

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

Consolidated Financial Statements for the Six-Month  
Period Ended June 30, 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 June 30, 2024 and 2023, the related consolidated statements of comprehensive income for the three months ended June 30, 2024 and 2023 and for the six months then ended June 30, 2024 and 2023, the consolidated statements of changes in equity and cash flows for the six months 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**

Based on our reviews, nothing has come to our attention that caused us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Company as of June 30, 2024 and 2023, its consolidated financial performance for the three months ended June 30, 2024 and 2023, and its consolidated financial performance and its consolidated cash flows for the six months ended June 30, 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' review report are Chun-Ming Hsueh and Sheng-Hsiung Yao.

Deloitte & Touche  
Taipei, Taiwan  
Republic of China

**July 31, 2024**

### **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)

ASSETS	June 30, 2024		December 31, 2023		June 30, 2023	
	Amount	%	Amount	%	Amount	%
<b>CURRENT ASSETS</b>						
Cash and cash equivalents (Note 6)	\$ 555,234	9	\$ 211,804	3	\$ 434,307	7
Financial assets at fair value through profit or loss (Notes 7 and 30)	104	-	1,413	-	775	-
Financial Assets Measured at Fair Value through Other Comprehensive Income - current (Notes 8 and 30)	485,237	7	159,426	3	88,667	1
Financial Assets at amortized cost-current (Note 9)	88,900	1	104,397	2	93,420	2
Notes receivable (Note 10)	939,516	14	997,567	16	1,006,549	16
Trade receivables (Note 10)	1,999,512	31	2,494,964	39	2,218,630	35
Trade receivables from related parties (Note 31)	32,449	1	19,604	-	26,745	-
Other receivables (Note 10)	11,205	-	13,928	-	25,111	-
Other receivables from related parties (Note 31)	-	-	76	-	-	-
Inventories (Note 11)	699,911	11	771,084	12	822,710	13
Other current assets (Note 17)	267,564	4	188,251	3	216,281	3
Total current assets	<u>5,079,632</u>	<u>78</u>	<u>4,962,514</u>	<u>78</u>	<u>4,933,195</u>	<u>77</u>
<b>NON-CURRENT ASSETS</b>						
Financial Assets Measured at Fair Value through Other Comprehensive Income – non-current (Notes 8 and 30)	83,350	1	-	-	-	-
Investments accounted for using the equity method (Note 13)	2,340	-	2,447	-	-	-
Property, plant and equipment (Note 14)	1,061,541	16	1,078,775	17	1,053,653	17
Right-of-use assets (Notes 15 and 31)	92,129	2	122,359	2	165,708	3
Intangible assets (Note 16)	17,219	-	4,660	-	5,641	-
Deferred tax assets	38,651	1	54,305	1	63,277	1
Refundable deposits	2,747	-	2,743	-	6,635	-
Other non-current assets (Note 17)	157,220	2	161,668	2	154,189	2
Total non-current assets	<u>1,455,197</u>	<u>22</u>	<u>1,426,957</u>	<u>22</u>	<u>1,449,103</u>	<u>23</u>
<b>TOTAL ASSETS</b>	<u>\$ 6,534,829</u>	<u>100</u>	<u>\$ 6,389,471</u>	<u>100</u>	<u>\$ 6,382,298</u>	<u>100</u>
<b>LIABILITIES AND EQUITY</b>						
<b>CURRENT LIABILITIES</b>						
Short-term borrowings (Note 18)	\$ 468,900	7	\$ 300,000	5	\$ 395,640	6
Notes payable (Note 19 )	555,939	9	464,147	7	656,652	10
Trade payables (Note 19 )	1,018,867	16	1,256,826	20	1,107,625	18
Trade payables to related parties (Note 31 )	14,413	-	9,263	-	9,206	-
Other payables (Notes 20 and 31 )	650,583	10	446,682	7	654,600	10
Other payables to related parties (Note 31 )	5,601	-	6,087	-	5,807	-
Current tax liabilities	56,246	1	72,405	1	42,302	1
Lease liabilities – current (Notes 15 and 31 )	49,590	1	62,734	1	76,604	1
Current portion of long-term borrowings (Note 18)	88,900	1	85,675	1	85,212	1
Other current liabilities (Note 20)	199,807	3	193,598	3	108,880	2
Total current liabilities	<u>3,108,846</u>	<u>48</u>	<u>2,897,417</u>	<u>45</u>	<u>3,142,528</u>	<u>49</u>
<b>NON-CURRENT LIABILITIES</b>						
Deferred tax liabilities	94,238	2	96,218	2	108,731	2
Lease liabilities –non- current (Notes 15 and 31)	8,801	-	29,057	-	57,303	1
Net defined benefit liabilities	7,010	-	9,642	-	9,806	-
Guarantee deposits received	28,208	-	29,530	1	85,598	2
Other liabilities	-	-	12,428	-	12,299	-
Total non-current liabilities	<u>138,257</u>	<u>2</u>	<u>176,875</u>	<u>3</u>	<u>273,737</u>	<u>5</u>
Total liabilities	<u>3,247,103</u>	<u>50</u>	<u>3,074,292</u>	<u>48</u>	<u>3,416,265</u>	<u>54</u>
Share capital	<u>1,212,511</u>	<u>19</u>	<u>1,212,511</u>	<u>19</u>	<u>1,212,511</u>	<u>19</u>
Capital surplus						
Additional paid-in capital	179,924	3	179,924	3	179,924	3
Treasury share transactions	44,199	-	44,199	1	44,199	1
Employee stock option	7,646	-	7,646	-	7,646	-
Other capital reserve	85	-	85	-	85	-
Total capital surplus	<u>231,854</u>	<u>3</u>	<u>231,854</u>	<u>4</u>	<u>231,854</u>	<u>4</u>
Retained earnings						
Legal reserve	252,512	4	198,196	3	198,196	3
Special reserve	106,006	2	106,006	2	106,006	2
Unappropriated earnings	1,536,699	23	1,673,378	26	1,353,030	21
Total retained earnings	<u>1,895,217</u>	<u>29</u>	<u>1,977,580</u>	<u>31</u>	<u>1,657,232</u>	<u>26</u>
Other equity	( 17,751 )	-	( 72,661 )	( 1 )	( 101,459 )	( 2 )
Treasury shares	( 34,105 )	( 1 )	( 34,105 )	( 1 )	( 34,105 )	( 1 )
Total equity	<u>3,287,726</u>	<u>50</u>	<u>3,315,179</u>	<u>52</u>	<u>2,966,033</u>	<u>46</u>
<b>TOTAL LIABILITIES AND EQUITY</b>	<u>\$ 6,534,829</u>	<u>100</u>	<u>\$ 6,389,471</u>	<u>100</u>	<u>\$ 6,382,298</u>	<u>100</u>

