and aggregate them based on shared characteristics. This ensures that each line item reported in the primary financial statements has at least one similar characteristic. Items with differing characteristics should be disaggregated in the primary financial statements and notes. The Group should only label such items as "other" when a more informative name cannot be found.
- Increasing disclosure of management-defined performance measures: When the Group communicate publicly outside the financial statements or discuss management's view of a specific aspect of the company's overall financial performance with users of the financial statements, they should disclose information about management-defined performance measures in a single note to the financial statements. This includes a description of the measure, how it is calculated, a reconciliation to the nearest subtotal or total specified by IFRS accounting standards, and the impact of related reconciling items on income tax and non-controlling interests.

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

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(1) Statement of compliance

This interim consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial

Reports by Securities Issuers and IAS 34 “Interim Financial Reporting” as endorsed and issued into effect by the FSC. Disclosure information included in these interim consolidated financial statements is less than the disclosure information required in a complete set of annual consolidated financial statements.

(2) Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis except for financial instruments that are measured and net defined benefit liabilities which are measured at the present value of the defined benefit obligation less the fair value of plan assets.

The fair value is grouped into Levels 1 to 3 based on the measurable and observable degree of its input:

- a. Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- b. Level 2: Other than those quoted prices of Level 1, the input of fair value at level 2 is from a price of assets or liabilities which can be observed directly or derived indirectly.
- c. Level 3: The input of fair value at level 3 is unobservable from assets or liabilities.

(3) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and the entities controlled by the Company (its subsidiaries). Income and expenses of subsidiaries acquired or disposed of during the period are included in the consolidated statement of comprehensive income from the effective dates of acquisitions up to the effective dates of disposals, as appropriate. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the Company. All intra-group transactions, balances, income and expenses are eliminated in full upon consolidation. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if the comprehensive income of the non-controlling interests having a deficit balance.

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

See Note 12 and attached Tables 3 for detailed information on subsidiaries (including percentages of ownership and main businesses).

(4) Other significant accounting policies

Except for the following description, please refer to the consolidated financial statements for the year ended December 31, 2023 for other significant accounting policies.

Classification of current and non-current assets and liabilities

Current assets include:

- a. Assets held primarily for the purpose of trading;
- b. Assets expected to be realized within 12 months after the reporting period; and
- c. Cash and cash equivalents unless the assets are restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

Current liabilities include:

- a. Liabilities held primarily for the purpose of trading;
- b. Liabilities due to be settled within 12 months after the reporting period (Even if long-term refinancing or a rescheduling of payments has been completed after the balance sheet date but before the financial statements are authorized for issue, the liability is still classified as current.); and
- c. Liabilities for which the Group does not have an unconditional right to defer settlement for at least 12 months after the reporting period.

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

#### Retirement benefits

The pension cost for the interim period is based on the pension cost rate determined by actuarial calculation at the end of the previous year, calculated on the basis from the beginning of the year to the end of the current period, and for major market fluctuations in the current period, as well as major plan revisions, liquidations or other major One-time items are adjusted.

#### Taxation

Income tax expense represents the sum of the current tax expenses and deferred tax. The income taxes of an interim period are assessed using a tax rate, which is applicable for the Company's annual earnings, applied to the Company's pre-tax income of the interim period.

### 5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION AND UNCERTAINTY

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

When developing significant accounting estimates, consolidated companies will consider potential impacts on estimates related to cash flow projections, growth rates, discount rates, profitability, and other relevant significant estimates. Management will continually review these estimates and the underlying assumptions.

### 6. CASH AND CASH EQUIVALENTS

	March 31, 2024	December 31, 2023	March 31, 2023
Cash on hand	\$ 204	\$ 203	\$ 359
Checking accounts and demand deposits	<u>293,362</u>	<u>211,601</u>	<u>403,890</u>
	<u>\$ 293,566</u>	<u>\$ 211,804</u>	<u>\$ 404,249</u>

The interest rate ranges for bank deposits as of the balance sheet date were as follows :

	March 31, 2024	December 31, 2023	March 31, 2023
Time deposits	-	-	4.65%-5.2%

Some of the deposits were transferred to "Other current assets" because they were provided as margin for opening bankers' acceptances, and the amounts were as follows

	March 31, 2024	December 31, 2023	March 31, 2023
Banker's Acceptance	<u>\$ 126,106</u>	<u>\$ 93,449</u>	<u>\$ 180,852</u>

#### 7. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	March 31, 2024	December 31, 2023	March 31, 2023
<u>Financial assets-current</u> designation as at fair value through profit or loss			
Mutual funds	<u>\$ 2,124</u>	<u>\$ 1,413</u>	<u>\$ 748</u>

#### 8. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	March 31, 2024	December 31, 2023	March 31, 2023
<u>Current</u>			
Investments in equity instrument	\$ 35,767	\$ 38,932	\$ 30,608
Investments in debt instrument	<u>124,866</u>	<u>120,494</u>	<u>57,637</u>
	<u>\$ 160,633</u>	<u>\$ 159,426</u>	<u>\$ 88,245</u>

##### (1) Investments in equity instrument

	March 31, 2024	December 31, 2023	March 31, 2023
<u>Current</u>			
Domestic investments			
Listed stocks	<u>\$ 35,767</u>	<u>\$ 38,932</u>	<u>\$ 30,608</u>

The Group invests for medium- and long-term strategic purposes and expects to earn profits from its long-term investments. The management of the Group

believes that if the short-term fluctuations on fair value of these investments are included in profit or loss, it will be inconsistent with the Group's aforementioned medium and long-term investment strategy, and therefore, the management chooses to designate these investments as measured at fair value through other comprehensive profit or loss.

(2) Investments in debt instrument

	March 31, 2024	December 31, 2023	March 31, 2023
<u>Current</u>			
Foreign investments			
Standard Chartered Bank Bonds	\$ 25,416	\$ 24,405	\$ 24,422
BPCE SA Bonds	35,810	34,323	33,215
APPLE INC. Bonds	32,405	31,598	-
U.S. TREASURY NOTE	31,235	30,168	-
	<u>\$ 124,866</u>	<u>\$ 120,494</u>	<u>\$ 57,637</u>

The Group purchased two-year, ten-year and five-year corporate bonds issued by Standard Chartered Bank, BPCE SA and APPLE Inc. and three-year U.S. Treasury Note in February, March and July 2023. The corporate bonds's coupon rates were 4.8%, 3.25% and 4% respectively, and the effective interest rates were 5.10%, 5.22% and 4.07% respectively. U.S. Treasury Note's coupon rates was 3.875%, and the effective interest rates was 4.23%.

9. FINANCIAL ASSETS AT AMORTIZED COST

	March 31, 2024	December 31, 2023	March 31, 2023
<u>Current</u>			
Time deposits with original	<u>\$ 196,960</u>	<u>\$ 104,397</u>	<u>\$ -</u>

The range of market interest rates for time deposits with original maturities of more than 3 months is as follows:

	March 31, 2024	December 31, 2023	March 31, 2023
Time deposits with original maturities of more than 3 months	3.10%~5.88%	5.78%~5.88%	-

10. NOTES RECEIVABLE, TRADE RECEIVABLES AND OTHER RECEIVABLES

March 31,	December 31,	March 31,
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	<u>2024</u>	<u>2023</u>	<u>2023</u>
<u>Notes receivable</u>			
At amortized cost	\$ <u>1,330,216</u>	\$ <u>997,567</u>	\$ <u>895,743</u>

As of March 31, 2024, December 31, 2023 and March 31, 2023, the notes receivable were assessed to be free of doubtful accounts and therefore no allowance for doubtful accounts was provided.

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
<u>Trade receivables</u>			
At amortized cost			
Gross carrying amount	\$ 1,916,727	\$ 2,495,231	\$ 2,422,682
Less: Allowance for impairment loss	( <u>7,740</u> )	( <u>267</u> )	( <u>461</u> )
	\$ <u>1,908,987</u>	\$ <u>2,494,964</u>	\$ <u>2,422,221</u>
<u>Other receivables</u>			
Gross carrying amount	\$ <u>13,954</u>	\$ <u>13,928</u>	\$ <u>23,748</u>

(1) Notes receivable and trade receivables

The average credit period of sales was 60 to 150 days. No interest was charged on trade receivables.

The Group adopted a policy of new customers' credit rating and, when necessarily, obtained sufficient collateral to mitigate the risk of financial loss from defaults. Credit rating information is obtained from independent rating agencies where available or, if not available, the Group uses other publicly available financial information or its own trading records to rate its major customers. The Group continuously monitored the credit ratings of its customers and its credit exposure. To control the credit exposure, the Group will decide a transaction limit for customers.

In order to minimize credit risk, the management of the Group has delegated a team responsible for determining credit limits, credit approvals and other monitoring procedures to ensure that action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade receivable at the end of the year to ensure that adequate allowance is made for possible irrecoverable amounts. In this regard, the management believes the Group's credit risk was significantly reduced.

