

**EDOM Technology Co., Ltd. and
Subsidiaries**

**Consolidated Financial Statements for the
Six Months Ended June 30, 2024 and 2023 and
Independent Auditors' Review Report**

INDEPENDENT AUDITORS' REVIEW REPORT

The Board of Directors and Shareholders
EDOM Technology Co., Ltd.

Introduction

We have reviewed the accompanying consolidated balance sheets of EDOM Technology Co., Ltd. (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 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 material accounting policy information (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

Except as explained in the following paragraph, we conducted our reviews in accordance with the 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.

Basis for Qualified Conclusion

As disclosed in Note 12 to the consolidated financial statements, the financial statements of some non-significant subsidiaries included in the consolidated financial statements referred to in the first paragraph were not reviewed. As of June 30, 2024 and 2023, the combined total assets of these non-significant subsidiaries were NT\$2,080,811 thousand and NT\$3,773,103 thousand, respectively, representing 8.02% and 13.73%, respectively, of the consolidated total assets, and the combined total liabilities of these subsidiaries were NT\$625,787 thousand and NT\$1,995,008 thousand, respectively, representing 2.99% and 8.87%, respectively, of the consolidated total liabilities; for the three months ended June 30, 2024 and 2023, the amounts of combined comprehensive income (loss) of these subsidiaries were NT\$10,354 thousand and NT\$(9,587) thousand, respectively, representing 22.94% and (16.16%), respectively, of the consolidated total comprehensive income (loss); for the six months ended June 30, 2024 and 2023, the amounts of combined comprehensive income of these subsidiaries were NT\$(35,943) thousand and NT\$(13,599) thousand, respectively, representing (9.78%) and (179.86%), respectively, of the consolidated total comprehensive income. In addition, as disclosed in Note 13 to the consolidated

financial statements, the carrying amounts of the associates accounted for using equity method were NT\$46,642 thousand and NT\$47,987 thousand as of June 30, 2024 and 2023. For the three months ended June 30, 2024 and 2023, the amounts of comprehensive income (loss) recognized on investments accounted for using equity method were NT\$198 thousand and NT\$(2,739) thousand, respectively; for the six months ended June 30, 2024 and 2023, the amounts of comprehensive income (loss) recognized on investments accounted for using equity method were NT\$574 thousand and NT\$(6,880) thousand, respectively. As disclosed in Note 34 to the consolidated financial statements, the related investment amounts as well as additional disclosures are based on these investees' unreviewed financial statements for the same reporting periods as those of the Group.

Qualified Conclusion

Based on our reviews, except for adjustments, if any, as might have been determined to be necessary had the financial statements of the non-significant subsidiaries and the associates accounted for using equity method as described in the preceding paragraph been reviewed, 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 Group 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 Chin-Tsung Cheng and Meng-Chieh Chiu.

CHIN TSUNG CHENG Meng-Chieh, Chiu

Deloitte & Touche
Taipei, Taiwan
Republic of China

August 13, 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 statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' review report and consolidated financial statements shall prevail.

EDOM TECHNOLOGY CO., LTD. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS (In Thousands of New Taiwan Dollars)

ASSETS	June 30, 2024		December 31, 2023		June 30, 2023	
	Amount	%	Amount	%	Amount	%
CURRENT ASSETS						
Cash and cash equivalents (Note 6)	\$ 1,861,409	7	\$ 1,905,684	6	\$ 1,623,517	6
Financial assets at fair value through profit or loss - current (Note 7)	-	-	2,003	-	-	-
Financial assets at amortized cost - current (Notes 9 and 30)	127,843	1	223,216	1	319,035	1
Notes receivable (Note 10)	22,570	-	62,996	-	82,205	-
Trade receivables (Note 10)	548,903	2	4,108,932	14	1,218,210	5
Other receivables (Notes 10 and 29)	7,843,946	30	8,423,185	28	5,655,585	21
Current tax assets (Notes 4 and 24)	3,490	-	3,500	-	1,735	-
Inventories (Note 11)	12,541,480	48	12,371,250	42	15,990,958	58
Other current assets (Notes 17 and 29)	779,086	3	645,506	2	649,300	2
Total current assets	<u>23,728,727</u>	<u>91</u>	<u>27,746,272</u>	<u>93</u>	<u>25,540,545</u>	<u>93</u>
NON-CURRENT ASSETS						
Financial assets at fair value through profit or loss - non-current (Note 7)	739,809	3	570,019	2	480,704	2
Financial assets at fair value through other comprehensive income - non-current (Note 8)	37,372	-	18,437	-	16,995	-
Financial assets at amortized cost - non-current (Notes 9 and 30)	-	-	2,000	-	2,000	-
Investments accounted for using the equity method (Note 13)	46,642	-	61,222	-	47,987	-
Property, plant and equipment (Notes 14 and 30)	689,658	3	698,011	2	707,467	3
Right-of-use assets (Note 15)	60,202	-	80,704	-	96,106	-
Investment properties (Note 16)	26,800	-	27,295	-	27,790	-
Goodwill	199,801	1	199,801	1	199,801	1
Other intangible assets	68,618	-	81,485	-	99,680	-
Deferred tax assets (Notes 4 and 24)	112,410	1	109,287	1	64,837	-
Net defined benefit assets - non-current (Notes 4 and 21)	21,269	-	18,219	-	21,973	-
Other non-current assets (Note 17)	227,136	1	172,923	1	173,728	1
Total non-current assets	<u>2,229,717</u>	<u>9</u>	<u>2,039,403</u>	<u>7</u>	<u>1,939,068</u>	<u>7</u>
TOTAL	<u>\$ 25,958,444</u>	<u>100</u>	<u>\$ 29,785,675</u>	<u>100</u>	<u>\$ 27,479,613</u>	<u>100</u>
LIABILITIES AND EQUITY						
CURRENT LIABILITIES						
Short-term borrowings (Notes 18 and 30)	\$ 5,507,508	21	\$ 6,454,052	22	\$ 8,941,344	32
Short-term bills payable (Note 18)	1,028,903	4	908,749	3	758,874	3
Notes and trade payables (Notes 19 and 29)	11,784,514	46	15,090,319	50	10,057,348	37
Other payables (Notes 20 and 29)	989,911	4	825,610	3	1,280,084	5
Current tax liabilities (Notes 4 and 24)	14,414	-	74,109	-	42,828	-
Lease liabilities - current (Note 15)	45,864	-	49,833	-	48,507	-
Current portion of long-term borrowings (Notes 18 and 30)	6,960	-	6,922	-	17,567	-
Other current liabilities (Note 20)	352,830	1	311,016	1	283,757	1
Total current liabilities	<u>19,730,904</u>	<u>76</u>	<u>23,720,610</u>	<u>79</u>	<u>21,430,309</u>	<u>78</u>
NON-CURRENT LIABILITIES						
Long-term borrowings, net of current portion (Notes 18 and 30)	854,453	3	857,926	3	862,515	3
Deferred tax liabilities (Notes 4 and 24)	164,028	1	76,415	-	82,434	1
Lease liabilities - non-current (Note 15)	17,476	-	33,629	-	50,724	-
Net defined benefit liabilities - non-current (Notes 4 and 21)	-	-	1,005	-	697	-
Guarantee deposits received	130,755	-	132,779	1	71,408	-
Total non-current liabilities	<u>1,166,712</u>	<u>4</u>	<u>1,101,754</u>	<u>4</u>	<u>1,067,778</u>	<u>4</u>
Total liabilities	<u>20,897,616</u>	<u>80</u>	<u>24,822,364</u>	<u>83</u>	<u>22,498,087</u>	<u>82</u>
EQUITY						
Share capital	2,698,298	11	2,698,298	9	2,698,298	10
Capital surplus	736,939	3	736,939	3	736,939	3
Retained earnings						
Legal reserve	880,332	3	880,085	3	880,085	3
Unappropriated earnings	412,494	2	620,317	2	571,570	2
Total retained earnings	1,292,826	5	1,500,402	5	1,451,655	5
Other equity	332,765	1	27,672	-	94,634	-
Total equity	<u>5,060,828</u>	<u>20</u>	<u>4,963,311</u>	<u>17</u>	<u>4,981,526</u>	<u>18</u>
TOTAL	<u>\$ 25,958,444</u>	<u>100</u>	<u>\$ 29,785,675</u>	<u>100</u>	<u>\$ 27,479,613</u>	<u>100</u>

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

(With Deloitte & Touche review report dated August 13, 2024)

EDOM TECHNOLOGY CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (In Thousands of New Taiwan Dollars, Except Earnings (Loss) 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								
(Note 29)								
Sales	\$ 24,631,090	100	\$ 22,780,095	100	\$ 49,346,460	100	\$ 46,996,117	100
Service revenue	<u>586</u>	-	<u>49</u>	-	<u>700</u>	-	<u>298</u>	-
Total operating revenue	24,631,676	100	22,780,144	100	49,347,160	100	46,996,415	100
OPERATING COSTS (Notes 11, 23 and 29)								
	<u>23,800,784</u>	<u>97</u>	<u>22,054,757</u>	<u>97</u>	<u>47,709,583</u>	<u>97</u>	<u>45,448,620</u>	<u>97</u>
GROSS PROFIT	<u>830,892</u>	<u>3</u>	<u>725,387</u>	<u>3</u>	<u>1,637,577</u>	<u>3</u>	<u>1,547,795</u>	<u>3</u>
OPERATING EXPENSES								
(Notes 23 and 29)								
Selling and marketing expenses	346,309	1	295,640	1	704,249	1	612,455	1
General and administrative expenses	114,687	-	90,336	-	233,391	1	213,161	-
Expected credit (gain) loss	<u>(968)</u>	<u>-</u>	<u>12</u>	<u>-</u>	<u>(961)</u>	<u>-</u>	<u>95</u>	<u>-</u>
Total operating expenses	<u>460,028</u>	<u>1</u>	<u>385,988</u>	<u>1</u>	<u>936,679</u>	<u>2</u>	<u>825,711</u>	<u>1</u>
PROFIT FROM OPERATIONS	<u>370,864</u>	<u>2</u>	<u>339,399</u>	<u>2</u>	<u>700,898</u>	<u>1</u>	<u>722,084</u>	<u>2</u>
NONOPERATING INCOME AND EXPENSES (Notes 13, 23, 29 and 33)								
Interest income	11,202	-	9,784	-	15,772	-	12,887	-
Other income	17,956	-	17,669	-	34,675	-	33,346	-
Other gains and losses	(76,200)	-	410	-	88,729	-	11,962	-
Foreign exchange gains (losses)	2,012	-	1,285	-	13,305	-	(1,478)	-
Finance costs	(347,090)	(2)	(383,701)	(2)	(772,713)	(1)	(790,666)	(2)
Share of profit or loss of associates	<u>198</u>	<u>-</u>	<u>(2,739)</u>	<u>-</u>	<u>574</u>	<u>-</u>	<u>(6,880)</u>	<u>-</u>
Total nonoperating income and expenses	<u>(391,922)</u>	<u>(2)</u>	<u>(357,292)</u>	<u>(2)</u>	<u>(619,658)</u>	<u>(1)</u>	<u>(740,829)</u>	<u>(2)</u>
PROFIT (LOSS) BEFORE INCOME TAX	(21,058)	-	(17,893)	-	81,240	-	(18,745)	-
INCOME TAX EXPENSE (BENEFIT) (Notes 4 and 24)	<u>(7,871)</u>	<u>-</u>	<u>24,871</u>	<u>-</u>	<u>18,986</u>	<u>-</u>	<u>27,527</u>	<u>-</u>
NET PROFIT (LOSS) FOR THE PERIOD	<u>(13,187)</u>	<u>-</u>	<u>(42,764)</u>	<u>-</u>	<u>62,254</u>	<u>-</u>	<u>(46,272)</u>	<u>-</u>
OTHER COMPREHENSIVE INCOME (LOSS)								
Items that will not be reclassified subsequently to profit or loss:								
Unrealized gain on investments in equity instruments at fair value through other comprehensive income (Note 22)	<u>15,554</u>	<u>-</u>	<u>2,740</u>	<u>-</u>	<u>18,935</u>	<u>-</u>	<u>6,335</u>	<u>-</u>

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EDOM TECHNOLOGY CO., LTD. AND SUBSIDIARIES

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

	For the Three Months Ended June 30				For the Six Months Ended June 30			
	2024		2023		2024		2023	
	Amount	%	Amount	%	Amount	%	Amount	%
Items that may be reclassified subsequently to profit or loss:								
Exchange differences on translation of the financial statements of foreign operations (Note 22)	\$ 103,879	-	\$ 134,415	-	\$ 409,427	1	\$ 66,396	-
Unrealized loss on investments in debt instruments at fair value through other comprehensive income (Note 22)	(37,721)	-	(9,202)	-	(40,688)	-	(7,148)	-
Share of other comprehensive income (loss) of associates accounted for using the equity method (Note 22)	(648)	-	185	-	(620)	-	1,283	-
Income tax relating to items that may be reclassified subsequently to profit or loss (Notes 4 and 24)	(22,747)	-	(26,034)	-	(81,961)	-	(13,033)	-
	<u>42,763</u>	-	<u>99,364</u>	-	<u>286,158</u>	1	<u>47,498</u>	-
Other comprehensive income for the period, net of income tax	<u>58,317</u>	-	<u>102,104</u>	-	<u>305,093</u>	1	<u>53,833</u>	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u>\$ 45,130</u>	-	<u>\$ 59,340</u>	-	<u>\$ 367,347</u>	1	<u>\$ 7,561</u>	-
EARNINGS (LOSS) PER SHARE (Note 25)								
Basic	<u>\$ (0.05)</u>		<u>\$ (0.16)</u>		<u>\$ 0.23</u>		<u>\$ (0.17)</u>	
Diluted	<u>\$ (0.05)</u>		<u>\$ (0.16)</u>		<u>\$ 0.23</u>		<u>\$ (0.17)</u>	

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

(With Deloitte & Touche review report dated August 13, 2024)

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EDOM TECHNOLOGY CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (In Thousands of New Taiwan Dollars)

	Share Capital (Note 22)		Capital Surplus (Note 22)	Retained Earnings (Note 22)			Other Equity (Note 22)		Total Equity
	Shares (In Thousands)	Amount		Legal Reserve	Special Reserve	Unappropriated Retained Earnings	Exchange Differences on Translation of the Financial Statement of Foreign Operations	Unrealized Gain/(Loss) on Financial Assets at Fair Value Through Other Comprehensive Income	
BALANCE AT JANUARY 1, 2023	269,830	\$ 2,698,298	\$ 736,939	\$ 796,739	\$ 391,623	\$ 849,224	\$ (32,042)	\$ 72,843	\$ 5,513,624
Appropriation of 2022 earnings									
Legal reserve	-	-	-	83,346	-	(83,346)	-	-	-
Reversal of special reserve	-	-	-	-	(391,623)	391,623	-	-	-
Cash dividends - NT\$2.0 per share	-	-	-	-	-	(539,659)	-	-	(539,659)
Net loss for the six months ended June 30, 2023	-	-	-	-	-	(46,272)	-	-	(46,272)
Other comprehensive income (loss) for the six months ended June 30, 2023, net of income tax	-	-	-	-	-	-	54,646	(813)	53,833
Total comprehensive income (loss) for the six months ended June 30, 2023	-	-	-	-	-	(46,272)	54,646	(813)	7,561
BALANCE AT JUNE 30, 2023	<u>269,830</u>	<u>\$ 2,698,298</u>	<u>\$ 736,939</u>	<u>\$ 880,085</u>	<u>\$ -</u>	<u>\$ 571,570</u>	<u>\$ 22,604</u>	<u>\$ 72,030</u>	<u>\$ 4,981,526</u>
BALANCE AT JANUARY 1, 2024	269,830	\$ 2,698,298	\$ 736,939	\$ 880,085	\$ -	\$ 620,317	\$ (58,758)	\$ 86,430	\$ 4,963,311
Appropriation of 2023 earnings									
Legal reserve	-	-	-	247	-	(247)	-	-	-
Cash dividends - NT\$1.0 per share	-	-	-	-	-	(269,830)	-	-	(269,830)
Net profit for the six months ended June 30, 2024	-	-	-	-	-	62,254	-	-	62,254
Other comprehensive income (loss) for the six months ended June 30, 2024, net of income tax	-	-	-	-	-	-	326,846	(21,753)	305,093
Total comprehensive income (loss) for the six months ended June 30, 2024	-	-	-	-	-	62,254	326,846	(21,753)	367,347
BALANCE AT JUNE 30, 2024	<u>269,830</u>	<u>\$ 2,698,298</u>	<u>\$ 736,939</u>	<u>\$ 880,332</u>	<u>\$ -</u>	<u>\$ 412,494</u>	<u>\$ 268,088</u>	<u>\$ 64,677</u>	<u>\$ 5,060,828</u>