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 Months Ended June 30				For the Six Months Ended June 30			
	2024		2023		2024		2023	
	Amount	%	Amount	%	Amount	%	Amount	%
OPERATING REVENUE (Notes 23 and 31)	\$ 1,559,978	100	\$ 1,539,549	100	\$ 2,869,531	100	\$ 3,040,156	100
COST OF GOODS SOLD (Notes 11, 24 and 31)	<u>1,308,195</u>	<u>84</u>	<u>1,230,665</u>	<u>80</u>	<u>2,423,570</u>	<u>84</u>	<u>2,422,669</u>	<u>80</u>
GROSS PROFIT	<u>251,783</u>	<u>16</u>	<u>308,884</u>	<u>20</u>	<u>445,961</u>	<u>16</u>	<u>617,487</u>	<u>20</u>
OPERATING EXPENSES (Notes 24 and 31)								
Selling and marketing expenses	14,607	1	9,659	1	30,560	1	23,543	1
General and administrative expenses	54,554	3	62,363	4	101,663	4	151,401	5
Research and development expenses	49,990	3	56,948	4	106,306	4	111,796	3
Expected credit loss (reversal gain) (Note 10)	( 3,061 )	-	1,698	-	4,360	-	1,241	-
Total operating expenses	<u>116,090</u>	<u>7</u>	<u>130,668</u>	<u>9</u>	<u>242,889</u>	<u>9</u>	<u>287,981</u>	<u>9</u>
PROFIT FROM OPERATIONS	<u>135,693</u>	<u>9</u>	<u>178,216</u>	<u>11</u>	<u>203,072</u>	<u>7</u>	<u>329,506</u>	<u>11</u>
NON-OPERATING INCOME AND EXPENSES(Note 24 )								
Interest income	7,458	-	4,615	1	11,978	-	7,884	-
Other income	8,955	1	1,411	-	22,587	1	2,184	-
Other gains and losses	11,453	1	( 11,690 )	( 1 )	24,058	1	( 7,631 )	-
associates accounted for using the equity method	( 62 )	-	-	-	( 107 )	-	-	-
Finance costs	( 11,938 )	( 1 )	( 12,013 )	( 1 )	( 24,456 )	( 1 )	( 25,709 )	( 1 )
Total non-operating income and expenses	<u>15,866</u>	<u>1</u>	<u>( 17,677 )</u>	<u>( 1 )</u>	<u>34,060</u>	<u>1</u>	<u>( 23,272 )</u>	<u>( 1 )</u>
PROFIT BEFORE INCOME TAX FROM CONTINUING OPERATIONS	151,559	10	160,539	10	237,132	8	306,234	10
INCOME TAX EXPENSE (Note 25)	<u>71,376</u>	<u>5</u>	<u>48,894</u>	<u>3</u>	<u>102,143</u>	<u>3</u>	<u>83,423</u>	<u>3</u>
NET PROFIT	<u>80,183</u>	<u>5</u>	<u>111,645</u>	<u>7</u>	<u>134,989</u>	<u>5</u>	<u>222,811</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	547	-	( 885 )	-	( 3,540 )	-	4,638	-
Items that may be reclassified subsequently to profit or loss:								
Exchange differences on translating the financial statements of foreign operations	<u>16,430</u>	<u>1</u>	<u>( 73,329 )</u>	<u>( 5 )</u>	<u>58,450</u>	<u>2</u>	<u>( 63,188 )</u>	<u>( 2 )</u>
Other comprehensive income, net of income tax	<u>16,977</u>	<u>1</u>	<u>( 74,214 )</u>	<u>( 5 )</u>	<u>54,910</u>	<u>2</u>	<u>( 58,550 )</u>	<u>( 2 )</u>
TOTAL COMPREHENSIVE INCOME	<u>\$ 97,160</u>	<u>6</u>	<u>\$ 37,431</u>	<u>2</u>	<u>\$ 189,899</u>	<u>7</u>	<u>\$ 164,261</u>	<u>5</u>
EARNINGS PER SHARE (Note 26)								
Basic	<u>\$ 0.67</u>		<u>\$ 0.92</u>		<u>\$ 1.12</u>		<u>\$ 1.85</u>	
Diluted	<u>\$ 0.66</u>		<u>\$ 0.92</u>		<u>\$ 1.11</u>		<u>\$ 1.84</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)		Remeasurement of defined benefit obligation	Treasury shares	Total Equity
	(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			
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
Appropriation of 2022 earnings										
Legal reserve	-	-	67,546	-	( 67,546 )	-	-	-	-	-
Cash dividends distributed by the Company	-	-	-	-	( 229,427 )	-	-	-	-	( 229,427 )
Net profit for the six-month period ended June 30, 2023	-	-	-	-	222,811	-	-	-	-	222,811
Other comprehensive income (loss) for the six-month period ended June 30, 2023	-	-	-	-	-	( 63,188 )	4,638	-	-	( 58,550 )
Total comprehensive income (loss) for the six-month period ended June 30, 2023	-	-	-	-	222,811	( 63,188 )	4,638	-	-	164,261
Treasury stock transferred to employees	-	40,163	-	-	-	-	-	-	15,891	56,054
BALANCE AT JUNE 30, 2023	<u>\$ 1,212,511</u>	<u>\$ 231,854</u>	<u>\$ 198,196</u>	<u>\$ 106,006</u>	<u>\$ 1,353,030</u>	<u>( \$ 137,244 )</u>	<u>\$ 28,434</u>	<u>\$ 7,351</u>	<u>( \$ 34,105 )</u>	<u>\$ 2,966,033</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
Appropriation of 2023 earnings										
Legal reserve	-	-	54,316	-	( 54,316 )	-	-	-	-	-
Cash dividends distributed by the Company	-	-	-	-	( 217,352 )	-	-	-	-	( 217,352 )
Net profit for the six-month period ended June 30, 2024	-	-	-	-	134,989	-	-	-	-	134,989
Other comprehensive income (loss) for the six-month period ended June 30, 2024	-	-	-	-	-	58,450	( 3,540 )	-	-	54,910
Total comprehensive income (loss) for the six-month period ended June 30, 2024	-	-	-	-	134,989	58,450	( 3,540 )	-	-	189,899
BALANCE AT JUNE 30, 2024	<u>\$ 1,212,511</u>	<u>\$ 231,854</u>	<u>\$ 252,512</u>	<u>\$ 106,006</u>	<u>\$ 1,536,699</u>	<u>( \$ 58,808 )</u>	<u>\$ 33,625</u>	<u>\$ 7,432</u>	<u>( \$ 34,105 )</u>	<u>\$ 3,287,726</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 Six-Month Period Ended June 30	
	2024	2023
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Income before before income tax from continuing operations	\$ 237,132	\$ 306,234
Adjustments for:		
Depreciation expense	137,500	140,552
Amortization expense	1,290	1,282
Expected credit loss of trade receivables	4,360	1,241
Net gain from changes of financial assets at fair value through profit or loss	( 39 )	( 201 )
Interest expense	24,456	25,709
Interest income	( 11,978 )	( 7,884 )
Treasury stock transferred to employees cost	-	40,201
Share of profit of associates	107	-
Loss on disposal of property, plant and equipment	706	-
(Reversed) Write-downs of inventories	( 10,749 )	3,743
Net loss on foreign currency exchange	526	4,571
Changes in operating assets and liabilities		
Notes receivable	57,777	( 284,123 )
Trade receivables	473,830	493,179
Trade receivables from related parties	( 12,646 )	8,023
Other receivables	8,294	( 1,449 )
Other receivables from related parties	76	198
Inventories	83,213	( 34,252 )
Other current assets	( 78,765 )	38,686
Non-current assets	9,112	1,157
Notes payable	91,792	( 92,959 )
Trade payables	( 239,346 )	( 69,103 )
Trade payables to related parties	5,107	339
Other payables	( 43,575 )	( 94,001 )
Other payables to related parties	( 486 )	( 708 )
Other current liabilities	6,046	( 3,192 )
Net defined benefit liabilities	( 2,632 )	( 86 )
Non-current liabilities	( 12,428 )	( 361 )
Cash generated from operations	728,680	476,796
Interest paid	( 5,239 )	( 6,865 )
Income tax paid	( 107,447 )	( 78,037 )
Net cash generated from operating activities	<u>615,994</u>	<u>391,894</u>

(Continued)

# INFO-TEK CORPORATION AND SUBSIDIARIES

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

	For the Six-Month Period Ended June 30	
	2024	2023
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of financial assets at fair value through other comprehensive income	(\$ 358,991)	(\$ 59,024)
Purchase of financial assets at amortized cost	-	( 91,495)
Proceeds from sale of financial assets at amortized cost	15,497	-
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	1,952	57,291
Purchase of property, plant and equipment	( 104,629)	( 92,692)
Increase in refundable deposits	( 4)	-
Decrease in refundable deposits	-	1,693
Payments for intangible assets	( 5,799)	( 964)
Interest received	6,407	6,780
Net cash used in investing activities	( <u>446,166</u> )	( <u>236,251</u> )
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Increase in short-term borrowings	168,900	-
Decrease in short-term borrowings	-	( 120,690)
Proceeds from long-term borrowings	2,485	-
Repayments of long-term borrowings	-	( 443)
Decrease in guarantee deposits received	( 1,322)	( 12,534)
Repayment of the principal of lease liabilities	( 25,779)	( 37,021)
Employees purchase treasury stock	-	15,853
Net cash flows used in financing activities	<u>144,284</u>	( <u>154,835</u> )
<b>EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES</b>	<u>29,318</u>	( <u>54,831</u> )
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	343,430	( 54,023)
<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>\$ 555,234</u>	<u>\$ 434,307</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 SIX-MONTH PERIOD JUNE 30, 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 July 31, 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) The applicable IFRS as endorsed by the FSC for the year 2025.

New IFRSs	Effective Date Issued by IASB
Amendments to IAS 21 "Lack of Exchangeability"	January 1, 2025 (Note 1)

Note 1: 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.