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



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

Aging analysis of trade receivables and allowance for impairment loss were as follows:

### March 31, 2024

	Not Past Due	1 to 30 Days	31 to 60 Days	61 to 90 Days	91 to 180 Days	181 to 360 Days	Over 360 Days	Total
Expected credit loss percentage	0%	1%	5%	10%	25%	50%	100%	-
Gross carrying amount	\$ 1,790,725	\$ 10,344	\$ 82,210	\$ 32,241	\$ 1,207	\$ -	\$ -	\$ 1,916,727
Loss allowance (Lifetime ECLs)	-	(103)	(4,111)	(3,224)	(302)	-	-	(7,740)
Amortized cost	<u>\$ 1,790,725</u>	<u>\$ 10,241</u>	<u>\$ 78,099</u>	<u>\$ 29,017</u>	<u>\$ 905</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,908,987</u>

### December 31, 2023

	Not Past Due	1 to 30 Days	31 to 60 Days	61 to 90 Days	91 to 180 Days	181 to 360 Days	Over 360 Days	Total
Expected credit loss percentage	0%	1%	5%	10%	25%	50%	100%	-
Gross carrying amount	\$ 2,479,959	\$ 12,407	\$ 2,865	\$ -	\$ -	\$ -	\$ -	\$ 2,495,231
Loss allowance (Lifetime ECLs)	-	(124)	(143)	-	-	-	-	(267)
Amortized cost	<u>\$ 2,479,959</u>	<u>\$ 12,283</u>	<u>\$ 2,722</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,494,964</u>

### March 31, 2023

	Not Past Due	1 to 30 Days	31 to 60 Days	61 to 90 Days	91 to 180 Days	181 to 360 Days	Over 360 Days	Total
Expected credit loss percentage	0%	1%	5%	10%	25%	50%	100%	-
Gross carrying amount	\$ 2,385,918	\$ 34,433	\$ 2,331	\$ -	\$ -	\$ -	\$ -	\$ 2,422,682
Loss allowance (Lifetime ECLs)	-	(344)	(117)	-	-	-	-	(461)
Amortized cost	<u>\$ 2,385,918</u>	<u>\$ 34,089</u>	<u>\$ 2,214</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,422,221</u>

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

	For the Three-Month Period Ended March 31	
	2024	2023
Balance at January 1	\$ 267	\$ 1,281
Provision	7,633	1,492
(Actual write-off for the period)(a)	-	(334)
(Reversal)	(212)	(1,963)
Foreign exchange gains and losses	52	(15)
Balance at March 31	<u>\$ 7,740</u>	<u>\$ 461</u>

(a). From January 1 to March 31, 2023, related accounts receivable and allowance for doubtful accounts were written off in the amount of 670 thousand, of which 336 thousand is still under collection efforts.

Please refer to Note 30 for the amount and related terms of the notes receivable sold by the Group.

## 11. INVENTORIES

	March 31, 2024	December 31, 2023	March 31, 2023
Finished goods	\$ 214,339	\$ 236,419	\$ 189,400
Work in progress	68,211	26,417	96,375
Raw materials	542,371	503,680	567,082
Materials	<u>5,296</u>	<u>4,568</u>	<u>4,214</u>
	<u>\$ 830,217</u>	<u>\$ 771,084</u>	<u>\$ 857,071</u>

The cost of goods sold is as follows

	For the Three-Month Period Ended March 31	
	2024	2023
Cost of goods sold	\$ 1,114,470	\$ 1,180,649
(Reversal of) write-downs of inventories	<u>905</u>	<u>11,355</u>
Cost of goods sold	<u>\$ 1,115,375</u>	<u>\$ 1,192,004</u>

## 12. SUBSIDIARIES

Subsidiaries included in the consolidated financial statements :

Investor	Investee	Nature of Activities	Proportion of Ownership (%)		
			March 31, 2024	December 31, 2023	March 31, 2023
Info-Tek Corporation	INFO-TEK HOLDING CO., LTD.	Trading Business	100	100	100
SUN RISE CORPORATION	SUN RISE CORPORATION	Investment	100	100	100
	Info-Tek Electronics (Suzhou) CO.,LTD.	Manufacture and assembly of motherboards for information electronic products	92.21	92.21	92.21
INFO-TEK HOLDING CO., LTD.	Info-Tek Electronics (Suzhou) CO.,LTD.	Manufacture and assembly of motherboards for information electronic products	7.79	7.79	7.79

The shares of profit or loss and other comprehensive income of the subsidiaries using the equity method for the Three-Month Period ended March 31, 2024 and 2023 were recognized based on the audited financial statements of each subsidiary for the same period.

## 13. INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD

### Investments in associates

	March 31, 2024	December 31, 2023	March 31, 2023
No Significant influence			
Walsin New Engery Corporation	<u>\$ 2,402</u>	<u>\$ 2,447</u>	<u>\$ -</u>

For the Three-Month Period Ended March 31

The Group's share of:

	2024	2023
Loss from continuing operations	(\$ 45)	\$ -
Total comprehensive income(loss)	(\$ 45)	\$ -

#### 14. PROPERTY, PLANT AND EQUIPMENT

	Land	Buildings and Improvements	Machinery and Equipment	Transportation Equipment	Office equipment	Other Equipment	Unfinished project	Total
<b>Cost</b>								
Balance at January 1, 2023	\$ 101,551	\$ 638,235	\$ 1,301,280	\$ 2,095	\$ 25,707	\$ 156,393	\$ 3,231	\$ 2,228,492
Additions	-	-	5,258	-	45	1,962	23,020	30,285
Reclassified	-	54,794	6,020	-	-	-	-	60,814
Disposals	-	-	-	-	-	( 543)	-	( 543)
Effect of foreign currency exchange differences	-	1,886	5,772	6	44	726	38	8,472
Balance at March 31, 2023	<u>\$ 101,551</u>	<u>\$ 694,915</u>	<u>\$ 1,318,330</u>	<u>\$ 2,101</u>	<u>\$ 25,796</u>	<u>\$ 158,538</u>	<u>\$ 26,289</u>	<u>\$ 2,327,520</u>
<b>Accumulated depreciation and impairment</b>								
Balance at January 1, 2023	\$ -	\$ 301,503	\$ 702,792	\$ 2,095	\$ 22,103	\$ 118,803	\$ -	\$ 1,147,296
Depreciation expense	-	7,390	37,027	-	454	7,363	-	52,234
Reclassified	-	34,367	-	-	-	-	-	34,367
Disposals	-	-	-	-	-	( 543)	-	( 543)
Effect of foreign currency exchange differences	-	743	2,926	6	34	541	-	4,250
Balance at March 31, 2023	<u>\$ -</u>	<u>\$ 344,003</u>	<u>\$ 742,745</u>	<u>\$ 2,101</u>	<u>\$ 22,591</u>	<u>\$ 126,164</u>	<u>\$ -</u>	<u>\$ 1,237,604</u>
Carrying amount at January 1, 2023	<u>\$ 101,551</u>	<u>\$ 336,732</u>	<u>\$ 598,488</u>	<u>\$ -</u>	<u>\$ 3,604</u>	<u>\$ 37,590</u>	<u>\$ 3,231</u>	<u>\$ 1,081,196</u>
Carrying amount at March 31, 2023	<u>\$ 101,551</u>	<u>\$ 350,912</u>	<u>\$ 575,585</u>	<u>\$ -</u>	<u>\$ 3,205</u>	<u>\$ 32,374</u>	<u>\$ 26,289</u>	<u>\$ 1,089,916</u>
<b>Cost</b>								
Balance at January 1, 2024	\$ 101,551	\$ 690,862	\$ 1,447,925	\$ 6,300	\$ 27,522	\$ 174,930	\$ -	\$ 2,449,090
Additions	-	-	10,607	-	592	4,687	278	16,164
Reclassified	-	-	15,669	-	-	-	-	15,669
Disposals	-	-	( 3,719)	-	( 176)	( 349)	-	( 4,244)
Effect of foreign currency exchange differences	-	6,626	23,399	71	172	3,028	-	33,296
Balance at March 31, 2024	<u>\$ 101,551</u>	<u>\$ 697,488</u>	<u>\$ 1,493,881</u>	<u>\$ 6,371</u>	<u>\$ 28,110</u>	<u>\$ 182,296</u>	<u>\$ 278</u>	<u>\$ 2,509,975</u>
<b>Accumulated depreciation and impairment</b>								
Balance at January 1, 2024	\$ -	\$ 362,363	\$ 843,568	\$ 2,129	\$ 23,720	\$ 138,535	\$ -	\$ 1,370,315
Depreciation expense	-	7,625	41,202	237	573	5,201	-	54,838
Disposals	-	-	( 3,013)	-	( 176)	( 349)	-	( 3,538)
Effect of foreign currency exchange differences	-	2,918	13,467	21	136	2,387	-	18,929
Balance at March 31, 2024	<u>\$ -</u>	<u>\$ 372,906</u>	<u>\$ 895,224</u>	<u>\$ 2,387</u>	<u>\$ 24,253</u>	<u>\$ 145,774</u>	<u>\$ -</u>	<u>\$ 1,440,544</u>
Carrying amount at January 1, 2024	<u>\$ 101,551</u>	<u>\$ 328,499</u>	<u>\$ 604,357</u>	<u>\$ 4,171</u>	<u>\$ 3,802</u>	<u>\$ 36,395</u>	<u>\$ -</u>	<u>\$ 1,078,775</u>
Carrying amount at March 31, 2024	<u>\$ 101,551</u>	<u>\$ 324,582</u>	<u>\$ 598,657</u>	<u>\$ 3,984</u>	<u>\$ 3,857</u>	<u>\$ 36,522</u>	<u>\$ 278</u>	<u>\$ 1,069,431</u>

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

Buildings	
Main buildings	35-45 year
Electrical mechanical and power equipment	3-35 year
Machinery and Equipment	2-10 year
Transportation Equipment	5 year
Office Equipment	2-5 year
Other Equipment	3-10 year

#### 15. LEASE ARRANGEMENTS

(1) Right-of-use assets

	March 31, 2024	December 31, 2023	March 31, 2023
<u>Carrying amounts</u>			
Land	\$ 35,788	\$ 35,663	\$ 38,095
Buildings	63,355	73,599	102,155
Machinery and Equipment	12,207	12,549	20,521
Transportation equipment	<u>338</u>	<u>548</u>	<u>990</u>
	<u>\$ 111,688</u>	<u>\$ 122,359</u>	<u>\$ 161,761</u>

	For the Three-Month Period Ended March 31	
	2024	2023
Additions to right-of-use assets	\$ -	\$ 331
<u>Depreciation charged for right-of-use assets</u>		
Land	\$ 526	\$ 532
Buildings	11,473	14,727
Machinery and Equipment	570	846
Office Equipment	<u>216</u>	<u>204</u>
	<u>\$ 12,785</u>	<u>\$ 16,309</u>

In addition to the addition and recognition of depreciation expenses listed above, there were no major subleases and impairments of the right-of-use assets of the Group in March 31, 2024 and 2023 for the Three-month period ended.

