KINPO ELECTRONICS, INC. AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS

WITH REPORT OF INDEPENDENT ACCOUNTANTS

FOR THE SIX-MONTH PERIOD ENDED

JUNE 30, 2023 AND 2022

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The reader is advised that these consolidated financial statements have been prepared originally in Chinese. In the event of a conflict between these financial statements and the original Chinese version or difference in interpretation between the two versions, the Chinese language financial statements shall prevail.

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English Translation of Review Report Originally Issued in Chinese

Review Report of Independent Accountants

To Kinpo Electronics, Inc.

Introduction

We have reviewed the accompanying consolidated balance sheets of Kinpo Electronics, Inc. (the "Company") and its subsidiaries as of June 30, 2023 and 2022, the related consolidated statements of comprehensive income for the three-month and six-month period ended June 30, 2023 and 2022, changes in equity and cash flows for the six-month period ended June 30, 2023 and 2022, and notes to the consolidated financial statements including the summary of significant accounting policies (together "the consolidated financial statements"). Management is responsible for the preparation and fair presentation of these 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" as endorsed and became effective by Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on these consolidated financial statements based on our reviews.

Scope of Review

Except as explained in the following paragraph, we conducted our reviews in accordance with Statement of Review Standards No. 2410, "Review of Financial Information Performed by the Independent Auditor of the Entity" of the Republic of China. 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 conducted in accordance with auditing standards generally accepted in the Republic of China 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.

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Basis for Qualified Conclusion

As explained in Note 4(3), the financial statements of certain insignificant subsidiaries were not reviewed by independent accountants. Those statements reflect total assets of NTD 4,891,064 thousand and NTD 5,848,593 thousand, constituting 4.22% and 4.71% of the consolidated total assets, and total liabilities of NTD 4,375,320 thousand and NTD 5,325,374 thousand, constituting 5.09% and 5.50% of the consolidated total liabilities as of June 30, 2023 and 2022, respectively. Total comprehensive income amounted to NTD (310,024) thousand, NTD (276,100) thousand, NTD (568,466) thousand and NTD (378,133) thousand, constituting (23.76)%, 91.49%, (31.91)% and (24.39)% of the consolidated total comprehensive income for the three-month and six-month period ended June 30, 2023 and 2022, respectively. As explained in Note 6(11), the financial statements of certain investments accounted for using equity method were not reviewed by independent accountants. Those investments accounted for using equity method amounted to NTD 1,742,680 thousand and NTD 1,705,650 thousand as of June 30, 2023 and 2022, respectively. The related share of profit (loss) of associates and joint ventures accounted for using equity method amounted to NTD (31,292) thousand, NTD (8,635) thousand, NTD (13,723) thousand and NTD (17,013) thousand for the three-month and six-month period ended June 30, 2023 and 2022, respectively. The related share of other comprehensive income of associates and joint ventures accounted for using equity method amounted to NTD 21,619 thousand, NTD 30,362 thousand, NTD 11,069 thousand and NTD 65,269 thousand for the three-month and six-month period ended June 30, 2023 and 2022, respectively. The information related to above subsidiaries and investments accounted for using equity method disclosed in Note 13 was also not reviewed by independent accountants.

Qualified Conclusion

Based on our reviews and the review reports of other independent accountants (please refer to the Other Matter paragraph of our report), except for the effect of such adjustments, if any, as might have been determined to be necessary had the financial statements of certain insignificant subsidiaries and investments accounted for using equity method and the information been reviewed by independent accountants described in the preceding paragraph, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Company and its subsidiaries as of June 30, 2023 and 2022, and their consolidated financial performance and cash flows for the three-month and six-month period ended June 30, 2023 and 2022, in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, "Interim Financial Reporting" as endorsed and became effective by Financial Supervisory Commission of the Republic of China.

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Other Matter－Making Reference to the Reviews of Other Independent Accountants

We did not review the financial statements of certain consolidated subsidiaries, which statements reflect total assets of NTD 2,711,291 thousand and NTD 2,387,258 thousand, constituting 2.34% and 1.92% of consolidated total assets as of June 30, 2023 and 2022, respectively. Total operating revenue amounted to NTD 118,852 thousand, NTD 335,715 thousand, NTD 417,946 thousand and NTD 642,816 thousand, constituting 0.30%, 0.81%, 0.53% and 0.79% of consolidated operating revenue for the three-month and six-month period ended June 30, 2023 and 2022, respectively. Those financial statements were reviewed by other independent accountants, whose reports thereon have been furnished to us, and our opinions expressed herein are based solely on the reviewed reports of the other independent accountants. We did not review the financial statements of certain investments accounted for using equity method whose statements are based solely on the reports of other independent accountants. These investments accounted for using equity method amounted to NTD 2,522,348 thousand and NTD 2,425,161 thousand, constituting 2.18% and 1.95% of consolidated total assets as of June 30, 2023 and 2022, respectively. The related share of profit (loss) of associates and joint ventures accounted for using equity method amounted to NTD 3,661 thousand, NTD 61,303 thousand, NTD 10,678 thousand and NTD 86,816 thousand, constituting 1.31%, 18.43%, 1.65% and 9.46% of the consolidated net income before tax for the three-month and six-month period ended June 30, 2023 and 2022, respectively. The related share of other comprehensive income of associates and joint ventures accounted for using equity method amounted to NTD 8,249 thousand, NTD (12,744) thousand, NTD 11,396 thousand and NTD 18,400 thousand, constituting 0.72%, 2.84%, 0.85% and 1.84% of the consolidated other comprehensive income for the three-month and six-month period ended June 30, 2023 and 2022, respectively.

Chen, Chih-Chung

Fuh, Wen-Fun

Ernst & Young, Taiwan
August 14, 2023

Taipei, Taiwan
Republic of China

English translation of consolidated financial statements originally issued in Chinese

KINPO ELECTRONICS, INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

June 30, 2023, December 31, 2022 and June 30, 2022

(Expressed in Thousands of New Taiwan Dollars)

Assets	Notes	As of					
		June 30, 2023	%	December 31, 2022	%	June 30, 2022	%
Current assets							
Cash and cash equivalents	6	$13,747,585	12	$9,915,366	8	$11,126,874	9
Current financial assets at fair value through profit or loss	6	3,796	-	69,221	-	302,254	-
Current financial assets at fair value through other comprehensive income	6	35,787	-	34,094	-	38,554	-
Current financial assets at amortised cost	6,8	18,175	-	11,959	-	8,766	-
Current contract assets	6	-	-	5,626	-	5,626	-
Notes receivable, net	6	56,742	-	44,359	-	110,908	-
Accounts receivable, net	6	25,869,939	22	32,757,638	26	29,004,561	24
Accounts receivable due from related parties, net	6,7	6,548,327	6	8,557,035	7	4,234,080	4
Other receivables	6,12	2,874,564	2	3,367,870	3	2,713,060	2
Other receivables due from related parties	7	308,394	-	20,339	-	130,992	-
Current tax assets		123,952	-	65,431	-	30,081	-
Current inventories	6	22,318,714	19	26,460,597	21	33,624,175	27
Prepayments	6	1,409,602	2	1,435,936	1	1,419,748	1
Non-current assets classified as held for sale, net	6	261,528	-	506,342	1	-	-
Other current assets		842,516	1	1,680,999	1	306,723	-
Total current assets		74,419,621	64	84,932,812	68	83,056,402	67
Non-current assets							
Non-current financial assets at fair value through profit or loss	6	1,512,527	1	1,468,178	1	1,459,707	1
Non-current financial assets at fair value through other comprehensive income	6	5,008,871	5	3,989,978	3	4,000,197	3
Non-current financial assets at amortised cost	6	14,002	-	22,770	-	19,760	-
Investments accounted for using equity method	6	4,265,028	4	4,152,127	3	4,130,811	3
Property, plant and equipment	6,8	25,498,622	22	25,748,605	21	24,411,985	20
Right-of-use assets	6,8	1,469,260	1	1,532,641	1	1,637,135	1
Investment property, net	6	136,854	-	137,906	-	136,288	-
Intangible assets	6	244,290	-	204,866	-	794,699	1
Deferred tax assets	6	2,168,359	2	2,065,832	2	2,183,731	2
Other non-current assets	6	1,102,174	1	1,208,804	1	2,444,442	2
Total non-current assets		41,419,987	36	40,531,707	32	41,218,755	33
Total assets		$115,839,608	100	$125,464,519	100	$124,275,157	100

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

English translation of consolidated financial statements originally issued in Chinese

KINPO ELECTRONICS, INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

June 30, 2023, December 31, 2022 and June 30, 2022

(Expressed in Thousands of New Taiwan Dollars)

Liabilities and Equity	Notes	As of					
		June 30, 2023	%	December 31, 2022	%	June 30, 2022	%
Current liabilities							
Current borrowings	6	$23,087,962	20	$30,279,151	24	$30,223,193	25
Short-term notes and bills payable	6	2,066,358	2	1,722,578	1	1,649,067	2
Current financial liabilities at fair value through profit or loss	6	36,028	-	60,885	-	28,853	-
Current contract liabilities	6	657,892	1	323,525	-	137,199	-
Notes payable		701	-	2,853	-	4,257	-
Accounts payable		18,148,599	16	23,172,004	18	27,343,899	22
Accounts payable to related parties	7	5,570,540	5	4,539,857	4	3,851,838	3
Other payables	6,12	7,176,498	6	6,609,350	6	5,270,170	4
Other payables to related parties	7	1,605	-	1,553	-	80,697	-
Current tax liabilities		429,244	-	452,537	-	314,770	-
Liabilities related to non-current assets classified as held for sale	6	-	-	689,653	1	-	
Current lease liabilities	6	140,650	-	146,152	-	163,130	-
Long-term liabilities, current portion	6	3,561,896	3	1,858,002	1	333,789	-
Other current liabilities, others		2,336,531	2	2,946,198	2	2,878,943	2
Total current liabilities		63,214,504	55	72,804,298	57	72,279,805	58
Non-current liabilities							
Non-current portion of non-current borrowings	6	19,520,761	17	21,121,199	17	21,159,506	17
Deferred tax liabilities	6	2,149,726	2	2,161,709	2	2,187,058	2
Non-current lease liabilities	6	205,031	-	252,683	-	332,979	-
Net defined benefit liability, non-current	6	848,104	1	831,576	1	820,447	1
Other non-current liabilities, others		80,870	-	81,121	-	130,667	-
Total non-current liabilities		22,804,492	20	24,448,288	20	24,630,657	20
Total liabilities		86,018,996	75	97,252,586	77	96,910,462	78
Equity attributable to owners of parent							
Share capital	6						
Ordinary share		14,968,542	12	14,944,162	12	14,930,462	12
Capital surplus	6	840,913	1	791,110	1	748,196	1
Retained earnings	6						
Legal reserve		495,322	-	395,320	-	395,320	-
Special reserve		255,058	-	255,058	-	255,058	-
Unappropriated reatained earnings		866,095	1	1,006,914	1	576,728	1
Total retained earnings		1,616,475	1	1,657,292	1	1,227,106	1
Total other equity interest		1,795,254	2	696,968	-	458,465	-
Treasury shares	6	(230,380)	-	(331,782)	-	(331,782)	-
Total equity attributable to owners of parent		18,990,804	16	17,757,750	15	17,032,447	14
Non-controlling interests	6	10,829,808	9	10,454,183	8	10,332,248	8
Total equity		29,820,612	25	28,211,933	23	27,364,695	22
Total liabilities and equity		$115,839,608	100	$125,464,519	100	$124,275,157	100