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.

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

New IFRSs	Effective Date Issued by IASB(Note 1)
Annual Improvements to IFRS Accounting Standards – Volume 11	January 1, 2026
Amendments to IFRS 9 and IFRS 7: 'Revisions to the Classification and Measurement of Financial Instruments.	January 1, 2026
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
IFRS 19: 'Subsidiaries without Public Accountability: Disclosures.'	January 1, 2027

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

- a. Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between An Investor and Its Associate or Joint Venture"

The amendment requires that when a consolidated entity sells or contributes assets to an associate (or joint venture), or when the consolidated entity loses control of a subsidiary but retains significant influence (or joint control), the consolidated entity must fully recognize the gain or loss arising from the transaction, provided that the assets or the former subsidiary meet the definition of a 'business' under IFRS 3 'Business Combinations.

Furthermore, when a consolidated entity sells or contributes assets to an associate (or joint venture), or loses control of a subsidiary in a transaction with an associate (or joint venture) but retains significant influence (or joint control), the consolidated entity shall only recognize the gain or loss arising from the transaction to the extent of the investor's interest in the associate (or joint venture) that is unrelated to the assets transferred. In other words, the portion of the gain or loss attributable to the consolidated entity's interest in the associate (or joint venture) must be eliminated if the assets or the former subsidiary do not meet the definition of a 'business' under IFRS 3 'Business Combinations.

- 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.

c. Amendments to IFRS 9 and IFRS 7: 'Revisions to the Classification and Measurement of Financial Instruments

The amendments primarily modify the classification requirements for financial assets. Specifically, if a financial asset contains a contingent feature that may change the timing or amount of contractual cash flows, and if the nature of the contingency is not directly related to changes in basic lending risks and costs (e.g., whether the debtor meets a specific carbon emissions reduction target), such a financial asset will still be considered to have cash flows that are solely payments of principal and interest on the outstanding principal amount, provided that the following two conditions are met:

- All possible contractual cash flows (before and after the contingency occurs) represent solely payments of principal and interest on the outstanding principal amount; and
- The contractual cash flows under all possible scenarios are not significantly different from those of a financial instrument with the same contractual terms but without the contingent feature.

The amendment also stipulates that, when a company settles a financial liability using an electronic payment system, the financial liability may be derecognized prior to the settlement date if the following conditions are met:

- The Group does not have the practical ability to withdraw, stop, or cancel the payment instruction;
- The Group no longer has practical access to the cash that will be used for settlement due to the payment instruction; and
- The settlement risk associated with the electronic payment system is not significant.

Apart from the effects mentioned above, as of the date of approval of these consolidated financial statements for issuance, the consolidated entity is still evaluating the potential impact of other amendments and

interpretations on its financial position and financial performance. The relevant effects will be disclosed once the evaluation is complete.

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

	June 30, 2024	December 31, 2023	June 30, 2023
Cash on hand	\$ 204	\$ 203	\$ 353
Checking accounts and demand deposits	555,030	211,601	433,954
	<u>\$ 555,234</u>	<u>\$ 211,804</u>	<u>\$ 434,307</u>

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

	June 30, 2024	December 31, 2023	June 30, 2023
Time deposits	5.48%~5.5%	-	5.25%~5.35%

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

	June 30, 2024	December 31, 2023	June 30, 2023
Banker's Acceptance	<u>\$ 111,221</u>	<u>\$ 93,449</u>	<u>\$ 124,874</u>

7. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	June 30, 2024	December 31, 2023	June 30, 2023
<u>Financial assets-current</u> designation as at fair value through profit or loss			
Mutual funds	<u>\$ 104</u>	<u>\$ 1,413</u>	<u>\$ 775</u>

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	June 30, 2024	December 31, 2023	June 30, 2023
<u>Current</u>			
Investments in equity instrument	\$ -	\$ 38,932	\$ 30,196
Investments in debt instrument	<u>485,237</u>	<u>120,494</u>	<u>58,471</u>
	<u>\$ 485,237</u>	<u>\$ 159,426</u>	<u>\$ 88,667</u>
<u>Non-current</u>			
Investments in equity instrument	<u>\$ 83,350</u>	<u>\$ -</u>	<u>\$ -</u>

(1) Investments in equity instrument

	June 30, 2024	December 31, 2023	June 30, 2023
<u>Current</u>			
Domestic investments			
Listed stocks	<u>\$ -</u>	<u>\$ 38,932</u>	<u>\$ 30,196</u>
<u>Non-current</u>			
Domestic investments			
Listed stocks	<u>\$ 83,350</u>	<u>\$ -</u>	<u>\$ -</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

	June 30, 2024	December 31, 2023	June 30, 2023
<u>Current</u>			
Foreign investments			
Foreign Corporate Bonds	\$ 453,589	\$ 90,326	\$ 58,471
U.S. TREASURY NOTE	<u>31,648</u>	<u>30,168</u>	<u>-</u>
	<u>\$ 485,237</u>	<u>\$ 120,494</u>	<u>\$ 58,471</u>

- a. The Group purchased foreign corporate bonds in 2023 and 2024. The coupon rates were 2.375% to 7.50% respectively, and the effective interest rates were 4.07% to 5.80% respectively.
- b. The Group purchased three-year U.S. Treasury Note in 2023. The coupon rates was 3.875%, and the effective interest rates was 4.23%.

9. FINANCIAL ASSETS AT AMORTIZED COST

	June 30, 2024	December 31, 2023	June 30, 2023
<u>Current</u>			
Time deposits with original maturities of more than 3 months	\$ 88,900	\$ 104,397	\$ 93,420

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

	June 30, 2024	December 31, 2023	June 30, 2023
Time deposits with original maturities of more than 3 months	3.10%	5.78%~5.88%	5.20%~5.33%

10. NOTES RECEIVABLE, TRADE RECEIVABLES AND OTHER RECEIVABLES

	June 30, 2024	December 31, 2023	June 30, 2023
<u>Notes receivable</u>			
At amortized cost	\$ 939,516	\$ 997,567	\$ 1,006,549

As of June 30, 2024, December 31, 2023 and June 30, 2023, the notes receivable were assessed to be free of doubtful accounts and therefore no allowance for doubtful accounts was provided.

	June 30, 2024	December 31, 2023	June 30, 2023
<u>Trade receivables</u>			
At amortized cost			
Gross carrying amount	\$ 2,004,255	\$ 2,495,231	\$ 2,221,090
Less: Allowance for impairment loss	( 4,743)	( 267)	( 2,460)
	\$ 1,999,512	\$ 2,494,964	\$ 2,218,630
<u>Other receivables</u>			
Gross carrying amount	\$ 11,205	\$ 13,928	\$ 25,111

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:

#### June 30, 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	\$ 1,903,550	\$ 7,295	\$ 93,410	\$ -	\$ -	\$ -	\$ -	\$ 2,004,255
Loss allowance (Lifetime ECLs)	-	( 73)	( 4,670)	-	-	-	-	( 4,743)
Amortized cost	<u>\$ 1,903,550</u>	<u>\$ 7,222</u>	<u>\$ 88,740</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,999,512</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>

#### June 30, 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	\$ 2,176,914	\$ 3,256	\$ 37,657	\$ 1,810	\$ 1,453	\$ -	\$ -	\$ 2,221,090
Loss allowance (Lifetime ECLs)	-	( 33)	( 1,883)	( 181)	( 363)	-	-	( 2,460)
Amortized cost	<u>\$ 2,176,914</u>	<u>\$ 3,223</u>	<u>\$ 35,774</u>	<u>\$ 1,629</u>	<u>\$ 1,090</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,218,630</u>

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

	For the Six-Month Period Ended June 30	
	2024	2023
Balance at January 1	\$ 267	\$ 1,281
Provision	9,696	3,545
(Reversal)	( 5,336)	( 2,304)
Foreign exchange gains and losses	116	( 62)
Balance at June 30	<u>\$ 4,743</u>	<u>\$ 2,460</u>

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

## 11. INVENTORIES

	June 30, 2024	December 31, 2023	June 30, 2023
Finished goods	\$ 187,710	\$ 236,419	\$ 171,535
Work in progress	75,271	26,417	115,326
Raw materials	431,249	503,680	531,413
Materials	<u>5,681</u>	<u>4,568</u>	<u>4,436</u>
	<u>\$ 699,911</u>	<u>\$ 771,084</u>	<u>\$ 822,710</u>