(2) Lease liabilities

	March 31, 2024	December 31, 2023	March 31, 2023
<u>Carrying amount</u>			
Current	\$ 64,390	\$ 62,734	\$ 74,212
Non-current	<u>12,973</u>	<u>29,057</u>	<u>51,805</u>
	<u>\$ 77,363</u>	<u>\$ 91,791</u>	<u>\$ 126,017</u>

Range of discount rates for lease liabilities were as follows:

	March 31, 2024	December 31, 2023	March 31, 2023
Land	1.031%	1.031%	1.301%
Buildings	1.800%~3.700%	1.800%~3.700%	3.700%~4.200%
Machinery and Equipment	1.350%~4.450%	3.650%~4.450%	1.350%~4.450%
Transportation Equipment	1.800%~4.700%	1.800%~4.700%	1.350%~4.700%

(3) Other lease information

	For the Three-Month Period Ended March 31	
	2024	2023
Expenses relating to short-term leases	\$ 4,111	\$ 1,614
Expenses relating to low-value asset leases	\$ 7	\$ 7
Total cash outflow of leases	\$ 20,682	\$ 20,799

16. INTANGIBLE ASSETS

	<u>Computer Software</u>
<u>Cost</u>	
Balance at January 1, 2023	\$ 43,816
Additions	329
Effect of foreign currency exchange differences	66
Balance at March 31, 2023	\$ 44,211
<u>Accumulated amortization and impairment</u>	
Balance at January 1, 2023	\$ 37,710
Amortization expense	670
Effect of foreign currency exchange differences	39
Balance at March 31, 2023	\$ 38,419
Carrying amount at December 31, 2022 and January 1, 2023	\$ 6,106
Carrying amount at March 31, 2023	\$ 5,792
<u>Cost</u>	
Balance at January 1, 2024	\$ 44,678
Effect of foreign currency exchange differences	267
Balance at March 31, 2024	\$ 44,945
<u>Accumulated amortization and impairment</u>	
Balance at January 1, 2024	\$ 40,018
Amortization expense	517
Effect of foreign currency exchange differences	187
Balance at March 31, 2024	\$ 40,722
Carrying amount at December 31, 2023 and January 1, 2024	\$ 4,660
Carrying amount at March 31, 2024	\$ 4,223

Computer Software are amortized of 2 to 8 years using the straight-line method.

17. OTHER ASSETS

	March 31, 2024	December 31, 2023	March 31, 2023
<u>Current</u>			
Prepayments	\$ 111,404	\$ 65,299	\$ 78,828
Prepayment for purchases	7,328	12,081	24,266
Payment on behalf of others	35,025	17,178	21,208
Other current financial assets (Note6)	126,106	93,449	180,852
Others	<u>219</u>	<u>244</u>	<u>105</u>
	<u>\$ 280,082</u>	<u>\$ 188,251</u>	<u>\$ 305,259</u>
<u>Non-current</u>			
Prepayments for equipment	\$ 141,918	\$ 118,189	\$ 101,615
Golf Membership Cards	-	6,000	6,000
Others	<u>36,131</u>	<u>37,479</u>	<u>-</u>
	<u>\$ 178,049</u>	<u>\$ 161,668</u>	<u>\$ 107,615</u>

## 18. BORROWINGS

### a. Short-term borrowings

	March 31, 2024	December 31, 2023	March 31, 2023
<u>Unsecured borrowings</u>			
Line of credit borrowings	<u>\$ 418,160</u>	<u>\$ 300,000</u>	<u>\$ 398,620</u>

The interest rates on the borrowings ranged from 1.685% to 2.6%、1.685% to 1.783% and 1.6448% to 3.2% as of March 31, 2024、December 31, 2023 and March 31, 2023, respectively.

### b. Long-term borrowings

	March 31, 2024	December 31, 2023	March 31, 2023
<u>Unsecured borrowings</u>			
Line of credit borrowings	\$ 88,160	\$ 85,675	po\$ 88,177
Less: Current portion	( <u>88,160</u> )	( <u>85,675</u> )	( <u>886</u> )
Long-term borrowings	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 87,291</u>

The interest rate on the line of credit borrowings was 2.7%、3.2% and 3.2% as of March 31, 2024、December 31, 2023 and March 31, 2023, respectively.

19. Notes payable and Accounts payable

	March 31, 2024	December 31, 2023	March 31, 2023
<u>Notes payable</u>			
Occurred as a result of business	\$ 627,210	\$ 464,147	\$ 832,732
<u>Accounts payable</u>			
Occurred as a result of business	\$ 1,006,464	\$ 1,256,826	\$ 1,066,435

20. Other liabilities

	March 31, 2024	December 31, 2023	March 31, 2023
<u>Other payables</u>			
Salaries and bonuses payable	\$ 111,602	\$ 165,574	\$ 138,079
Equipment payables	25,663	54,391	40,694
Interest payable	260	191	358
Payable service fee	37,432	42,305	28,334
Repairs payable	71,980	33,859	28,596
Premium payable	3,012	2,416	2,909
Freight payable	25,005	42,305	11,672
Employee benefits payable	401	427	197
Coping tools	90,929	61,720	35,884
Others	47,860	43,494	108,986
	<u>\$ 414,144</u>	<u>\$ 446,682</u>	<u>\$ 395,709</u>
<u>Other current liabilities</u>			
Allowance for returns and discounts	\$ 173,433	\$ 166,754	\$ 61,211
Temporary receivable	5,767	7,091	9,384
Contract liabilities	1,275	1,285	36,642
Others	2,892	18,468	11,846
	<u>\$ 183,367</u>	<u>\$ 193,598</u>	<u>\$ 119,083</u>

Relevant product return and discount liability reserves are estimated product returns and discounts that may occur based on historical experience, management judgment and other known reasons.

21. RETIREMENT BENEFIT PLANS

From January 1 to March 31, 2024 and 2023, the pension expenses of defined benefit plans were \$29 thousand and \$51 thousand, respectively, and these numbers were calculated based on the pension cost rate determined by the actuarial calculation as of December 31, 2023 and 2022, respectively.

22. EQUITY

(1) Share capital

Ordinary shares

	March 31, 2024	December 31, 2023	March 31, 2023
Authorized shares (in thousands)	<u>136,060</u>	<u>136,060</u>	<u>136,060</u>
Authorized capital	<u>\$ 1,360,600</u>	<u>\$ 1,360,600</u>	<u>\$ 1,360,600</u>
Issued and paid shares (in thousands)	<u>121,251</u>	<u>121,251</u>	<u>121,251</u>
Issued capital	<u>\$ 1,212,511</u>	<u>\$ 1,212,511</u>	<u>\$ 1,212,511</u>

- a. As of March 31, 2024, the Company's paid-in capital was \$1,212,511 thousand, divided into 121,251 thousand shares with a par value of \$10 per share, all of which are ordinary shares.
- b. Fully paid ordinary shares, which have a par value of \$10, carry one vote per share and carry a right to dividends.

(2) Capital surplus

	March 31, 2024	December 31, 2023	March 31, 2023
<u>May be used to offset a deficit, distributed as cash dividends, or transferred to share capital (a)</u>			
Additional paid-in capital	\$ 179,924	\$ 179,924	\$ 179,924
Treasury share transactions	44,199	44,199	44,199
<u>Only used in deficit offset (b) exercising the right of disgorgement</u>	85	85	85
<u>Not for other usage</u>			
Additional paid-in capital – Employee Stock Options	<u>7,646</u>	<u>7,646</u>	<u>7,646</u>
	<u>\$ 231,854</u>	<u>\$ 231,854</u>	<u>\$ 231,854</u>

- a. Such capital surplus may be used to offset a deficit; in addition, when the Company has no deficit, such capital surplus may be distributed as cash dividends or transferred to share capital (limited to a certain percentage of the Company's capital surplus and once a year).
- b. This type of capital surplus represents the Company's exercise of the right of disgorgement in accordance with Article 157 of the Securities and Exchange Act and the recognition of the benefit from the exercise of the right as capital surplus – other

(3) Retained earnings and dividend policy

Under the dividend policy as set forth in the Company's articles of incorporation (the "Articles"), if the Company has current profits in the financial statement, the losses should be made up first, and then 10% of the remaining profits would be allocated as Legal reserves, after that the special reserves are provisioned or reversed according to the law. If profits are



remaining, it will be considered as distributable profit along with the accumulated unallocated earnings from the beginning of the period. The distribution plan will be proposed by the Board of Directors and the profits will be distributed after the resolution of the shareholders meeting for the policies on the distribution of employees' compensation and remuneration of directors in the Articles, refer to employees' compensation and remuneration of directors in Note 24-6 to the consolidated financial statements.