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

English translation of consolidated financial statements originally issued in Chinese

KINPO ELECTRONICS, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

For the six-month period ended June 30, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars, Except for Earnings per Share)

Item	Notes	For the three-month period ended				For the six-month period ended			
		June 30, 2023	%	June 30, 2022	%	June 30, 2023	%	June 30, 2022	%
Operating revenue	6,7	$39,402,705	100	$41,486,120	100	$78,736,502	100	$81,556,531	100
Operating costs	6,7	(36,870,227)	(94)	(38,906,273)	(94)	(73,501,572)	(93)	(76,878,388)	(94)
Gross profit from operations		2,532,478	6	2,579,847	6	5,234,930	7	4,678,143	6
Operating expenses	6,7								
Selling expenses		(399,784)	(1)	(360,305)	(1)	(873,582)	(1)	(763,307)	(1)
Administrative expenses		(810,112)	(2)	(790,339)	(2)	(1,634,756)	(2)	(1,676,864)	(2)
Research and development expenses		(618,143)	(2)	(779,600)	(2)	(1,246,390)	(2)	(1,460,427)	(2)
Impairment gain and reversal of impairment loss (impairment loss) determined in accordance with IFRS 9		1,834	-	3,994	-	7,497	-	(2,073)	-
Total operating expenses		(1,826,205)	(5)	(1,926,250)	(5)	(3,747,231)	(5)	(3,902,671)	(5)
Net operating income		706,273	1	653,597	1	1,487,699	2	775,472	1
Non-operating income and expenses	6								
Interest income		192,281	-	35,697	-	312,616	-	60,248	-
Other income		80,409	-	53,700	-	331,321	-	383,625	1
Other gains and losses, net		9,072	-	(150,195)	-	(158,746)	-	158,506	-
Finance costs, net		(680,868)	(1)	(312,927)	(1)	(1,322,444)	(2)	(530,398)	(1)
Share of profit (loss) of associates and joint ventures accounted for using equity method, net		(27,631)	-	52,668	-	(3,045)	-	69,803	-
Total non-operating income and expenses		(426,737)	(1)	(321,057)	(1)	(840,298)	(2)	141,784	-
Profit before tax		279,536	-	332,540	-	647,401	-	917,256	1
Total tax expense	6	(118,698)	-	(185,727)	-	(213,759)	-	(367,614)	-
Profit		160,838	-	146,813	-	433,642	-	549,642	1
Other comprehensive income	6								
Components of other comprehensive income that will not be reclassified to profit or loss:									
Unrealised gains (losses) from investments in equity instruments measured at fair value through other comprehensive income		775,127	2	(317,902)	(1)	939,424	1	(215,979)	-
Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss		(17,168)	-	(32,288)	-	(3,559)	-	(28,424)	-
Income tax related to components of other comprehensive income that will not be reclassified to profit or loss		2,222	-	3,652	-	1,588	-	5,411	-
Components of other comprehensive income that will be reclassified to profit or loss:									
Exchange differences on translation		379,921	1	(133,365)	-	423,704	1	1,328,329	1
Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will be reclassified to profit or loss		47,036	-	49,906	-	26,024	-	112,093	-
Other components of other comprehensive income that will be reclassified to profit or loss		(453)	-	(723)	-	(281)	-	(1,347)	-
Income tax related to components of other comprehensive income that will be reclassified to profit or loss		(42,533)	-	(17,891)	-	(39,535)	-	(199,392)	-
Total other comprehensive income		1,144,152	3	(448,611)	(1)	1,347,365	2	1,000,691	1
Total comprehensive income		$1,304,990	3	$(301,798)	(1)	$1,781,007	2	$1,550,333	2
Profit, attributable to:									
Profit, attributable to owners of parent		$128,433	-	$253,903	-	$376,914	-	$587,659	1
Profit, attributable to non-controlling interests		32,405	-	(107,090)	-	56,728	-	(38,017)	-
Total		$160,838	-	$146,813	-	$433,642	-	$549,642	1
Comprehensive income attributable to:									
Comprehensive income, attributable to owners of parent		$1,077,765	3	$(21,906)	-	$1,485,121	2	$1,170,667	1
Comprehensive income, attributable to non-controlling interests		227,225	-	(279,892)	(1)	295,886	-	379,666	1
Total		$1,304,990	3	$(301,798)	(1)	$1,781,007	2	$1,550,333	2
Earnings per share (in dollars)	6								
Basic earnings per share		$0.09		$0.17		$0.26		$0.40	
Diluted earnings per share		$0.09		$0.17		$0.26		$0.40	

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

English translation of consolidated financial statements originally issued in Chinese

KINPO ELECTRONICS, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

For the six-month period ended June 30, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

Item	Equity attributable to owners of parent										Non-controlling interests	Total equity
			Retained earnings			Other equity interest						
	Share capital	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Exchange differences on translation of foreign financial statements	Unrealised gains (losses) on financial assets measured at fair value through other comprehensive income	Others	Treasury shares	Total equity attributable to owners of parent		
Balance on January 1, 2022	$14,796,682	$662,371	$395,320	$965,808	$(413,303)	$(2,244,055)	$2,102,177	$499	$(331,782)	$15,933,717	$9,927,883	$25,861,600
Appropriation and distribution of retained earnings:												
Cash divdends of ordinary share	-	-	-	-	(290,551)	-	-	-	-	(290,551)	-	(290,551)
Reversal of special reserve	-	-	-	(710,750)	710,750	-	-	-	-	-	-	-
Other changes in capital surplus:												
Changes in equity of associates and joint ventures accounted for using equity method	-	57,513	-	-	(991)	-	-	-	-	56,522	-	56,522
Profit for the six-month period ended June 30, 2022	-	-	-	-	587,659	-	-	-	-	587,659	(38,017)	549,642
Other comprehensive income for the six-month period ended June 30, 2022	-	-	-	-	-	817,494	(233,998)	(488)	-	583,008	417,683	1,000,691
Total comprehensive income for the six-month period ended June 30, 2022	-	-	-	-	587,659	817,494	(233,998)	(488)	-	1,170,667	379,666	1,550,333
Changes in ownership interests in subsidiaries	-	4,552	-	-	-	-	-	-	-	4,552	43,836	48,388
Share-based payments	133,780	22,875	-	-	-	-	-	-	-	156,655	2,436	159,091
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	(16,836)	-	16,836	-	-	-	-	-
Others	-	885	-	-	-	-	-	-	-	885	(21,573)	(20,688)
Balance on June 30, 2022	$14,930,462	$748,196	$395,320	$255,058	$576,728	$(1,426,561)	$1,885,015	$11	$(331,782)	$17,032,447	$10,332,248	$27,364,695
Balance on January 1, 2023	$14,944,162	$791,110	$395,320	$255,058	$1,006,914	$(1,094,986)	$1,858,859	$(66,905)	$(331,782)	$17,757,750	$10,454,183	$28,211,933
Appropriation and distribution of retained earnings:												
Legal reserve appropriated	-	-	100,002	-	(100,002)	-	-	-	-	-	-	-
Cash divdends of ordinary share	-	-	-	-	(440,245)	-	-	-	-	(440,245)	-	(440,245)
Other changes in capital surplus:												
Changes in equity of associates and joint ventures accounted for using equity method	-	109,723	-	-	-	-	-	12,593	-	122,316	-	122,316
Profit for the six-month period ended June 30, 2023	-	-	-	-	376,914	-	-	-	-	376,914	56,728	433,642
Other comprehensive income for the six-month period ended June 30, 2023	-	-	-	-	-	169,404	938,890	(87)	-	1,108,207	239,158	1,347,365
Total comprehensive income for the six-month period ended June 30, 2023	-	-	-	-	376,914	169,404	938,890	(87)	-	1,485,121	295,886	1,781,007
Changes in ownership interests in subsidiaries	-	(82,769)	-	-	-	-	-	-	-	(82,769)	97,414	14,645
Share-based payments	24,380	22,441	-	-	-	-	-	-	101,402	148,223	6,300	154,523
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	22,514	-	(22,514)	-	-	-	-	-
Others	-	408	-	-	-	-	-	-	-	408	(23,975)	(23,567)
Balance on June 30, 2023	$14,968,542	$840,913	$495,322	$255,058	$866,095	$(925,582)	$2,775,235	$(54,399)	$(230,380)	$18,990,804	$10,829,808	$29,820,612

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

English translation of consolidated financial statements originally issued in Chinese

KINPO ELECTRONICS, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

For the six-month period ended June 30, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