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

(With Deloitte & Touche review report dated August 13, 2024)

EDOM TECHNOLOGY CO., LTD. AND SUBSIDIARIES

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

	For the Six Months Ended June 30	
	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Income (loss) before income tax	\$ 81,240	\$ (18,745)
Adjustments for:		
Depreciation expense	45,662	51,646
Amortization expense	16,993	19,488
Expected credit loss (reversed) recognized on trade receivables	(961)	95
Net gain on fair value changes of financial assets at fair value through profit or loss	(99,496)	(12,296)
Finance costs	772,713	790,666
Interest income	(15,772)	(12,887)
Dividends income	(898)	(889)
Share of profit or loss of associates accounted for using the equity method	(574)	6,880
Loss on disposal of property, plant and equipment	271	82
Gain on disposal of intangible assets	(16,762)	-
Write-down of inventories and loss on disposal of scrap inventories	10,473	40,128
Unrealized (gain) loss on foreign currency exchange	(43,442)	87,911
Gain on lease modification	-	(13)
Other items	(4,055)	(526)
Changes in operating assets and liabilities		
Increase in notes receivable	(29,309)	(10,440)
Decrease in trade receivables	3,607,784	3,385,615
Decrease (increase) in other receivables	582,558	(1,387,123)
Decrease in inventories	427,738	2,331,911
(Increase) decrease in other current assets	(128,427)	10,655
Increase in contract liabilities	4,254	391
Decrease in notes and trade payables	(4,046,932)	(2,505,263)
Decrease in other payables	(81,549)	(329,113)
Increase (decrease) in other current liabilities	23,314	(22,335)
Cash generated from operations	1,104,823	2,425,838
Interest paid	(820,904)	(820,872)
Income tax paid	(76,142)	(84,146)
Net cash generated from operating activities	<u>207,777</u>	<u>1,520,820</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets at amortized cost	(6,543)	(41,341)
Proceeds from sale of financial assets at amortized cost	103,916	-
Purchase of financial assets at fair value through profit or loss	(91,262)	(46,176)
Proceeds from sale of financial assets at fair value through profit or loss	20,878	5,012
Proceeds from capital reduction of investments accounted for using equity method	14,534	-

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EDOM TECHNOLOGY CO., LTD. AND SUBSIDIARIES

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

	For the Six Months Ended June 30	
	2024	2023
Payments for property, plant and equipment	\$ (9,846)	\$ (37,317)
Proceeds from disposal of property, plant and equipment	2,436	2,148
(Increase) decrease in refundable deposits	(40,662)	17,639
Payments for intangible assets	(4,083)	(8,871)
Proceeds from disposal of intangible assets	16,900	-
Increase in other non-current assets	(7,365)	(7,029)
Interest received	15,772	12,887
Dividends received	<u>898</u>	<u>889</u>
Net cash generated from (used in) investing activities	<u>15,573</u>	<u>(102,159)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayments of short-term borrowings	(1,002,044)	(1,457,329)
Proceeds from (repayments of) short-term bills payable	120,154	(100,065)
Repayments of long-term borrowings	(3,435)	(13,268)
(Refund of) proceeds from guarantee deposits received	(4,858)	18,341
Repayment of the principal portion of lease liabilities	<u>(26,325)</u>	<u>(29,022)</u>
Net cash used in financing activities	<u>(916,508)</u>	<u>(1,581,343)</u>
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES	<u>648,883</u>	<u>71,666</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(44,275)	(91,016)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	<u>1,905,684</u>	<u>1,714,533</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	<u>\$ 1,861,409</u>	<u>\$ 1,623,517</u>

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

(With Deloitte & Touche review report dated August 13, 2024)

(Concluded)

EDOM TECHNOLOGY CO., LTD. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED JUNE 30, 2024 AND 2023

(In Thousands of New Taiwan Dollars Unless Stated Otherwise)

1. GENERAL INFORMATION

EDOM Technology Co., Ltd. (the “Company”) was established in July 1996 and involved in the distribution of electronic parts and computer software, hardware and equipment. The Company’s shares have been listed on the Taiwan Stock Exchange since October 1, 2002.

The consolidated financial statements of the Company and its subsidiaries (collectively referred to as the “Group”) are presented in the Company’s functional currency, the New Taiwan dollar.

2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were approved by the Company’s board of directors and authorized for issue on August 13, 2024.

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

- a. Initial application of the amendments to the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) (collectively, the “IFRS Accounting Standards”) endorsed and issued into effect by the Financial Supervisory Commission (FSC)

Except for the following, the initial application of the IFRS Accounting Standards endorsed and issued into effect by the FSC did not have a material impact on the Group’s accounting policies:

Amendments to IAS 1 “Classification of Liabilities as Current or Non-current” (referred to as the “2020 amendments”) and “Non-current Liabilities with Covenants” (referred to as the “2022 amendments”)

The 2020 amendments clarify that for a liability to be classified as non-current, the Group shall assess whether it has the right at the end of the reporting period to defer settlement of the liability for at least twelve months after the reporting period. If such rights exist at the end of the reporting period, the liability is classified as non-current regardless of whether the Group will exercise that right.

The 2020 amendments also stipulate that, if the right to defer settlement is subject to compliance with specified conditions, the Group must comply with those conditions at the end of the reporting period even if the lender does not test compliance until a later date. The 2022 amendments further clarify that only covenants with which an entity is required to comply on or before the reporting date should affect the classification of a liability as current or non-current. Although the covenants to be complied with within twelve months after the reporting period do not affect the classification of a liability, the Group shall disclose information that enables users of financial statements to understand the risk of the Group, which may have difficulty complying with the covenants and repaying its liabilities within twelve months after the reporting period.

The 2020 amendments stipulate that, for the purpose of liability classification, the aforementioned settlement refers to a transfer of cash, other economic resources or the Group's own equity instruments to the counterparty that results in the extinguishment of the liability. However, if the terms of a liability that, at the option of the counterparty, result in its settlement by a transfer of the Group's own equity instruments, and if such an option is recognized separately as equity in accordance with IAS 32 "Financial Instruments: Presentation", the aforementioned terms would not affect the classification of the liability.

- b. The IFRS Accounting Standards endorsed by the FSC for application starting from 2025

New, Amended and Revised Standards and Interpretations	Effective Date Announced by IASB
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Amendments to IAS 21 "Lack of Exchangeability"	January 1, 2025 (Note 1)
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Note 1: An entity shall apply those amendments for annual reporting periods beginning on or after January 1, 2025. Upon initial application of the amendments to IAS 21, the Group shall not restate the comparative information and shall recognize any effect of initially applying the amendments as an adjustment to the opening balance of retained earnings or, if applicable, to the cumulative amount of translation differences in equity as well as affected assets or liabilities.

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

- c. The IFRS Accounting Standards in issue but not yet endorsed and issued into effect by the FSC

New, Amended and Revised Standards and Interpretations	Effective Date Announced by IASB (Note 1)
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Annual Improvements to IFRS Accounting Standards - Volume 11	January 1, 2026
Amendments to IFRS 9 and IFRS 7 "Amendments 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 17 and IFRS 9 - 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 IFRS Accounting Standards are effective for annual reporting periods beginning on or after their respective effective dates.

IFRS 18 "Presentation and Disclosure in Financial Statements"

IFRS 18 will supersede IAS 1 "Presentation of Financial Statements". The main changes comprise:

- Items of income and expenses included in the statement of profit or loss shall be classified into the operating, investing, financing, income taxes and discontinued operations categories.
- The statement of profit or loss shall present totals and subtotals for operating profit or loss, profit or loss before financing and income taxes and profit or loss.

- Provides guidance to enhance the requirements of aggregation and disaggregation: The Group shall identify the assets, liabilities, equity, income, expenses and cash flows that arise from individual transactions or other events and shall classify and aggregate them into groups based on shared characteristics, so as to result in the presentation in the primary financial statements of line items that have at least one similar characteristic. The Group shall disaggregate items with dissimilar characteristics in the primary financial statements and in the notes. The Group labels items as “other” only if it cannot find a more informative label.
- Disclosures on Management-defined Performance Measures (MPMs): When in public communications outside financial statements and communicating to users of financial statements management’s view of an aspect of the financial performance of the Group as a whole, the Group shall disclose related information about its MPMs in a single note to the financial statements, including the description of such measures, calculations, reconciliations to the subtotal or total specified by IFRS Accounting Standards and the income tax and non-controlling interests effects of related reconciliation items.

Except for the above impact, as of the date the consolidated financial statements were authorized for issue, the Group is continuously assessing other impacts of the above amended 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 MATERIAL ACCOUNTING POLICY INFORMATION

a. Statement of compliance

These 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.

b. Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis except for financial instruments which are measured at fair value, 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 measurements, which are grouped into Levels 1 to 3 based on the degree to which the fair value measurement inputs are observable and based on the significance of the inputs to the fair value measurement in its entirety, are described as follows:

- 1) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities;
- 2) Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- 3) Level 3 inputs are unobservable inputs for an asset or liability.

c. Basis of consolidation

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

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

All intra-group transactions, balances, income and expenses are eliminated in full upon consolidation.

Refer to Note 12, Tables 7 and 8 for detailed information on subsidiaries (including percentages of ownership and main businesses).

d. Other material accounting policies

Except for the following, please refer to the consolidated financial statements for the year ended December 31, 2023.

1) Classification of current and non-current assets and liabilities

Current assets include:

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

Current liabilities include:

- Liabilities held primarily for the purpose of trading;
- Liabilities due to be settled within 12 months after the reporting period, even if an agreement to refinance, or to reschedule payments, on a long-term basis is completed after the reporting period and before the consolidated financial statements are authorized for issue; and
- Liabilities for which the Group does not have the substantial right at the end of the reporting period 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.

2) Retirement benefits

Pension cost for an interim period is calculated on a year-to-date basis by using the actuarially determined pension cost rate at the end of the prior financial year, adjusted for significant market fluctuations since that time and for significant plan amendments, settlements, or other significant one-off events.

3) Income tax expense

Income tax expense represents the sum of the tax currently payable and deferred tax. Interim period income taxes are assessed on an annual basis and calculated by applying to an interim period's pre-tax income the tax rate that would be applicable to expected total annual earnings.

5. MATERIAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The estimates and underlying assumptions are reviewed on an ongoing basis. Refer to the statements of material accounting judgments and key sources of estimation uncertainty to the consolidated financial statements for the year ended December 31, 2023.

6. CASH AND CASH EQUIVALENTS

	June 30, 2024	December 31, 2023	June 30, 2023
Cash on hand	\$ 562	\$ 601	\$ 592
Checking accounts and demand deposits	1,654,415	1,665,233	1,391,813
Cash equivalents			
Time deposits with original maturities of less than 3 months	166,432	124,147	199,581
Repurchase agreements collateralized by bonds	<u>40,000</u>	<u>115,703</u>	<u>31,531</u>
	<u>\$ 1,861,409</u>	<u>\$ 1,905,684</u>	<u>\$ 1,623,517</u>

7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	June 30, 2024	December 31, 2023	June 30, 2023
<u>Financial assets at FVTPL - current</u>			
Financial assets mandatorily classified as at FVTPL			
Non-derivative financial assets			
Mutual funds	\$ <u>-</u>	\$ <u>2,003</u>	\$ <u>-</u>
<u>Financial assets at FVTPL - non-current</u>			
Financial assets mandatorily classified as at FVTPL			
Non-derivative financial assets			
Domestic unlisted ordinary shares	\$ 18,942	\$ 7,524	\$ 9,406
Foreign unlisted ordinary shares	23,625	23,625	-
Foreign unlisted preference shares	162,449	48,130	33,372
Domestic emerging market private ordinary shares	10,088	7,160	8,008
Domestic limited partnership	14,458	12,509	9,332
Foreign private funds	500,648	406,811	420,586
Foreign convertible bonds	-	54,661	-
Others	<u>9,599</u>	<u>9,599</u>	<u>-</u>
	<u>\$ 739,809</u>	<u>\$ 570,019</u>	<u>\$ 480,704</u>

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	June 30, 2024	December 31, 2023	June 30, 2023
<u>Non-current</u>			
Investments in equity instruments at FVTOCI			
Listed shares			
Ordinary shares - Aewin Technologies Co., Ltd	\$ <u>37,372</u>	\$ <u>18,437</u>	\$ <u>16,995</u>

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

9. FINANCIAL ASSETS AT AMORTIZED COST

	June 30, 2024	December 31, 2023	June 30, 2023
<u>Current</u>			
Domestic investments			
Reverse and restricted deposits	\$ 127,843	\$ 204,793	\$ 300,351
Financial products	<u>-</u>	<u>18,423</u>	<u>18,684</u>
	<u>\$ 127,843</u>	<u>\$ 223,216</u>	<u>\$ 319,035</u>
<u>Non-current</u>			
Domestic investments			
Reverse and restricted deposits	\$ <u>-</u>	\$ <u>2,000</u>	\$ <u>2,000</u>

The financial product is a one-year, USD-denominated, principal-protected product, with the yield fixed at the time of subscription and not subject to further changes. The return amount in the event of early redemption can also represent the unpaid principal and interest. The cash flow of this contract is entirely dedicated to the payment of principal and interest on the outstanding principal amount. On February 23, 2024, the contract of the financial product expired and the principal and interest were received.

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

10. NOTES RECEIVABLE, TRADE RECEIVABLES AND OTHER RECEIVABLES

	June 30, 2024	December 31, 2023	June 30, 2023
<u>Notes receivable</u>			
At amortized cost			
Gross carrying amount	\$ 22,746	\$ 63,284	\$ 82,991
Less: Allowance for impairment loss	<u>(176)</u>	<u>(288)</u>	<u>(786)</u>
	<u>\$ 22,570</u>	<u>\$ 62,996</u>	<u>\$ 82,205</u>
<u>Trade receivables</u>			
At amortized cost			
Gross carrying amount	\$ 494,567	\$ 343,707	\$ 506,183
Less: Allowance for impairment loss	<u>(57,657)</u>	<u>(14,706)</u>	<u>(31,675)</u>
	436,910	329,001	474,508
At FVTOCI	<u>111,993</u>	<u>3,779,931</u>	<u>743,702</u>
	<u>\$ 548,903</u>	<u>\$ 4,108,932</u>	<u>\$ 1,218,210</u>
<u>Other receivables</u>			
Tax refund receivables	\$ 7,828	\$ 7,304	\$ 43,510
Others	<u>3,311</u>	<u>2,637</u>	<u>2,950</u>
	11,139	9,941	46,460
At FVTOCI	<u>7,832,807</u>	<u>8,413,244</u>	<u>5,609,125</u>
	<u>\$ 7,843,946</u>	<u>\$ 8,423,185</u>	<u>\$ 5,655,585</u>

a. Notes receivable and trade receivables

1) At amortized cost

The average credit period of sales of goods is 90 days. The Group adopted a policy of only dealing with entities that have been rated. Credit rating information is obtained from the Group uses other publicly available financial information or its own trading records to rate its major customers. The Group's exposures and the credit ratings of its counterparties are continuously monitored, and the aggregate value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counterparty credit limit that are reviewed and approved by the accounting department periodically.

The Group measures the loss allowance for notes receivable and trade receivables at an amount equal to lifetime expected credit losses. The expected credit losses on notes receivable and trade receivables are estimated using a provision matrix prepared by reference to past default experience of the customer, the customers current financial position, general economic conditions of industry in which the customer operates, as well as GDP forecasts and unemployment rate forecasts. 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 credit quality is not further distinguished according to the Group's different customer base.

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

The following table details the loss allowance of trade receivables and notes receivable based on the Group's provision matrix.