The industrial environment that the Company relates to is volatile, and its enterprise life cycle has entered the mature stage. Considering our future working capital requirements and long-term financial planning, and the need of satisfying the need for cash flow by shareholders, thus the annual cash dividend distribution shall not be less than 5% of the total shareholder dividends.

Aligning with the current year's earnings for allotment and the balancing dividend policy, as well as in accordance with relevant laws and regulations, the Company may allocate all or part of its capital reserve as capital increase allotments. The distribution plan shall be proposed by the Board of Directors and distributed after being approved by the shareholders meeting resolution.

Appropriation of earnings to the legal reserve shall be made until the legal reserve equals the Company's paid-in capital. The legal reserve may be used to offset deficit. If the Company has no deficit and the legal reserve has exceeded 25% of the Company's paid-in capital, the excess may be transferred to capital or distributed in cash.

The Company has provided and reversed the special reserve in accordance with the "FSC No. 1090150022", "FSC No. 10901500221" and "Questions and Answers on the Application of International Financial Reporting Standards (IFRSs) to the Provision of Special Reserve".

The appropriations of 2023 earnings were proposed by the board of directors on March 27, 2024 and the appropriations of 2022 earnings were approved in the shareholders' meetings on June 14, 2023. Details were summarized below:

	Appropriation of Earnings	
	For the Years Ended December 31	
	2023	2022
Legal reserve	\$ 54,316	\$ 67,546
Cash dividends	\$ 217,352	\$ 229,427
Dividends Per Share (NT\$)	\$ 1.80	\$ 1.90

The appropriations of earnings for 2023 is to be presented for approval in ITC's shareholders' meeting to be held on June 4, 2024 (expected).

Information on the employees' compensation and remuneration of directors resolved by the Company's board of directors is available at the Market Observation Post System website of the Taiwan Stock Exchange.

#### (4) Special reserve

As the increase in retained earnings generated from the initial application of IFRSs was insufficient for appropriation as dividends, it was appropriated to a special reserve. As the special reserve appropriated by foreign operations (including subsidiaries) due to the exchange differences upon translation of their financial statements was reversed in proportion to the Company's disposal of the foreign operations; upon the Company's loss of significant

influence, the entire special reserve relating to exchange differences arising from those foreign operations will be reversed. Additional special reserve should be appropriated for the amount equal to the difference between net debit balance reserves and the special reserve appropriated on the first-time adoption of IFRSs. Any special reserve appropriated may be reversed to the extent that the net debit balance reverses; the reversed amount may be distributed.

(5) Other equity items

a. Exchange differences on translating the financial statements of foreign operations

	For the Three-Month Period Ended March 31	
	2024	2023
Balance at January 1	( \$ 117,258 )	( \$ 74,056 )
Current period generated		
Exchange differences arising from the translation of net assets of foreign operating entities	42,020	10,141
Other comprehensive income or loss for the period	42,020	10,141
Balance at March 31	( \$ 75,238 )	( \$ 63,915 )

b. Unrealized valuation gain on financial assets at FVTOCI

	For the Three-Month Period Ended March 31	
	2024	2023
Balance at January 1	\$ 37,165	\$ 23,796
Current period generated		
Unrealized profit and loss		
Debt Tools	( 922 )	( 79 )
Equity Tools	( 3,165 )	5,602
Other comprehensive income or loss for the period	( 4,087 )	5,523
Balance at March 31	\$ 33,078	\$ 29,319

c. Remeasurement of defined benefit obligation

	For the Three-Month Period Ended March 31	
	2024	2023
Balance at January 1 and March 31	\$ 7,432	\$ 7,351

(6) Treasury shares

<u>Purpose of Acquisition</u>	<u>treasury shares granted to employees( In Thousands)</u>
Shares Held as of January 1, 2023	1,500
Decrease During the Period	( <u>1,000</u> )
Shares Held as of March 31, 2023	<u>500</u>
Shares Held as of January 1 and March 31, 2024	<u>500</u>

The company passed the resolution of the board of directors on February 22, 2022, and transferred 1,000 thousand treasury shares to employees in accordance with the company's "Sixth Repurchase of Shares Transfer to Employees Measures". The transfer price was NT\$15.9 per share. After this transfer, there are 500 thousand shares remaining.

Pursuant to the Securities and Exchange Act of the ROC, the treasury shares held by the Company should not be pledged as collateral, are not eligible for dividends and do not have voting rights.

## 23. REVENUE

	<u>For the Three-Month Period Ended March 31</u>	
	<u>2024</u>	<u>2023</u>
Revenue from contracts with Customers		
Sale of Goods	\$ <u>1,309,553</u>	\$ <u>1,500,607</u>

Please refer to Note 35 for a breakdown of revenues.

## 24. NET PROFIT FROM CONTINUING OPERATIONS

Net Profit from continuing operations including the following items :

### (1) Other income

	<u>For the Three-Month Period Ended March 31</u>	
	<u>2024</u>	<u>2023</u>
Rental income	\$ 370	\$ 202
Others	<u>13,262</u>	<u>571</u>
	<u>\$ 13,632</u>	<u>\$ 773</u>

### (2) Other gains and losses

	For the Three-Month Period Ended March 31	
	2024	2023
Foreign exchange gains (losses)	\$ 13,283	4,192
Gain (loss) from changes of financial assets at fair value through profit or loss	29	191
Gain (loss) on disposal of property, plant and equipment	( 706 )	-
Others	( 1 )	( 324 )
	<u>\$ 12,605</u>	<u>\$ 4,059</u>

(3) Finance costs

	For the Three-Month Period Ended March 31	
	2024	2023
Interest on lease liabilities	\$ 634	\$ 1,258
Discounted interest on notes receivable	9,195	8,979
Interest on bank loans	<u>2,689</u>	<u>3,459</u>
	<u>\$ 12,518</u>	<u>\$ 13,696</u>

(4) Depreciation and amortization

	For the Three-Month Period Ended March 31	
	2024	2023
An analysis of depreciation by function		
Operating costs	\$ 52,671	\$ 53,411
Operating expenses	<u>14,952</u>	<u>15,132</u>
	<u>\$ 67,623</u>	<u>\$ 68,543</u>
An analysis of amortization by function		
Operating costs	\$ 89	\$ 90
Operating expenses	<u>428</u>	<u>580</u>
	<u>\$ 517</u>	<u>\$ 670</u>

(5) Employee Benefit Expenses

	For the Three-Month Period Ended March 31	
	2024	2023
Short-term employee benefits		
Salaries	\$ 107,929	\$ 178,145
Labor/Health Insurance	<u>17,532</u>	<u>18,081</u>
	<u>125,461</u>	<u>196,226</u>
Post-employment benefits		
Defined contribution plan	\$ 1,275	\$ 1,390
Defined Benefit Plan (Note 21)	<u>29</u>	<u>51</u>
	<u>1,304</u>	<u>1,441</u>

(Continued)

For the Three-Month Period Ended March 31

	<u>2024</u>	<u>2023</u>
Other employee benefit expenses	<u>12,111</u>	<u>10,087</u>
Total employee benefit expenses	<u>\$ 138,876</u>	<u>\$ 207,754</u>
Summary by function		
Operating costs	\$ 85,644	\$ 122,650
Operating expenses	<u>53,232</u>	<u>85,104</u>
	<u>\$ 138,876</u>	<u>\$ 207,754</u>

(6) Employees' compensation and remuneration of directors

The Company accrues employees' compensation and remuneration of directors at the rates of 2%-10% and no higher than 2%, respectively, of net profit before income tax, employees' compensation, and remuneration of directors.

For the three-month period ended March 31, 2024 and 2023, the employees' compensation and the remuneration of directors and supervisors were as flows:

Accrual rate

	<u>For the Three-Month Period Ended March 31</u>	
	<u>2024</u>	<u>2023</u>
Employees' compensation	3.8%	3.8%
Remuneration of directors	1.4%	1.4%

Amounts

	<u>For the Three-Month Period Ended March 31</u>	
	<u>2024</u>	<u>2023</u>
Employees' compensation	<u>\$ 2,879</u>	<u>\$ 4,490</u>
Remuneration of directors	<u>\$ 970</u>	<u>\$ 1,654</u>

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

The appropriations of employees' compensation and remuneration of directors for 2023 and 2022 that were resolved by the board of directors on February 22, 2024 and 2023, respectively, were as below:

	<u>For the Years Ended December 31</u>	
	<u>2023</u>	<u>2022</u>
	<u>Cash</u>	<u>Cash</u>
Employees' compensation	<u>\$ 24,235</u>	<u>\$ 31,293</u>
Remuneration of directors	<u>\$ 8,929</u>	<u>\$ 11,529</u>

There was no difference between the actual amounts of employees' compensation and remuneration of directors and supervisors paid and the

amounts recognized in the consolidated financial statements for the years ended December 31, 2023 and 2022.

Information on the compensation of employees and remuneration of directors and supervisors resolved by the Company's board of directors is available at the Market Observation Post System website of the Taiwan Stock Exchange.

(7) Foreign net exchange gain or loss

	For the Three-Month Period Ended March 31	
	2024	2023
Foreign exchange gain	\$ 14,838	\$ 14,469
Foreign exchange loss	( 1,555 )	( 10,277 )
Net exchange gain	<u>\$ 13,283</u>	<u>\$ 4,192</u>

25. INCOME TAXES RELATING TO CONTINUING OPERATIONS

(1) Income taxes recognized in profit or loss

Detail of income tax was as follows: :

	For the Three-Month Period Ended March 31	
	2024	2023
Current income tax expenses		
In respect of the current period	\$ 19,980	\$ 30,206
Deferred income tax		
In respect of the current period	<u>10,787</u>	<u>4,323</u>
Income tax expense recognized in profit or loss	<u>\$ 30,767</u>	<u>\$ 34,529</u>

The tax rate applicable to subsidiaries in the PRC is 25%; in addition, according to the management method of high-tech enterprise recognition. Info-Tek Electronics (Suzhou) CO., LTD. High-tech enterprises that have been approved as national key support are entitled to a preferential tax rate of 15% for corporate income tax. Taxes generated in other jurisdictions are calculated according to the tax rates applicable in the respective jurisdictions.