Item	For the six-month period ended	
	June 30, 2023	June 30, 2022
Cash flows from (used in) operating activities:		
Profit before tax	$647,401	$917,256
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation expense	1,542,462	1,544,486
Amortization expense	64,347	48,652
Expected credit loss (gain)	(7,497)	2,073
Net loss (gain) on financial assets or liabilities at fair value through profit or loss	(44,394)	(25,951)
Interest expense	1,305,900	501,786
Interest income	(312,616)	(60,248)
Dividend income	(182,786)	(303,977)
Share-based payments	25,984	19,135
Share of loss (profit) of associates and joint ventures accounted for using equity method	3,045	(69,803)
Loss (gain) on disposal of property, plant and equipment	(42,533)	13,626
Loss (gain) on disposal of non-current assets classified as held for sale	(62,827)	(72,604)
Loss (gain) on disposal of investments	252	-
Impairment loss (gain) on non-financial assets	12,085	(7,002)
Other adjustments to reconcile profit (loss)	7,046	885
Changes in operating assets and liabilities:		
Decrease (increase) in financial assets at fair value through profit or loss, mandatorily measured at fair value	30,388	299,168
Decrease (increase) in notes receivable	(12,383)	(7,945)
Decrease (increase) in accounts receivable	6,796,003	(2,786,722)
Decrease (increase) in accounts receivable due from related parties	2,008,708	(3,565,669)
Decrease (increase) in other receivable	190,016	62,309
Decrease (increase) in other receivable due from related parties	(263,097)	(51,854)
Decrease (increase) in inventories	4,142,192	(4,252,262)
Decrease (increase) in prepayments	38,015	(242,193)
Decrease (increase) in other current assets	836,311	175,170
Increase (decrease) in contract liabilities	334,367	48,000
Increase (decrease) in notes payable	(2,152)	338
Increase (decrease) in accounts payable	(5,002,271)	3,575,474
Increase (decrease) in accounts payable to related parties	1,040,338	1,865,082
Increase (decrease) in other payable	223,613	(9,727)
Increase (decrease) in other payable to related parties	52	80,259
Increase (decrease) in other current liabilities	(610,484)	648,867
Increase (decrease) in net defined benefit liability	16,528	55,618
Cash inflow (outflow) generated from operations:	12,722,013	(1,597,773)
Interest received	492,104	48,678
Interest paid	(1,323,306)	(452,104)
Income taxes paid	(448,030)	(239,142)
Net cash flows from (used in) operating activities	11,442,781	(2,240,341)
Cash flows from (used in) investing activities:		
Acquisition of financial assets at fair value through other comprehensive income	(53,900)	-
Proceeds from disposal of financial assets at fair value through other comprehensive income	23,847	-
Acquisition of financial assets at amortised cost	(7,174)	-
Proceeds from repayments of financial assets at amortised cost	5,592	402
Proceeds from disposal of financial assets at fair value through profit or loss	10,225	12,925
Proceeds from disposal of non-current assets classified as held for sale	-	178,596
Acquisition of property, plant and equipment	(1,714,079)	(3,025,911)
Proceeds from disposal of property, plant and equipment	133,865	128,736
Acquisition of intangible assets	(103,277)	(45,058)
Decrease in other financial assets	10,127	13,489
Increase in other non-current assets	-	(50,978)
Decrease in other non-current assets	24,337	-
Increase in prepayments for business facilities	(6,994)	(1,490,481)
Dividends received	5,073	433,839
Other investing activities	79,542	93,513
Net cash flows from (used in) investing activities	(1,592,816)	(3,750,928)
Cash flows from (used in) financing activities:		
Increase in short-term loans	188,239	1,223,841
Decrease in short-term loans	(7,666,339)	(689,857)
Increase in short-term notes	370,000	-
Decrease in short-term notes	(24,996)	(1,120,000)
Proceeds from long-term debt	172,154	10,068,662
Repayments of long-term debt	(223,926)	(3,579,618)
Repayments of lease liabilities	(73,910)	(92,038)
Increase in other non-current liabilities	-	10,352
Decrease in other non-current liabilities	(251)	-
Employee execute stock options	29,108	149,665
Change in non-controlling interests	(1,418)	38,679
Net cash flows from (used in) financing activities	(7,231,339)	6,009,686
Effect of exchange rate changes on cash and cash equivalents	1,213,593	3,040,558
Net increase (decrease) in cash and cash equivalents	3,832,219	3,058,975
Cash and cash equivalents at the beginning of period	9,915,366	8,067,899
Cash and cash equivalents at the end of period	$13,747,585	$11,126,874

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

English translation of consolidated financial statements originally issued in Chinese

KINPO ELECTRONICS, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the six-month period ended June 30, 2023 and 2022

(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

1. History and organization

Kinpo Electronics, Inc. (the "Company"), was established on April 24, 1973 under the Company Act of the Republic of China ("ROC"). On November 7, 1989, the Company's shares were listed on the Taiwan Stock Exchange. The Company primarily engages in trading consumer electronic products, computer and peripheral computer equipment, network communication equipment and image products. The Company's registered address and main operating site are located at 10F., No.99, Nanjing E. Rd., Sec. 5, Songshan Dist., Taipei City and No.147, Beishen Rd., Sec. 3, Shenkeng Dist., New Taipei City, respectively.

2. Date and procedures of authorization of financial statements for issue

The consolidated financial statements of Kinpo Electronics, Inc. and its subsidiaries (the Group) for the six-month period ended June 30, 2023 and 2022 were recommended and authorized for issue by the Board of Directors on August 14, 2023.

3. Newly issued or revised standards and interpretations

(1) Changes in accounting policies resulting from applying for the first time certain standards and amendments

The Group applied for the first time International Financial Reporting Standards, International Accounting Standards, and Interpretations issued, revised or amended which are recognized by Financial Supervisory Commission ("FSC") and become effective for annual periods beginning on or after January 1, 2023. The abovementioned amendments that are applicable for annual periods beginning on or after January 1, 2023 have no material impact on the Group.

(2) Standards or interpretations issued, revised or amended, by IASB which are not endorsed by FSC, and not yet adopted by the Group as at the end of the reporting period are listed below.

Items	New, Revised or Amended Standards and Interpretations	Effective Date issued by IASB
A	IFRS 10 “Consolidated Financial Statements” and IAS 28 “Investments in Associates and Joint Ventures” – Sale or Contribution of Assets between an Investor and its Associate or Joint Ventures	To be determined by IASB
B	IFRS 17 “Insurance Contracts”	January 1, 2023
C	Classification of Liabilities as Current or Non-current – Amendments to IAS 1	January 1, 2024
D	Lease Liability in a Sale and Leaseback – Amendments to IFRS 16	January 1, 2024
E	Non-current Liabilities with Covenants – Amendments to IAS 1	January 1, 2024
F	International Tax Reform – Pillar Two Model Rules – Amendments to IAS 12	January 1, 2023
G	Supplier Finance Arrangements – Amendments to IAS 7 and IFRS 7	January 1, 2024

A. IFRS 10“Consolidated Financial Statements” and IAS 28“Investments in Associates and Joint Ventures” – Sale or Contribution of Assets between an Investor and its Associate or Joint Ventures

The amendments address the inconsistency between the requirements in IFRS 10 *Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures*, in dealing with the loss of control of a subsidiary that is contributed to an associate or a joint venture. IAS 28 restricts gains and losses arising from contributions of non-monetary assets to an associate or a joint venture to the extent of the interest attributable to the other equity holders in the associate or joint ventures. IFRS 10 requires full profit or loss recognition on the loss of control of the subsidiary. IAS 28 was amended so that the gain or loss resulting from the sale or contribution of assets that constitute a business as defined in IFRS 3 between an investor and its associate or joint venture is recognized in full.

IFRS 10 was also amended so that the gains or loss resulting from the sale or contribution of a subsidiary that does not constitute a business as defined in IFRS 3 between an investor and its associate or joint venture is recognized only to the extent of the unrelated investors’ interests in the associate or joint venture.

B. IFRS 17 "Insurance Contracts"

IFRS 17 provides a comprehensive model for insurance contracts, covering all relevant accounting aspects (including recognition, measurement, presentation and disclosure requirements). The core of IFRS 17 is the General (building block) Model, under this model, on initial recognition, an entity shall measure a group of insurance contracts at the total of the fulfilment cash flows and the contractual service margin. The carrying amount of a group of insurance contracts at the end of each reporting period shall be the sum of the liability for remaining coverage and the liability for incurred claims.

Other than the General Model, the standard also provides a specific adaptation for contracts with direct participation features (the Variable Fee Approach) and a simplified approach (Premium Allocation Approach) mainly for short-duration contracts.

IFRS 17 was issued in May 2017 and it was amended in 2020 and 2021. The amendments include deferral of the date of initial application of IFRS 17 by two years to annual beginning on or after January 1, 2023 (from the original effective date of January 1, 2021); provide additional transition reliefs; simplify some requirements to reduce the costs of applying IFRS 17 and revise some requirements to make the results easier to explain. IFRS 17 replaces an interim Standard – IFRS 4 Insurance Contracts – from annual reporting periods beginning on or after January 1, 2023.

C. Classification of Liabilities as Current or Non-current – Amendments to IAS 1

These are the amendments to paragraphs 69-76 of IAS 1 Presentation of Financial statements and the amended paragraphs related to the classification of liabilities as current or non-current.

D. Lease Liability in a Sale and Leaseback – Amendments to IFRS 16

The amendments add seller-lessees additional requirements for the sale and leaseback transactions in IFRS 16, thereby supporting the consistent application of the standard.

E. Non-current Liabilities with Covenants – Amendments to IAS 1

The amendments improved the information companies provide about long-term debt with covenants. The amendments specify that covenants to be complied within twelve months after the reporting period do not affect the classification of debt as current or non-current at the end of the reporting period.

F. International Tax Reform – Pillar Two Model Rules – Amendments to IAS 12

The amendments introduced a temporary exception to the requirements to recognise and disclose information about deferred tax assets and liabilities related to Pillar Two income taxes; and targeted disclosure requirements for affected entities. An entity is not required to disclose the information required for any interim period ending on or before 31 December 2023.

G. Supplier Finance Arrangements – Amendments to IAS 7 and IFRS 7

The amendments introduced additional information of supplier finance arrangements and added disclosure requirements for such arrangements.

The abovementioned standards and interpretations issued by IASB have not yet endorsed by FSC at the date when the Group's financial statements were authorized for issue, the local effective dates are to be determined by FSC. As the Group is still currently determining the potential impact of the standards and interpretations listed under B, the Group is still currently determining the potential impact of the remaining standards and interpretations. The impact will be disclosed after evaluation completed.

4. Summary of Significant Accounting Policies

(1) Statement of compliance

The consolidated financial statements of the Group for the six-month period ended June 30, 2023 and 2022 have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers ("the Regulations") and *IAS 34 Interim Financial Reporting* as endorsed and became effective by the FSC.

(2) Basis of preparation

The consolidated financial statements have been prepared on a historical cost basis, except for financial instruments that have been measured at fair value. The consolidated financial statements are expressed in thousands of New Taiwan Dollars ("NTD") unless otherwise stated.

(3) Basis of consolidation

The same principles of consolidation have been applied in the Group's consolidated financial statements as those applied in the Group's consolidated financial statements for the year ended December 31, 2022. For the principles of consolidation, please refer to the Group's consolidated financial statements for the year ended December 31, 2022.