June 30, 2024

	Normal Credit Quality	Abnormal Credit Quality	Total
Expected credit loss rate	0%-10%	100%	
Gross carrying amount	\$ 508,227	\$ 9,086	\$ 517,313
Loss allowance (lifetime ECLs)	<u>(48,747)</u>	<u>(9,086)</u>	<u>(57,833)</u>
Amortized cost	<u>\$ 459,480</u>	<u>\$ -</u>	<u>\$ 459,480</u>

December 31, 2023

	Normal Credit Quality	Abnormal Credit Quality	Total
Expected credit loss rate	0%-10%	100%	
Gross carrying amount	\$ 398,634	\$ 8,357	\$ 406,991
Loss allowance (lifetime ECLs)	<u>(6,637)</u>	<u>(8,357)</u>	<u>(14,994)</u>
Amortized cost	<u>\$ 391,997</u>	<u>\$ -</u>	<u>\$ 391,997</u>

June 30, 2023

	Normal Credit Quality	Abnormal Credit Quality	Total
Expected credit loss rate	0-10%	100%	
Gross carrying amount	\$ 575,365	\$ 13,809	\$ 589,174
Loss allowance (lifetime ECLs)	<u>(18,652)</u>	<u>(13,809)</u>	<u>(32,461)</u>
Amortized cost	<u>\$ 556,713</u>	<u>\$ -</u>	<u>\$ 556,713</u>

The movements of the loss allowance of trade receivables and notes receivable at amortized cost were as follows:

	For the Six Months Ended June 30	
	2024	2023
Balance at January 1	\$ 14,994	\$ 24,191
Add: Net remeasurement of loss allowance	41,953	8,017
Foreign exchange gains and losses	<u>886</u>	<u>253</u>
Balance at June 30	<u>\$ 57,833</u>	<u>\$ 32,461</u>

The aging of trade receivables and notes receivable were as follows:

	June 30, 2024	December 31, 2023	June 30, 2023
Up to 60 days	\$ 349,909	\$ 264,367	\$ 428,636
61-90 days	92,670	90,204	82,481
91-120 days	22,933	25,515	39,519
Over 120 days	<u>51,801</u>	<u>26,905</u>	<u>38,538</u>
	<u>\$ 517,313</u>	<u>\$ 406,991</u>	<u>\$ 589,174</u>

The above aging schedule was based on the invoice date.

2) At FVTOCI

For trade receivables that are probably factored, the Group will decide whether to sell these trade receivables to banks without recourse based on their level of working capital. These trade receivables are classified as at FVTOCI because they are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

The following table details the loss allowance of trade receivables at FVTOCI based on the Group's provision matrix.

June 30, 2024

	Normal Credit Quality	Abnormal Credit Quality	Total
Expected credit loss rate	0%-10%	100%	
Gross carrying amount	\$ 111,993	\$ -	\$ 111,993
Loss allowance (lifetime ECLs)	<u>(10,742)</u>	<u>-</u>	<u>(10,742)</u>
FVTOCI	<u>\$ 101,251</u>	<u>\$ -</u>	<u>\$ 101,251</u>

December 31, 2023

	Normal Credit Quality	Abnormal Credit Quality	Total
Expected credit loss rate	0%-10%	100%	
Gross carrying amount	\$ 3,779,931	\$ -	\$ 3,779,931
Loss allowance (lifetime ECLs)	<u>(52,619)</u>	<u>-</u>	<u>(52,619)</u>
FVTOCI	<u>\$ 3,727,312</u>	<u>\$ -</u>	<u>\$ 3,727,312</u>

June 30, 2023

	Normal Credit Quality	Abnormal Credit Quality	Total
Expected credit loss rate	0%-10%	100%	
Gross carrying amount	\$ 743,702	\$ -	\$ 743,702
Loss allowance (lifetime ECLs)	<u>(39,311)</u>	<u>-</u>	<u>(39,311)</u>
FVTOCI	<u>\$ 704,391</u>	<u>\$ -</u>	<u>\$ 704,391</u>

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

	For the Six Months Ended June 30	
	2024	2023
Balance at January 1	\$ 52,619	\$ 47,031
Less: Reversal of loss allowance	(42,877)	(8,193)
Foreign exchange gains and losses	<u>1,000</u>	<u>473</u>
Balance at June 30	<u>\$ 10,742</u>	<u>\$ 39,311</u>

The aging of trade receivables was as follows:

	June 30, 2024	December 31, 2023	June 30, 2023
Up to 60 days	\$ 73,318	\$ 1,929,472	\$ 441,993
61-90 days	23,788	1,068,279	155,076
91-120 days	10,830	528,777	99,072
Over 120 days	<u>4,057</u>	<u>253,403</u>	<u>47,561</u>
	<u>\$ 111,993</u>	<u>\$ 3,779,931</u>	<u>\$ 743,702</u>

The above aging schedule was based on the invoice date.

b. Other receivables

As of June 30, 2024, December 31, 2023 and June 30, 2023, other receivables of the Group mainly included receivables which were factored but not used and tax refund receivables.

At FVTOCI

These other receivables are classified as at FVTOCI because they are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

The movements of the loss allowance of other receivables at FVTOCI according to the agreement were as follows:

	For the Six Months Ended June 30	
	2024	2023
Balance at January 1	\$ 22,406	\$ 22,184
Add: Net remeasurement of loss allowance	-	271
Less: Reversal of loss allowance	(37)	-
Foreign exchange gains and losses	<u>1,226</u>	<u>301</u>
Balance at June 30	<u>\$ 23,595</u>	<u>\$ 22,756</u>

11. INVENTORIES

	June 30, 2024	December 31, 2023	June 30, 2023
Merchandise	<u>\$ 12,541,480</u>	<u>\$ 12,371,250</u>	<u>\$ 15,990,958</u>

The nature of the cost of goods sold is as follows:

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2024	2023	2024	2023
Cost of inventories sold	\$ 23,790,501	\$ 22,017,399	\$ 47,699,110	\$ 45,408,492
Inventory write-downs and loss on disposal of scrap inventories	<u>10,283</u>	<u>37,358</u>	<u>10,473</u>	<u>40,128</u>
	<u>\$ 23,800,784</u>	<u>\$ 22,054,757</u>	<u>\$ 47,709,583</u>	<u>\$ 45,448,620</u>

12. SUBSIDIARIES

Subsidiaries included in the consolidated financial statements were summarized as follows:

Investor	Investee	Nature of Activities	Proportion of Ownership (%)			Remark
			June 30, 2024	December 31, 2023	June 30, 2023	
The Company	ACCU	General trade and investment in manufacturing and service industries	100.00	100.00	100.00	a
The Company	Sunjet Components Corp.	General trade of electronic components	100.00	100.00	100.00	a
The Company	iPro Technology, Inc.	General trade of electronic components	100.00	100.00	100.00	a
The Company	Goldenflash Electronics Co., Ltd.	General trade of electronic components	100.00	100.00	100.00	a
The Company	Promaster Technology Corp.	General trade of electronic components	100.00	100.00	100.00	b
The Company	EDOM Technology Japan Co., Ltd.	General trade of electronic components	100.00	100.00	100.00	a
ACCU Technologies Ltd. (ACCU)	Sunshine Global	General trade and investment in manufacturing and service industries	100.00	100.00	100.00	a
ACCU	Honest Rich	General trade and investment in manufacturing and service industries	100.00	100.00	100.00	a
ACCU	Massive Strong	General trade and investment in manufacturing and service industries	100.00	100.00	100.00	a
Honest Rich	EDOM (Shenzhen)	Trade of computer peripherals	100.00	100.00	100.00	a
Massive Strong	EDOM (Shanghai)	Trade, research and development of computer peripherals	100.00	100.00	100.00	a
Sunjet Components Corp.	Sunjet (HK) Components	General trade and investment in manufacturing and service industries	100.00	100.00	100.00	a
Sunjet (HK) Components	Sunjet Components Corp. (Dongguan)	Trade of electric power equipment and computer peripherals	100.00	100.00	100.00	a
Promaster Technology Corp.	Promaster (Brunei) Technology Corp.	General trade of electronic components	100.00	100.00	100.00	a
Promaster (Brunei) Technology Corp.	Promaster Technology Corporation (Shanghai)	General trade of electronic components	100.00	100.00	100.00	a

Remarks:

- a. It is not a significant subsidiary; its financial statements have not been reviewed.
- b. On June 30, 2024, Promaster Technology Corp. is a significant subsidiary, and its financial statements have been reviewed.

13. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	June 30, 2024	December 31, 2023	June 30, 2023
Associates that are not individually material	<u>\$ 46,642</u>	<u>\$ 61,222</u>	<u>\$ 47,987</u>

For the six months ended June 30, 2024 and 2023, investments accounted for using the equity method and the share of profit or loss and other comprehensive income of those investments were calculated based on the financial statements that have not been reviewed.

14. PROPERTY, PLANT AND EQUIPMENT

	June 30, 2024	December 31, 2023	June 30, 2023
<u>Assets used by the Group</u>			
Land	\$ 374,509	\$ 374,509	\$ 374,509
Buildings	225,287	226,210	228,224
Transportation equipment	20,395	23,910	27,573
Office equipment	63,114	66,229	68,912
Leasehold improvements	<u>6,353</u>	<u>7,153</u>	<u>8,249</u>
	<u>\$ 689,658</u>	<u>\$ 698,011</u>	<u>\$ 707,467</u>

Except for depreciation recognized, the Group had no significant addition, disposal, or impairment of property, plant and equipment during the six months ended June 30, 2024 and 2023. Property, plant and equipment are depreciated using the straight-line method over their estimated useful lives as follows:

Buildings	
Main buildings	30-50 years
Engineering system	2-5 years
Transportation equipment	5-7 years
Office equipment	2-10 years
Leasehold improvements	2-5 years

Property, plant and equipment used by the Group and pledged as collateral for bank borrowings are set out in Note 30.

15. LEASE ARRANGEMENTS

a. Right-of-use assets

	June 30, 2024	December 31, 2023	June 30, 2023	
<u>Carrying amount</u>				
Buildings	\$ 60,043	\$ 79,636	\$ 93,666	
Transportation equipment	<u>159</u>	<u>1,068</u>	<u>2,440</u>	
	<u>\$ 60,202</u>	<u>\$ 80,704</u>	<u>\$ 96,106</u>	
	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2024	2023	2024	2023
Additions to right-of-use assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,755</u>	<u>\$ -</u>
Depreciation charge for right-of-use assets				
Buildings	\$ 12,721	\$ 13,187	\$ 25,223	\$ 26,972
Transportation equipment	<u>455</u>	<u>1,478</u>	<u>909</u>	<u>2,517</u>
	<u>\$ 13,176</u>	<u>\$ 14,665</u>	<u>\$ 26,132</u>	<u>\$ 29,489</u>

Expect for the aforementioned addition and recognized depreciation, the Group did not have significant sublease or impairment of right-of-use assets during the six months ended June 30, 2024 and 2023.

b. Lease liabilities

	June 30, 2024	December 31, 2023	June 30, 2023
<u>Carrying amount</u>			
Current	<u>\$ 45,864</u>	<u>\$ 49,833</u>	<u>\$ 48,507</u>
Non-current	<u>\$ 17,476</u>	<u>\$ 33,629</u>	<u>\$ 50,724</u>

Range of discount rates for lease liabilities was as follows:

	June 30, 2024	December 31, 2023	June 30, 2023
Buildings	1.40%-6.00%	1.40%-6.00%	0.95%-6.00%
Transportation equipment	2.91%	2.91%	2.91%

c. Material leasing activities and terms

The Group leases several buildings and transportation equipment with lease terms of 2 to 5 years. The Group does not have bargain options to acquire the leasehold buildings and transportation equipment at the end of the lease terms.

d. Other lease information

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2024	2023	2024	2023
Expenses relating to short-term leases	<u>\$ 1,212</u>	<u>\$ 1,087</u>	<u>\$ 2,159</u>	<u>\$ 2,264</u>
Expenses relating to variable lease payments not included in the measurement of lease liabilities	<u>\$ 2,279</u>	<u>\$ 3,855</u>	<u>\$ 5,324</u>	<u>\$ 7,680</u>
Total cash outflow for leases			<u>\$ (34,973)</u>	<u>\$ (40,756)</u>

16. INVESTMENT PROPERTIES

	June 30, 2024	December 31, 2023	June 30, 2023
Investment properties	<u>\$ 26,800</u>	<u>\$ 27,295</u>	<u>\$ 27,790</u>

Except for depreciation recognized, the Group had no significant addition, disposal, or impairment of investment properties during the six months ended June 30, 2024 and 2023. Investment properties are depreciated using the straight-line method over their estimated useful lives as follows:

Main buildings 43 years

The fair value of investment properties as of December 31, 2023 and 2022 was NT\$133,213 thousand and NT\$135,706 thousand, respectively. Management of the Company had assessed and determined that there were no significant changes in the fair value as of June 30, 2024 and 2023, as compared to that of December 31, 2023 and 2022.

The investment properties were leased out for 3 to 5 years. The lessees do not have bargain purchase options to acquire the investment properties at the expiry of the lease periods.

In addition to fixed lease payments, the lease contracts also indicate that the lease payments should be adjusted periodically.

The maturity analysis of lease payments receivable under operating leases of investment properties is as follows:

	June 30, 2024	December 31, 2023	June 30, 2023
Year 1	\$ 3,126	\$ 3,039	\$ 3,047
Year 2	3,282	3,191	3,123
Year 3	841	2,512	2,440
Year 4	-	-	1,680
Year 5	-	-	-
	<u>\$ 7,249</u>	<u>\$ 8,742</u>	<u>\$ 10,290</u>

17. OTHER ASSETS

	June 30, 2024	December 31, 2023	June 30, 2023
<u>Current</u>			
Excess VAT paid	\$ 72,638	\$ 76,042	\$ 155,680
Prepayments	595,937	433,222	355,028
Prepayments for purchases	83,729	68,962	87,709
Others	<u>26,782</u>	<u>67,280</u>	<u>50,883</u>
	<u>\$ 779,086</u>	<u>\$ 645,506</u>	<u>\$ 649,300</u>
<u>Non-current</u>			
Refundable deposits	\$ 219,771	\$ 172,923	\$ 164,478
Others	<u>7,365</u>	<u>-</u>	<u>9,250</u>
	<u>\$ 227,136</u>	<u>\$ 172,923</u>	<u>\$ 173,728</u>

18. BORROWINGS

a. Short-term borrowings

	June 30, 2024	December 31, 2023	June 30, 2023
<u>Secured borrowings (Note 30)</u>			
Bank loans (1)	\$ 1,297,868	\$ 1,609,072	\$ 2,727,017
<u>Unsecured borrowings</u>			
Line of credit borrowings (2)	<u>4,209,640</u>	<u>4,844,980</u>	<u>6,214,327</u>
	<u>\$ 5,507,508</u>	<u>\$ 6,454,052</u>	<u>\$ 8,941,344</u>

- 1) The effective weighted average interest rates for bank loans were 2.13%-6.80%, 2.00%-6.85% and 2.00%-6.61% per annum as of June 30, 2024, December 31, 2023 and June 30, 2023, respectively.
- 2) The effective weighted average interest rates for credit loans were 1.98%-6.68%, 1.84%-6.98% and 1.66%-6.83% per annum as of June 30, 2024, December 31, 2023 and June 30, 2023, respectively.

b. Short-term bills payable

	June 30, 2024	December 31, 2023	June 30, 2023
Commercial paper	\$ 1,030,000	\$ 910,000	\$ 760,000
Less: Unamortized discount on bills payable	<u>1,097</u>	<u>1,251</u>	<u>1,126</u>
	<u>\$ 1,028,903</u>	<u>\$ 908,749</u>	<u>\$ 758,874</u>

Interest rates of the outstanding short-term bills payable were 1.46%-2.21%, 1.35%-2.19% and 1.35%-2.06% per annum as of June 30, 2024, December 31, 2023 and June 30, 2023, respectively.

c. Long-term borrowings

	June 30, 2024	December 31, 2023	June 30, 2023
<u>Secured borrowings (Note 30)</u>			
Loans from bank (1) (3)	\$ 61,413	\$ 64,848	\$ 80,082
<u>Unsecured borrowings</u>			
Line of credit borrowings from bank (2)	<u>800,000</u>	<u>800,000</u>	<u>800,000</u>
	861,413	864,848	880,082
Less: Current portion	<u>6,960</u>	<u>6,922</u>	<u>17,567</u>
Long-term borrowings	<u>\$ 854,453</u>	<u>\$ 857,926</u>	<u>\$ 862,515</u>

To meet its working capital and capital expenditure requirements, the Group signed long-term loan agreements with banks as follows:

- 1) On August 11, 2017, the Group acquired new bank borrowing facilities in the amount of NT\$107,000 thousand. As of June 30, 2024, December 31, 2023 and June 30, 2023, the weighted average effective interest rates of the bank borrowings secured by the Group's freehold land and buildings (refer to Note 30) were 2.1280%, 2.0030% and 2.0030% per annum, respectively, and the principal and interests will be repayable monthly until August 11, 2032.
- 2) In July 2022, the Group signed a NT\$2,500,000 thousand syndicated loan agreement, and initial appropriation of this loan was on August 8, 2022. The credit period is five years from August 2022. The loan is repayable in five semiannual installments from August 2025. As of June 30, 2024, December 31, 2023 and June 30, 2023, the interest rate were 2.6110%, 2.4776% and 2.4769% per annum, respectively.
- 3) On December 30, 2021, the Group acquired new bank loan facilities in the amount of NT\$60,000 thousand through business combinations, and 80% of the borrowings were secured by Small & Medium Enterprise Credit Guarantee Fund of Taiwan (Taiwan SMEG). The credit period is three years from the initial appropriation of this loan. As of June 30, 2023, the weighted average effective interest rates were 2.73%-3.00% per annum. The principal has been repayable in advance on December 8, 2023.