(2) Income taxes recognized in other comprehensive income

	For the Three-Month Period Ended March 31	
	2024	2023
<u>Deferred income tax</u>		
In respect of the current period		
—Conversion of foreign operating institutions		
<u>Deferred income tax</u>	<u>( \$ 10,505 )</u>	<u>\$ 2,535</u>

(3) Income tax examination

Income tax returns of the Company through 2021 have been assessed and approved by the tax authorities.

## 26. EARNINGS PER SHARE

Unit: NT\$ Per Share

	For the Three-Month Period Ended March 31	
	2024	2023
Basic earnings per share	\$ <u>0.45</u>	\$ <u>0.93</u>
Diluted earnings per share	\$ <u>0.45</u>	\$ <u>0.92</u>

The EPS and weighted average number of ordinary shares outstanding (in thousands of shares) were as follows:

### Net income available to common shareholders

	For the Three-Month Period Ended March 31	
	2024	2023
Net income available to common shareholders	\$ <u>54,806</u>	\$ <u>111,166</u>
Net income used to calculate basic and diluted earnings per share	\$ <u>54,806</u>	\$ <u>111,166</u>

### Shares

Unit: Thousand shares

	For the Three-Month Period Ended March 31	
	2024	2023
Weighted average number of ordinary shares used in the computation of basic earnings per share	120,751	120,001
Effect of potentially dilutive ordinary shares		
Shares issued for employees' compensation	<u>350</u>	<u>412</u>
Weighted average number of ordinary shares used in the computation of diluted earnings per share	<u>121,101</u>	<u>120,413</u>

If the Company may choose to pay employees in stock or cash, the calculation of diluted earnings per share assumes that employee compensation will be paid in stock and is included in the weighted-average number of shares outstanding when the potential common stock has a dilutive effect to calculate diluted earnings per share. The dilutive effect of these potential common shares will also continue to be considered in the calculation of diluted earnings per share before the number of employee compensation shares is resolved at the following annual shareholders' meeting.

## 27. SHARE-BASED PAYMENT

On February 22, 2023, the Group passed a resolution of the board of directors to transfer 1,000 thousand shares of treasury shares and employees. The object of the grant is the current employees of the company, and the transfer price is \$15.9. The stock options for transferring the treasury stock to the employees have been fully executed on February 22, 2023.

Board of directors passed date	Grant date	Transfer shares (Thousand)	Fair value
February 22, 2023	February 22, 2023	1,000	40.2007

The employee stock options granted by the Group in February 2023 use the Black-Scholes evaluation model, and the input values used in the evaluation model are as follows:

	<u>February 22, 2023</u>
Grant date share price	56.10
Exercise price	15.9
Expected volatility	1.6726%
Duration (days)	2
Risk free rate	0.8569%

The expected volatility using the Black-Scholes evaluation model is based on the stock price in the most recent period approximately equivalent to the expected duration of the stock option as the sample range, and is estimated by the standard deviation of the stock return rate during the period.

For the nine-month period ended September 30, the remuneration cost recognized by the Group was \$40,201 thousands.

## 28. CAPITAL MANAGEMENT

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

The capital structure of the Group consists of the Group's net debt (ie, borrowings less cash and cash equivalents) and equity attributable to owners of the parent company (ie, share capital, capital reserves, retained earnings, and other equity items).

The Group are not subject to other external capital requirements.

## 29. CASHLESS TRANSACTION

The Group carried out the following non-cash investment activities in for the three-month period ended March 31, 2024 and 2023:

	<u>For the Three-Month Period Ended March 31</u>	
	<u>2024</u>	<u>2023</u>
Increase in property, plant and equipment	( \$ 16,164 )	( \$ 30,285 )
Increase in prepaid equipment	( 37,332 )	( 15,068 )
Increase (decrease) in payables for equipment	( <u>28,728</u> )	<u>18,725</u>
Acquisition of real estate, plant and equipment pay cash	( <u>\$ 82,224</u> )	( <u>\$ 26,628</u> )

## 30. FINANCIAL INSTRUMENTS

- a. Fair value of financial instruments not measured at fair value



The management considers the carrying amounts of financial assets and financial liabilities recognized in the consolidated financial statements approximate the fair values.

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

March 31, 2024

	<u>Level 1</u>
<u>Financial assets at fair value through profit or loss</u>	
Mutual funds	<u>\$ 2,124</u>
<u>Financial assets at fair value through other omprehensive income</u>	
Investments in equity instrument	
Domestic listed shares	<u>\$ 35,767</u>
Investments in debt instrument	
Foreign Bonds	<u>\$ 124,866</u>

December 31, 2023

	<u>Level 1</u>
<u>Financial assets at fair value through profit or loss</u>	
Mutual funds	<u>\$ 1,413</u>
<u>Financial assets at fair value through other omprehensive income</u>	
Investments in equity instrument	
Domestic listed shares	<u>\$ 38,932</u>
Investments in debt instrument	
Foreign Bonds	<u>\$ 120,494</u>

March 31, 2023

	<u>Level 1</u>
<u>Financial assets at fair value through profit or loss</u>	
Mutual funds	<u>\$ 748</u>
<u>Financial assets at fair value through other omprehensive income</u>	
Investments in equity instrument	
Domestic listed shares	<u>\$ 30,608</u>
Investments in debt instrument	
Foreign Bonds	<u>\$ 57,637</u>

There were no transfers between Levels 1 and 2 for the three-month period ended March 31, 2024 and 2023.

- c. Categories of financial instruments

	March 31, 2024	December 31, 2023	March 31, 2023
<u>Financial assets</u>			
Financial assets at FVTPL			
Financial assets at amortized cost (Note 1)	\$ 2,124	\$ 1,413	\$ 748
Financial assets at FVTOCI-	3,878,339	3,935,789	3,956,549
Investment in equity instruments	35,767	38,932	30,608
Investment in debt instruments	124,866	120,494	57,637
<u>Financial liabilities</u>			
Financial liabilities at amortized cost (Note 2)	2,570,901	2,568,680	2,797,144

Note 1: The balance includes financial assets measured at amortized cost, such as cash and cash equivalents, notes receivable, accounts receivable, accounts receivable - related parties, other receivables, other receivables - related parties and other financial assets.

Note 2 : The balance is includes financial liabilities measured at amortized cost, such as short-term loan 、 notes payable 、 accounts payables 、 accounts payables-related parties 、 other payables 、 other payables-related parties 、 long-term loans due within one year and long term loan.

d. Financial risk management objectives and policies

The Group's major financial instruments include cash and cash equivalents, notes receivable, trade receivables, trade receivables-related parties, other receivables, other receivables-related parties, borrowings, notes payable, trade payables, trade payables-related parties, other payables, other payables-related parties and lease liabilities. The Company's corporate treasury function provides services to the business, coordinates access to domestic and international financial markets, and monitors and manages the financial risks relating to the operations of the Company through internal risk reports that analyze exposures by degree and magnitude of risks. These risks include market risk (including foreign currency risk and interest rate risk), credit risk and liquidity risk.

i. Market risk

The Group is exposed to the financial market risks, primarily changes in foreign currency exchange rates (see (1) below) and interest rates (see (2) below).

(1) Foreign currency risk

The Group engages in sales and purchase transactions denominated in foreign currencies, thus exposing the Group to exposure to exchange rate fluctuations.

The carrying amounts of monetary assets and monetary liabilities denominated in nonfunctional currencies and with risk of foreign currency risk of the group at the balance sheet date are shown in Note 33.

The following table details the sensitivity analysis of the Group when the exchange rates of NTD (functional currency) and RMB against each relevant foreign currency increase and decrease by 10%. Sensitivity analysis only includes monetary items in foreign currencies in circulation, and the year-end conversion is adjusted by 10% exchange rate change. The positive numbers in the table below represent the amount that will reduce the net profit after tax when the NT dollar or the functional currency appreciates by 10% relative to the relevant currencies; when the NT dollar or the functional currency depreciates by 10% relative to the relevant foreign currencies, the impact on net profit after tax will be a negative amount of the same amount.

	The effect of U.S. dollar on NTD as the functional currency	
	For the Three-Month Period Ended March 31	
	2024	2023
Loss (gain)	<u>(\$ 10,657)</u>	<u>(\$ 13,368)</u>
	The effect of U.S. dollar on RMB as the functional currency	
	For the Three-Month Period Ended March 31	
	2024	2023
Loss (gain)	<u>\$ 5,673</u>	<u>\$ 10,048</u>

## (2) Interest rate risk

The Group's interest rate risk mainly comes from fixed and floating rate borrowings. Fluctuations in interest rates will affect future cash flows, but not fair value.

Assuming that the floating-rate loans at the end of the reporting period are held for the entire reporting period, if the interest rate increases by 100 basis points (1%) and other conditions remain unchanged, the net interest expense of the Group's floating-rate loans will increase by \$2,972 thousands and \$996 thousands in for the three-month period ended March 31 2024 and 2023, respectively.