The consolidated entities are listed as follows:

Investor	Subsidiary	Main businesses	Percentage of ownership (%) June 30, 2023	December 31, 2022	June 30, 2022
The Company	Kinpo International (Singapore) Pte. Ltd.	Reinvestment on domestic and overseas business	100.00%	100.00%	100.00%
The Company	Kinpo International Ltd.	Holding Company	100.00%	100.00%	100.00%
The Company	Lipo Holding Co., Ltd.	Holding Company	51.00%	51.00%	51.00%
The Company	Crownpo Technology Inc.	Manufacturing and sales of semiconductor, chip diodes, etc.	51.61%	51.61%	51.61%
The Company	XYZprinting, Inc. (Note 1)	Trading 3D printer	45.89%	46.40%	46.40%
The Company	Cal-Comp Electronics (Thailand) Public Company Limited (Note 2)	Manufacturing of computers and peripheral devices, telecommunication products and automatic equipment	46.52%	46.63%	46.65%
The Company	CastleNet Technology Inc.	Development, manufacturing and sales of products including cable modem, powerline communication and digital home applications	68.90%	68.90%	68.90%
The Company	Cal-Comp Big Data, Inc. (Note 8)	Medical equipment, data processing and provision service	-	50.00%	50.00%
The Company	New Era AI Robotic Inc. (Note 11)	Trading robot and applications development	-	50.00%	50.00%
The Company	Cal-Comp Asset Management, Inc.	Asset Management	100.00%	100.00%	100.00%
Kinpo International (Singapore) Pte. Ltd.	Cal-Comp Technology (Philippines), Inc..	Manufacturing	80.81%	80.81%	80.81%
Cal-Comp Technology (Philippines), Inc.	Kinpo Electronics (Philippines), Inc.	Manufacturing and sales products of other companies' products	100.00%	100.00%	100.00%
Kinpo International Ltd.	Kinpo Electronics (China) Co., Ltd.	Manufacturing and sales products of other companies' electronic products	100.00%	100.00%	100.00%
Kinpo International Ltd.	Dongguan Kaipo Electronics Co., Ltd. (Note 6)	Manufacturing and sales products of other companies' products	-	-	100.00%
Kinpo Electronics (China) Co., Ltd.	Dongguan Kaipo Electronics Co., Ltd. (Note 6)	Manufacturing and sales products of other companies' products	100.00%	100.00%	-
Kinpo Electronics (China) Co., Ltd.	XYZprinting (Suzhou) Co., Ltd.	Trading 3D printer	41.78%	41.78%	41.78%
Lipo Holding Co., Ltd.	LIZ Electronics (Kunshan) Co., Ltd.	Production and marketing chip resistor & chip diodes	88.13%	88.13%	88.13%

			Percentage of ownership (%)		
Investor	Subsidiary	Main businesses	June 30, 2023	December 31, 2022	June 30, 2022
Lipo Holding Co., Ltd.	LIZ Electronics (Nantong) Co., Ltd.	R&D, manufacturing chip components; sales of products and provide after-sales service; wholesaling, importing and exporting electronic components, semiconductors special materials and spare parts	31.33%	31.33%	31.33%
LIZ Electronics (Kunshan) Co., Ltd.	LIZ Electronics (Nantong) Co., Ltd.	R&D, manufacturing chip components; sales of products and provide after-sales service; wholesaling, importing and exporting electronic components, semiconductors special materials and spare parts	66.02%	66.02%	66.02%
Crownpo Technology Inc.	Ranashe International Ltd.	Holding Company	100.00%	100.00%	100.00%
Crownpo Technology Inc.	Li-Cheng Materials Co., Ltd.	Manufacture of various chemical materials	54.69%	54.69%	54.69%
Ranashe International Ltd.	LIZ Electronics (Kunshan) Co., Ltd.	Production and marketing chip resistor & chip diodes	11.87%	11.87%	11.87%
Ranashe International Ltd.	LIZ Electronics (Nantong) Co., Ltd.	R&D, manufacturing chip components; sales of products and provide after-sales service; wholesaling, importing and exporting electronic components, semiconductors special materials and spare parts	2.65%	2.65%	2.65%
XYZprinting, Inc.	XYZprinting, Inc. (USA)	Trading 3D printer	100.00%	100.00%	100.00%
XYZprinting, Inc.	XYZprinting Japan, Inc.	Trading 3D printer	100.00%	100.00%	100.00%
XYZprinting, Inc.	XYZprinting Netherlands, B.V.	Trading 3D printer	100.00%	100.00%	100.00%
XYZprinting, Inc.	XYZprinting (Thailand) Co., Ltd.	Trading 3D printer	100.00%	100.00%	100.00%
XYZprinting, Inc.	XYZlife (Philippines) Inc. (Note 3)	Sales of medical beauty goods	100.00%	100.00%	100.00%
XYZprinting, Inc.	XYZprinting (Suzhou) Co., Ltd.	Trading 3D printer	16.44%	16.44%	16.44%
XYZprinting, Inc.	XYZprinting (Shanghai) Cloud Technology Co., Ltd. (Note 12)	Internet technology development	-	100.00%	100.00%

			Percentage of ownership (%)		
Investor	Subsidiary	Main businesses	June 30, 2023	December 31, 2022	June 30, 2022
Cal-Comp Electronics (Thailand) Public Company Limited	XYZprinting, Inc. (Note 1)	Trading 3D printer	48.59%	46.40%	46.40%
Cal-Comp Electronics (Thailand) Public Company Limited	Cal-Comp Optical Electronics (Suzhou) Co., Ltd.	Manufacturing	100.00%	100.00%	100.00%
Cal-Comp Electronics (Thailand) Public Company Limited	Cal-Comp Electronics and Communications (Suzhou) Co., Ltd. . (Note 4)	Manufacturing	-	-	100.00%
Cal-Comp Electronics (Thailand) Public Company Limited	Cal-Comp Technology (Suzhou) Co., Ltd. (Note 9)	Manufacturing	-	100.00%	100.00%
Cal-Comp Electronics (Thailand) Public Company Limited	Logistar International Holding Co., Ltd.	Dealer	12.92%	12.92%	100.00%
Cal-Comp Electronics (Thailand) Public Company Limited	Cal Comp (Malaysia) SDN. BHD.	Manufacturing	100.00%	100.00%	100.00%
Cal-Comp Electronics (Thailand) Public Company Limited	Cal-Comp Electronics & Communications Co., Ltd.	Purchase of raw material, research and development	100.00%	100.00%	100.00%
Cal-Comp Electronics (Thailand) Public Company Limited	Cal-Comp Electronics (USA) Co., Ltd.	Manufacturing	100.00%	100.00%	100.00%
Cal-Comp Electronics (Thailand) Public Company Limited	Cal-Comp Technology (Philippines), Inc.	Manufacturing	19.19%	19.19%	19.19%
Cal-Comp Electronics (Thailand) Public Company Limited	Cal-Comp Electronics de Mexico Co., S.A. de C.V.	Manufacturing	100.00%	100.00%	100.00%
Cal-Comp Electronics (Thailand) Public Company Limited	Cal-Comp Industria e Comercio de Eletronicos e Informatica Ltda.	Manufacturing	100.00%	100.00%	99.99%
Cal-Comp Electronics (Thailand) Public Company Limited	Cal-Comp Big Data, Inc. (Note 8)	Medical equipment, data processing and provision service	-	50.00%	50.00%
Cal-Comp Electronics (Thailand) Public Company Limited	QBit Semiconductor Holding Ltd.	Holding Company	91.60%	91.60%	91.60%

			Percentage of ownership (%)		
Investor	Subsidiary	Main businesses	June 30, 2023	December 31, 2022	June 30, 2022
Cal-Comp Electronics (Thailand) Public Company Limited	New Era AI Robotic Inc. (Note 11)	Trading robot and applications development	-	50.00%	50.00%
Cal-Comp Electronics (Thailand) Public Company Limited	Cal-Comp Automation and Industrial 4.0 Service (Thailand) Co., Ltd.	Auto-manage producing system development	100.00%	100.00%	100.00%
Cal-Comp Electronics (Thailand) Public Company Limited	Cal-Comp Industria de Semicondutores S.A. (Note 10)	Manufacturing	58.03%	-	-
Cal-Comp Electronics (Thailand) Public Company Limited	Cal-Comp Precision Holding Co., Ltd.	Holding Company	99.92%	99.92%	99.92%
Cal-Comp Optical Electronics (Suzhou) Co., Ltd.	ICKP (Beijing) Technology Development Co., Ltd.	Developing 3D printers and AI equipments	80.00%	80.00%	80.00%
Cal-Comp Optical Electronics (Suzhou) Co., Ltd.	Cal-Comp Optical Electronics (Yueyang) Co., Ltd.	Manufacturing and sales of new printing device, electronic components and their components	100.00%	100.00%	100.00%
Cal-Comp Optical Electronics (Suzhou) Co., Ltd.	NKG Advanced Intelligence & Technology Development (Yueyang) Co., Ltd.	Manufacturing and sales of advanced intelligence electronical equipments and related parts	100.00%	100.00%	100.00%
Cal-Comp Optical Electronics (Suzhou) Co., Ltd.	XYZprinting (Suzhou) Co., Ltd.	Trading 3D printer	41.78%	41.78%	41.78%
Cal-Comp Precision Holding Co., Ltd.	Cal-Comp Precision (Singapore) Limited	Holding and distribution	100.00%	100.00%	100.00%
Cal-Comp Precision (Singapore) Limited	Cal-Comp Precision (Thailand) Limited	Injecting precision plastical parts	100.00%	100.00%	100.00%
Cal-Comp Precision (Singapore) Limited	Cal-Comp Precision (Malaysia) SDN. BHD.	Injecting precision plastical parts	100.00%	100.00%	100.00%
Cal-Comp Precision (Singapore) Limited	Cal-Comp Precision (Dongguan) Limited	Injecting precision plastical parts; designing and manufacturing of molding for plastic	100.00%	100.00%	100.00%
Cal-Comp Precision (Singapore) Limited	Cal-Comp Precision (Yueyang) Co., Ltd.	Injecting precision plastical parts	100.00%	100.00%	100.00%
Cal-Comp Precision (Singapore) Limited	Cal-Comp Precision (Philippines), Inc.	Injecting precision plastical parts	100.00%	100.00%	100.00%

Investor	Subsidiary	Main businesses	Percentage of ownership (%) June 30, 2023	December 31, 2022	June 30, 2022
Cal-Comp Industria e Comercio de Eletronicos e Informatica Ltda.	Cal-Comp Industria de Semicondutores S.A. (Note 10)	Manufacturing	-	58.03%	58.03%
Cal-Comp Electronics (USA) Co., Ltd.	Cal-Comp USA (San Diego), Inc.	Manufacturing	100.00%	100.00%	100.00%
QBit Semiconductor Holding Ltd.	QBit Semiconductor Ltd. (Note 7)	Design semiconductors	19.00%	100.00%	100.00%
CastleNet Technology Inc.	CastleNet Technology (BVI) Inc.	Holding Company	100.00%	100.00%	100.00%
CastleNet Technology (BVI) Inc.	CastleNet Technology Inc. (Kunshan)	Design and manufacture of modem, sale of self-production	100.00%	100.00%	100.00%
Cal-Comp Big Data, Inc.	Cal-Comp Big Data International Ltd. (Note 5)	Reinvestment on domestic and overseas business	-	-	100.00%
Cal-Comp Asset Management, Inc.	Confiar Land Corp. (Note 13)	Sales and lease of land and building	40.00%	40.00%	40.00%
Cal-Comp Electronics & Communications Co., Ltd.	Logistar International Holding Co., Ltd.	Dealer	87.08%	87.08%	87.08%

Note 1: The Company determined that it has control over XYZprinting, Inc. due to the Company and its subsidiary Cal-Comp Electronics (Thailand) Public Company Limited have obtained over 50% of ownership interests. The Company included it in the consolidated financial statements.