The cost of goods sold is as follows

	From April 1 to June 30		For the Six-Month Period Ended June 30	
	2024	2023	2024	2023
Cost of goods sold	\$ 1,319,849	\$ 1,238,277	\$ 2,434,319	\$ 2,418,926
(Reversal of) write-downs of inventories	( 11,654)	( 7,612)	( 10,749)	3,743
Cost of goods sold	<u>\$ 1,308,195</u>	<u>\$ 1,230,665</u>	<u>\$ 2,423,570</u>	<u>\$ 2,422,669</u>

## 12. SUBSIDIARIES

Subsidiaries included in the consolidated financial statements :

Investor	Investee	Nature of Activities	Proportion of Ownership (%)		
			June 30, 2024	December 31, 2023	June 30, 2023
Info-Tek Corporation	INFO-TEK HOLDING CO., LTD.	Trading Business	100	100	100
	SUN RISE CORPORATION	Investment	100	100	100
SUN RISE CORPORATION	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 Six-Month Period ended June 30, 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

	June 30, 2024	December 31, 2023	June 30, 2023
No Significant influence			
Walsin New Engery Corporation	\$ 2,340	\$ 2,447	\$ -
	For the Six-Month Period Ended June 30		
	2024		2023
The Group's share of:			
Loss from continuing operations	( \$ 107 )		\$ -
Total comprehensive income(loss)	( \$ 107 )		\$ -

### 14. PROPERTY, PLANT AND EQUIPMENT

	Land	Buildings and Improvements	Machinery and Equipment	Transportatio n Equipment	office equipment	Other Equipment	Unfinished project	Total
<u>Cost</u>								
Balance at January 1, 2023	\$ 101,551	\$ 638,235	\$ 1,301,280	\$ 2,095	\$ 25,707	\$ 156,393	\$ 3,231	\$ 2,228,492
Additions	-	-	11,853	1,550	1,023	9,029	23,305	46,760
Reclassified	-	54,794	29,895	3,222	-	2,716	( 3,222 )	87,405
Disposals	-	-	-	-	-	( 543 )	-	( 543 )
Effect of foreign currency exchange differences	-	( 10,328 )	( 32,858 )	( 117 )	( 260 )	( 4,345 )	( 763 )	( 48,671 )
Balance at June 30, 2023	\$ 101,551	\$ 682,701	\$ 1,310,170	\$ 6,750	\$ 26,470	\$ 163,250	\$ 22,551	\$ 2,313,443
<u>Accumulated depreciation and impairment</u>								
Balance at January 1, 2023	\$ -	\$ 301,503	\$ 702,792	\$ 2,095	\$ 22,103	\$ 118,803	\$ -	\$ 1,147,296
Depreciation expense	-	14,730	74,450	78	877	14,803	-	104,938
Reclassified	-	34,367	-	-	-	-	-	34,367
Disposals	-	-	-	-	-	( 543 )	-	( 543 )
Effect of foreign currency exchange differences	-	( 4,301 )	( 18,309 )	( 33 )	( 199 )	( 3,426 )	-	( 26,268 )
Balance at June 30, 2023	\$ -	\$ 346,299	\$ 758,933	\$ 2,140	\$ 22,781	\$ 129,637	\$ -	\$ 1,259,790
Carrying amount at January 1, 2023	\$ 101,551	\$ 336,732	\$ 598,488	\$ -	\$ 3,604	\$ 37,590	\$ 3,231	\$ 1,081,196
Carrying amount at June 30, 2023	\$ 101,551	\$ 336,402	\$ 551,237	\$ 4,610	\$ 3,689	\$ 33,613	\$ 22,551	\$ 1,053,653
<u>Cost</u>								
Balance at January 1, 2024	\$ 101,551	\$ 690,862	\$ 1,447,925	\$ 6,300	\$ 27,522	\$ 174,930	\$ -	\$ 2,449,090
Additions	-	-	24,123	-	1,253	12,871	1,380	39,627
Reclassified	-	-	37,751	-	-	384	( 278 )	37,857
Disposals	-	-	( 3,719 )	-	( 185 )	( 360 )	-	( 4,264 )
Effect of foreign currency exchange differences	-	9,653	34,070	104	250	4,417	-	48,494
Balance at June 30, 2024	\$ 101,551	\$ 700,515	\$ 1,540,150	\$ 6,404	\$ 28,840	\$ 192,242	\$ 1,102	\$ 2,570,804
<u>Accumulated depreciation and impairment</u>								
Balance at January 1, 2024	\$ -	\$ 362,363	\$ 843,568	\$ 2,129	\$ 23,720	\$ 138,535	\$ -	\$ 1,370,315
Depreciation expense	-	15,291	83,803	478	1,218	11,021	-	111,811
Reclassified	-	-	3,089	-	-	-	-	3,089
Disposals	-	-	( 3,013 )	-	( 185 )	( 360 )	-	( 3,558 )
Effect of foreign currency exchange differences	-	4,256	19,638	31	198	3,483	-	27,606
Balance at June 30, 2024	\$ -	\$ 381,910	\$ 947,085	\$ 2,638	\$ 24,951	\$ 152,679	\$ -	\$ 1,509,263
Carrying amount at January 1, 2024	\$ 101,551	\$ 328,499	\$ 604,357	\$ 4,171	\$ 3,802	\$ 36,395	\$ -	\$ 1,078,775
Carrying amount at June 30, 2024	\$ 101,551	\$ 318,605	\$ 593,065	\$ 3,766	\$ 3,889	\$ 39,563	\$ 1,102	\$ 1,061,541

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

	June 30, 2024	December 31, 2023	June 30, 2023	
<u>Carrying amounts</u>				
Land	\$ 35,551	\$ 35,663	\$ 36,340	
Buildings	52,191	73,599	109,607	
Machinery and Equipment	2,483	12,549	19,015	
Transportation equipment	<u>1,904</u>	<u>548</u>	<u>746</u>	
	<u>\$ 92,129</u>	<u>\$ 122,359</u>	<u>\$ 165,708</u>	
	From April 1 to June 30	For the Six-Month Period Ended		
	2024	2023	June 30	
			2024	2023
Additions to right-of-use assets	<u>\$ 2,263</u>	<u>\$ 29,207</u>	<u>\$ 2,263</u>	<u>\$ 29,538</u>
<u>Depreciation charged for right-of-use assets</u>				
Land	\$ 533	\$ 526	\$ 1,059	\$ 1,058
Buildings	11,711	17,728	23,184	32,455
Machinery and Equipment	436	835	1,006	1,681
Office Equipment	<u>224</u>	<u>216</u>	<u>440</u>	<u>420</u>
	<u>\$ 12,904</u>	<u>\$ 19,305</u>	<u>\$ 25,689</u>	<u>\$ 35,614</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 June 30, 2024 and 2023 for the Six-month period ended.

### (2) Lease liabilities

	June 30, 2024	December 31, 2023	June 30, 2023
<u>Carrying amount</u>			
Current	\$ 49,590	\$ 62,734	\$ 76,604
Non-current	<u>8,801</u>	<u>29,057</u>	<u>57,303</u>
	<u>\$ 58,391</u>	<u>\$ 91,791</u>	<u>\$ 133,907</u>

Range of discount rates for lease liabilities were as follows:

	June 30, 2024	December 31, 2023	June 30, 2023
Land	1.031%	1.031%	1.031%
Buildings	1.800%~3.700%	1.800%~3.700%	3.700%~4.200%
Machinery and Equipment	1.35%~4.450%	3.650%~4.450%	1.35%~4.450%
Transportation Equipment	1.80%~4.700%	1.800%~4.700%	1.35%~4.700%

(3) Other lease information

	From April 1 to June 30		For the Six-Month Period Ended June 30	
	2024	2023	2024	2023
Expenses relating to short-term leases	\$ 4,578	\$ 103	\$ 8,689	\$ 926
Expenses relating to low-value asset leases	\$ 6	\$ 9	\$ 13	\$ 16
Total cash outflow of leases	\$ 13,799	\$ 17,955	\$ 34,481	\$ 37,963