## ii. Credit Risk

In order to mitigate credit risk, the management of the Group assigned a dedicated team to be responsible for the determination of credit line, credit approval and other monitoring procedures to ensure that appropriate actions have been taken to recover overdue receivables. In addition, the Group will review the recoverable amount of receivables one by one on the balance sheet date to ensure that unrecoverable receivables have been appropriately derogated. Accordingly, the management of the company believes that the credit risk of the Group has been significantly reduced.

In addition, since the counterparty of liquid funds and derivative financial instruments is a bank with a high credit rating given by an international credit rating agency, the credit risk is limited.

## iii. Liquidity risk

The Group has established an appropriate liquidity risk management framework to meet short-term, medium-term and long-term financing and liquidity management needs. The Group manages liquidity risk by maintaining adequate reserves, bank facilities and borrowing commitments, continuously monitoring projected and actual cash flows, and matching the maturities of financial assets and liabilities. As of March 31, 2024, December 31, 2023 and March 31, 2023, the Group's unused short-term bank financing amounted to 3,166,645 thousand, 3,323,083 thousand and 1,994,610 thousand respectively.

Liquidity and interest rate risk table for non-derivative financial liabilities

The remaining contractual maturity analysis of non-derivative financial liabilities is prepared based on the undiscounted cash flows of financial liabilities (including principal and estimated interest) based on the earliest date on which the Group may be required to repay. Therefore, the bank loans that the Group can be required to repay immediately are listed in the earliest period in the table below, regardless of the probability of the bank's immediate execution of the right; the maturity analysis of other non-derivative financial liabilities is prepared based on the agreed repayment date.

For interest cash flows paid at floating rates, the undiscounted interest amount is derived from the yield curve at the balance sheet date.

March 31, 2024

	<u>1 to 3 months</u>	<u>3 months to 1 year</u>	<u>1 to 5 years</u>	<u>Total</u>
<u>Non-derivative</u>				
<u>financial liabilities</u>				
No interest bearing liabilities	\$ 1,428,488	\$ 636,093	\$ -	\$ 2,064,581
Lease liability	22,409	41,981	12,973	77,363
Floating Rate Instrument	<u>130,000</u>	<u>376,320</u>	<u>-</u>	<u>506,320</u>
	<u>\$ 1,580,897</u>	<u>\$ 1,054,394</u>	<u>\$ 12,973</u>	<u>\$ 2,648,264</u>

December 31, 2023

	<u>1 to 3 months</u>	<u>3 months to 1 year</u>	<u>1 to 5 years</u>	<u>Total</u>
<u>Non-derivative</u>				
<u>financial liabilities</u>				
No interest bearing liabilities	\$ 1,639,070	\$ 543,935	\$ -	\$ 2,183,005
Lease liability	29,919	32,815	29,057	91,791
Floating Rate Instrument	<u>130,000</u>	<u>255,675</u>	<u>-</u>	<u>385,675</u>
	<u>\$ 1,798,989</u>	<u>\$ 832,425</u>	<u>\$ 29,057</u>	<u>\$ 2,660,471</u>

March 31, 2023

<u>1 to 3 months</u>	<u>3 months to</u>	<u>1 to 5 years</u>	<u>Total</u>
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		1 year		
<u>Non-derivative</u>				
<u>financial liabilities</u>				
No interest bearing liabilities	\$ 1,648,770	\$ 661,577	\$ -	\$ 2,310,347
Lease liability	25,833	48,379	51,805	126,017
Floating Rate Instrument	210,000	189,506	87,291	486,797
	<u>\$ 1,884,603</u>	<u>\$ 899,462</u>	<u>\$ 139,096</u>	<u>\$ 2,923,161</u>

e. Financial Asset Transfer Information

The Group did not sell any accounts receivable during the period.

Information about the Group's sale of notes receivable is as follows:

For the three-month period ended March 31, 2024 and 2023, the Group discounted \$1,128,446 thousand and \$828,833 thousand, respectively, of notes without recourse. The discounted notes were derecognized from the notes receivable at the time of discounting because they did not carry recourse.

### 31. TRANSACTIONS WITH RELATED PARTIES

Balances and transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not disclosed in this note. Details of transactions between the Group and other related parties are disclosed below.

(1) Related party name and categories

<u>Related Party Name</u>	<u>Related Party Category</u>
Walsin Technology Corp.	Associate
Walsin Lihwa Corporation	Associate
HannStar Board Corporation	Associate
Global Brands Manufacture Ltd.	Associate
Suzhou Walsin Technology Electronics Co., Ltd.	Other related party
HannStar Board Technology (Jiang Yin) Corp.	Other related party
Prosperity Dielectrics Co., Ltd.	Other related party
Kunshan Yuanmao Electronics Technology Co., Ltd.	Other related party
HANNSTAR DISPLAY CORP.	Other related party
Dong Guan CMK Global Brands Manufacture Ltd.	Other related party
DongGuan Yujia Electronics Technology Co., Ltd.	Other related party
VVG Inc.	Other related party
Hannstar Display (Nanjing) Co., Ltd.	Other related party
Inpaq Technology Co., Ltd	Other related party
Silitech Technology Corporation	Other related party
Jingjia Electronics Technology (Wuhu) Co., Ltd.	Other related party
Kunshan Yuansong Electronics Technology Co., Ltd.	Other related party
Xurong Electronic (Shenzhen) Co., Ltd.	Other related party

(2) Sales revenue

	<u>For the Three-Month Period Ended March 31</u>	
<u>Category of related party</u>	<u>2024</u>	<u>2023</u>
Other related party	<u>\$ 8,962</u>	<u>\$ 20,872</u>

The terms of the transactions are the same as those for ordinary non-affiliated parties, and there are no special circumstances.

(3) Purchases of goods

Category of related party	For the Three-Month Period Ended March 31	
	2024	2023
Associate	\$ 337	\$ 1,086
Other related party	<u>5,525</u>	<u>5,558</u>
	<u>\$ 5,862</u>	<u>\$ 6,644</u>

The terms of the transactions are the same as those for ordinary non-affiliated parties, and there are no special circumstances.

(4) Receivables from related parties

Account items	Category of related party	March 31, 2024	December 31, 2023	March 31, 2023
Accounts Receivables - Related Parties	Other related party	\$ 8,550	\$ 19,604	\$ 29,745
	Less: Loss Allowance	<u>-</u>	<u>-</u>	( <u>14</u> )
		<u>\$ 8,550</u>	<u>\$ 19,604</u>	<u>\$ 29,731</u>
Other Receivables - related parties	Other related party	<u>\$ -</u>	<u>\$ 76</u>	<u>\$ 5</u>

(5) Payables to related parties

Account items	Category of related party	March 31, 2024	December 31, 2023	March 31, 2023
Accounts Payable - Related Parties	Other related party	\$ 10,180	\$ 8,725	\$ 6,901
	Associate	<u>646</u>	<u>538</u>	<u>2,733</u>
		<u>\$ 10,826</u>	<u>\$ 9,263</u>	<u>\$ 9,634</u>
Other payables - related parties	Other related party	\$ 3,673	\$ 3,100	\$ 3,360
	Associate	<u>2,264</u>	<u>2,987</u>	<u>2,477</u>
		<u>\$ 5,937</u>	<u>\$ 6,087</u>	<u>\$ 5,837</u>

The outstanding trade payables to related parties are unsecured.

(6) Other

Account items	Category of related party	For the Three-Month Period Ended March 31	
		2024	2023
Management and general expenses - Professional service fees	Associate	\$ 2,438	\$ 2,390
Management and general expenses - stock expense	Associate	\$ 248	\$ 352
Management and general expenses – Mixcellaneous expenses	Associate	\$ 70	\$ -
Management and general expenses - Professional service fees	Other related parties	\$ 195	\$ 133
Management and general expenses – Mixcellaneous expenses	Other related parties	\$ 229	\$ 26
Management and general expenses – Traveling expenses	Other related parties	\$ 24	\$ -
Sales expenses – Social expenses	Other related parties	\$ 11	\$ -
Manufacturing overhead- repair expenses	Other related parties	\$ 6	\$ -
Manufacturing overhead- Professional service fees	Other related parties	\$ 335	\$ -
Manufacturing overhead- Traveling expenses	Other related parties	\$ 31	\$ -

(7) Lease Agreement

Account items	Category of related party	March 31, 2024	December 31, 2023	March 31, 2023
Lease liabilities	Other related party	\$ 38,193	\$ 45,317	\$ 70,009

  

Category of related party	For the Three-Month Period Ended March 31	
	2024	2023
Interest expense		
Other related party	\$ 398	\$ 695

The Group leased the factory of Jingjia Electronics Technology (Wuhu) Co., Ltd.in June 2022 for a period of three years at a fixed monthly rental payment based on the lease agreement with reference to the rental rate of similar assets. Consequently, the right-of-use asset amounted to 92,848 thousand.

(8) Compensation of key management personnel

The total remuneration of directors and other key management personnel is as follows :

	For the Three-Month Period Ended March 31	
	2024	2023
Short-term employee benefits	\$ 11,896	\$ 14,973
Postretirement benefits	86	75
Share based payment	-	18,439
	\$ 11,982	\$ 33,487

The remuneration of directors and other key management is determined by the Remuneration Committee in accordance with individual performance and market trends, after review and approval by the Board of Directors.

### 32. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

In addition to those described in other notes, the significant commitments and contingencies of the Group as of the balance sheet date were as follows:

#### Significant commitments

- (1) As of March 31, 2024, the Group issued promissory notes in the amount of NT\$1,065,000 thousand to secure long- and short-term loans.
- (2) As of March 31, 2024, the Group was issued a letter of guarantee by a bank for the period from February 26, 2024 to February 6, 2025 for the amount of NT\$2,500 thousand for importing goods before taxation.