Note 2: Although the ownership interests in Cal-Comp Electronics (Thailand) Public Company Limited is less than 50%, the Company determined that it has control over Cal-Comp Electronics (Thailand) Public Company Limited. This is due to the fact that the Company has obtained control over half of the board of Cal-Comp Electronics (Thailand) Public Company Limited and the remaining ownership is dispersed. The Company is able to appoint or approve the key management personnel of Cal-Comp Electronics (Thailand) Public Company Limited who are capable of directing the related activities. The Company therefore incorporated Cal-Comp Electronics (Thailand) Public Company Limited and its subsidiaries into the consolidated financial statements.

Note 3: XYZlife Inc. (Philippines) was dissolved in the fourth quarter of 2021. Till the financial report date, the closing procedures had not been completed.

Note 4: Cal-Comp Electronics and Communications (Suzhou) Co., Ltd. completed cancellation of foreign investment registration in the third quarter of 2022.

Note 5: Cal-Comp Big Data International Ltd. completed cancellation of local registration in the third quarter of 2022 and had completed liquidation procedure with the local tax authority in the year of 2022.

Note 6: To work in line with the Group's adjustment of the investment structure for long-term development plan, the equity owner of Dongguan Kaipo Electronics Co., Ltd. was adjusted from 100% directly held by Kinpo International Ltd to its subsidiary, Kinpo Electronics (China) Co., Ltd. in the fourth quarter of 2022.

Note 7: In the fourth quarter of 2022, to improve the business structure and improve business performance, the board of directors of subsidiary Cal-Comp Electronics (Thailand) Public Company Limited agreed to sign an investment cooperation agreement to sell its subsidiary, QBit Semiconductor Ltd. According to IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations", the Group reclassified the relevant assets and liabilities of QBit Semiconductor Ltd. to non-current assets held for sale, net and liabilities related to non-current assets classified as held for sale. Please refer to Note 6(10) for details.

Note 8: Cal-Comp Big Data, Inc Co., Ltd. was merged by XYZprinting, Inc. in the first quarter of 2023.

Note 9: Cal-Comp Technology (Suzhou) Co., Ltd. completed cancellation of foreign investment registration in the first quarter of 2023.

Note 10: To work in line with the Group's adjustment of the investment structure for long-term development plan, Cal-Comp Industria e Comercio de Eletronicos e Informatica Ltda., a 100% subsidiary of Cal-Comp Industria de Semiconductores S.A., is directly invested by Cal-Comp Electronics (Thailand) Public Company Limited in the first quarter of 2023.

Note 11: New Era AI Robotic Inc. had completed liquidation procedure in the second quarter of 2023.

Note 12: XYZprinting (Shanghai) Cloud Technology Co., Ltd. had completed cancellation of local registration in the second quarter of 2023 and completed liquidation procedure with the local tax authority.

Note 13: The ownership percentage is calculated based on the proportion of Confiar Land Corp.'s issued share capital (including common and preferred shares) held by Cal-Comp Asset Management, Inc. However, as all the voting common shares issued by Confiar Land Corp. are wholly owned by Cal-Comp Asset Management, Inc., in accordance with IFRS 10.7, they are consolidated into the consolidated financial statements and the relevant gains and losses are recognized according to the investment contract.

The financial statements of some of the consolidated subsidiaries listed above had not been reviewed by accountants. Those statements reflect total assets of NTD 4,891,064 thousand and NTD 5,848,593 thousand of the consolidated total assets, and total liabilities of NTD 4,375,320 thousand and NTD 5,325,374 thousand of the consolidated total liabilities as of June 30, 2023 and 2022, respectively. Total comprehensive income amounted to NTD (310,024) thousand and NTD (276,100) thousand of the consolidated total comprehensive income for the three-month period ended June 30, 2023 and 2022; NTD (568,466) thousand and NTD (378,133) thousand of the consolidated total comprehensive income for the six-month period ended June 30, 2023 and 2022, respectively.

(4) The same accounting policies applied in the Group's consolidated financial statements for the six-month period ended June 30, 2023 as those applied in the Group's consolidated financial statements for the year ended December 31, 2022 except for description below. For summary of other significant accounting policies, please refer to the Group's consolidated financial statements for the year ended December 31, 2022.

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

B. Interim period income tax expense is accrued using the tax rate that would be applicable to expected total annual earnings, that is, the estimated average annual effective income tax rate applied to the pre-tax income of the interim period. The estimated average annual effective income tax rate only includes current income tax. The recognition and measurement of deferred tax follows annual financial reporting requirements in accordance with IAS 12. The Group recognizes the effect of change in tax rate for deferred taxes in full if the new tax rate is enacted by the end of the interim reporting period, by charging to profit or loss, other comprehensive income, or directly to equity.

5. Significant accounting judgments, estimates and assumptions

The same significant accounting judgments, estimates and assumptions have been applied in the Group's consolidated financial statements for the six-month period ended June 30, 2023 as those applied in the Group's consolidated financial statements for the year ended December 31, 2022. For significant accounting judgments, estimates and assumptions, please refer to the Group's consolidated financial statements for the year ended December 31, 2022.

6. Contents of significant accounts

(1) Cash and cash equivalents

	As of		
	June 30, 2023	December 31, 2022	June 30, 2022
Petty cash / revolving funds	$29,474	$43,317	$6,357
Cash in banks	7,264,322	7,699,170	6,612,454
Time deposit	6,451,289	2,120,861	4,393,058
Cash equivalents	2,500	52,018	115,005
Total	$13,747,585	$9,915,366	$11,126,874

Please refer to Note 12 for more details on credit risk.

(2) Financial assets/liabilities at fair value through profit or loss

	As of		
	June 30, 2023	December 31, 2022	June 30, 2022
Financial assets mandatorily measured at fair value through profit or loss:			
Convertible corporate bond	$1,512,527	$1,478,358	$1,488,927
Structured deposit	-	-	239,407
Derivatives not designated as hedging instruments	3,796	59,041	33,627
Total	$1,516,323	$1,537,399	$1,761,961
Current	$3,796	$69,221	$302,254
Non-current	1,512,527	1,468,178	1,459,707
Total	$1,516,323	$1,537,399	$1,761,961

	As of		
	June 30, 2023	December 31, 2022	June 30, 2022
Financial liabilities mandatorily measured at fair value through profit or loss:			
Derivatives not designated as hedging instruments	$36,028	$60,885	$28,853
Current	$36,028	$60,885	$28,853
Non-current	-	-	-
Total	$36,028	$60,885	$28,853

A. In December 2019, the Group obtained convertible corporate bonds issued by SPI. for KRW 54,990,000 thousand. On the basis of the contract, the Group may convert the bonds into ordinary shares of SPI. at KRW 1,000 for one share at any time after January 1, 2023 and expire on December 26, 2024. The Group recognized aforementioned shares as financial assets at fair value through profit or loss, mandatorily measured at fair value.

B. Financial assets at fair value through profit or loss were not pledged.

C. Please refer to Note 12 for more details on derivative investments held by the Group.

(3) Financial assets at fair value through other comprehensive income

	As of		
	June 30, 2023	December 31, 2022	June 30, 2022
Equity instrument investments measured at fair value through other comprehensive income－non-current:			
Listed companies stocks	$4,470,926	$3,529,135	$3,488,107
Unlisted companies stocks	573,732	494,937	550,644
Total	$5,044,658	$4,024,072	$4,038,751
Current	$35,787	$34,094	$38,554
Non-current	5,008,871	3,989,978	4,000,197
Total	$5,044,658	$4,024,072	$4,038,751

A. For equity instrument investments measured at fair value through other comprehensive income, the Group recognized dividend income in the amount of $182,786 thousand and $303,977 thousand for the six-month period ended June 30, 2023 and 2022, respectively. The aforementioned dividend income was related to investments held at the end of the reporting period.

B. Financial assets at fair value through other comprehensive income were not pledged.

(4) Financial assets at amortized cost

	As of		
	June 30, 2023	December 31, 2022	June 30, 2022
Time deposit and cash in banks	$32,177	$34,729	$28,526
Less: loss allowance	-	-	-
Total	$32,177	$34,729	$28,526
Current	$18,175	$11,959	$8,766
Non-current	14,002	22,770	19,760
Total	$32,177	$34,729	$28,526

A. Please refer to Note 12 for more details on credit risk.

B. Please refer to Note 8 for more details on financial assets at amortized cost under pledge for bank loan and court litigation.

(5) Notes receivable

	As of		
	June 30, 2023	December 31, 2022	June 30, 2022
Notes receivable arising from operating activities	$56,763	$44,378	$110,968
Less: loss allowance	(21)	(19)	(60)
Total	$56,742	$44,359	$110,908

A. Notes receivable were not pledged.

B. The Group follows the requirement of IFRS 9 to assess the impairment. Please refer to Note 6(23) for more details on loss allowance and Note 12 for more details on credit risk.

(6) Accounts receivable and accounts receivable due from related parties

	As of		
	June 30, 2023	December 31, 2022	June 30, 2022
Accounts receivable	$25,916,737	$32,798,995	$29,047,035
Less: loss allowance	(46,798)	(41,357)	(42,474)
Subtotal	25,869,939	32,757,638	29,004,561
Accounts receivable due from related parties	6,548,327	8,557,035	4,234,080
Less: loss allowance	-	-	-
Subtotal	6,548,327	8,557,035	4,234,080
Total	$32,418,266	$41,314,673	$33,238,641

A. Accounts receivable were not pledged.

B. Accounts receivable credit terms are generally on 30 to 180 day terms. The total carrying amount (including notes receivable) as of June 30, 2023, December 31, 2022 and June 30, 2022 was $32,521,827 thousand, $41,400,408 thousand and $33,392,083 thousand, respectively. Please refer to Note 6(23) for more details on loss allowance of account receivables for the six-month period ended June 30, 2023 and 2022. Please refer to Note 12 for more details on credit risk.