16. INTANGIBLE ASSETS

	<u>Computer Software</u>
<u>Cost</u>	
Balance at January 1, 2023	\$ 43,816
Additions	964
Effect of foreign currency exchange differences	( 399 )
Balance at June 30, 2023	\$ 44,381
<u>Accumulated amortization and impairment</u>	
Balance at January 1, 2023	\$ 37,710
Amortization expense	1,282
Effect of foreign currency exchange differences	( 252 )
Balance at June 30, 2023	\$ 38,740
Carrying amount at December 31, 2022 and January 1, 2023	\$ 6,106
Carrying amount at June 30, 2023	\$ 5,641
<u>Cost</u>	
Balance at January 1, 2024	\$ 44,678
Additions	5,799
Reclassified	7,999
Effect of foreign currency exchange differences	323
Balance at June 30, 2024	\$ 58,799

(Continued)

Accumulated amortization and impairment

Balance at January 1, 2024	\$ 40,018
Amortization expense	1,290
Effect of foreign currency exchange differences	<u>272</u>
Balance at June 30, 2024	<u>\$ 41,580</u>
Carrying amount at December 31, 2023 and January 1, 2024	<u>\$ 4,660</u>
Carrying amount at June 30, 2024	<u>\$ 17,219</u>

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

17. OTHER ASSETS

	June 30, 2024	December 31, 2023	June 30, 2023
<u>Current</u>			
Prepayments	\$ 102,205	\$ 65,299	\$ 76,698
Prepayment for purchases	3,488	12,081	12,300
Payment on behalf of others	50,516	17,178	1,962
Other current financial assets (Note6)	\$ 111,221	\$ 93,449	\$ 124,874
Others	<u>134</u>	<u>244</u>	<u>447</u>
	<u>\$ 267,564</u>	<u>\$ 188,251</u>	<u>\$ 216,281</u>
<u>Non-current</u>			
Prepayments for equipment	\$ 122,853	\$ 118,189	\$ 148,189
Golf Membership Cards	-	6,000	6,000
Others	<u>34,367</u>	<u>37,479</u>	<u>-</u>
	<u>\$ 157,220</u>	<u>\$ 161,668</u>	<u>\$ 154,189</u>

18. BORROWINGS

a. Short-term borrowings

	June 30, 2024	December 31, 2023	June 30, 2023
<u>Unsecured borrowings</u>			
Line of credit borrowings	<u>\$ 468,900</u>	<u>\$ 300,000</u>	<u>\$ 395,640</u>

The interest rates on the borrowings ranged from 1.685% to 2.6%、1.685% to 1.783% and 1.655% to 3.2% as of June 30, 2024、December 31, 2023 and June 30, 2023, respectively.

b. Long-term borrowings

	June 30, 2024	December 31, 2023	June 30, 2023
<u>Unsecured borrowings</u>			
Line of credit borrowings	\$ 88,900	\$ 85,675	\$ 85,212
Less: Current portion	( <u>88,900</u> )	( <u>85,675</u> )	( <u>85,212</u> )
Long-term borrowings	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The interest rate on the line of credit borrowings was 2.7%、3.2% and 3.2% as of June 30, 2024、December 31, 2023 and June 30, 2023, respectively.

19. Notes payable and Accounts payable

	June 30, 2024	December 31, 2023	June 30, 2023
<u>Notes payable</u>			
Occurred as a result of business	\$ 555,939	\$ 464,147	\$ 656,652
<u>Accounts payable</u>			
Occurred as a result of business	\$ 1,018,867	\$ 1,256,826	\$ 1,107,625

20. Other liabilities

	June 30, 2024	December 31, 2023	June 30, 2023
<u>Other payables</u>			
Salaries and bonuses payable	\$ 107,504	\$ 165,574	\$ 155,284
Dividends payable	217,352	-	229,427
Equipment payables	38,175	54,391	67,857
Interest payable	242	191	236
Payable service fee	35,729	42,305	16,607
Repairs payable	48,311	33,859	28,889
Premium payable	2,299	2,416	3,178
Freight payable	30,480	42,305	212
Employee benefits payable	471	427	362
Coping tools	77,523	61,720	49,445
Others	92,497	43,494	103,103
	\$ 650,583	\$ 446,682	\$ 654,600
<u>Other current liabilities</u>			
Allowance for returns and discounts	\$ 171,971	\$ 166,754	\$ 66,262
Temporary receivable	3,272	7,091	4,663
Contract liabilities	1,332	1,285	9,020
Others	23,232	18,468	28,935
	\$ 199,807	\$ 193,598	\$ 108,880

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 April 1 to June 30, 2024 and 2023 and for the six-month period ended June 30, 2024 and 2023, the pension expenses of defined benefit plans were \$29 thousand, \$51 thousand, \$58 thousand and \$102 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

	June 30, 2024	December 31, 2023	June 30, 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 June 30, 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

	June 30, 2024	December 31, 2023	June 30, 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)</u>			
exercising the right of disgorgement	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 24-7 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 earnings for 2023 and 2022 approved in the shareholders' meetings on June 4, 2024 and June 14, 2023, respectively, were as follows:

	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

For information regarding the resolutions proposed by the Board of Directors and those approved by the Shareholders' Meeting, please refer to the "Market Observation Post System" on 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 Six-Month Period Ended June 30	
	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	58,450	( 63,188 )
Other comprehensive income or loss for the period	58,450	( 63,188 )
Balance at June 30	( \$ 58,808 )	( \$ 137,244 )

b. Unrealized valuation gain on financial assets at FVTOCI

	For the Six-Month Period Ended June 30	
	2024	2023
Balance at January 1	\$ 37,165	\$ 23,796
Current period generated		
Unrealized profit and loss		
Debt Tools	( 1,407 )	-
Equity Tools	( 2,133 )	4,638
Other comprehensive income or loss for the period	( 3,540 )	4,638
Balance at June 30	\$ 33,625	\$ 28,434

c. Remeasurement of defined benefit obligation

	For the Six-Month Period Ended June 30	
	2024	2023
Balance at January 1 and March 31	\$ 7,432	\$ 7,351

(6) Treasury shares

Purpose of Acquisition	Treasury shares granted to employees (In Thousands)
Shares Held as of January 1, 2023	1,500
Decrease During the Period	( 1,000 )
Shares Held as of June 30, 2023	500
Shares Held as of January 1 and June 30, 2024	500

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

	From April 1 to June 30		For the Six-Month Period Ended June 30	
	2024	2023	2024	2023
Revenue from contracts with Customers				
Sale of Goods	\$ 1,559,978	\$ 1,539,549	\$ 2,869,531	\$ 3,040,156

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

	From April 1 to June 30		For the Six-Month Period Ended June 30	
	2024	2023	2024	2023
Rental income	\$ 68	\$ 419	\$ 438	\$ 621
Others	8,887	992	22,149	1,563
	<u>\$ 8,955</u>	<u>\$ 1,411</u>	<u>\$ 22,587</u>	<u>\$ 2,184</u>

### (2) Interest income

	From April 1 to June 30		For the Six-Month Period Ended June 30	
	2024	2023	2024	2023
Cash in banks	\$ 3,782	\$ 4,000	\$ 6,857	\$ 7,127
Debt instrument investments at fair value through other comprehensive income	3,676	615	5,121	757
	<u>\$ 7,458</u>	<u>\$ 4,615</u>	<u>\$ 11,978</u>	<u>\$ 7,884</u>

### (3) Other gains and losses

	From April 1 to June 30		For the Six-Month Period Ended June 30	
	2024	2023	2024	2023
Gain (loss) on disposal of property, plant and equipment	\$ -	\$ -	(\$ 706)	\$ -
Gain from changes of financial assets at fair value through profit or loss	10	10	39	201
Foreign exchange gains (losses)	11,712	( 11,292 )	24,995	( 7,100 )
Others	( 269 )	( 408 )	( 270 )	( 732 )
	<u>\$ 11,453</u>	<u>( \$ 11,690 )</u>	<u>\$ 24,058</u>	<u>( \$ 7,631 )</u>

(4) Finance costs

	From April 1 to June 30		For the Six-Month Period Ended June 30	
	2024	2023	2024	2023
Interest on lease liabilities	\$ 552	\$ 1,236	\$ 1,186	\$ 2,494
Discounted interest on notes receivable	8,769	7,573	17,964	16,552
Interest on bank loans	<u>2,617</u>	<u>3,204</u>	<u>5,306</u>	<u>6,663</u>
	<u>\$ 11,938</u>	<u>\$ 12,013</u>	<u>\$ 24,456</u>	<u>\$ 25,709</u>