### 33. EXCHANGE RATE INFORMATION OF FOREIGN CURRENCY FINANCIAL ASSETS AND LIABILITIES

The following information is summarized and expressed in foreign currencies other than the functional currencies of The Group. The foreign currency assets and liabilities with significant impact are as follows:

#### March 31, 2024

	<u>Foreign currency</u>	<u>Exchange rate</u>	<u>Carrying Amount</u>
<u>Financial assets</u>			
<u>Monetary items</u>			
USD	\$ 6,265	32.00 (USD : NTD)	\$ 200,480
USD	1,769	7.2595 (USD : RMB)	56,608
JPY	674	0.2115 (JPY : NTD)	143
EUR	38	34.46 (EUR : NTD)	1,309
HKD	40	4.089 (HKD : NTD)	164
RMB	469	4.408 (RMB : NTD)	2,067
			<u>\$ 260,771</u>
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD	\$ 2,115	32.00 (USD : NTD)	\$ 67,680
USD	4,272	7.2595 (USD : RMB)	136,703
JPY	16,893	0.0480 (JPY : RMB)	3,592
EUR	32	34.46 (EUR : NTD)	1,103
EUR	106	7.8176 (EUR : RMB)	3,653
RMB	6	4.408 (RMB : NTD)	28
			<u>\$ 212,759</u>



December 31, 2023

	Foreign currency	Exchange rate	Carrying Amount
<u>Financial assets</u>			
<u>Monetary items</u>			
USD	\$ 5,976	30.705 (USD : NTD)	\$ 183,493
USD	1,677	7.0961 (USD : RMB)	51,492
JPY	119,399	0.2172 (JPY : NTD)	25,933
EUR	3	33.98 (EUR : NTD)	102
HKD	40	3.929 (HKD : NTD)	157
RMB	395	4.327 (RMB : NTD)	1,709
			<u>\$ 262,886</u>
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD	\$ 1,512	30.705 (USD : NTD)	\$ 46,426
USD	5,114	7.0961 (USD : RMB)	157,024
JPY	1,045	0.2172 (JPY : NTD)	227
JPY	16,893	0.0502 (JPY : RMB)	3,689
EUR	138	7.6806 (EUR : RMB)	4,689
			<u>\$ 212,055</u>

March 31, 2023

	Foreign currency	Exchange rate	Carrying Amount
<u>Financial assets</u>			
<u>Monetary items</u>			
USD	\$ 7,629	30.45 (USD : NTD)	\$ 232,303
USD	784	6.8720 (USD : RMB)	23,873
JPY	2,864	0.2288 (JPY : NTD)	655
EUR	8	33.15 (EUR : NTD)	265
HKD	39	3.879 (HKD : NTD)	151
RMB	133	4.431 (RMB : NTD)	589
			<u>\$ 257,836</u>
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD	2,146	30.45 (USD : NTD)	\$ 65,346
USD	4,708	6.8720 (USD : RMB)	143,358
JPY	-	0.2288 (JPY : NTD)	-
JPY	20,659	0.0516 (JPY : RMB)	4,727
EUR	32	33.15 (EUR : NTD)	1,061
EUR	59	33.15 (EUR : NTD)	1,956
			<u>\$ 216,448</u>

The Group's foreign currency exchange gains (losses) (realized and unrealized) amounted to \$13,283 thousand and \$4,192 thousand in for the three-month period ended March 31, 2024 and 2023, respectively. Due to the wide variety of foreign currency transactions and the Group's individual functional currencies, it is not possible to disclose the exchange gains or losses by each material currency.

34. ADDITIONAL DISCLOSURES

- i. Information about significant transactions and investees :

- a. Financings provided: (Table 1)
  - b. Marketable securities held (excluding investments in subsidiaries): (Table 2)
  - c. Marketable securities acquired and disposed of at costs or prices of at least NT\$300 million or 20% of the paid-in capital: None
  - d. Acquisition of individual real estate properties at costs of at least NT\$300 million or 20% of the paid-in capital: None
  - e. Disposal of individual real estate properties at prices of at least NT\$300 million or 20% of the paid-in capital: None
  - f. Total purchases from or sales to related parties of at least NT\$100 million or 20% of the paid-in capital: None
  - g. Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital: None
  - h. Information about the derivative financial instruments transaction: None
  - i. Others: The business relationship between the parent and the subsidiaries and significant transactions between them: (Table 5)
  - j. Information on investees: (Table 3)
- ii. Information on investment in mainland China
- a. The name of the investee in mainland China, the main businesses and products, its issued capital, method of investment, information on inflow or outflow of capital, percentage of ownership, income (losses) of the investee, share of profits/losses of investee, ending balance, amount received as dividends from the investee, and the limitation on investee. (Table 4)
  - b. Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third party, and their prices, payment terms, and unrealized gains or losses. (Table 6)
    - (1) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the year
    - (2) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the year
    - (3) The amount of property transactions and the amount of the resultant gains or losses
    - (4) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the year and the purposes
    - (5) The highest balance, the ending balance, the interest rate range, and total current period interest with respect to the financing of funds
    - (6) Other transactions that have a material effect on the profit or loss for the year or on the financial position, such as the rendering or receipt of services
- iii. Information of major shareholders
- List of all shareholders with ownership of 5% or greater showing the names and the number of shares and percentage of ownership held by each shareholder. (Table 7)

### 35. SEGMENT INFORMATION

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

PCBA — EMS1  
— EMS3

(1) Segment revenue and results

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

	Operating revenue		Profit (loss) from operations	
	For the Three-Month Period Ended March 31			
	2024	2023	2024	2023
PCBA — EMS1	\$ 75,594	\$ 102,812	\$ 83	\$ 6,390
— EMS3	1,233,970	1,397,856	73,760	196,758
Adjustments	( 11 )	( 61 )	( 6,464 )	( 51,858 )
Profit from operations	<u>\$ 1,309,553</u>	<u>\$ 1,500,607</u>	67,379	151,290
Interest income			4,520	3,269
Gain (Loss) on disposal of property, plant and equipment			( 706 )	-
Foreign exchange (loss) gain			13,283	4,192
Rental income			370	202
Share of profit of associates			( 45 )	-
Financial instrument evaluation benefits			29	191
Financial costs			( 12,518 )	( 13,696 )
Other income			<u>13,261</u>	<u>247</u>
Profit before Income tax from continue operations			<u>\$ 85,573</u>	<u>\$ 145,695</u>

The revenue reported above was generated from transactions with external clients. For the three-month period ended March 31, 2023 and 2022 do not include any intersegment sales.

Segment interests refer to the profits earned by each department, excluding interest income, disposition of real estate, plant and equipment gains and losses, net gains (losses) from foreign currency exchange, rental income, gain on reversal of impairment loss, gain on reversal of allowance, financial instrument evaluation gains and losses, financial costs, other income and income tax expense. This measure is provided to the chief operating decision maker to allocate resources to segments and measure their performance.

(2) Total segmental assets and liabilities

	March 31, 2024	December 31, 2023	March 31, 2023
<u>Segment assets</u>			
Continuing Operations			
Segment			
EMS1	\$ 735,948	\$ 746,932	\$ 787,572
EMS3	<u>5,658,035</u>	<u>5,588,234</u>	<u>5,624,321</u>
Segment assets	6,393,983	6,335,166	6,411,893
Unallocated assets	<u>43,015</u>	<u>54,305</u>	<u>39,450</u>
Total assets	<u>\$ 6,436,998</u>	<u>\$ 6,389,471</u>	<u>\$ 6,451,343</u>

(Continued) )

	March 31, 2024	December 31, 2023	March 31, 2023
<u>Segment liabilities</u>			
Continuing Operations			
Segment			
EMS1	\$ 155,996	\$ 127,263	\$ 137,156
EMS3	<u>2,260,897</u>	<u>2,465,136</u>	<u>2,568,962</u>
Segment liabilities	2,416,893	2,592,399	2,706,118
Unallocated liabilities	<u>612,187</u>	<u>481,893</u>	<u>587,196</u>
Total liabilities	<u>\$ 3,029,080</u>	<u>\$ 3,074,292</u>	<u>\$ 3,293,314</u>

Based on the purpose of monitoring departmental performance and allocating resources to each department:

- a. All assets other than deferred tax assets are allocated to reportable segments. Assets used jointly by reportable departments are apportioned on the basis of income earned by the respective reportable departments; and
- b. All liabilities other than borrowings and current and deferred income tax liabilities are allocated to reportable segments. Liabilities jointly borne by reportable departments are apportioned in proportion to departmental assets

INFO-TEK CORPORATION AND SUBSIDIARIES

TABLE 1

FINANCING PROVIDED TO OTHERS  
March 31, 2024  
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

No.	Lender	Borrower	Financial Statement Account	Related Party	Highest Balance for the Period	Ending Balance ( Note 6 )	Actual Borrowing Amount	Interest Rate (%)	Nature of Financing	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower ( Note 4 )	Aggregate Financing Limit ( Note 5 )
												Item	Value		
1	SUN RISE CORPORATION ( Note 1 )	Info-Tek Electronics (Suzhou) CO.,LTD. ( Note 2 )	Other receivables due from related parties	Y	\$ 50,692 (RMB 11,500)	\$ 50,692 (RMB 11,500)	\$ 50,692 (RMB 11,500)	3%	Note 3	Operating turnover	\$ -	-	-	\$ 1,363,167	\$ 1,363,167

Note1 : Equity-method investees ◦

Note2 : The Company is an equity-method investee of SUN RISE CORPORATION.