C. Transferred financial assets that were derecognized in their entirety

The Group entered into accounts receivable factoring agreements (without recourse) with a financial institute. Under the agreements, the Group has transferred the contractual rights to receive the cash flows of the financial asset. Pursuant to the factoring agreements, the Group does not bear the credit risk that the accounts receivables are not paid when due. Therefore the related financial assets were derecognized in their entirety as they met the requirement of derecognition. The transferred assets fully derecognized were as follows:

As of June 30, 2023:

(In thousands)

The Factor (Transferee)	Accounts receivable transferred	Accounts receivable derecognized	Interest rate	Credit Line
HSBC	USD 29,226	(USD 29,226)	6.33%~6.34%	(Note)
MUFG	USD 22,966	(USD 22,966)	6.35%~6.48%	(Note)
Citibank	USD 392,546	(USD 392,546)	2.02%~6.00%	(Note)

As of December 31, 2022:

(In thousands)

The Factor (Transferee)	Accounts receivable transferred	Accounts receivable derecognized	Interest rate	Credit Line
Citibank	USD 665,353	(USD 665,353)	1.95%~5.50%	(Note)
HSBC	USD 43,391	(USD 43,391)	5.46%~5.61%	(Note)
MUFG	USD 22,831	(USD 22,831)	5.14%~5.49%	(Note)

As of June 30, 2022:

(In thousands)

The Factor (Transferee)	Accounts receivable transferred	Accounts receivable derecognized	Interest rate	Credit Line
Citibank	USD 205,090	(USD 205,090)	1.95%~3.52%	(Note)
HSBC	USD 89,091	(USD 89,091)	3.00%~3.53%	(Note)
Bank of America	USD 29,318	(USD 29,318)	2.51%~3.07%	(Note)
MUFG	USD 16,002	(USD 16,002)	2.13%~2.84%	(Note)

Note : Under the factoring agreement entered into by the Group, customers and financial institutions, the financial institutions will buy the accounts receivable of the Group within the line of credit negotiated by the customers and the financial institutions.

D. To appropriately classify the account receivable, the Group follows IFRS 9 to assess the business model the account receivables were held within. Accounts receivable in the amount of USD 77,409 thousand, USD 109,646 thousand, and USD 59,704 thousand as of June 30, 2023, December 31, 2022 and June 30, 2022, respectively, were sold to the aforementioned financial institutions in the subsequent period (the financial assets classified as financial assets at fair value through profit or loss).

E. The financial costs incurred from the aforementioned account receivables factoring transactions that were derecognized were $62,297 thousand and $21,505 thousand for the three-month period ended June 30, 2023 and 2022; $92,013 thousand and $44,522 thousand for the six-month period ended June 30, 2023 and 2022, respectively.

(7) Other receivables

	As of		
	June 30, 2023	December 31, 2022	June 30, 2022
Molds receivable	$1,266,186	$1,276,176	$383,609
Grants receivable－government	893,783	1,226,269	1,494,696
Others (Note)	714,595	865,425	834,755
Total	$2,874,564	$3,367,870	$2,713,060

Note：Individual amount not exceeded $100,000 thousand were aggregated as others.

Please refer to Note 6(23) for more details on the Group’s assessment of loss allowance for other receivables

(8) Inventories

	As of		
	June 30, 2023	December 31, 2022	June 30, 2022
Raw materials	$14,886,487	$19,797,924	$26,804,412
Work in process	751,531	875,404	3,285,745
Finished goods	5,966,631	4,831,495	3,092,398
Merchandise inventory	26,703	37,405	55,930
Goods in transit	687,362	918,369	385,690
Total	$22,318,714	$26,460,597	$33,624,175

A. Expense and loss incurred on inventories were as follows:

	For the three-month period ended		For the six-month period ended	
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
Cost of inventories sold	$36,883,005	$38,634,167	$73,693,002	$76,645,217
Expense recognized from inventory write-down to net realizable value	(91,218)	204,466	(351,886)	335,372
Loss from obsolescence	-	(26,308)	-	(263,314)
Total	$36,791,787	$38,812,325	$73,341,116	$76,717,275

B. Inventories were not pledged.

(9) Prepayments

	As of		
	June 30, 2023	December 31, 2022	June 30, 2022
Business tax paid (or Input VAT)	$696,053	$851,822	$643,330
Excess business tax paid (or Net Input VAT)	65,965	52,074	65,882
Prepayments to suppliers	287,642	283,193	494,260
Others (Note)	359,942	248,847	216,276
Total	$1,409,602	$1,435,936	$1,419,748

Note：Individual amount not exceeded $100,000 thousand were aggregated as others.

(10) Non-current assets held for sale, net

	As of		
	June 30, 2023	December 31, 2022	June 30, 2022
Assets classified as non-current assets held for sale：			
Cash and cash equivalents	$-	$17,651	$-
Accounts receivable	-	98,780	-
Other receivables	-	1,713	-
Inventories			
Other current assets			
Property, plant and equipment	-	75,176	-
Intangible assets	-	1,220	-

	As of		
	June 30, 2023	December 31, 2022	June 30, 2022
Right-of-use assets	255,609	3,385	-
Deferred tax assets	-	242,315	-
Refundable deposits	5,919	23,984	-
Total	-	42,036	-
Assets classified as non-current liabilities held for sale			
Short-term debt	-	539,840	-
Accounts payable	-	24,150	-
Accounts payable-related parties	-	9,655	-
Other payable	-	92,355	-
Lease liabilities－current	-	9,084	-
Other current liabilities	-	5,311	-
Lease liabilities－non-current	-	9,258	-
Total	-	689,653	-
Net carrying amount for non-current group held for sale	$261,528	$(183,311)	$-

To improve the business structure and enhance business performance, the Group’s subsidiary, Cal-Comp Electronics (Thailand) Public Company Limited, resolve to approve the investment cooperation agreement with AB Value Bridge VII, L.P. (hereinafter AB Value), at the board meeting held on December 26, 2022. According to the content of the cooperation, the equity of its subsidiary, QBit Semiconductor Ltd., is gradually transfer to AB group. The aforementioned agreement was executed on February 3, 2023. In accordance with the IFRS 5 “Non-current Assets Held for Sale and Discontinued Operations”, the Group transferred the relevant assets and liabilities of QBit Semiconductor Ltd. to non-current assets classified as held for sale, net and liabilities related to non-current assets classified as held for sale respectively, in 2022. The aforementioned transaction was completed on June 28, 2023. After the completion of the transaction, the Group's ownership in the company was 19%, and the Group reclassified the financial assets at fair value through other comprehensive income in accordance with IFRS 9, "Financial Instruments".

To effectively integrate production resources and activate the use of funds, the Group’s subsidiary, LIZ Electronics (Kunshan) Co., Ltd., the Group’s subsidiary relocated to LIZ Electronics (Nantong) Co., Ltd. and sold right-of-use assets land and property, plant and equipment after the resolution of the board of directors’ meeting in April 26, 2023. Considering the effective resale of the location, according to the price of the sale and purchase agreement, no impairment loss has been recognized.

(11) Investments accounted for using equity method

A. Investments accounted for using equity method consisted were as follows:

	As of					
	June 30, 2023		December 31, 2022		June 30, 2022	
Investee companies	Carrying amount	% of ownership	Carrying amount	% of ownership	Carrying amount	% of ownership
Associates						
AcBel Polytech Inc.	$2,522,348	23.38%	$2,402,989	23.71%	$2,425,161	24.15%
Ascendant Private Equity Investment Ltd.	1,407,215	34.72%	1,405,408	34.72%	1,363,220	34.72%
Teleport Access Services, Inc.	222,431	23.70%	228,362	23.70%	224,974	23.70%
Others (Note)	113,034		115,368		117,456	
Total	$4,265,028		$4,152,127		$4,130,811	

Note: Individual investment amount not exceeded $100,000 thousand were aggregated as others.

B. Investments in associates

Information on the material associate of the Group:

(a) Company name: AcBel Polytech Inc.

Nature of the relationship with the associate: AcBel Polytech Inc. is in the business of manufacturing and selling related products in the Group’s industry chain. The Group invested in AcBel Polytech Inc. for the purpose of upstream/downstream integration.

Principal place of business (country of incorporation): Taiwan

Fair value of the investment in the associate when there is a quoted market price for the investment: AcBel Polytech Inc. is a listed entity on the Taiwan Stock Exchange (TWSE). The fair value of the investment in AcBel Polytech Inc. was $5,796,445 thousand, $3,724,949 thousand and $3,593,921 thousand as of June 30, 2023, December 31, 2022 and June 30, 2022, respectively.

Reconciliation of the associate’s summarized financial information presented to the carrying amount of the Group’s interest in the associate:

	As of		
	June 30, 2023	December 31, 2022	June 30, 2022
Current assets	$34,799,643	$21,389,975	$20,794,444
Non-current assets	9,565,551	12,474,261	12,003,863
Current liabilities	(19,931,465)	(11,015,897)	(10,900,538)
Non-current liabilities	(13,106,000)	(12,115,959)	(11,249,493)
Equity	11,327,729	10,732,380	10,648,276
Non-controlling interest	(539,242)	(597,461)	(606,203)
Shareholders of the parent	10,788,487	10,134,919	10,042,073
Proportion of the Group's ownership	23.38%	23.71%	24.15%
Carrying amount of the investment	$2,522,348	$2,402,989	$2,425,161

	For the three-month period ended		For the six-month period ended	
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
Operating revenue	$4,933,781	$6,621,986	$10,072,632	$12,759,554
Profit from continuing operations	28,166	266,800	59,547	378,919
Other comprehensive income, net	20,375	(58,595)	35,660	85,350
Total comprehensive income	48,541	208,205	95,207	464,269

(b) The Group's investments in other companies were not individually material. The aggregate carrying amount of the Group's interests in other companies was $1,724,680 thousand, $1,749,138 thousand and $1,705,650 thousand as of June 30, 2023, December 31, 2022 and June 30, 2022, respectively. The aggregate financial information based on Group's share of other companies was as follows:

	For the three-month period ended		For the six-month period ended	
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
Loss from continuing operations	$(31,292)	$(8,635)	$(13,723)	$(17,013)
Other comprehensive income, net	21,619	30,362	11,069	65,269
Total comprehensive income	$(9,673)	$21,727	$(2,654)	$48,256

C. As of June 30, 2023, December 31, 2022 and June 30, 2022, the difference (Goodwill) between the costs of investment and net equity was all $115,377 thousand.