The Group's loan agreement in respect of the bank loan of NT\$800,000 thousand requires compliance with specified covenants, which are related to the financial ratios at the end of each second quarter and at the end of each year. If the Group is not in compliance with the covenants for two consecutive times, the bank has the right to require the Group to immediately repay the loan, except for the bank's approval to waive its right to test the financial ratios. The Group also continues to review the impact of subsequent operating conditions on compliance with the aforementioned financial ratio requirements.

19. NOTES AND TRADE PAYABLES

	June 30, 2024	December 31, 2023	June 30, 2023
<u>Notes and trade payables</u>			
Operating	<u>\$ 11,784,514</u>	<u>\$ 15,090,319</u>	<u>\$ 10,057,348</u>

The average credit period for purchases of certain goods is one month. The Group has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms.

20. OTHER LIABILITIES

	June 30, 2024	December 31, 2023	June 30, 2023
<u>Current</u>			
Other payables			
Payables for salaries and bonuses	\$ 168,735	\$ 248,654	\$ 206,631
Payables for interest	69,810	118,001	113,272
Payables for commissions	3,373	12,857	15,601
Payables for freights	160,390	173,815	139,505
Payables for annual leave	38,094	36,019	35,418
Payables for dividends	269,830	-	539,659
Others	<u>279,679</u>	<u>236,264</u>	<u>229,998</u>
	<u>\$ 989,911</u>	<u>\$ 825,610</u>	<u>\$ 1,280,084</u>
Other liabilities			
Refund liabilities	\$ 310,597	\$ 272,749	\$ 240,690
Contract liabilities	15,537	11,283	12,978
Others	<u>26,696</u>	<u>26,984</u>	<u>30,089</u>
	<u>\$ 352,830</u>	<u>\$ 311,016</u>	<u>\$ 283,757</u>

21. RETIREMENT BENEFIT PLANS

For the three months ended June 30, 2024 and 2023, the pension expenses (gain) of defined benefit plans were NT\$20 thousand and NT\$(7) thousand, respectively, and for the six months ended June 30, 2024 and 2023, the pension expenses (gain) of defined benefit plans were NT\$41 thousand and NT\$(14) thousand, respectively, and these were calculated based on the pension cost rate determined by the actuarial calculation on December 31, 2023 and 2022, respectively.

22. EQUITY

a. Share capital - ordinary shares

	June 30, 2024	December 31, 2023	June 30, 2023
Shares authorized (in thousands of shares)	<u>400,000</u>	<u>400,000</u>	<u>400,000</u>
Shares authorized	<u>\$ 4,000,000</u>	<u>\$ 4,000,000</u>	<u>\$ 4,000,000</u>
Shares issued and fully paid (in thousands of shares)	<u>269,830</u>	<u>269,830</u>	<u>269,830</u>
Shares issued and fully paid	<u>\$ 2,698,298</u>	<u>\$ 2,698,298</u>	<u>\$ 2,698,298</u>

Fully paid ordinary shares, with a par value of NT\$10, each of which carries one vote per share and carry a right to receive dividends.

Among the issued shares of the Company, there are still 25,000 thousand privately issued ordinary shares that have not been transferred for public issued, and the rights and obligations of privately issued ordinary shares are the same as those of issued ordinary shares, except for a restriction on negotiation in accordance with the Securities and Exchange Act and the application for public listing after 3 years from the settlement date.

To enrich working capital, improve financial structure and support funding requirements for long-term development, the Company's shareholders' meeting resolved to increase cash capital by issuing ordinary shares and domestic convertible bonds through private placement on May 26, 2022, and proposed to request the shareholders' approval to issue no more than 50,000 thousand ordinary shares depending on the market needs in accordance with best practices and requirements related to the timing and financing tools of the Company. The issuance of domestic convertible bonds through private placement is based on the conversion price of ordinary shares. On March 15, 2023, the Company's board of directors resolved not to proceed the remaining 50,000 thousand ordinary shares in consideration of approaching expiration date and the current economic situation.

b. Capital surplus

	June 30, 2024	December 31, 2023	June 30, 2023
May be used to offset a deficit, distributed as cash dividends, or transferred to share capital (1)			
Issuance of ordinary shares	\$ 723,652	\$ 723,652	\$ 723,652
Arising from treasury share transactions	10,010	10,010	10,010
The difference between the consideration received or paid and the carrying amount of the subsidiaries' net assets during actual disposal of acquisition	2,081	2,081	2,081
<u>May only be used to offset a deficit</u>			
Share of in capital surplus of associates (2)	1,152	1,152	1,152
Changes in percentage of ownership interest in subsidiaries (3)	<u>44</u>	<u>44</u>	<u>44</u>
	<u>\$ 736,939</u>	<u>\$ 736,939</u>	<u>\$ 736,939</u>

- 1) 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).
- 2) Such capital surplus arises from the effect of changes in ownership interests in associates resulting from equity transactions other than actual disposals or acquisitions.
- 3) Such capital surplus arises from the effect of changes in ownership interests in subsidiaries resulting from equity transactions other than actual disposals or acquisitions.

c. Retained earnings and dividends policy

Under the dividend policy as set forth in the Articles, where the Company made profit in a fiscal year, the profit shall be first utilized for paying taxes, offsetting losses of previous years, setting aside as legal reserve 10% of the remaining profit, setting aside or reversing a special reserve in accordance with the laws and regulations, and then any remaining profit together with any undistributed retained earnings shall be used by the Company's board of directors as the basis for proposing a distribution plan, which should be resolved in the shareholders' meeting for the distribution of dividends and bonuses to shareholders. For the policies on the distribution of compensation of employees and remuneration of directors stipulated in the Articles, refer to "Compensation of employees and remuneration of directors" in Note 23 (g).

An appropriation of earnings to a legal reserve shall be made until the legal reserve equals the Company's paid-in capital. The legal reserve may be used to offset deficits. If 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.

Items referred to under Rule No. 1090150022 issued by the FSC and the directive titled "Questions and Answers for Special Reserves Appropriated Following Adoption of IFRS Accounting Standards" should be appropriated to or reversed from a special reserve by the Company.

The appropriations of earnings for 2023 and 2022 were resolved by the shareholders in their meeting on June 27, 2024 and June 7, 2023, respectively, were as follows:

	Appropriation of Earnings		Dividends Per Share (NT\$)	
	For the Year Ended		For the Year Ended	
	December 31		December 31	
	2023	2022	2023	2022
Legal reserve	\$ 247	\$ 83,346		
Reversal of special reserve	-	(391,623)		
Cash dividends	269,830	539,659	\$ 1.0	\$ 2.0

d. Other equity items

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

	For the Six Months Ended	
	June 30	
	2024	2023
Balance at January 1	\$ (58,758)	\$ (32,042)
Recognized for the period		
Exchange differences on the translation of the financial statements of foreign operations	409,427	66,396
Share from associates accounted for using the equity method	(620)	1,283
Income tax related to exchange differences on the translation of the financial statements of foreign operations	(81,955)	(12,777)
Income tax related to share from associates accounted for using the equity method	(6)	(256)
Other comprehensive income recognized for the period	<u>326,846</u>	<u>54,646</u>
Balance at June 30	\$ <u>268,088</u>	\$ <u>22,604</u>

2) Unrealized valuation gain (loss) on financial assets at FVTOCI

	For the Six Months Ended June 30	
	2024	2023
Balance at January 1	\$ 86,430	\$ 72,843
Recognized for the period		
Unrealized gain - equity instruments	18,935	6,335
Net remeasurement of loss allowance	<u>(40,688)</u>	<u>(7,148)</u>
Other comprehensive loss recognized for the period	<u>(21,753)</u>	<u>(813)</u>
Balance at June 30	<u>\$ 64,677</u>	<u>\$ 72,030</u>

23. NET PROFIT (LOSS)

a. Other income

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2024	2023	2024	2023
Rental income	\$ 1,092	\$ 1,350	\$ 2,362	\$ 2,671
Dividend income	898	-	898	889
Others	<u>15,966</u>	<u>16,319</u>	<u>31,415</u>	<u>29,786</u>
	<u>\$ 17,956</u>	<u>\$ 17,669</u>	<u>\$ 34,675</u>	<u>\$ 33,346</u>

b. Other gains and losses

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2024	2023	2024	2023
Fair value changes of financial assets				
Financial assets mandatorily classified as at FVTPL	\$ (94,265)	\$ 455	\$ 99,496	\$ 12,296
Loss on disposal of property, plant and equipment	(105)	(39)	(271)	(82)
Gain on disposal of intangible assets	16,762	-	16,762	-
Gain on lease modification	-	13	-	13
Others	<u>1,408</u>	<u>(19)</u>	<u>(27,258)</u>	<u>(265)</u>
	<u>\$ (76,200)</u>	<u>\$ 410</u>	<u>\$ 88,729</u>	<u>\$ 11,962</u>

c. Finance costs

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2024	2023	2024	2023
Interest on bank loans	\$ 346,553	\$ 382,791	\$ 771,548	\$ 788,876
Interest on lease liabilities	<u>537</u>	<u>910</u>	<u>1,165</u>	<u>1,790</u>
	<u>\$ 347,090</u>	<u>\$ 383,701</u>	<u>\$ 772,713</u>	<u>\$ 790,666</u>

d. Impairment losses recognized (reversed)

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2024	2023	2024	2023
Notes receivable and trade receivables	\$ (968)	\$ 12	\$ (961)	\$ 95
Inventories (included in operating costs)	<u>\$ 6,842</u>	<u>\$ 20,241</u>	<u>\$ 7,032</u>	<u>\$ 23,011</u>

e. Depreciation and amortization

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2024	2023	2024	2023
Property, plant and equipment	\$ 9,332	\$ 10,486	\$ 19,035	\$ 21,663
Right-of-use assets	13,176	14,665	26,132	29,489
Investment properties	247	247	495	494
Intangible assets	<u>8,556</u>	<u>10,102</u>	<u>16,993</u>	<u>19,488</u>
	<u>\$ 31,311</u>	<u>\$ 35,500</u>	<u>\$ 62,655</u>	<u>\$ 71,134</u>
An analysis of depreciation by function				
Operating expenses	\$ 22,508	\$ 25,151	\$ 45,167	\$ 51,152
Non-operating expenses	<u>247</u>	<u>247</u>	<u>495</u>	<u>494</u>
	<u>\$ 22,755</u>	<u>\$ 25,398</u>	<u>\$ 45,662</u>	<u>\$ 51,646</u>
An analysis of amortization by function				
Operating expenses	<u>\$ 8,556</u>	<u>\$ 10,102</u>	<u>\$ 16,993</u>	<u>\$ 19,488</u>

f. Employee benefits expense

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2024	2023	2024	2023
Post-employment benefits (refer to Note 21)				
Defined contribution plans	\$ 16,362	\$ 16,460	\$ 33,187	\$ 34,252
Defined benefit plans	<u>20</u>	<u>(7)</u>	<u>41</u>	<u>(14)</u>
	16,382	16,453	33,228	34,238
Other employee benefits	<u>246,138</u>	<u>183,853</u>	<u>503,768</u>	<u>440,493</u>
Total employee benefits expense	<u>\$ 262,520</u>	<u>\$ 200,306</u>	<u>\$ 536,996</u>	<u>\$ 474,731</u>
An analysis of employee benefits expense by function				
Operating expenses	<u>\$ 262,520</u>	<u>\$ 200,306</u>	<u>\$ 536,996</u>	<u>\$ 474,731</u>

g. Compensation of employees and remuneration of directors

According to the Company's Articles, the Company accrues compensation of employees and remuneration of directors at the rates of no less than 3% and no higher than 3%, respectively, of net profit before income tax, compensation of employees, and remuneration of directors. The compensation of employees and the remuneration of directors for the three months ended June 30, 2024 and 2023, and for the six months ended June 30, 2024 and 2023 is as follows:

Accrual rate

	For the Six Months Ended June 30, 2024
Compensation of employees	5.0%
Remuneration of directors	2.5%

Amount

	For the Three Months Ended June 30, 2024	For the Six Months Ended June 30, 2024
Compensation of employees	<u>\$ (1,240)</u>	<u>\$ 3,922</u>
Remuneration of directors	<u>\$ (620)</u>	<u>\$ 1,961</u>

The Group did not accrue the compensation of employees and the remuneration of directors because of the losses for the six months ended June 30, 2023.

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.

The appropriations of employees' compensation and remuneration of directors for 2023 and 2022 that were resolved by the Company's board of directors on March 13, 2024 and March 15, 2023, respectively, were as follows:

Amount

	For the Year Ended December 31	
	2023	2022
	Cash	Cash
Compensation of employees	\$ 1,596	\$ 56,247
Remuneration of directors	798	28,124

There is no difference between the actual amounts of compensation of employees and remuneration of directors 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 resolved by the Company's board of directors is available at the Market Observation Post System website of the Taiwan Stock Exchange.

24. INCOME TAXES

a. Income tax recognized in profit or loss

Major components of income tax expense are as follows:

	For the Three Months Ended		For the Six Months Ended	
	June 30		June 30	
	2024	2023	2024	2023
Current tax				
In respect of the current period	\$ 8,674	\$ 4,764	\$ 16,652	\$ 20,902
Income tax on unappropriated earnings	-	25,594	-	25,594
Adjustments for prior year	<u>(195)</u>	<u>(1,668)</u>	<u>(195)</u>	<u>(1,668)</u>
	<u>8,479</u>	<u>28,690</u>	<u>16,457</u>	<u>44,828</u>
Deferred tax				
In respect of current period	(16,758)	(3,819)	2,121	(17,301)
Adjustments for prior year	<u>408</u>	<u>-</u>	<u>408</u>	<u>-</u>
	<u>(16,350)</u>	<u>(3,819)</u>	<u>2,529</u>	<u>(17,301)</u>
Income tax expense (benefit) recognized in profit or loss	<u>\$ (7,871)</u>	<u>\$ 24,871</u>	<u>\$ 18,986</u>	<u>\$ 27,527</u>

b. Income tax recognized in other comprehensive income

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2024	2023	2024	2023
<u>Deferred tax</u>				
In respect of current period				
Exchange differences on the translation of the financial statements of foreign operations	\$ (22,747)	\$ (25,998)	\$ (81,955)	\$ (12,777)
Shares of other comprehensive loss of subsidiaries and associates accounted for using the equity method	-	(36)	(6)	(256)
Total income tax recognized in other comprehensive loss	<u>\$ (22,747)</u>	<u>\$ (26,034)</u>	<u>\$ (81,961)</u>	<u>\$ (13,033)</u>

c. Income tax assessments

The tax returns of the Company, through 2020 have been assessed and cleared by the tax authorities. The tax returns of iPro Technology Inc. and Promaster Technology Corp., through 2021 have been assessed and cleared by the tax authorities. The tax returns of Sunjet Components Corp. and Goldenflash Electronic Co., Ltd., through 2022 have been assessed and cleared by the tax authorities.

25. EARNINGS (LOSS) PER SHARE

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2024	2023	2024	2023
Basic earnings (loss) per share	<u>\$ (0.05)</u>	<u>\$ (0.16)</u>	<u>\$ 0.23</u>	<u>\$ (0.17)</u>
Diluted earnings (loss) per share	<u>\$ (0.05)</u>	<u>\$ (0.16)</u>	<u>\$ 0.23</u>	<u>\$ (0.17)</u>

The earnings (loss) and weighted average number of ordinary shares outstanding used in the computation of earnings (loss) per share were as follows:

Net Profit (Loss) for the Year

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2024	2023	2024	2023
Earnings (loss) used in the computation of basic earnings (loss) per share	\$ (13,187)	\$ (42,764)	\$ 62,254	\$ (46,272)
Effect of potentially dilutive ordinary shares	-	-	-	-
Earnings (loss) used in the computation of diluted earnings (loss) per share	<u>\$ (13,187)</u>	<u>\$ (42,764)</u>	<u>\$ 62,254</u>	<u>\$ (46,272)</u>

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

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2024	2023	2024	2023
Weighted average number of ordinary shares used in the computation of basic earnings (loss) per share	269,830	269,830	269,830	269,830
Effect of potentially dilutive ordinary shares				
Compensation of employees	<u> -</u>	<u> -</u>	<u> 123</u>	<u> -</u>
Weighted average number of ordinary shares used in the computation of diluted earnings (loss) per share	<u>269,830</u>	<u>269,830</u>	<u>269,953</u>	<u>269,830</u>

The Group may settle the compensation of employees in cash or shares; therefore, the Group assumes that the entire amount of the compensation will be settled in shares, and the resulting potential shares will be included in the weighted average number of shares outstanding used in the computation of diluted earnings per share, as the effect is dilutive. Such dilutive effect of the potential shares is included in the computation of diluted earnings per share until the number of shares to be distributed to employees is resolved in the following year.