(5) Depreciation and amortization

	From April 1 to June 30		For the Six-Month Period Ended June 30	
	2024	2023	2024	2023
An analysis of depreciation by function				
Operating costs	\$ 54,682	\$ 52,424	\$ 107,353	\$ 105,835
Operating expenses	<u>15,195</u>	<u>19,585</u>	<u>30,147</u>	<u>34,717</u>
	<u>\$ 69,877</u>	<u>\$ 72,009</u>	<u>\$ 137,500</u>	<u>\$ 140,552</u>
An analysis of amortization by function				
Operating costs	\$ 90	\$ 89	\$ 179	\$ 179
Operating expenses	<u>683</u>	<u>523</u>	<u>1,111</u>	<u>1,103</u>
	<u>\$ 773</u>	<u>\$ 612</u>	<u>\$ 1,290</u>	<u>\$ 1,282</u>

(6) Employee Benefit Expenses

	From April 1 to June 30		For the Six-Month Period Ended June 30	
	2024	2023	2024	2023
Short-term employee benefits				
Salaries	\$ 133,753	\$ 139,412	\$ 241,682	\$ 317,557
Labor/Health Insurance	<u>18,082</u>	<u>16,731</u>	<u>35,614</u>	<u>34,812</u>
	<u>151,835</u>	<u>156,143</u>	<u>277,296</u>	<u>352,369</u>
Post-employment benefits				
Defined contribution plan	1,025	1,448	2,300	2,838
Defined Benefit Plan (Note 19)	<u>29</u>	<u>50</u>	<u>58</u>	<u>101</u>
	<u>1,054</u>	<u>1,498</u>	<u>2,358</u>	<u>2,939</u>
Other employee benefit expenses	<u>10,205</u>	<u>9,899</u>	<u>22,316</u>	<u>19,986</u>
Total employee benefit expenses	<u>\$ 163,094</u>	<u>\$ 167,540</u>	<u>\$ 301,970</u>	<u>\$ 375,294</u>

(Continued)

	From April 1 to June 30		For the Six-Month Period Ended June 30	
	2024	2023	2024	2023
Summary by function				
Operating costs	\$ 103,080	\$ 107,746	\$ 188,724	\$ 230,396
Operating expenses	<u>60,014</u>	<u>59,794</u>	<u>113,246</u>	<u>144,898</u>
	<u>\$ 163,094</u>	<u>\$ 167,540</u>	<u>\$ 301,970</u>	<u>\$ 375,294</u>

(7) 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 June 30, 2024 and 2023, the employees' compensation and the remuneration of directors and supervisors were as flows:

Accrual rate

	For the Six-Month Period Ended June 30	
	2024	2023
Employees' compensation	3.8%	3.8%
Remuneration of directors	1.4%	1.4%

Amounts

	From April 1 to June 30		For the Six-Month Period Ended June 30	
	2024	2023	2024	2023
Employees' compensation	<u>\$ 2,828</u>	<u>\$ 5,242</u>	<u>\$ 5,707</u>	<u>\$ 9,732</u>
Remuneration of directors	<u>\$ 1,132</u>	<u>\$ 1,931</u>	<u>\$ 2,102</u>	<u>\$ 3,585</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:

	For the Years Ended December 31	
	2023	2022
	Cash	Cash
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.

(8) Foreign net exchange gain or loss

	From April 1 to June 30		For the Six-Month Period Ended June 30	
	2024	2023	2024	2023
Foreign exchange gain	\$ 14,862	\$ 610	\$ 29,700	\$ 15,079
Foreign exchange loss	( 3,150 )	( 11,902 )	( 4,705 )	( 22,179 )
Net exchange gain	<u>\$ 11,712</u>	<u>( \$ 11,292 )</u>	<u>\$ 24,995</u>	<u>( \$ 7,100 )</u>

## 25. INCOME TAXES RELATING TO CONTINUING OPERATIONS

(1) Income taxes recognized in profit or loss

Detail of income tax was as follows: :

	From April 1 to June 30		For the Six-Month Period Ended June 30	
	2024	2023	2024	2023
Current income tax expenses				
In respect of the current period	\$ 34,703	\$ 23,735	\$ 54,683	\$ 53,941
Income tax on unappropriated earnings	13,575	18,924	13,575	18,924
Adjustments on prior year	( 856 )	3,674	( 856 )	3,674
Others	35,159	-	35,159	-
Deferred income tax				
In respect of the current period	( 11,205 )	2,561	( 418 )	6,884
Income tax expense recognized in profit or loss	<u>\$ 71,376</u>	<u>\$ 48,894</u>	<u>\$ 102,143</u>	<u>\$ 83,423</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

	From April 1 to June 30		For the Six-Month Period Ended June 30	
	2024	2023	2024	2023
Deferred income tax				
In respect of the current period				
—Conversion of foreign operating institutions				
Deferred income tax	<u>( \$ 4,107 )</u>	<u>\$ 12,867</u>	<u>( \$ 14,612 )</u>	<u>\$ 15,402</u>

(3) Income tax examination

Income tax returns of the Company through 2022 have been assessed and approved by the tax authorities.

26. EARNINGS PER SHARE

	Unit: NT\$ Per Share			
	From April 1 to June 30		For the Six-Month Period Ended June 30	
	2024	2023	2024	2023
Basic earnings per share	\$ 0.67	\$ 0.92	\$ 1.12	\$ 1.85
Diluted earnings per share	\$ 0.66	\$ 0.92	\$ 1.11	\$ 1.84

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

Net income available to common shareholders

	From April 1 to June 30		For the Six-Month Period Ended June 30	
	2024	2023	2024	2023
Net income available to common shareholders	\$ 80,183	\$ 111,645	\$ 134,989	\$ 222,811
Net income used to calculate basic and diluted earnings per share	\$ 80,183	\$ 111,645	\$ 134,989	\$ 222,811

Shares

	Unit: Thousand shares			
	From April 1 to June 30		For the Six-Month Period Ended June 30	
	2024	2023	2024	2023
Weighted average number of ordinary shares used in the computation of basic earnings per share	120,751	120,751	120,751	120,386
Effect of potentially dilutive ordinary shares				
Shares issued for employees' compensation	130	185	421	514
Weighted average number of ordinary shares used in the computation of diluted earnings per share	120,881	120,936	121,172	120,900

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.

<u>Board of directors passed date</u>	<u>Grant date</u>	<u>Transfer shares (Thousand)</u>	<u>Fair value</u>
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 six-month period ended June 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 June 30, 2024 and 2023:



	For the Six-Month Period Ended June 30	
	2024	2023
Increase in property, plant and equipment	( \$ 39,627 )	( \$ 46,760 )
Increase in prepaid equipment	( 48,786 )	( 91,820 )
Increase (decrease) in payables for equipment	( <u>16,216</u> )	<u>45,888</u>
Acquisition of real estate, plant and equipment pay cash	( \$ <u>104,629</u> )	( \$ <u>92,692</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.

June 30, 2024

	Level 1
<u>Financial assets at fair value through profit or loss</u>	
Mutual funds	<u>\$ 104</u>
<u>Financial assets at fair value through other comprehensive income</u>	
Investments in equity instrument	
Domestic listed shares	<u>\$ 83,350</u>
Investments in debt instrument	
Foreign Bonds	\$ 453,589
U.S. TREASURY NOTE	<u>31,648</u>
	<u>\$ 485,237</u>

December 31, 2023

	Level 1
<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 comprehensive income</u>	
Investments in equity instrument	
Domestic listed shares	<u>\$ 38,932</u>
Investments in debt instrument	
Foreign Bonds	<u>\$ 120,494</u>

June 30, 2023

	<u>Level 1</u>
<u>Financial assets at fair value through profit or loss</u>	
Mutual funds	<u>\$ 775</u>
<u>Financial assets at fair value through other omprehensive income</u>	
Investments in equity instrument	
Domestic listed shares	<u>\$ 30,196</u>
Investments in debt instrument	
Foreign Bonds	<u>\$ 58,471</u>

There were no transfers between Levels 1 and 2 for the six-month period ended June 30, 2024 and 2023.

c. Categories of financial instruments

	<u>June 30,</u> <u>2024</u>	<u>December 31,</u> <u>2023</u>	<u>June 30,</u> <u>2023</u>
<u>Financial assets</u>			
Financial assets at FVTPL	\$ 104	\$ 1,413	\$ 775
Financial assets at amortized cost ( Note 1 )	3,738,037	3,935,789	3,929,636
Financial assets at FVTOCI-			
Investment in equity instruments	83,350	38,932	88,667
Investment in debt instruments	485,237	120,494	-
<u>Financial liabilities</u>			
Financial liabilities at amortized cost ( Note 2 )	2,803,203	2,568,680	2,914,742

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 Six-Month Period Ended June 30		
	2024	2023
Loss (gain)	<u>(\$ 6,919)</u>	<u>(\$ 12,644)</u>
The effect of U.S. dollar on RMB as the functional currency		
For the Six-Month Period Ended June 30		
	2024	2023
Loss (gain)	<u>\$ 7,993</u>	<u>\$ 7,246</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 \$2,187 thousands and \$1,966 thousands in

for the six-month period ended June 30 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 June 30, 2024, December 31, 2023 and June 30, 2023, the Group's unused short-term bank financing amounted to 3,205,376 thousand, 3,323,083 thousand and 2,173,404 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.