D. The aforementioned investments in associate had no contingent liabilities or capital commitments as of June 30, 2023, December 31, 2022 and June 30, 2022.

E. Although the Group is the first major shareholder of some associates; after comprehensive assessment, the Group does not own the major voting rights as the remaining voting rights holders are able to align and prevent the Group from ruling the relevant operation. Therefore, the Group has no control but has significant influence over the aforementioned associates.

F. The financial statements of certain investments accounted for using equity method were not reviewed by independent accountants. The carrying amount of these investments amounted to $1,742,680 thousand and $1,705,650 thousand as of June 30, 2023 and 2022, respectively. The share of the profit or loss of these associates and joint ventures accounted for using the equity method amount to $(31,292) thousand and $(8,635) thousand for the three-month period ended June 30, 2023 and 2022; $(13,723) thousand and $(17,013) thousand for the six-month period ended June 30, 2023 and 2022, respectively. The share of other comprehensive income of these associates and joint ventures accounted for using the equity method amount to $21,619 thousand and $30,362 thousand for the three-month period ended June 30, 2023 and 2022; $11,069 thousand and $65,269 thousand for the six-month period ended June 30, 2023 and 2022, respectively.

(12) Property, plant and equipment

A. Movements of property, plant and equipment of the Group for the six-month period ended June 30, 2023 and 2022 were as follows:

	Land	Buildings and structures	Machinery and molding equipment	Miscellaneous Equipment	Construction in progress and equipment awaiting examination	Total
Cost:						
As of January 1, 2023	$2,097,580	$17,701,229	$22,470,395	$4,490,214	$3,314,115	$50,073,533
Additions	-	96,486	449,543	106,838	894,547	1,547,414
Disposals	-	(47,167)	(848,275)	(116,631)	-	(1,012,073)
Reclassification, effect of exchange rate changes and other changes	11,495	146,057	(364,386)	(117,923)	(554,086)	(878,843)
As of June 30, 2023	$2,109,075	$17,896,605	$21,707,277	$4,362,498	$3,654,576	$49,730,031

	Land	Buildings and structures	Machinery and molding equipment	Miscellaneous Equipment	Construction in progress and equipment awaiting examination	Total
As of January 1, 2022	$1,786,487	$15,399,495	$19,454,291	$3,690,075	$3,071,774	$43,402,122
Additions	34,975	248,136	818,805	243,069	1,200,916	2,545,901
Disposals	-	(25,629)	(666,555)	(171,354)	(8,505)	(872,043)
Reclassification, effect of exchange rate changes and other changes	243,748	1,506,538	1,535,279	521,252	(1,850,598)	1,956,219
As of June 30, 2022	$2,065,210	$17,128,540	$21,141,820	$4,283,042	$2,413,587	$47,032,199
Accumulated depreciation and impairment:						
As of January 1, 2023	$-	$6,558,262	$14,824,814	$2,941,852	$-	$24,324,928
Depreciation	-	338,468	888,858	225,142	-	1,452,468
Reversal of impairment	-	128	10,078	312	-	10,518
Disposals	-	(35,942)	(817,786)	(84,146)	-	(937,874)
Reclassification, effect of exchange rate changes and other changes	-	(149,215)	(369,579)	(99,837)	-	(618,631)
As of June 30, 2023	$-	$6,711,701	$14,536,385	$2,983,323	$-	$24,231,409
As of January 1, 2022	$-	$5,527,292	$12,743,406	$2,530,461	$-	$20,801,159
	-	323,518	903,374	221,143	-	1,448,035
Depreciation	-	-	(6,137)	(865)	-	(7,002)
Disposals	-	(25,301)	(552,624)	(152,150)	-	(730,075)
Reclassification, effect of exchange rate changes and other changes	-	269,698	700,322	138,077	-	1,108,097
As of June 30, 2022	$-	$6,095,207	$13,788,341	$2,736,666	$-	$22,620,214
Net carrying amount as of:						
June 30, 2023	$2,109,075	$11,184,904	$7,170,892	$1,379,175	$3,654,576	$25,498,622
December 31, 2022	$2,097,580	$11,142,967	$7,645,581	$1,548,362	$3,314,115	$25,748,605
June 30, 2022	$2,065,210	$11,033,333	$7,353,479	$1,546,376	$2,413,587	$24,411,985

B. The significant part and useful life of the Group's buildings included the following:

Primary buildings	25~60 years
Construction and renovation	2~48 years
Water & electric, air conditioning and fire extinguisher engineering	3~31 years

C. Please refer to Note 8 for more details on property, plant and equipment under pledge.

D. During the year of 2019, some subsidiaries of the Group joined grant agreements with local government to subsidize the purchase of equipment. The aforementioned cooperation agreement is a NDA (Non-disclosed agreement), thus the Group does not disclosure content of the agreement. As of June 30, 2023, December 31, 2022 and June 30, 2022, the Group received $4,732,902 thousand, $4,747,009 thousand and $4,746,323 thousand, respectively of grants provided by the local government. As stated in Note 4, the accounting policies of government grants, the Group elected to deduct the book value of the related assets as they relate to assets. In addition, as of June 30, 2023, December 31, 2022 and June 30, 2022, the Group had prepaid for equipment approximately $437,956 thousand, $530,218 thousand and $468,699 thousand accounted for other receivables, respectively.

The production equipment procurement by using aforementioned local government grants which had been accepted for $5,116,141 thousand, $5,177,696 thousand and $5,244,097 thousand as of June 30, 2023, December 31, 2022 and June 30, 2022, respectively. These production equipment should recognize depreciation expense for $512,738 thousand and $369,198 thousand based on the useful life for the six-month period ended June 30, 2023 and 2022. As stated in the accounting policy for the government subsidy of the Group, recognizing grant in income and also deducting depreciation expenses on the basis of related assets useful life. Thus, these aforementioned production equipment resulted in no impact from net depreciation in income and the Group did not recognize related depreciation expense for the six-month period ended June 30, 2023 and 2022.

(13) Investment property

A. The Group's investment properties were owned investment properties. The Group has entered into commercial property leases on its owned investment properties with remaining terms of 2.08 years. Movements of investment property of the Group for the six-month period ended June 30, 2023 and 2022 were as follows:

	Buildings and Structures
Cost:	
As of January 1, 2023	$244,846
Reclassification, effect of exchange rate changes and other changes	3,389
As of June 30, 2023	$248,235
As of January 1, 2022	$223,338
Reclassification, effect of exchange rate changes and other changes	13,615
As of June 30, 2022	$236,953

	Buildings and Structures
Accumulated depreciation and impairment:	
As of January 1, 2023	$106,940
Depreciation	2,907
Reclassification, effect of exchange rate changes and other changes	1,534
As of June 30, 2023	$111,381
As of January 1, 2022	$91,504
Depreciation	2,336
Reclassification, effect of exchange rate changes and other changes	6,825
As of June 30, 2022	$100,665
Net carrying amount as of:	
June 30, 2023	$136,854
December 31, 2022	$137,906
June 30, 2022	$136,288

B. The rental income and direct operating expenses of the investment property were stated as follows:

	For the three-month period ended		For the six-month period ended	
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
Rental income from investment property	$5,670	$6,070	$11,296	$11,955
Deduct: direct operating expenses derived from investment property with rental revenue in current period	(1,789)	(1,719)	(3,557)	(3,410)
Total	$3,881	$4,351	$7,739	$8,545

C. Investment properties held by the Group are not measured at fair value but for which the fair value is disclosed. The fair value measurements of the investment properties were categorized within Level 3. The fair value of investment properties held by the Group amounted to $192,970 thousand, $190,336 thousand and $184,200 thousand as of June 30, 2023, December 31, 2022 and June 30, 2022, respectively. The aforementioned fair value was determined based on the fair value which were appraised by independent appraiser in 2018 and changes in the local real estate market plus the cost incurred afterward years.

D. Investment properties were not pledged.

(14) Intangible assets

A. Movements of the intangible assets of the Group for the six-month period ended June 30, 2023 and 2022 were as follows:

	Patents	Computer software	Know-how and others	Total
Cost:				
As of January 1, 2023	$15,367	$360,384	$54,829	$430,580
Additions	83	103,194	-	103,277
Disposals	-	(10,998)	-	(10,998)
Reclassification, effect of exchange rate changes and other changes	(23)	1,380	-	1,357
As of June 30, 2023	$15,427	$453,960	$54,829	$524,216
As of January 1, 2022	$673,911	$331,352	$317,755	$1,323,018
Additions	20,455	24,603	-	45,058
Disposals	(18,478)	(26,160)	(273,783)	(318,421)
Reclassification, effect of exchange rate changes and other changes	46	5,027	3,727	8,800
As of June 30, 2022	$675,934	$334,822	$47,699	$1,058,455
Amortization and impairments:				
As of January 1, 2023	$13,868	$201,984	$9,862	$225,714
Amortization	659	63,288	400	64,347
Disposals	-	(10,998)	-	(10,998)
Reclassification, effect of exchange rate changes and other changes	(14)	877	-	863
As of June 30, 2023	$14,513	$255,151	$10,262	$279,926
As of January 1, 2022	$54,267	$200,175	$271,989	$526,431
Amortization	11,744	36,508	400	48,652
Impairment loss	(18,478)	(26,160)	(273,783)	(318,421)
Reclassification, effect of exchange rate changes and other changes	194	3,173	3,727	7,094
As of June 30, 2022	$47,727	$213,696	$2,333	$263,756
Net carrying amount as of:				
June 30, 2023	$914	$198,809	$44,567	$244,290
December 31, 2022	$1,499	$158,400	$44,967	$204,866
June 30, 2022	$628,207	$121,126	$45,366	$794,699

B. Amortization expense of intangible assets were stated as follows:

	For the three-month period ended		For the six-month period ended	
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
Operating cost	$4,351	$5,237	$7,035	$9,313
Operating expenses	32,884	19,394	57,312	39,339
Total	$37,235	$24,631	$64,347	$48,652

(15) Current borrowings m

	As of		
	June 30, 2023	December 31, 2022	June 30, 2022
Unsecured bank loans	$22,958,799	$30,220,964	$30,104,648
Secured bank loans	129,163	58,187	118,545
Total	$23,087,962	$30,279,151	$30,223,193
Unused amount	$43,432,233	$45,763,356	$46,613,437
Interest rate	1.77%~6.53%	1.10%~6.25%	0.79%~5.19%

Please refer to Note 8 for more details on assets pledged as security for current borrowings.