The Group did not consider the potential shares of compensation of employees in the calculation of diluted loss per share for the three months ended June 30, 2024 and 2023, and for the six months ended June 30, 2023 due to the anti-dilutive effect.

26. CASH FLOW INFORMATION

Changes in liabilities arising from financing activities :

For the six months ended June 30, 2024

	Opening Balance	Cash Flows	Non-cash Changes				Closing Balance
			New Leases	Exchange Rate Change	Unrealized Exchange Gains and Losses	Others	
Short-term borrowings	\$ 6,454,052	\$ (1,002,044)	\$ -	\$ -	\$ 55,500	\$ -	\$ 5,507,508
Short-term bills payable	908,749	120,154	-	-	-	-	1,028,903
Long-term borrowings	864,848	(3,435)	-	-	-	-	861,413
Guarantee deposits received	132,779	(4,858)	-	2,834	-	-	130,755
Lease liabilities	<u>83,462</u>	<u>(26,325)</u>	<u>3,755</u>	<u>2,377</u>	<u>71</u>	<u>-</u>	<u>63,340</u>
	<u>\$ 8,443,890</u>	<u>\$ (916,508)</u>	<u>\$ 3,755</u>	<u>\$ 5,211</u>	<u>\$ 55,571</u>	<u>\$ -</u>	<u>\$ 7,591,919</u>

For the six months ended June 30, 2023

	Opening Balance	Cash Flows	Non-cash Changes				Closing Balance
			New Leases	Exchange Rate Change	Unrealized Exchange Gains and Losses	Others	
Short-term borrowings	\$ 10,240,535	\$ (1,457,329)	\$ -	\$ -	\$ 158,138	\$ -	\$ 8,941,344
Short-term bills payable	858,939	(100,065)	-	-	-	-	758,874
Long-term borrowings	893,350	(13,268)	-	-	-	-	880,082
Guarantee deposits received	52,406	18,341	-	661	-	-	71,408
Lease liabilities	<u>129,150</u>	<u>(29,022)</u>	<u>-</u>	<u>(640)</u>	<u>81</u>	<u>(338)</u>	<u>99,231</u>
	<u>\$ 12,174,380</u>	<u>\$ (1,581,343)</u>	<u>\$ -</u>	<u>\$ 21</u>	<u>\$ 158,219</u>	<u>\$ (338)</u>	<u>\$ 10,750,939</u>

27. CAPITAL MANAGEMENT

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

The capital structure of the Group consists of net debt (borrowings offset by cash and cash equivalents) and equity attributable to the owners of the Group (comprising issued capital, reserves, retained earnings and other equity).

The Group is subject to capital requirements such as financial ratio, imposed by bank loan agreements.

Key management personnel of the Group review the capital structure on a quarterly basis. As part of this review, the key management personnel consider the cost of capital and the risks associated with each class of capital. Based on recommendations of the key management personnel, in order to balance the overall capital structure, the Group may adjust the amount of dividends paid to shareholders, the number of new shares issued or repurchased, and/or the amount of new debt issued or existing debt redeemed.

28. FINANCIAL INSTRUMENTS

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

Management believes the carrying amounts of financial assets and financial liabilities recognized in the consolidated financial statements approximate their fair values or their fair values cannot be reliably measured.

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

1) Fair value hierarchy

June 30, 2024

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Investments in equity instruments				
Domestic unlisted shares	\$ -	\$ -	\$ 18,942	\$ 18,942
Foreign unlisted shares	-	-	186,074	186,074
Domestic private emerging market shares	-	-	10,088	10,088
Other instruments				
Domestic limited partnership	-	-	14,458	14,458
Foreign private fund	-	-	500,648	500,648
Others	-	-	9,599	9,599
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 739,809</u>	<u>\$ 739,809</u>

(Continued)

	Level 1	Level 2	Level 3	Total
Financial assets at FVTOCI				
Investments in equity instruments				
Domestic listed shares	\$ 37,372	\$ -	\$ -	\$ 37,372
Investments in debt instruments				
Trade receivables	-	-	111,993	111,993
Other receivables	<u>-</u>	<u>-</u>	<u>7,832,807</u>	<u>7,832,807</u>
	<u>\$ 37,372</u>	<u>\$ -</u>	<u>\$ 7,944,800</u>	<u>\$ 7,982,172</u>
				(Concluded)

December 31, 2023

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Investments in equity instruments				
Domestic unlisted shares	\$ -	\$ -	\$ 7,524	\$ 7,524
Foreign unlisted shares	-	-	71,755	71,755
Domestic private emerging market shares	-	-	7,160	7,160
Other instruments				
Mutual funds	2,003	-	-	2,003
Domestic limited partnership	-	-	12,509	12,509
Foreign private funds	-	-	406,811	406,811
Foreign convertible bonds	-	-	54,661	54,661
Others	<u>-</u>	<u>-</u>	<u>9,599</u>	<u>9,599</u>
	<u>\$ 2,003</u>	<u>\$ -</u>	<u>\$ 570,019</u>	<u>\$ 572,022</u>

Financial assets at FVTOCI				
Investments in equity instruments				
Domestic listed shares	\$ 18,437	\$ -	\$ -	\$ 18,437
Investments in debt instruments				
Trade receivables	-	-	3,779,931	3,779,931
Other receivables	<u>-</u>	<u>-</u>	<u>8,413,244</u>	<u>8,413,244</u>
	<u>\$ 18,437</u>	<u>\$ -</u>	<u>\$ 12,193,175</u>	<u>\$ 12,211,612</u>

June 30, 2023

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Investments in equity instruments				
Domestic unlisted shares	\$ -	\$ -	\$ 9,406	\$ 9,406
Foreign unlisted shares	-	-	33,372	33,372
Domestic private emerging market shares	-	-	8,008	8,008
Other instruments				
Domestic limited partnership	-	-	9,332	9,332
Foreign private fund	-	-	420,586	420,586
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 480,704</u>	<u>\$ 480,704</u>
Financial assets at FVTOCI				
Investments in equity instruments				
Domestic listed shares	\$ 16,995	\$ -	\$ -	\$ 16,995
Investments in debt instruments				
Trade receivables	-	-	743,702	743,702
Other receivables	-	-	5,609,125	5,609,125
	<u>\$ 16,995</u>	<u>\$ -</u>	<u>\$ 6,352,827</u>	<u>\$ 6,369,822</u>

There were no transfers between Levels 1 and 2 in the current and prior periods.

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

For the six months ended June 30, 2024

Financial Assets	Financial Assets at FVTPL		Financial Assets at FVTOCI	Total
	Equity Instruments	Other Instruments	Debt Instruments	
Balance at January 1, 2024	\$ 86,439	\$ 483,580	\$ 12,193,175	\$ 12,763,194
Recognized in profit or loss (included in other gains and losses)	(12,258)	111,646	-	99,388
Recognized in profit or loss (included in expected credit gain)	-	-	42,914	42,914
Recognized in other comprehensive income (included in unrealized gain on financial assets at FVTOCI)	-	-	(40,688)	(40,688)
Purchases	78,377	10,885	-	89,262
Sales/settlements	-	(18,860)	-	(18,860)

(Continued)

Financial Assets	Financial Assets at FVTPL		Financial Assets at FVTOCI	Total
	Equity Instruments	Other Instruments	Debt Instruments	
Reclassification	\$ 62,546	\$ (62,546)	\$ -	\$ -
Net change in trade receivables (included exchange differences on foreign currency)	-	-	(4,250,601)	(4,250,601)
Balance at June 30, 2024	<u>\$ 215,104</u>	<u>\$ 524,705</u>	<u>\$ 7,944,800</u>	<u>\$ 8,684,609</u>
Unrealized gain (loss) for the current year included in profit or loss relating to assets held at the end of the period	<u>\$ (12,258)</u>	<u>\$ 111,646</u>		<u>\$ 99,388</u> (Concluded)

For the six months ended June 30, 2023

Financial Assets	Financial Assets at FVTPL		Financial Assets at FVTOCI	Total
	Equity Instruments	Other Instruments	Debt Instruments	
Balance at January 1, 2023	\$ 66,428	\$ 355,816	\$ 8,282,819	\$ 8,705,063
Recognized in profit or loss (included in other gains and losses)	(15,642)	27,926	-	12,284
Recognized in profit or loss (included in expected credit gain)	-	-	7,922	7,922
Recognized in other comprehensive income (included in unrealized loss on financial assets at FVTOCI)	-	-	(7,148)	(7,148)
Purchases	-	46,176	-	46,176
Net change in trade receivables (included exchange differences on foreign currency)	-	-	(1,930,766)	(1,930,766)
Balance at June 30, 2023	<u>\$ 50,786</u>	<u>\$ 429,918</u>	<u>\$ 6,352,827</u>	<u>\$ 6,833,531</u>
Unrealized gain (loss) for the current year included in profit or loss relating to assets held at the end of the period	<u>\$ (15,642)</u>	<u>\$ 27,926</u>		<u>\$ 12,284</u>

3) Valuation techniques and inputs applied for Level 3 fair value measurement

- a) The fair value of unlisted shares, limited partnerships and private funds were determined by using the asset-based approach. In this approach, the total value of individual assets and liabilities covered by each evaluation object was adopted to calculate a business entity valuation.
- b) The fair value of trade receivables and other receivables of FVTOCI was determined using the discounted cash flow method. Future cash flows are estimated based on the trade receivables and other receivables at the end of the reporting period and discounted at a rate that reflects the trading credit risk.

c. Categories of financial instruments

	June 30, 2024	December 31, 2023	June 30, 2023
<u>Financial assets</u>			
FVTPL			
Mandatorily classified as at FVTPL	\$ 739,809	\$ 572,022	\$ 480,704
Financial assets at amortized cost (1)	2,452,043	2,525,534	2,504,215
Financial assets at FVTOCI			
Equity instruments	37,372	18,437	16,995
Debt instruments	7,944,800	12,193,175	6,352,827
<u>Financial liabilities</u>			
Financial liabilities at amortized cost (2)	19,695,590	23,858,905	21,136,024

- 1) The balances include financial assets at amortized cost, which comprise cash and cash equivalents, debt investments, notes receivable, trade receivables and other receivables.
- 2) The balances include financial liabilities at amortized cost, which comprise short-term and long-term loans, short-term bills payable, notes and trade payables and other payables.

d. Financial risk management objectives and policies

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

The corporate treasury segment supervises quarterly to the Group regarding the risks and policies implemented to mitigate risk exposures.

1) Market risk

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

There had been no change to the Group's exposure to market risks and the manner in which these risks were managed and measured.

a) Foreign currency risk

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities (including those eliminated on consolidation) at the end of the year are set out in Note 33.

Sensitivity analysis

The Group is mainly exposed to the U.S. dollar (USD).

The following table details the Group's sensitivity to a 5% increase and decrease in New Taiwan dollars (i.e., the functional currency) against the relevant foreign currencies. The 5% sensitivity rate is used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis included only outstanding foreign currency denominated monetary items and adjusted their translation at the end of the reporting period for a 5% change in foreign currency rates. A positive number below indicates an increase in pre-tax profit and other equity associated with the 5% strengthening of the New Taiwan dollar against the relevant currency. For a 5% weakening of New Taiwan dollar against the relevant currency, there would be an equal and opposite impact on pre-tax profit and other equity and the balances below would be negative.

	USD Impact	
	For the Six Months Ended	
	June 30	
	2024	2023
Profit or loss	\$ (90,516)	\$ 77,354

* The above sensitivity analysis was mainly attribution to the exposure on the outstanding receivables, payables and borrowings in USD that were not hedged at the end of the period.

The Group's sensitivity to foreign currency increased during the current period mainly due to the increase of borrowings balance in the USD.

In management's opinion, the sensitivity analysis did not reflect the inherent exchange rate risk because the exposure at the end of the reporting period did not reflect the exposure during the period.

b) Interest rate risk

The Group is exposed to interest rate risk because entities in the Group borrow funds at both fixed and floating interest rates.

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

	June 30, 2024	December 31, 2023	June 30, 2023
Fair value interest rate risk			
Financial assets	\$ 231,532	\$ 285,373	\$ 307,251
Financial liabilities	63,340	83,462	99,231
Cash flow interest rate risk			
Financial assets	1,622,555	1,701,702	1,553,715
Financial liabilities*	24,669,362	32,044,434	29,812,295

* The balance included short-term borrowings, short-term bills payable, long-term borrowings (including current portion) and advances on the factored receivables.

The Group is exposed to cash flow interest rate risk in relation to floating-rate bank borrowings. The Group's policy is to keep its borrowings at floating interest rates to minimize the fair value interest rate risk. The Group's cash flow interest rate risk was mainly concentrated in the fluctuations of benchmark interest rate and Taipei Interbank Offered Rate (TAIBOR), TAIFX3 and Secured Overnight Financing Rate (SOFR) arising from the Group's New Taiwan dollar and USD-denominated borrowings.

Sensitivity analysis

The sensitivity analysis below was determined based on the Group's exposure to interest rates for non-derivative instruments at the end of the reporting period. For floating-rate liabilities, the analysis was prepared assuming the amount of each liability outstanding at the end of the period was outstanding for the whole year. A 100 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had 100 basis points higher/lower and all other variables were held constant, the Group's pre-tax profits or loss for the six months ended June 30, 2024 and 2023 would have decreased/increased by NT\$115,234 thousand and NT\$141,293 thousand, respectively, which was mainly because of the Group's exposure to interest rates on its floating-rate bank borrowings.

The decrease in the Group's sensitivity to interest rates during the current period was mainly due to the decreasing use of floating-rate debt instruments.

2) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations, resulting in a financial loss to the Group. At the end of the period, the Group's maximum exposure to credit risk, which would cause a financial loss to the Group due to the failure of counterparties to discharge its obligation could be measured the carrying amounts of the recognized financial assets as stated in the balance sheets.

The Group has a policy of only dealing with creditworthy counterparties and obtaining sufficient collaterals, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group uses other publicly available financial information and its own trading records to rate its major customers. The Group's credit exposures and the credit ratings of its counterparties are continually monitored, and the total amount of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counterparty credit limit that are reviewed and approved by finance and accounting department annually.

The Group's transactions are with a large number of customers in different industries and locations. Ongoing credit evaluation is performed on the status of trade receivables and, where appropriate, credit guarantee insurance cover would be purchased.

The Group did not have significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics, except for customer A. The Group defines counterparties as having similar characteristics if they are related entities. From the balance of trade receivables on June 30, 2024, December 31, 2023 and June 30, 2023, the exposure amounts were NT\$0 thousand, NT\$4,985,615 thousand and NT\$659,717 thousand, respectively. During for the six months ended June 30, 2024 and 2023, the concentration of credit risk did not exceed 0% and 6.80% of the total monetary assets of each period, respectively.

3) Liquidity risk

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

The Group relies on bank borrowings as a significant source of liquidity. As of June 30, 2024, December 31, 2023 and June 30, 2023, the Group's unused short-term bank loan facilities are set out in (b) below.

a) Liquidity and interest risk rate tables for nonderivative financial liabilities

The following table details the Group's remaining contractual maturity for its nonderivative financial liabilities with agreed upon repayment periods. The tables had been drawn up on the basis of the undiscounted cash flows of financial liabilities from the earliest date on which the Group can be required to pay. The tables included both interest and principal cash flows. Specifically, bank loans with a repayment on demand clause were included in the earliest time bonds regardless of the probability of the banks choosing to exercise their rights immediately. The maturity dates for other nonderivative financial liabilities were based on the agreed upon repayment dates.

To the extent that interest rates are floating, the undiscounted amount was derived from the yield curve at the end of the period.