June 30, 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 financial liabilities</u>				
No interest bearing liabilities	\$ 1,649,685	\$ 595,718	\$ -	\$ 2,245,403
Lease liability	9,699	39,891	8,801	58,391
Floating Rate Instrument	330,000	227,800	-	557,800
	<u>\$ 1,989,384</u>	<u>\$ 863,409</u>	<u>\$ 8,801</u>	<u>\$ 2,861,594</u>

December 31, 2023

	1 to 3 months	3 months to 1 year	1 to 5 years	Total
<u>Non-derivative 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	130,000	255,675	-	385,675
	<u>\$ 1,798,989</u>	<u>\$ 832,425</u>	<u>\$ 29,057</u>	<u>\$ 2,660,471</u>

June 30, 2023

	1 to 3 months	3 months to 1 year	1 to 5 years	Total
<u>Non-derivative financial liabilities</u>				
No interest bearing liabilities	\$ 1,848,446	\$ 578,207	\$ 7,237	\$ 2,433,890
Lease liability	21,995	54,609	57,303	133,907
Floating Rate Instrument	240,428	240,424	-	480,852
	<u>\$ 2,110,869</u>	<u>\$ 873,240</u>	<u>\$ 64,540</u>	<u>\$ 3,048,649</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 six-month period ended June 30, 2024 and 2023, the Group discounted \$2,564,870 thousand and \$1,970,519 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

(Continued)

Related Party Name	Related Party Category
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

Category of related party	From April 1 to June 30		For the Six-Month Period Ended June 30	
	2024	2023	2024	2023
Other related party	<u>\$ 27,251</u>	<u>\$ 20,207</u>	<u>\$ 36,213</u>	<u>\$ 41,079</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	From April 1 to June 30		For the Six-Month Period Ended June 30	
	2024	2023	2024	2023
Associate	\$ 1,227	\$ 557	\$ 1,564	\$ 1,643
Other related party	<u>10,047</u>	<u>3,452</u>	<u>15,572</u>	<u>9,010</u>
	<u>\$ 11,274</u>	<u>\$ 4,009</u>	<u>\$ 17,136</u>	<u>\$ 10,653</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	June 30, 2024	December 31, 2023	June 30, 2023
Accounts Receivables - Related Parties	Other related party	<u>\$ 32,449</u>	<u>\$ 19,604</u>	<u>\$ 26,745</u>
Other Receivables - related parties	Other related party	<u>\$ -</u>	<u>\$ 76</u>	<u>\$ -</u>

(5) Payables to related parties

Account items	Category of related party	June 30, 2024	December 31, 2023	June 30, 2023
Accounts Payable - Related Parties	Other related party	\$ 12,902	\$ 8,725	\$ 7,707
	Associate	<u>1,511</u>	<u>538</u>	<u>1,499</u>
		<u>\$ 14,413</u>	<u>\$ 9,263</u>	<u>\$ 9,206</u>
Other payables - related parties	Other related party	\$ 3,595	\$ 3,100	\$ 3,251
	Associate	<u>2,006</u>	<u>2,987</u>	<u>2,556</u>
		<u>\$ 5,601</u>	<u>\$ 6,087</u>	<u>\$ 5,807</u>

The outstanding trade payables to related parties are unsecured.

(6) Prepayments

Category of related party	June 30, 2024	December 31, 2023	June 30, 2023
Other related party	\$ -	\$ 11	\$ -

(7) Other

Account Item	Category of related party	From April 1 to June 30		For the Six-Month Period Ended June 30	
		2024	2023	2024	2023
Management and general expenses - Professional service fees	Associate	\$ 2,225	\$ 2,605	\$ 4,663	\$ 4,995
Management and general expenses - stock expense	Associate	\$ 410	\$ 395	\$ 658	\$ 747
Management and general expenses – Mixcellaneous expenses	Associate	\$ -	\$ 169	\$ 70	\$ 195
Management and general expenses - Social expenses	Other related parties	\$ -	\$ 63	\$ -	\$ 63
Management and general expenses – Mixcellaneous expenses	Other related parties	\$ 527	\$ -	\$ 756	\$ -
Management and general expenses – Traveling expenses	Other related parties	\$ -	\$ -	\$ 24	\$ -
Management and general expenses - Professional service fees	Other related parties	\$ 150	\$ 526	\$ 345	\$ 659
Sales expenses – Social expenses	Other related parties	\$ -	\$ -	\$ 11	\$ -
Manufacturing overhead- repair expenses	Other related parties	\$ -	\$ -	\$ 6	\$ -
Manufacturing overhead- Professional service fees	Other related parties	\$ 195	\$ -	\$ 530	\$ -
Manufacturing overhead- Traveling expenses	Other related parties	\$ -	\$ -	\$ 31	\$ -

(8) Lease Agreement

Account items	Category of related party	June 30, 2024	December 31, 2023	June 30, 2023
Lease liabilities	Other related party	\$ 30,400	\$ 45,317	\$ 60,122

Category of related party	From April 1 to June 30		For the Six-Month Period Ended June 30	
	2024	2023	2024	2023
Interest expense				
Other related party	\$ 323	\$ 618	\$ 731	\$ 1,313

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.

(9) Compensation of key management personnel

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

	From April 1 to June 30		For the Six-Month Period Ended June 30	
	2024	2023	2024	2023
Short-term employee benefits	\$ 11,901	\$ 12,362	\$ 23,797	\$ 27,335
Postretirement benefits	86	75	172	150
Share based payment	-	-	-	18,439
	<u>\$ 11,987</u>	<u>\$ 12,437</u>	<u>\$ 23,969</u>	<u>\$ 45,924</u>

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 June 30, 2024, the Group issued promissory notes in the amount of NT\$965,000 thousand to secure long- and short-term loans.
- (2) As of June 30, 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:

June 30, 2024

	Foreign currency	Exchange rate	Carrying Amount
<u>Financial assets</u>			
<u>Monetary items</u>			
USD	\$ 4,693	32.45 (USD : NTD)	\$ 152,288
USD	1,937	7.3003 (USD : RMB)	62,855
JPY	674	0.2017 (JPY : NTD)	136
EUR	10	34.71 (EUR : NTD)	347
HKD	40	4.155 (HKD : NTD)	166
RMB	23	4.445 (RMB : NTD)	102
			<u>\$ 215,894</u>



# Financial liabilities

## Monetary items

USD	2,082	32.45 (USD : NTD)	\$ 67,561
USD	5,487	7.3003 (USD : RMB)	178,052
JPY	16,983	0.0454 (JPY : RMB)	3,425
EUR	91	34.71 (EUR : NTD)	3,159
EUR	143	7.8088 (EUR : RMB)	4,964
RMB	5	4.445 (RMB : NTD)	<u>22</u>
			<u>\$ 257,183</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)	<u>1,709</u>
			<u>\$ 262,886</u>

# Financial liabilities

## Monetary items

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)	<u>4,689</u>
			<u>\$ 212,055</u>

# June 30, 2023

	Foreign currency	Exchange rate	Carrying Amount
<u>Financial assets</u>			
<u>Monetary items</u>			
USD	\$ 8,084	31.14 (USD : NTD)	\$ 251,736
USD	1,106	7.2723 (USD : RMB)	34,441
JPY	2,864	0.215 (JPY : NTD)	616
EUR	5	33.81 (EUR : NTD)	169
HKD	40	3.974 (HKD : NTD)	159
RMB	219	4.282 (RMB : NTD)	<u>938</u>
			<u>\$ 288,059</u>