Note3 : There is a need for short-term financing.

Note4 : The lending limit to individual customers or foreign companies in which the Company directly or indirectly holds 100% of the voting shares shall not exceed 40% of the Company's latest audited or reviewed net financial statements in Taiwan.

Note5 : The total amount of the capital loan shall not exceed 40% of the net value of the Company's most recent financial statements.

Note6 : The closing balance was translated at the exchange rate of RMB1=4.408 as of March 31, 2024.

**TABLE 2****INFO-TEK CORPORATION AND SUBSIDIARIES****MARKETABLE SECURITIES HELD****March 31, 2024****(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

Holding Company Name	Type of Marketable Securities	Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	March 31, 2024				Note
					Number of Shares	Carrying Amount	Percentage of Ownership (%)	Fair Value	
Info-Tek Corporation	Common Stock	WalsinTechnology Corporation	Associate	Financial assets at FVTOCI	316,521	\$35,767	-	\$35,767	
“	Corporate Bonds	APPLE INC.	N/A	Financial assets at FVTOCI	1,040,000	32,405	-	32,405	
“	Government Bonds	U.S. TREASURY NOTE	N/A	Financial assets at FVTOCI	1,000,000	31,235	-	31,235	
SUN RISE CORPORATION	Money Market Funds	MS USD LIQUID QUALIF ACC FUND	N/A	Financial assets at FVTPL-current	575.01	2,124	-	2,124	
“	Corporate Bonds	BPCE SA	N/A	Financial assets at FVTOCI	1,200,000	35,810	-	35,810	
“	Corporate Bonds	STANDARD CHARTERED BANK	N/A	Financial assets at FVTOCI	800,000	25,416	-	25,416	

Note1 : Marketable securities referred to in this table are stocks, bonds, beneficiary certificates and marketable securities derived from the above items that fall within the scope of IFRS 9, "Financial Instruments".

Note2 : If the issuer of marketable securities is not a related party, the column is not required to be filled in.

Note3 : For those who are not measured at fair value, please enter the carrying amount of amortized cost (net of allowance for losses) in column B. For those who are not measured at fair value, please enter the carrying amount of amortized cost (net of allowance for losses) in column B.

Note4 : Please refer to Table 3 and Table 4 for the investment subsidiaries.

TABLE 3

## INFO-TEK CORPORATION AND SUBSIDIARIES

## INFORMATION ON INVESTEEES

FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2024

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

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of March 31, 2024			Net Income (Loss) of the Investee	Share of Profit (Loss) ( Note1 )	Note
				March 31, 2024	December 31, 2023	Number of Shares	( % )	Carrying Amount			
Info-Tek Corporation	INFO-TEK HOLDING CO., LTD.	British Virgin Islands	Trade industry	\$ 110,726	\$ 110,726	3,700,000	100	\$ 252,417	\$ 3,062	\$ 3,062	Investments accounted for using equity method
	SUN RISE CORPORATION	Samoa	Investment industry	1,167,689	1,167,689	35,500,000	100	2,954,317	63,691	63,691	"
	Walsin New Engery Corporation	Taiwan	Solar energy generation	2,500	2,500	250,000	5	2,402	(900)	(45)	"
SUN RISE CORPORATION	Info-Tek Electronics (Suzhou) CO.,LTD.	Jiangsu,China	Manufacture and assembly of motherboards for information electronic products	1,142,037	1,142,037	Table 4	92.21	2,228,049	60,368	55,664	"
INFO-TEK HOLDING CO., LTD.	Info-Tek Electronics (Suzhou) CO.,LTD.	Jiangsu,China	Manufacture and assembly of motherboards for information electronic products	91,525	91,525	Table 4	7.79	188,302	60,368	4,704	"

Note1 : The calculation is based on the investees' audited financial statements as of March 31, 2024, based on the percentage of shareholding.

Note2 : Please refer to Table 4 for information on our Mainland China investee companies. °

TABLE 4

INFO-TEK CORPORATION AND SUBSIDIARIES

INFORMATION ON INVESTMENTS IN MAINLAND CHINA  
FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2024  
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investee Company	Main Businesses and Products	Paid-in Capital	Method of Investment	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2024	Remittance of Funds		Accumulated Outward Remittance for Investment from Taiwan as of March 31, 2024 (Note3)	Net Income (Loss) of the Investee (Note2)	% Ownership of Direct or Indirect Investment	Investment Gain (Loss) (Note 2)	Carrying Amount as of March 31, 2024(Note 2)	Accumulated Appropriation of Investment Income as of March 31, 2024
					Outward	Inward						
Info-Tek Electronics (Suzhou) CO.,LTD.	Manufacture and assembly of motherboards for information electronic products	\$ 1,233,562	(Note1)	\$ 1,233,562	\$ -	\$ -	\$ 1,233,562	\$ 60,368	100%	\$ 60,368	\$ 2,416,351	\$ 630,220

Accumulated Outward Remittance for Investments in Mainland China as of March 31, 2024 (Note3)	Investment Amount Authorized by the Investment Commission, MOEA (Note 4)	Upper Limit on the Amount of Investments Stipulated by the Investment Commission, MOEA
\$ 1,617,552 (USD 50,509,323.8)	\$ 1,617,552 (USD 50,509,323.8)	\$ 2,044,750 (Note4)

Note 1: Investment in mainland China companies through an existing company established in a third region.

Note 2: Based on the financial statements of the investee company audited by the attesting CPA of the Taiwan parent company.

Note 3: The conversion rate is based on the prevailing exchange rate of each investment.

Note 4: The Company was certified by the Industrial Development Bureau of the Ministry of Economic Affairs as being in compliance with the scope of operation of the operating headquarters, which expired in June 2021, and no further amounts were remitted.



TABLE 5

## INFO-TEK CORPORATION AND SUBSIDIARIES

**INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT INTERCOMPANY TRANSACTIONS**  
**FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2024**  
**(Amounts In Thousands of New Taiwan Dollars)**

No. ( Note 1 )	Investee Company	Counterparty	Relationship ( Note 2 )	Transaction Details			
				Financial Statement Accounts	Amount	Payment Terms	% of Total Sales or Assets ( Note 3 )
0	Info-Tek Corporation	Info-Tek Electronics (Suzhou) CO., LTD.	1	Other receivables from related parties	\$ 13,022	No significant difference with non-related parties	
		Info-Tek Electronics (Suzhou) CO., LTD.	1	Sales	11	"	
		INFO-TEK HOLDING CO., LTD.	1	Other receivables from related parties	6,868		
1	Info-Tek Electronics (Suzhou) CO.,LTD.	SUNRISE CORPORATION	1	Other receivables from related parties	81,292		
		Info-Tek Corporation	2	Accrued payables from related parties	12,942	"	
		Info-Tek Corporation	2	Other payables from related parties	80	"	
		Info-Tek Corporation	2	Cost of goods sold	11	"	
		INFO-TEK HOLDING CO., LTD.	3	Other payables from related parties	59,212	"	
		SUNRISE CORPORATION	3	Finance costs	381	"	
2	INFO-TEK HOLDING CO., LTD.	SUNRISE CORPORATION	3	Other payables from related parties	741,951	"	11.53%
		Info-Tek Corporation	2	Dividends payable	6,868	"	
3	SUNRISE CORPORATION	Info-Tek Electronics (Suzhou) CO., LTD	3	Other receivables from related parties	59,212	"	
		Info-Tek Electronics (Suzhou) CO., LTD	3	Other receivables from related parties	741,951	"	11.53%
		Info-Tek Electronics (Suzhou) CO., LTD.	3	Interest income	381	"	
		Info-Tek Corporation	2	Dividends payable	81,292	"	

Note 1: The number "0" represents for parent company, and the subsidiaries is numbered sequentially.

Note 2: The relationship is classified in 3 categories:

- 1: Represents for the transaction from parent company to subsidiary;
- 2: Represents for the transaction from subsidiary to parent company;
- 3: Represents for the transactions between subsidiaries.

Note 3: The percentage of total assets is calculated using the ending balance divided by the total consolidated assets; the percentage of total revenue is calculated using the accumulated amount during the period divided by the total consolidated sales revenue.

TABLE 6

INFO-TEK CORPORATION AND SUBSIDIARIES

The following significant transactions with Mainland China investees, directly or indirectly through third parties, and their prices, payment terms, unrealized gains or losses, and other related information  
FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2024  
(In Thousands of New Taiwan Dollars. Unless Stated Otherwise)

Company Name	Purchase/(Sale)	Amount	Price	Transaction terms		Other receivables		Sales revenue	Note
				Payment terms	Comparison with Normal Transactions	Amount	%		
Info-Tek Electronics (Suzhou) CO.,LTD.	Raw material	\$ 76	Market Price	Payment Term 90 Days	No significant difference	\$ 80	-	\$ 11	-

**INFO-TEK CORPORATION AND SUBSIDIARIES****TABLE 7****INFORMATION OF MAJOR SHAREHOLDERS  
MARCH 31, 2024**

Name of Major Shareholder	Shares	
	Number of Shares	Percentage of Ownership (%)
Global Brands Manufacture Ltd.	33,270,949	27.43%
Giga Investment Co.	9,985,834	8.23%

Note 1: The information on major shareholders in this table is calculated by the Taiwan Depository & Clearing Corporation based on the data from the last business day of each quarter. It includes both ordinary shares and preferred shares held by shareholders, including those completed without physical registration (including treasury shares), which collectively account for more than 5% of the company's capital. The information on share capital recorded in the company's consolidated financial report may differ from the actual number of shares completed without physical registration due to differences in calculation methods