June 30, 2024

	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years	Over 5 Years
<u>Non-derivative financial liabilities</u>					
Non-interest bearing Lease liabilities	\$ 11,252,809 4,993	\$ 1,319,172 8,512	\$ 202,444 33,386	\$ - 17,597	\$ - -
Floating interest rate liabilities	<u>2,022,675</u>	<u>959,969</u>	<u>3,630,863</u>	<u>856,020</u>	<u>25,963</u>
	<u>\$ 13,280,477</u>	<u>\$ 2,287,653</u>	<u>\$ 3,866,693</u>	<u>\$ 873,617</u>	<u>\$ 25,963</u>

December 31, 2023

	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years	Over 5 Years
<u>Non-derivative financial liabilities</u>					
Non-interest bearing Lease liabilities	\$ 12,820,195 5,085	\$ 2,932,690 8,750	\$ 163,044 39,831	\$ - 33,825	\$ - -
Floating interest rate liabilities	<u>2,034,260</u>	<u>4,395,567</u>	<u>978,679</u>	<u>865,677</u>	<u>29,909</u>
	<u>\$ 14,859,540</u>	<u>\$ 7,337,007</u>	<u>\$ 1,181,554</u>	<u>\$ 899,502</u>	<u>\$ 29,909</u>

June 30, 2023

	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years	Over 5 Years
<u>Non-derivative financial liabilities</u>					
Non-interest bearing	\$ 9,452,257	\$ 1,091,863	\$ 793,312	\$ -	\$ -
Lease liabilities	5,259	8,425	36,032	50,760	-
Floating interest rate liabilities	<u>1,827,120</u>	<u>4,470,211</u>	<u>3,472,290</u>	<u>874,340</u>	<u>33,987</u>
	<u>\$ 11,284,636</u>	<u>\$ 5,570,499</u>	<u>\$ 4,301,634</u>	<u>\$ 925,100</u>	<u>\$ 33,987</u>

Bank loans with a repayment on demand clause were included in the “on demand or less than 1 month” time band in the above maturity analysis. As of June 30, 2024, December 31, 2023 and June 30, 2023, the aggregate undiscounted principal amounts of these bank loans were NT\$2,019,278 thousand, NT\$2,031,982 thousand and NT\$1,824,513 thousand, respectively. Taking into account the Group’s financial position, management does not believe that it is probable that the banks will exercise their discretionary rights to demand immediate repayment. Management believes that such bank loans will be repaid after the reporting date in accordance with the scheduled repayment dates set out in the loan agreements. At that time, the aggregate principal and interest cash outflows will amount to NT\$7,495,490 thousand.

The amounts included above for floating interest rate instruments of both non-derivative financial assets and liabilities are subject to change if the floating interest rates differ from those estimates of interest rates determined at the end of the period.

b) Financing facilities

	June 30, 2024	December 31, 2023	June 30, 2023
Unsecured bank borrowings and factored trade receivables facilities, reviewed annually			
Amount used	\$ 22,331,178	\$ 29,441,765	\$ 26,046,322
Amount unused	<u>44,513,330</u>	<u>32,217,620</u>	<u>31,674,097</u>
	<u>\$ 66,844,508</u>	<u>\$ 61,659,385</u>	<u>\$ 57,720,419</u>
Secured bank credit facilities			
Amount used	\$ 1,477,868	\$ 1,739,072	\$ 2,887,017
Amount unused	<u>3,624,142</u>	<u>3,269,944</u>	<u>2,600,005</u>
	<u>\$ 5,102,010</u>	<u>\$ 5,009,016</u>	<u>\$ 5,487,022</u>
Unsecured bank long-term credit facilities which may be extended by mutual agreements			
Amount used	\$ 800,000	\$ 800,000	\$ 800,000
Amount unused	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 800,000</u>	<u>\$ 800,000</u>	<u>\$ 800,000</u>

(Continued)

	June 30, 2024	December 31, 2023	June 30, 2023
Secured bank long-term credit facilities which may be extended by mutual agreements			
Amount used	\$ 61,413	\$ 64,848	\$ 80,082
Amount unused	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 61,413</u>	<u>\$ 64,848</u>	<u>\$ 80,082</u>

(Concluded)

e. Transfers of financial assets

Factored trade receivables at the end of the period were as follows:

June 30, 2024

Counterparties	Receivables Factoring Proceeds	Amount Reclassified to Other Receivables	Advances Received - Unused	Advances Received - Used	Annual Interest Rates on Advances Received (Used) (%)	Credit Lines
Mega International Commercial Bank	\$ 8,627,913	\$ 4,130,325	\$ 3,698,931	\$ 4,497,588	6.56-6.91	\$ 10,156,850
Taishin International Bank	397,798	161,402	121,632	236,386	6.55-6.69	1,274,095
Chang Hwa Bank	2,070,155	769,228	670,684	1,300,927	6.54-6.61	3,245,000
Taipei Fubon Bank	234,632	179,463	160,495	55,165	6.30-6.35	2,151,435
CitiBank	117,352	48,842	48,842	68,510	6.90	3,245,000
DBS Bank	5,558,219	323,191	330,682	5,227,536	6.44	12,493,250
KGI Bank	3,680,256	887,451	525,495	2,791,648	6.50-6.67	6,846,950
Bank SinoPac	3,372,485	713,776	378,764	2,656,474	6.37-6.84	7,285,025
HSBC Bank	606,204	174,003	116,357	429,227	6.57-6.76	1,979,450
DBS Bank (Hong Kong)	428,714	426,507	426,507	2,207	6.23	649,000
Cathay United Bank	24,489	18,619	16,169	5,870	6.11	68,145
Far Eastern International Bank	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	-	<u>90,000</u>
	<u>\$ 25,118,217</u>	<u>\$ 7,832,807</u>	<u>\$ 6,494,558</u>	<u>\$ 17,271,538</u>		<u>\$ 49,484,200</u>

December 31, 2023

Counterparties	Receivables Factoring Proceeds	Amount Reclassified to Other Receivables	Advances Received - Unused	Advances Received - Used	Annual Interest Rates on Advances Received (Used) (%)	Credit Lines
Mega International Commercial Bank	\$ 8,623,271	\$ 2,184,082	\$ 1,752,919	\$ 6,439,189	6.73-7.05	\$ 9,365,025
Taishin International Bank	486,932	150,759	102,084	336,155	6.67-6.84	798,747
Chang Hwa Bank	1,145,515	339,942	247,356	804,512	6.64-6.73	3,070,500
Taipei Fubon Bank	177,817	94,421	93,240	83,268	6.58	1,544,462
CitiBank	259,754	72,807	72,807	186,947	6.94	3,070,500
DBS Bank	7,424,425	552,490	560,071	6,864,354	6.73	11,821,425
KGI Bank	6,294,525	2,501,083	1,713,292	3,793,443	6.79-6.98	6,294,525
Bank SinoPac	5,932,935	2,031,471	1,536,442	3,894,166	6.49-6.95	6,193,505
HSBC Bank	1,574,714	341,227	184,049	1,233,194	6.60-6.91	1,873,005
DBS Bank (Hong Kong)	286,459	120,718	120,718	165,740	6.51-6.52	614,100
Cathay United Bank	22,350	22,350	20,115	-	-	64,481
Far Eastern International Bank	17,711	1,894	123	15,817	6.72	<u>90,000</u>
	<u>\$ 32,246,408</u>	<u>\$ 8,413,244</u>	<u>\$ 6,403,216</u>	<u>\$ 23,816,785</u>		<u>\$ 44,800,275</u>

June 30, 2023

Counterparties	Receivables Factoring Proceeds	Amount Reclassified to Other Receivables	Advances Received - Unused	Advances Received - Used	Annual Interest Rates on Advances Received (Used) (%)	Credit Lines
Mega International Commercial Bank	\$ 7,859,175	\$ 1,223,796	\$ 830,849	\$ 6,635,368	6.25-7.06	\$ 9,497,700
Taishin International Bank	288,513	63,924	35,080	224,582	6.10-6.59	795,000
Chang Hwa Bank	3,053,839	1,531,450	1,439,029	1,519,609	6.48-6.64	3,114,000
Taipei Fubon Bank	324,348	105,798	106,195	218,152	6.37-6.62	1,557,000
CitiBank	372,619	180,853	180,853	191,766	6.66	3,114,000
DBS Bank	5,348,304	208,327	223,236	5,125,068	6.41	11,988,900
KGI Bank	1,435,830	258,027	121,358	1,177,104	6.42-6.71	4,297,320
Bank SinoPac	4,730,027	1,774,918	1,302,171	2,954,854	6.22-6.59	4,966,830
Mizuho Bank	-	-	-	-	-	825,210
HSBC Bank	1,137,039	212,016	99,564	923,771	6.28-6.60	2,351,070
DBS Bank (Hong Kong)	193,083	15,850	15,850	177,233	6.10-6.25	622,800
Cathay United Bank	56,494	14,678	9,029	41,816	5.99-6.09	127,674
Far Eastern International Bank	62,160	19,488	13,272	42,672	6.28-6.69	90,000
	<u>\$ 24,861,431</u>	<u>\$ 5,609,125</u>	<u>\$ 4,376,486</u>	<u>\$ 19,231,995</u>		<u>\$ 43,347,504</u>

The above credit lines may be used on a revolving basis.

The Group signed trade receivables factoring contracts with several banks. That is, the Group sold trade receivables on non-letter of credit transactions to banks without recourse. In these transactions, the credit risk on trade receivables was transferred to the banks, and the Group paid the banks a specific percentage of trade receivables as a handling charge. The Group asked for the advances of 90% to 100% of the trade receivables by paying interest. Because the trade receivables factoring was without recourse, the Group was free from credit risk, and banks assumed the risk of losses on the receivables.

The Group's exposure to credit risk from defaults amounted to all US\$700 thousand on June 30, 2024, December 31, 2023 and June 30, 2023. Management had set up sufficient allowance to cover possible losses.

29. TRANSACTIONS WITH RELATED PARTIES

Balances and transactions between the Company and its subsidiaries, which are the related parties of the Company, have been eliminated on consolidation and are not disclosed in this note. Besides information disclosed elsewhere in the other notes, details of transactions between the Group and other related parties are disclosed bellow.

a. Related party name and category

Related Party Name	Related Party Category
KingHold Technology	Associate
Vxis Technology Corp.	Associate
Prowine Co., Ltd.	Associate (disposed on November 22, 2023)

b. Sales of goods

Line Item	Related Party Category/Name	For the Three Months Ended June 30		For the Six Months Ended June 30	
		2024	2023	2024	2023
Sales	Associates	\$ -	\$ -	\$ -	\$ 654

The market prices and contract terms between the Group and its related parties were not significantly different from those of the Group and non-related parties.

c. Purchases

Line Item	Related Party Category/Name	For the Three Months Ended June 30		For the Six Months Ended June 30	
		2024	2023	2024	2023
Purchases	Associates	\$ -	\$ -	\$ 198	\$ -

The market prices and contract terms between the Group and its related parties were not significantly different from those of the Group and non-related parties.

d. Receivables from related parties

Line Item	Related Party Category/Name	June 30, 2024	December 31, 2023	June 30, 2023
Other receivables	Associates	\$ -	\$ -	\$ 9

The outstanding other receivables from related parties are unsecured. No impairment losses were recognized for receivables from related parties.

e. Payables to related parties

Line Item	Related Party Category/Name	June 30, 2024	December 31, 2023	June 30, 2023
Trade payables	Associates	\$ -	\$ 196	\$ -
Other payables	Associates	-	-	153
		\$ -	\$ 196	\$ 153

The outstanding payables to related parties are unsecured and repaid in cash.

f. Prepayments

Line Item	Related Party Category/Name	June 30, 2024	December 31, 2023	June 30, 2023
Prepayments for purchases	Associates	\$ 725	\$ -	\$ -

g. Others

Line Item	Related Party Category/Name	For the Three Months Ended June 30		For the Six Months Ended June 30	
		2024	2023	2024	2023
Operating expenses	Associates	\$ -	\$ 154	\$ -	\$ 607
Rental income	Associates	\$ -	\$ 34	\$ -	\$ 77
Other income	Associates	\$ -	\$ 6	\$ -	\$ 6

The Group leases out office and plant to its associate under operating lease for one year. In the leasing contract between the Group and its associates, the rents are set according to market trends, and conforms to normal payments terms.

The Group's transactions with related parties were conducted under contract terms.

h. Remuneration of key management personnel

	For the Three Months Ended		For the Six Months Ended	
	June 30		June 30	
	2024	2023	2024	2023
Short-term employee benefits	\$ 8,777	\$ 11,887	\$ 18,713	\$ 24,314
Post-employment benefits	<u>381</u>	<u>360</u>	<u>735</u>	<u>773</u>
	<u>\$ 9,158</u>	<u>\$ 12,247</u>	<u>\$ 19,448</u>	<u>\$ 25,087</u>

The remuneration of directors and key executives was determined by the remuneration committee on basis of individual performances and market trends.

30. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

The Group's assets mortgaged or pledged as collateral for long-term and short-term borrowings, the trade receivables factoring, and the deposits in current accounts:

	June 30, 2024	December 31, 2023	June 30, 2023
Properties, plant and equipment, net	\$ 411,167	\$ 412,873	\$ 414,578
Financial assets at amortized cost	<u>127,843</u>	<u>206,793</u>	<u>302,351</u>
	<u>\$ 539,010</u>	<u>\$ 619,666</u>	<u>\$ 716,929</u>

31. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

The significant commitments of the Group as of June 30, 2024, December 31, 2023 and June 30, 2023 were as follows:

a. Significant commitments

- 1) Unused letters of credit amounting to approximately NT\$505,260 thousand, NT\$467,459 thousand and NT\$608,875 thousand, respectively.
- 2) Checks that had been issued as guarantees for the Group's loans and purchases amounted to NT\$79,228,222 thousand, NT\$69,092,660 thousand and NT\$65,781,576 thousand, respectively.
- 3) The ceiling amounts of guarantees were all NT\$320,000 thousand. Guarantees amounting to all NT\$0 thousand was provided for the loans obtained by Sunjet Components Corp. The Company did not recognize any loss and offer any cash or other assets for the guarantees.

- 4) The ceiling amounts of guarantees were all NT\$64,000 thousand. Guarantees amounting to all NT\$0 thousand was provided for the loans obtained by iPro Technology Inc. The Company did not recognize any loss and offer any cash or other assets for the guarantees.
- 5) The ceiling amounts of guarantees were NT\$1,600,000 thousand, NT\$1,600,000 thousand and NT\$2,240,000 thousand, respectively. Guarantees amounting to NT\$513,215 thousand, NT\$329,878 thousand and NT\$310,490 thousand, respectively, were provided for the loans obtained by Goldenflash Electronics Co., Ltd. The Company did not recognize any loss and offer any cash or other assets for the guarantees.
- 6) The ceiling amounts of guarantees were all NT\$3,200,000 thousand. Guarantees amounting to NT\$939,670 thousand, NT\$1,233,455 thousand and NT\$896,849 thousand, respectively, were provided for the loans obtained by Promaster Technology Corp. The Company did not recognize any loss and offer any cash or other assets for the guarantees.
- 7) The ceiling amounts of guarantees were NT\$0 thousand, NT\$0 thousand and NT\$64,000 thousand, respectively. Guarantees amounting to all NT\$0 thousand was provided for the loans by Subject (HK) Components Ltd. Sunjet Components Corp. did not recognize any loss and offer any cash or other assets for the guarantees.
- 8) The ceiling amounts of guarantees were NT\$0 thousand, NT\$0 thousand and NT\$384,000 thousand, respectively. Guarantees amounting to all NT\$0 thousand, was provided for the loans obtained by Promaster (Brunei) Technology Corp. Promaster Technology Corp. did not recognize any loss and offer any cash or other assets for guarantees.

b. Contingencies

Pegatron Corporation (“Pegatron”) filed an arbitration with the Arbitration Association of the Republic of China to determine the responsibility of Pegatron and the Group in connection with an anomaly in a product manufactured by Pegatron that contained components of an electronic product distributed by the Group. The Group has appointed a lawyer to prepare a response plan in the best interests of the Company and its shareholders. As of June 30, 2024, the actual impact cannot be estimated as the respondents have not yet been clarified.

32. SIGNIFICANT EVENTS AFTER REPORTING PERIOD

The board of directors of the Group resolved on July 22, 2024 to authorize the purchase of 11,048 thousand shares of common stock of Honey Hope Honesty Enterprise Co., Ltd., which were transferred by Taiwan Taiyo Yuden Co., Ltd., within an amount of NT\$280,000 thousand. The main purpose of this purchase was for financial investment. As of August 13, 2024, the relevant share transactions have been completed, with a total transaction amount of NT\$278,420 thousand. The Group holds 13.83% of Honey Hope Honesty Enterprise Co., Ltd. shares.

33. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

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

June 30, 2024

	Foreign Currency (In Thousands)	Exchange Rate	Carrying Amount
<u>Financial assets</u>			
Monetary items			
USD	\$ 132,349	32.4500 (USD:NTD)	\$ 4,294,725
USD	6,568	7.1268 (USD:RMB)	213,146
USD	5,999	1.3566 (USD:SGD)	194,654
USD	106	160.8825 (USD:JPY)	3,434
Nonmonetary items			
Investments accounted for using the equity method			
KRW	922,815	0.0237 (KRW:NTD)	22,092
<u>Financial liabilities</u>			
Monetary items			
USD	82,669	32.4500 (USD:NTD)	2,682,604
USD	5,652	7.1268 (USD:RMB)	183,416
USD	883	1.3566 (USD:SGD)	28,646
USD	30	160.8825 (USD:JPY)	964

December 31, 2023

	Foreign Currency (In Thousands)	Exchange Rate	Carrying Amount
<u>Financial assets</u>			
Monetary items			
USD	\$ 115,264	30.7050 (USD:NTD)	\$ 3,539,194
USD	7,307	7.0827 (USD:RMB)	224,348
USD	10,396	1.3184 (USD:SGD)	319,197
USD	94	141.3674 (USD:JPY)	2,900
Nonmonetary items			
Investments accounted for using the equity method			
KRW	909,729	0.0239 (KRW:NTD)	21,752
<u>Financial liabilities</u>			
Monetary items			
USD	91,454	30.7050 (USD:NTD)	2,808,107
USD	11,744	7.0827 (USD:RMB)	360,610
USD	42	141.3674 (USD:JPY)	1,304

June 30, 2023

	Foreign Currency (In Thousands)	Exchange Rate	Carrying Amount
<u>Financial assets</u>			
Monetary items			
USD	\$ 106,139	31.1400 (USD:NTD)	\$ 3,305,180
USD	4,073	7.2258 (USD:RMB)	126,843
USD	4,497	1.3563 (USD:SGD)	140,028
USD	175	144.8372 (USD:JPY)	5,452
Nonmonetary items			
Investments accounted for using the equity method			
KRW	922,689	0.0238 (KRW:NTD)	21,960
<u>Financial liabilities</u>			
Monetary items			
USD	145,765	31.1400 (USD:NTD)	4,539,111
USD	9,501	7.2258 (USD:RMB)	295,864
USD	9,162	1.3563 (USD:SGD)	285,311
USD	138	144.8372 (USD:JPY)	4,292

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

	For the Three Months Ended June 30			
	2024		2023	
Foreign Currency	Exchange Rate	Net Foreign Exchange Gain (Loss)	Exchange Rate	Net Foreign Exchange Gain (Loss)
NTD	1 (NTD:NTD)	\$ 5,426	1 (NTD:NTD)	\$ 27,404
USD	32.3547 (USD:NTD)	(426)	30.7053 (USD:NTD)	736
RMB	4.4420 (RMB:NTD)	1,418	4.3737 (RMB:NTD)	(6,105)
SGD	23.9133 (SGD:NTD)	(4,570)	22.9333 (SGD:NTD)	(20,896)
JPY	0.2076 (JPY:NTD)	<u>164</u>	0.2238 (JPY:NTD)	<u>146</u>
		<u>\$ 2,012</u>		<u>\$ 1,285</u>

For the Six Months Ended June 30					
		2024			2023
Foreign Currency	Exchange Rate	Net Foreign Exchange Gain (Loss)	Exchange Rate	Net Foreign Exchange Gain (Loss)	
NTD	1 (NTD:NTD)	\$ 27,525	1 (NTD:NTD)	\$ 24,098	
USD	31.9012 (USD:NTD)	2,564	30.5500 (USD:NTD)	(2,225)	
RMB	4.4120 (RMB:NTD)	1,084	4.4075 (RMB:NTD)	(6,005)	
SGD	23.6933 (SGD:NTD)	(18,115)	22.8733 (SGD:NTD)	(16,872)	
JPY	0.2098 (JPY:NTD)	<u>247</u>	0.2269 (JPY:NTD)	<u>(474)</u>	
		<u>\$ 13,305</u>		<u>\$ (1,478)</u>	

34. SEPARATELY DISCLOSED ITEMS

a. Information on significant transactions:

- 1) Financing provided to others: Table 1
- 2) Endorsements/guarantees provided: Table 2
- 3) Marketable securities held (excluding investments in subsidiaries and associates): Table 3
- 4) Marketable securities acquired and disposed of at costs or prices at least NT\$300 million or 20% of the paid-in capital: None
- 5) Acquisition of individual real estate at costs of at least NT\$300 million or 20% of the paid-in capital: None
- 6) Disposal of individual real estate at prices of at least NT\$300 million or 20% of the paid-in capital: None
- 7) Total purchases from or sales to related parties amounting to at least NT\$100 million or 20% of the paid-in capital: Table 4
- 8) Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital: Table 5
- 9) Trading in derivative instruments: None
- 10) Intercompany relationships and significant intercompany transactions: Table 6

b. Information on investees: Table 7

c. Information on investments in mainland China

- 1) Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, net income of investees, investment income or loss, carrying amount of the investment at the end of the year, repatriations of investment income, and limit on the amount of investment in the mainland China area: Table 8

- 2) Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third party, and their prices, payment terms, and unrealized gains or losses:
 - a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the year: Table 4
 - b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the year: Table 4
 - c) The amount of property transactions and the amount of the resultant gains or losses: None
 - d) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the year and the purposes: None
 - e) The highest balance, the end balance, the interest rate range, and total current period interest with respect to financing of funds: Table 1
 - f) Other transactions that have a material effect on the profit or loss for the year or on the financial position, such as the rendering or receiving of services: Table 6
- d. Information of major shareholders: List all shareholders with ownership of 5% or greater showing the name of the shareholder, the number of shares owned, and percentage of ownership of each shareholder: Table 9

35. SEGMENT INFORMATION

Information reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance focuses on financial information of industries, and each of the investees have similar economic attributes and sell the same types of products in a uniform management approach; thus, the Company is a single reportable segment. The measurement basis of the information provided to the chief operating decision maker is the same as the information and amounts shown in the financial statements, so the consolidated statements of comprehensive income for the six months ended June 30, 2024 and 2023 can be compared with reportable segment revenue and operating outcome for these periods. In addition, the information on operating segment assets was not periodically reported to the chief operating decision maker, so the reportable amount is zero.

EDOM TECHNOLOGY CO., LTD. AND SUBSIDIARIES

FINANCING PROVIDED TO OTHERS
FOR THE SIX MONTHS ENDED JUNE 30, 2024
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

No.	Lender	Borrower	Financial Statement Account	Related Parties	Highest Balance for the Period	Ending Balance	Actual Borrowing Amount	Interest Rate	Nature of Financing	Business Transaction Amounts	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower (Note 1)	Aggregate Financing Limits (Note 2)
													Item	Value		
0	EDOM Technology Co., Ltd.	Sunjet Components Corp.	Other receivables	Yes	\$ 64,000	\$ 64,000	\$ -	-	For business operation	\$ -	For business operation	\$ -	-	-	\$ 506,083	\$1,012,166
		iPro Technology, Inc.	Other receivables	Yes	64,000	64,000	-	-	For business operation	-	For business operation	-	-	-	506,083	1,012,166
		Goldenflash Electronics Co., Ltd.	Other receivables	Yes	320,000	320,000	308,275	5.34%	For business operation	-	For business operation	-	-	-	506,083	1,012,166
		Promaster Technology Corp.	Other receivables	Yes	320,000	320,000	-	-	For business operation	-	For business operation	-	-	-	506,083	1,012,166
1	Sunjet Components Corp.	Sunjet Components Corp. (Dongguan)	Other receivables	Yes	16,000	16,000	14,603	3.90%	For business operation	-	For business operation	-	-	-	34,805	69,611

Notes: 1. The maximum amount of financing to an individual borrower is 10% of the Company and Sunjet Components Corp.'s net asset value. For borrowers with transactions with the Company, maximum financing is 10% of the net assets of the Company or the total amount of transactions between the Company and borrower.
2. The maximum financing amount is 20% of the Company and Sunjet Components Corp.'s net asset value.

EDOM TECHNOLOGY CO., LTD. AND SUBSIDIARIES

**ENDORSEMENTS/GUARANTEES PROVIDED
FOR THE SIX MONTHS ENDED JUNE 30, 2024
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

No.	Endorser/Guarantor	Endorsee/Guarantee		Limits on Endorsement/ Guarantee Given on Behalf of Each Party (Note 1)	Maximum Amount Endorsed/ Guaranteed During the Period	Outstanding Endorsement/ Guarantee at the End of the Period	Actual Borrowing Amount	Amount Endorsed/ Guaranteed by Collaterals	Ratio of Accumulated Endorsement/ Guarantee to Net Equity in Latest Financial Statements (%)	Aggregate Endorsement/ Guarantee Limit (Note 2)	Endorsement/ Guarantee Given by Parent on Behalf of Subsidiaries	Endorsement/ Guarantee Given by Subsidiaries on Behalf of Parent	Endorsement/ Guarantee Given on Behalf of Companies in Mainland China
		Name	Relationship										
0	EDOM Technology Co., Ltd.	Sunjet Components Corp.	Subsidiary	\$ 5,060,828	\$ 320,000	\$ 320,000	\$ -	\$ -	6.32	\$ 10,121,656	Y	N	N
		iPro Technology, Inc.	Subsidiary	5,060,828	64,000	64,000	-	-	1.26	10,121,656	Y	N	N
		Goldenflash Electronics Co., Ltd.	Subsidiary	5,060,828	1,600,000	1,600,000	513,215	-	31.62	10,121,656	Y	N	N
		Promaster Technology Corp.	Subsidiary	5,060,828	3,200,000	3,200,000	939,670	-	63.23	10,121,656	Y	N	N

- Notes: 1. 100% of the Company's net asset value.
2. 200% of the Company's net asset value.
3. The Company at the ceiling amounts of guarantees to Promaster and Promaster's subsidiaries Promaster (Brunei) Technology Corp. were approved by the Company's board of directors, and cannot surpass the approved total amount.

EDOM TECHNOLOGY CO., LTD. AND SUBSIDIARIES

MARKETABLE SECURITIES HELD

JUNE 30, 2024

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

Holding Company Name	Type and Issuer of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	June 30, 2024				Note
				Shares	Carrying Value	Percentage of Ownership (%)	Market Value or Net Asset Value	
EDOM Technology Co., Ltd.	<u>Ordinary shares</u>							
	AEWIN Technologies Co., Ltd.	-	Financial assets at fair value through other comprehensive income - noncurrent	355,923	\$ 37,372	0.60	\$ 37,372	Note 1
	Largan Health AI-Tech Co., Ltd.	-	Financial assets at fair value through profit or loss - noncurrent	120,000	76	4.00	76	Note 2
	Upbeat Technology Co., Ltd.	-	Financial assets at fair value through profit or loss - noncurrent	1,250,000	2,698	2.74	2,698	Note 2
	Metanola Communication Inc.	-	Financial assets at fair value through profit or loss - noncurrent	452,982	1,168	0.37	1,168	Note 2
	Ark Semiconductor Inc.	-	Financial assets at fair value through profit or loss - noncurrent	185,880	23,625	3.17	23,625	Note 2
	Excelsius Medical Co., Ltd.	-	Financial assets at fair value through profit or loss - noncurrent	1,500,000	15,000	10.71	15,000	Note 2
	<u>Preference shares</u>							
	XMEMS Labs, Inc	-	Financial assets at fair value through profit or loss - noncurrent	501,505	1,612	0.42	1,612	Note 2
	Empower Semiconductor Inc.	-	Financial assets at fair value through profit or loss - noncurrent	86,757	62	0.26	62	Note 2
	AXIADO Corporation	-	Financial assets at fair value through profit or loss - noncurrent	515,814	31,785	0.62	31,785	Note 2
	Reed Semiconductor Corp.	-	Financial assets at fair value through profit or loss - noncurrent	250,000	31,350	0.39	31,350	Note 2
	MET Biotechnology Inc.	-	Financial assets at fair value through profit or loss - noncurrent	796,457	7,855	5.03	7,855	Note 2
	Zentera Systems Inc.	-	Financial assets at fair value through profit or loss - noncurrent	934,772	62,546	3.69	62,546	Note 2
	CyteSi, Inc.	-	Financial assets at fair value through profit or loss - noncurrent	215,572	24,172	1.53	24,172	Note 2
	<u>Private ordinary shares</u>							
	AcSip Technology Co., Ltd.	-	Financial assets at fair value through profit or loss - noncurrent	1,000,000	10,088	2.72	10,088	Note 3
	<u>Private funds</u>							
	BRV Lotus Growth Fund	-	Financial assets at fair value through profit or loss - noncurrent	-	309,940	1.32	309,940	Note 2
	PHI Fund, L.P.	-	Financial assets at fair value through profit or loss - noncurrent	-	156,358	6.90	156,358	Note 2
AMED Ventures II Limited Partnership	-	Financial assets at fair value through profit or loss - noncurrent	-	34,350	1.33	34,350	Note 2	
<u>Limited partnership</u>								
Mesh Cooperative Ventures Fund LP	-	Financial assets at fair value through profit or loss - noncurrent	-	14,458	1.23	14,458	Note 2	
ACCU Technologies Ltd.	<u>Preference shares</u>							
Largan Health Technology, Inc.	-	Financial assets at fair value through profit or loss - noncurrent	205,410	3,067	1.67	3,067	Note 2	

Note 1: The amounts are based on the closing price at the end of the period.

Note 2: The fair values of financial assets are measured by using asset approach, in accordance with the latest financial statements.

Note 3: The fair values of financial assets are measured by the average price of the transactions in emerging markets.

Note 4: Refer to Tables 7 and 8 for information on investments in subsidiaries and associates.

EDOM TECHNOLOGY CO., LTD. AND SUBSIDIARIES

TOTAL PURCHASE FROM OR SALE TO RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL FOR THE SIX MONTHS ENDED JUNE 30, 2024

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

Buyer/Saler	Related Party	Relationship	Transaction Details (Note)				Abnormal Transaction		Notes/Accounts Payable or Receivable		Note
			Purchase/Sale	Amount	% to Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% to Total	
Promaster Technology Corp.	Promaster Technology Corporation (Shanghai)	Subsidiary	Sale	\$ (114,025)	(3.75)	180 days after monthly closing	Conducted as per the agreed terms	180 days after monthly closing	\$ 68,679	61.91	
Promaster Technology Corporation (Shanghai)	Promaster Technology Corp.	Parent company	Purchase	114,025	86.18	180 days after monthly closing	Conducted as per the agreed terms	180 days after monthly closing	(68,679)	(97.10)	
Promaster Technology Corp.	Promaster (Brunei) Technology Corp.	Subsidiary	Sale	(104,182)	(3.43)	180 days after monthly closing	Conducted as per the agreed terms	180 days after monthly closing	941	0.85	
Promaster (Brunei) Technology Corp.	Promaster Technology Corp.	Parent company	Purchase	104,182	100.00	180 days after monthly closing	Conducted as per the agreed terms	180 days after monthly closing	(941)	70.49	

EDOM TECHNOLOGY CO., LTD. AND SUBSIDIARIES

RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL

JUNE 30, 2024

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

Company Name	Related Party	Relationship	Ending Balance	Turnover Rate	Overdue		Amounts Received in Subsequent Period	Allowance for Impairment Loss
					Amount	Actions Taken		
EDOM Technology Co., Ltd.	Goldenflash Electronics Co., Ltd.	Subsidiary	\$ 309,486 (Note)	-	\$ 509	-	\$ 183	\$ -
Sunjet Components Corp.	Sunjet (HK) Components Ltd.	Subsidiary	123,533	2.2	43,487	Determined by operating conditions	-	-
Promaster (Brunei) Technology Corp.	Promaster Technology Corp.	Parent company	132,239	0.6	43,407	Determined by operating conditions	-	-

Note: Including financing and other receivables.