# Financial liabilities

## Monetary items

USD	\$ 3,018	31.14 (USD : NTD)	\$ 93,981
USD	3,868	7.2723 (USD : RMB)	120,449
JPY	16,983	0.0502 (JPY : RMB)	3,651
EUR	78	7.8958 (EUR : RMB)	<u>2,637</u>
			<u>\$ 220,718</u>

The Group's foreign currency exchange gains (losses) (realized and unrealized) amounted to \$11,712 thousand、(\$11,292) thousand、\$24,995 thousand and (\$7,100) thousand in from April 1 to June 30, 2024 and 2023 and for the six-month period ended June 30, 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 Six-Month Period Ended June 30			
	2024	2023	2024	2023
PCBA — EMS1	\$ 152,878	\$ 230,390	( \$ 1,610 )	\$ 22,361
— EMS3	2,716,684	2,809,880	221,627	372,835
Adjustments	( 31 )	( 114 )	( 16,945 )	( 65,690 )
Profit from operations	<u>\$ 2,869,531</u>	<u>\$ 3,040,156</u>	203,072	329,506
Interest income			11,978	7,884
Gain (Loss)on disposal of property, plant and equipment			( 706 )	-
Foreign exchange (loss) gain			24,995	( 7,100 )
Rental income			438	621
Share of profit of associates			( 107 )	-
Financial instrument evaluation benefits			39	201
Financial costs			( 24,456 )	( 25,709 )
Other income			<u>21,879</u>	<u>831</u>
Profit before Income tax from continue operations			<u>\$ 237,132</u>	<u>\$ 306,234</u>

The revenue reported above was generated from transactions with external clients. For the three-month period ended June 30, 2024 and 2023 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

	June 30, 2024	December 31, 2023	June 30, 2023
<u>Segment assets</u>			
Continuing Operations			
Segment			
EMS1	\$ 866,167	\$ 746,932	\$ 800,537
EMS3	<u>5,630,011</u>	<u>5,588,234</u>	<u>5,518,484</u>
Segment assets	6,496,178	6,335,166	6,319,021
Unallocated assets	<u>38,651</u>	<u>54,305</u>	<u>63,277</u>
Total assets	<u>\$ 6,534,829</u>	<u>\$ 6,389,471</u>	<u>\$ 6,382,298</u>
<u>Segment liabilities</u>			
Continuing Operations			
Segment			
EMS1	\$ 135,526	\$ 127,263	\$ 162,256
EMS3	<u>2,459,538</u>	<u>2,465,136</u>	<u>2,664,426</u>
Segment liabilities	2,595,064	2,592,399	2,826,682
Unallocated liabilities	<u>652,039</u>	<u>481,893</u>	<u>589,583</u>
Total liabilities	<u>\$ 3,247,103</u>	<u>\$ 3,074,292</u>	<u>\$ 3,416,265</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  
JUNE 30, 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)	\$ - (RMB -)	\$ - (RMB -)	3%	Note 3	Operating turnover	\$ -	-	-	\$ 1,315,090	\$ 1,315,090

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=4.445 as of June 30, 2024.

TABLE 2

## INFO-TEK CORPORATION AND SUBSIDIARIES

## MARKETABLE SECURITIES HELD

JUNE 30, 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	June 30, 2024				Note
					Number of Shares	Carrying Amount	Percentage of Ownership (%)	Fair Value	
Info-Tek Corporation	Common Stock	Walsin Technology Corporation	Associate	Financial assets at FVTOCI	316,521	\$37,350	-	\$37,350	
"	Common Stock	TXC CORPORATION	N/A	Financial assets at FVTOCI	400,000	46,000	-	46,000	
"	Subordinate Bonds	Cathay Life Insurance Company, Ltd.	N/A	Financial assets at FVTOCI	2,000,000	64,576	-	64,576	
"	Corporate Bonds	APPLE INC.	N/A	Financial assets at FVTOCI	1,040,000	32,763	-	32,763	
"	Government Bonds	U.S. TREASURY NOTE	N/A	Financial assets at FVTOCI	1,000,000	31,648	-	31,648	
SUN RISE CORPORATION	Money Market Funds	MS USD LIQUID QUALIF ACC FUND	N/A	Financial assets at FVTPL-current	27.42	104	-	104	
"	Corporate Bonds	BPCE SA	N/A	Financial assets at FVTOCI	1,200,000	36,248	-	36,248	
	Corporate Bonds	STANDARD CHARTERED BANK	N/A	Financial assets at FVTOCI	800,000	25,655	-	25,655	
	Corporate Bonds	PETRONAS Capital Limited	N/A	Financial assets at FVTOCI	1,940,000	57,903	-	57,903	
	Corporate Bonds	Credit Suisse AG New York Branch	N/A	Financial assets at FVTOCI	2,800,000	97,258	-	97,258	
	Corporate Bonds	3M Company	N/A	Financial assets at FVTOCI	2,500,000	70,924	-	70,924	
"	Corporate Bonds	Toyota Motor Credit Corporation	N/A	Financial assets at FVTOCI	2,100,000	68,262	-	68,262	

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 SIX MONTH PERIOD ENDED JUNE 30, 2024  
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of June 30, 2024			Net Income (Loss) of the Investee	Share of Profit (Loss) ( Note1 )	Note
				June 30, 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	\$ 261,103	\$ 9,643	\$ 9,643	Investments accounted for using equity method
	SUN RISE CORPORATION	Samoa	Investment industry	1,167,689	1,167,689	35,500,000	100	3,054,934	145,858	145,858	"
	Walsin New Engery Corporation	Taiwan	Solar energy generation	2,500	2,500	250,000	5	2,340	(2,136)	(107)	"
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	2,344,662	166,774	153,779	"
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	198,141	166,774	12,995	"

Note1 : The calculation is based on the investees' audited financial statements as of June 30, 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 SIX MONTH PERIOD ENDED JUNE 30, 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 June 30, 2024 (Note3)	Net Income (Loss) of the Investee (Note2)	% Ownership of Direct or Indirect Investment	Investment Gain (Loss) (Note 2)	Carrying Amount as of June 30, 2024(Note 2)	Accumulated Appropriation of Investment Income as of June 30, 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	\$ 166,774	100%	\$ 166,774	\$ 2,542,803	\$ 718,660

Accumulated Outward Remittance for Investments in Mainland China as of June 30, 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)	\$ 1,972,636 (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 SIX MONTH PERIOD ENDED JUNE 30, 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	\$ 13,257	No significant difference with non-related parties	5.32%
		Info-Tek Electronics (Suzhou) CO., LTD.	1	Sales	31	"	
		INFO-TEK HOLDING CO., LTD.	1	Other receivables from related parties	20	"	
		SUNRISE CORPORATION	1	Other receivables from related parties	60	"	
1	Info-Tek Electronics (Suzhou) CO.,LTD.	Info-Tek Corporation	2	Accrued payables from related parties	13,121	"	
		Info-Tek Corporation	2	Trade payables from related parties	136	"	
		Info-Tek Corporation	2	Cost of goods sold	31	"	
		INFO-TEK HOLDING CO., LTD.	3	Other payables from related parties	30,315	"	
2	INFO-TEK HOLDING CO., LTD.	SUNRISE CORPORATION	3	Finance costs	499	"	
		SUNRISE CORPORATION	3	Other payables from related parties	347,852	"	
		Info-Tek Corporation	2	Other payables from related parties	20	"	
		Info-Tek Corporation	2	Other payables from related parties	20	"	
3	SUNRISE CORPORATION	Info-Tek Electronics (Suzhou) CO., LTD	3	Other receivables from related parties	30,315	"	
		Info-Tek Electronics (Suzhou) CO., LTD	3	Other receivables from related parties	347,852	"	
		Info-Tek Electronics (Suzhou) CO., LTD.	3	Interest income	499	"	
		Info-Tek Corporation	2	Other payables from related parties	60	"	

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 SIX MONTH PERIOD ENDED JUNE 30, 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	\$ 182	Market Price	Payment Term 90 Days	No significant difference	\$ 136	-	\$ 31	-

**INFO-TEK CORPORATION AND SUBSIDIARIES****TABLE 7****INFORMATION OF MAJOR SHAREHOLDERS  
JUNE 30, 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