EDOM TECHNOLOGY CO., LTD. AND SUBSIDIARIES

INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT TRANSACTIONS
FOR THE SIX MONTHS ENDED JUNE 30, 2024

(In Thousands of New Taiwan Dollars)

No. (Note 1)	Investee Company	Counterparty	Flow of Transactions (Note 2)	Transaction Details			% to Total Sales or Assets (Note 3)
				Financial Statement Account	Amount	Payment Terms	
0	EDOM Technology Co., Ltd.	EDOM Trading (Shenzhen) Ltd.	a	Sales	\$ 35,804	Transaction terms are not significantly different from those of third parties	-
		EDOM Trading (Shenzhen) Ltd.	a	Operating expenses - service charge	114,579	Transaction terms are not significantly different from those of third parties	-
		EDOM Trading (Shenzhen) Ltd.	a	Trade receivables	35,346	180 days after monthly closing	-
		EDOM Trading (Shenzhen) Ltd.	a	Other payables	17,815	90 days after monthly closing	-
		EDOM Electronic Technology (Shanghai) Co., Ltd.	a	Sales	42,896	Transaction terms are not significantly different from those of third parties	-
		EDOM Electronic Technology (Shanghai) Co., Ltd.	a	Operating expenses - service charge	87,302	Transaction terms are not significantly different from those of third parties	-
		EDOM Electronic Technology (Shanghai) Co., Ltd.	a	Trade receivables	20,827	180 days after monthly closing	-
		EDOM Electronic Technology (Shanghai) Co., Ltd.	a	Other payables	13,207	90 days after monthly closing	-
		EDOM Technology Japan Co., Ltd.	a	Sales	295	Transaction terms are not significantly different from those of third parties	-
		EDOM Technology Japan Co., Ltd.	a	Operating expenses - service charge	3,917	Transaction terms are not significantly different from those of third parties	-
		EDOM Technology Japan Co., Ltd.	a	Trade receivables	295	30 days after monthly closing	-
		EDOM Technology Japan Co., Ltd.	a	Other payables	1,076	30 days after monthly closing	-
		Sunjet Components Corp.	a	Sales	3,169	Transaction terms are not significantly different from those of third parties	-
		Sunjet Components Corp.	a	Purchases	13,384	Transaction terms are not significantly different from those of third parties	-
		Sunjet Components Corp.	a	Other income	741	Transaction terms are not significantly different from those of third parties	-
		Sunjet Components Corp.	a	Rental income	1,500	Transaction terms are not significantly different from those of third parties	-
		Sunjet Components Corp.	a	Trade receivables	56	30 days after monthly closing	-
		Sunjet Components Corp.	a	Other receivables	1,004	30 days after monthly closing	-
		Sunjet Components Corp.	a	Trade payables	249	30 days after monthly closing	-
		iPro Technology, Inc.	a	Sales	41,110	Transaction terms are not significantly different from those of third parties	-
		iPro Technology, Inc.	a	Purchases	103	Transaction terms are not significantly different from those of third parties	-
		iPro Technology, Inc.	a	Rental income	471	Transaction terms are not significantly different from those of third parties	-
		iPro Technology, Inc.	a	Rental expenses	266	Transaction terms are not significantly different from those of third parties	-
		iPro Technology, Inc.	a	Trade receivables	8,469	30 days after monthly closing	-
		iPro Technology, Inc.	a	Other receivables	82	30 days after monthly closing	-
		iPro Technology, Inc.	a	Trade payables	2	30 days after monthly closing	-
iPro Technology, Inc.	a	Other payables	36	30 days after monthly closing	-		

(Continued)

No. (Note 1)	Investee Company	Counterparty	Flow of Transactions (Note 2)	Transaction Details			% to Total Sales or Assets (Note 3)
				Financial Statement Account	Amount	Payment Terms	
		Goldenflash Electronics Co., Ltd.	a	Purchases	\$ 7,606	Transaction terms are not significantly different from those of third parties	-
		Goldenflash Electronics Co., Ltd.	a	Other income	5,597	Transaction terms are not significantly different from those of third parties	-
		Goldenflash Electronics Co., Ltd.	a	Interest income	183	Transaction terms are not significantly different from those of third parties	-
		Goldenflash Electronics Co., Ltd.	a	Trade receivables	519	30 days after monthly closing	-
		Goldenflash Electronics Co., Ltd.	a	Other receivables	308,967	30 days after monthly closing	1
		Goldenflash Electronics Co., Ltd.	a	Other advance	1,907	TT advance	-
		Goldenflash Electronics Co., Ltd.	a	Trade payables	692	30 days after monthly closing	-
		Promaster Technology Corp.	a	Sales	1,652	Transaction terms are not significantly different from those of third parties	-
		Promaster Technology Corp.	a	Purchases	1,704	Transaction terms are not significantly different from those of third parties	-
		Promaster Technology Corp.	a	Other income	7,747	Transaction terms are not significantly different from those of third parties	-
		Promaster Technology Corp.	a	Trade receivables	5,431	30 days after monthly closing	-
		Promaster Technology Corp.	a	Other receivables	1,081	30 days after monthly closing	-
		Promaster Technology Corp.	a	Other advance	1,472	TT advance	-
		Promaster Technology Corp.	a	Trade payables	1,802	30 days after monthly closing	-
		Promaster (Brunei) Technology Corp.	a	Other income	84	Transaction terms are not significantly different from those of third parties	-
		Promaster (Brunei) Technology Corp.	a	Other advance	22	TT advance	-
		Sunjet Components Corp. (Dongguan)	a	Trade receivables	32	180 days after monthly closing	-
		Promaster Technology Corporation (Shanghai)	a	Sales	2,948	Transaction terms are not significantly different from those of third parties	-
		Promaster Technology Corporation (Shanghai)	a	Trade receivables	673	180 days after monthly closing	-
1	Sunjet Components Corp.	Sunjet Components Corp. (Dongguan)	b	Sales	5,116	Transaction terms are not significantly different from those of third parties	-
		Sunjet Components Corp. (Dongguan)	b	Interest income	284	Transaction terms are not significantly different from those of third parties	-
		Sunjet Components Corp. (Dongguan)	b	Trade receivables	40,706	180 days after monthly closing	-
		Sunjet Components Corp. (Dongguan)	b	Other receivables	14,952	180 days after monthly closing	-
		Sunjet (HK) Components Ltd.	b	Sales	89,808	Transaction terms are not significantly different from those of third parties	-
		Sunjet (HK) Components Ltd.	b	Trade receivables	123,533	120 days after monthly closing	-
		EDOM Technology Japan Co., Ltd.	b	Sales	4,143	Transaction terms are not significantly different from those of third parties	-
		EDOM Technology Japan Co., Ltd.	b	Trade receivables	669	30 days after monthly closing	-
2	EDOM Electronic Technology (Shanghai) Co., Ltd.	EDOM Trading (Shenzhen) Ltd.	b	Sales	6	Transaction terms are not significantly different from those of third parties	-
		EDOM Trading (Shenzhen) Ltd.	b	Purchases	6	Transaction terms are not significantly different from those of third parties	-
		EDOM Trading (Shenzhen) Ltd.	b	Trade payables	6	30 days after monthly closing	-
		Promaster Technology Corporation (Shanghai)	b	Rental income	1,021	Transaction terms are not significantly different from those of third parties	-
3	EDOM Trading (Shenzhen) Ltd.	Promaster Technology Corporation (Shanghai)	b	Rental income	789	Transaction terms are not significantly different from those of third parties	-
		Promaster Technology Corporation (Shanghai)	b	Guarantee deposits received	289	Note 5	-

(Continued)

No. (Note 1)	Investee Company	Counterparty	Flow of Transactions (Note 2)	Transaction Details			% to Total Sales or Assets (Note 3)
				Financial Statement Account	Amount	Payment Terms	
4	Promaster Technology Corp.	iPro Technology, Inc.	b	Sales	\$ 9,640	Transaction terms are not significantly different from those of third parties 30 days after monthly closing	-
		iPro Technology, Inc.	b	Trade receivables	701		-
		Promaster (Brunei) Technology Corp.	b	Sales	104,182		-
		Promaster (Brunei) Technology Corp.	b	Purchases	50,074		-
		Promaster (Brunei) Technology Corp.	b	Trade receivables	941		-
		Promaster (Brunei) Technology Corp.	b	Trade payables	132,239		-
		Promaster Technology Corporation (Shanghai)	b	Sales	114,025		-
		Promaster Technology Corporation (Shanghai)	b	Purchases	241		-
		Promaster Technology Corporation (Shanghai)	b	Operating expenses - service charge	38,156		-
		Promaster Technology Corporation (Shanghai)	b	Trade receivables	68,679		-
		Promaster Technology Corporation (Shanghai)	b	Trade payables	6,113		-
5	Promaster (Brunei) Technology Corp.	Promaster Technology Corporation (Shanghai)	b	Temporary collection	502	Temporary collection	-

Note 1: The parent company and its subsidiaries are numbered as follows:

- a. "0" for the parent company.
- b. Subsidiaries are numbered from "1".

Note 2: The flow of intercompany transactions is as follows:

- a. From the parent company to a subsidiary.
- b. Between subsidiaries

Note 3: Balance sheet items are shown as a percentage to consolidated total assets as of June 30, 2024, while income statement items are shown as a percentage to consolidated total operating revenue for the six months ended June 30, 2024.

Note 4: The above transaction amounts were eliminated upon consolidation.

Note 5: The above transaction amounts were guarantee deposits for leasing contract.

(Concluded)

EDOM TECHNOLOGY CO., LTD. AND SUBSIDIARIES

INFORMATION ON INVESTEEES
FOR THE SIX MONTHS ENDED JUNE 30, 2024
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investor Company	Investee Company	Location	Main Businesses and Products	Investment Amount		As of June 30, 2024			Net Income (Loss) of the Investee (Note 2)	Share of Profit (Loss)	Note
				June 30, 2024 (Note 1)	December 31, 2023 (Note 1)	Shares	Percentage of Ownership	Carrying Amount			
EDOM Technology Co., Ltd. (the "Company")	ACCU Technologies Ltd.	B.V.I	General trade and investment in manufacturing and service industries	\$ 511,023 (US\$ 15,748 thousand)	\$ 511,023 (US\$ 15,748 thousand)	15,748,179	100.00	\$ 416,153	\$ (14,841)	\$ (14,841)	Subsidiary (Notes 4 and 5)
	ILDO Korea Co., Ltd.	Korea	Trade of computer peripherals	₩ 14,695 (₩ 619,012 thousand)	₩ 14,695 (₩ 619,012 thousand)	74,083	25.00	₩ 22,092 (₩ 922,815 thousand)	₩ 1,250 (₩ 52,345 thousand)	₩ 312 (₩ 13,086 thousand)	Note 4
	Sunjet Components Corp.	Taipei	General trade of electronic components	299,108	299,108	34,767,559	100.00	399,026	18,670	18,670	Subsidiary (Notes 4 and 5)
	KingHold Technology	New Taipei	General trade of electronic components	43,771	43,771	2,716,000	33.95	289	(8,538)	(2,899)	Note 4
	iPro Technology, Inc.	Hsinchu City	General trade of electronic components	159,890	159,890	7,490,000	100.00	180,499	16,300	16,300	Subsidiary (Notes 4 and 5)
	Goldenflash Electronics Co., Ltd.	Taipei	General trade of electronic components	104,500	104,500	13,491,000	100.00	166,274	16,439	16,439	Subsidiary (Notes 4 and 5)
	Promaster Technology Corp.	New Taipei	General trade of electronic components	816,646	816,646	56,565,000	100.00	844,201	(18,780)	(28,140)	Subsidiary (Notes 3 and 5)
	EDOM Technology Japan Co., Ltd.	Japan	General trade of electronic components	¥ 4,034 (¥ 20,000 thousand)	¥ 4,034 (¥ 20,000 thousand)	2,000	100.00	¥ 5,082 (¥ 25,195 thousand)	¥ 257 (¥ 1,250 thousand)	¥ 257 (¥ 1,250 thousand)	Subsidiary (Notes 4 and 5)
ACCU Technologies Ltd.	Sunshine Global International Ltd.	Western Samoa	General trade and investment in manufacturing and service industries	64,089 (US\$ 1,975 thousand)	64,089 (US\$ 1,975 thousand)	1,975,000	100.00	35,094	1,210	1,210	Subsidiary (Notes 4 and 5)
	Honest Rich Trading Ltd.	Western Samoa	General trade and investment in manufacturing and service industries	178,507 (US\$ 5,501 thousand)	178,507 (US\$ 5,501 thousand)	5,501,000	100.00	130,536	8,682	8,682	Subsidiary (Notes 4 and 5)
	Massive Strong Investment Ltd.	Western Samoa	General trade and investment in manufacturing and service industries	324,500 (US\$ 10,000 thousand)	324,500 (US\$ 10,000 thousand)	10,000,000	100.00	254,810	(23,585)	(23,585)	Subsidiary (Notes 4 and 5)
Sunjet Components Corp.	Sunjet (HK) Components Ltd.	Hong Kong	General trade and investment in manufacturing and service industries	104,349 (HK\$ 25,114 thousand)	104,349 (HK\$ 25,114 thousand)	25,113,810	100.00	(19,347)	(1,101)	(1,101)	Subsidiary (Notes 4 and 5)
iPro Technology, Inc.	Otowahr Inc.	Western Samoa	Electronic parts and components manufacturing	24,338 (US\$ 750 thousand)	24,338 (US\$ 750 thousand)	31,500,000	29.72	20,218	(2,043)	(607)	Note 4
Promaster Technology Corp.	Promaster (Brunei) Technology Corp.	Seychelles	General trade of electronic components	83,305	83,305	2,550,001	100.00	283,824	5,808	5,808	Subsidiary (Notes 4 and 5)
	Vxis Technology Corp.	Hsinchu City	Electronic parts and components manufacturing	1,663	16,197	1,776,343	27.26	4,043	13,821	3,768	Note 4

Note 1: The amounts are based on the exchange rate at the end of the period.

Note 2: The amounts are based on the average exchange rate for the six months ended June 30, 2024.

Note 3: The amounts are based on the financial statements which has been reviewed for the six months ended June 30, 2024.

Note 4: The amounts are based on the financial statements which has not been reviewed for the six months ended June 30, 2024.

Note 5: The above transaction amounts were eliminated upon consolidation.

Note 6: Refer to Table 8 for information on investment in mainland China.

EDOM TECHNOLOGY CO., LTD. AND SUBSIDIARIES

INFORMATION ON INVESTMENTS IN MAINLAND CHINA
FOR THE SIX MONTHS ENDED JUNE 30, 2024
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investment Company	Investee Company	Main Businesses and Products	Paid-in Capital	Method of Investment (Note 1)	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	Net Income (Losses) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Loss) (Note 2)	Carrying Amount as of June 30, 2024	Accumulated Repatriation of Investment Income as of June 30, 2024
						Outward	Inward						
EDOM Technology Co., Ltd.	EDOM Trading (Shenzhen) Ltd.	Trade of computer peripherals	\$ 178,475 (US\$ 5,500 thousand)	b (Note 3)	\$ 178,475 (US\$ 5,500 thousand)	\$ -	\$ -	\$ 178,475 (US\$ 5,500 thousand)	\$ 8,680	100	\$ 8,680	\$ 130,504	\$ -
	EDOM Electronic Technology (Shanghai) Co., Ltd.	Trade, research and development of computer peripherals	324,500 (US\$ 10,000 thousand)	b (Note 4)	324,500 (US\$ 10,000 thousand)	-	-	324,500 (US\$ 10,000 thousand)	(23,585)	100	(23,585)	254,810	-
Sunjet Components Corp.	Sunjet Components Corp. (Dongguan)	Trade of electric power equipment and computer peripherals	102,120 (US\$ 3,147 thousand)	b (Note 5)	102,120 (US\$ 3,147 thousand)	-	-	102,120 (US\$ 3,147 thousand)	(1,349)	100	(1,349)	(24,778)	-
Promaster Technology Corp.	Promaster Technology Corporation (Shanghai)	Trade of electric power equipment and computer peripherals	200,541 (US\$ 6,180 thousand)	b (Note 6)	71,241	-	-	71,241	4,782	100	4,782	68,984	-

Investment Company	Accumulated Outward Remittance for Investment in Mainland China as of June 30, 2024	Investment Amounts Authorized by Investment Commission, MOEA	Limit on the Amount of Investment Stipulated by Investment Commission, MOEA
EDOM Technology Co., Ltd.	\$ 502,975 (US\$ 15,500 thousand)	\$ 535,425 (US\$ 16,500 thousand)	$\$5,060,828 \times 60\% = \$3,036,497$
Sunjet Components Corp.	102,120 (US\$ 3,147 thousand)	116,171 (US\$ 3,580 thousand)	$\$348,058 \times 60\% = \$208,835$
Promaster Technology Corp.	71,241	193,228	$\$610,246 \times 60\% = \$366,148$

Note 1: a. Direct investment in mainland China.
b. Investment in mainland China through investment in an overseas company.
c. Others.

Note 2: The amounts are based on the financial statements which has not been reviewed for the six months ended June 30, 2024.

Note 3: Investment from Honest Rich Trading Ltd. (Western Samoa).

Note 4: Investment from Massive Strong Investment Ltd. (Western Samoa).

Note 5: Investment from Sunjet (HK) Components Ltd. (Hong Kong).

Note 6: Investment from Promaster (Brunei) Technology Corp. (Seychelles). Items referred to under to Rule No. 091028908, Rule No. 0900275290, Rule No. 10000138510 and Rule No. 10500139960 by the Investment Commission, MOEA.

TABLE 9**EDOM TECHNOLOGY CO., LTD. AND SUBSIDIARIES****INFORMATION OF MAJOR SHAREHOLDERS
JUNE 30, 2024**

Name of Major Shareholders	Shares	
	Number of Shares	Percentage of Ownership (%)
Yu-I Tseng	27,766,059	10.29
WPG Holdings Limited	25,000,000	9.26
Sayes Co., Ltd.	14,008,880	5.19

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