(16) Short-term notes and bills payable

	As of		
	June 30, 2023	December 31, 2022	June 30, 2022
Short-term notes	$2,070,000	$1,725,000	$1,650,000
Discount of short-term notes	(3,642)	(2,422)	(933)
Total	$2,066,358	$1,722,578	$1,649,067
Interest rate	1.92%~2.29%	1.36%~1.63%	1.16%~1.52%

(17) Other payables

	As of		
	June 30, 2023	December 31, 2022	June 30, 2022
Payable due to settlement of forward contract	$149,426	$33,887	$99,411
Wages, salaries and bonus payable	1,348,566	1,656,977	1,618,734
Compensation due to employee	217,307	139,965	111,631
Real estate and equipment payable	32,665	169,653	226,706

	As of		
	June 30, 2023	December 31, 2022	June 30, 2022
Dividends payable	442,912	2,843	293,097
Commissions payable	708,107	345,723	255,162
Business tax payable	148,536	266,700	23,483
Others (Note)	4,128,979	3,993,602	2,641,946
Total	$7,176,498	$6,609,350	$5,270,170

Note: Individual amount not exceeded $100,000 thousand were aggregated as others.

(18) Non-current borrowings

A. Details of non-current borrowings as of June 30, 2023, December 31, 2022 and June 30, 2022 were as follows:

Creditor	As of June 30, 2023	Payment of principal
E.Sun Bank – Syndication unsecured loan	$13,059,109 (USD419,435)	The tenure of the loan is from November 8, 2021 to November 8, 2024. The repayment of principal will be due in a lump-sum payment on the expiration of the term or an extension of additional two years to November 8, 2026 shall be applied prior to the expiration date. The extended facilities shall be repaid in five installments starting from November 8, 2024; every 6 months as one installment. The principal shall be repaid equally in 4 installments and the total loan shall be repaid in 5 installments, with the final payment due no later than on November 8, 2026.
Jih Sun International Commercial Bank – Unsecured loan	600,000	The period of the loan is from February 10, 2022 to February 8, 2024. The repayment of principal will be due in a lump-sum payment on the expiration of the term. Interest is payable monthly.
E.Sun Bank – Unsecured loan	500,000	The period of the loan is from October 12, 2021 to October 9, 2024. After receiving the loan 2 years later, the principal should be repaid quarterly in 5 installments. Interest is payable quarterly.

Creditor	As of June 30, 2023	Payment of principal
E.Sun Bank – Unsecured loan	$600,000	The period of the loan is from October 12, 2021 to October 9, 2024. After receiving the loan 2 years later, the principal should be repaid quarterly in 5 installments. Interest is payable quarterly.
Far Eastern International Bank – Unsecured loan	500,000	The period of the loan is from December 23, 2022 to November 21, 2025. The repayment of principal will be due in a lump-sum payment on the expiration of the term. Interest is payable monthly.
O-Bank – Unsecured loan	575,000	The period of the loan is from December 14, 2020 to December 13, 2023. After receiving the loan 1 and 2 years later, the principal should be each repaid $50,000 thousand. The rest of principal will be due in a lump-sum payment on the expiration of the term. Interest is payable monthly.
KGI Bank – Unsecured loan	1,400,000	The period of the loan is from October 14, 2022 to October 13, 2023. The repayment of principal will be due in a lump-sum payment on the expiration of the term. Interest is payable monthly.
Yuanta Commercial Bank – Unsecured loan	700,000	The period of the loan is from December 28, 2021 to December 28, 2023. The repayment of principal will be due in a lump-sum payment on the expiration of the term. Interest is payable monthly.
Yuanta Commercial Bank – Unsecured loan	20,000	The period of the loan is from October 6, 2022 to December 28, 2023. The repayment of principal will be due in a lump-sum payment on the expiration of the term. Interest is payable monthly.
Mega Bank – Unsecured loan	700,000	The period of the loan is from November 22, 2021 to November 22, 2024. The repayment of principal will be due in a lump-sum payment on the expiration of the term. Interest is payable monthly.

Creditor	As of June 30, 2023	Payment of principal
Hua Nan Commercial Bank – Unsecured loan	$800,000	The period of the loan is from December 13, 2021 to December 13, 2024. The repayment of principal will be due in a lump-sum payment on the expiration of the term. Interest is payable monthly.
Chang Hwa Commercial Bank – Unsecured loan	300,000	The period of the loan is from December 2, 2021 to December 2, 2024. The repayment of principal will be due in a lump-sum payment on the expiration of the term. Interest is payable monthly.
Bank of Taiwan – Unsecured loan	1,000,000	The period of the loan is from April 8, 2022 to April 8, 2025. Starting from July 8, 2024, the repayment of principal shall be repaid equally in 4 installments; every 3 months as one installment. Interest is payable monthly.
Taiwan Cooperative Bank – Unsecured loan	250,000	The period of the loan is from March 7, 2022 to March 7, 2025. The repayment of principal will be due in a lump-sum payment on the expiration of the term. Interest is payable monthly.
Entie Commercial Bank, Ltd. –Unsecured loan	300,000	The period of the loan is from August 29, 2022 to May 26, 2024. The repayment of principal will be due in a lump-sum payment on the expiration of the term. Interest is payable monthly.
Entie Commercial Bank, Ltd. – Unsecured loan	300,000	The period of the loan is from August 30, 2022 to May 26, 2024. The repayment of principal will be due in a lump-sum payment on the expiration of the term. Interest is payable monthly.
Entie Commercial Bank, Ltd. – Unsecured loan	100,000	The period of the loan is from September 29, 2022 to May 26, 2024. The repayment of principal will be due in a lump-sum payment on the expiration of the term. Interest is payable monthly.
DBS Bank (Taiwan) Ltd. – Unsecured loan	270,000	The period of the loan is from September 29, 2022 to September 28, 2024. The repayment of principal will be due in a lump-sum payment on the expiration of the term. Interest is payable monthly.

Creditor	As of June 30, 2023	Payment of principal
SCSB Leasing (China) Co., Ltd. – Secured loan	$12,927 (CNY 3,000)	The period of the loan is from December 27, 2018 to December 27, 2023. The principal should be repaid annually in 5 installments and interest is payable monthly.
Taiwan Cooperative Bank – Secured loan	8,618 (CNY 2,000)	The period of the loan is from August 4, 2020 to August 4, 2023. The principal should be repaid semi-annually in 6 installments and interest is payable monthly.
Sunny Finance Lease (China) Ltd. – Secured loan	21,113 (CNY 4,900)	The period of the loan is from July 2, 2021 to July 2, 2024. The principal should be repaid annually in 3 installments and interest is payable monthly.
Shanghai Pudong Development Bank Co., Ltd. – Secured loan	18,528 (CNY 4,300)	The period of the loan is from September 18, 2020 to September 18, 2025. 18 months after the start of the period, the principal should be repaid semi-annually in 8 installments and interest is payable monthly.
Shanghai Pudong Development Bank Co., Ltd. – Secured loan	14,650 (CNY 3,400)	The period of the loan is from October 16, 2020 to September 18, 2025. 17 months after the start of the period, the principal should be repaid semi-annually in 8 installments and interest is payable monthly.
Shanghai Pudong Development Bank Co., Ltd. – Secured loan	51,706 (CNY 12,000)	The period of the loan is from January 26, 2021 to September 18, 2025. 13 months after the start of the period, the principal should be repaid semi-annually in 8 installments and interest is payable monthly.
Shanghai Pudong Development Bank Co., Ltd. – Secured loan	9,264 (CNY 2,150)	The period of the loan is from April 21, 2021 to September 18, 2025. 10 months after the start of the period, the principal should be repaid semi-annually in 8 installments and interest is payable monthly.

Creditor	As of June 30, 2023	Payment of principal
Shanghai Pudong Development Bank Co., Ltd. – Secured loan	$24,991 (CNY 5,800)	The period of the loan is from July 29, 2021 to September 18, 2025. 7 months after the start of the period, the principal should be repaid semi-annually in 8 installments and interest is payable monthly.
Bank SinoPac (China) Ltd. Shanghai branch – Unsecured loan	16,595 (CNY 3,851)	The period of the loan is from October 29, 2021 to October 28, 2024. The principal should be repaid quarterly in 13 installments and interest is payable monthly.
Bank SinoPac (China) Ltd. Shanghai branch – Unsecured loan	5,532 (CNY 1,284)	The period of the loan is from November 29, 2021 to November 29, 2024. The principal should be repaid quarterly in 13 installments and interest is payable monthly.
Bank SinoPac (China) Ltd. Shanghai branch – Unsecured loan	9,331 (CNY 2,166)	The period of the loan is from December 29, 2021 to December 27, 2024. The principal should be repaid quarterly in 13 installments and interest is payable monthly.
Bank SinoPac (China) Ltd. Shanghai branch – Unsecured loan	12,200 (CNY 2,831)	The period of the loan is from March 28, 2022 to March 28, 2025. The principal should be repaid quarterly in 13 installments and interest is payable monthly.
Bank SinoPac (China) Ltd. Shanghai branch – Unsecured loan	8,999 (CNY 2,088)	The period of the loan is from April 27, 2022 to April 25, 2025. The principal should be repaid quarterly in 13 installments and interest is payable monthly.
Bank SinoPac (China) Ltd. Shanghai branch – Unsecured loan	7,562 (CNY 1,755)	The period of the loan is from May 27, 2022 to May 27, 2025. The principal should be repaid quarterly in 13 installments and interest is payable monthly.
Bank SinoPac (China) Ltd. Shanghai branch – Unsecured loan	4,433 (CNY 1,029)	The period of the loan is from June 27, 2022 to June 25, 2025. The principal should be repaid quarterly in 13 installments and interest is payable monthly.
Bank SinoPac (China) Ltd. Shanghai branch – Unsecured loan	5,037 (CNY 1,169)	The period of the loan is from July 22, 2022 to July 21, 2025. The principal should be repaid quarterly in 13 installments and interest is payable monthly.

Creditor	As of June 30, 2023	Payment of principal
Bank SinoPac (China) Ltd. Shanghai branch – Unsecured loan	$6,245 (CNY 1,449)	The period of the loan is from September 22, 2022 to September 21, 2025. The principal should be repaid quarterly in 13 installments and interest is payable monthly.
The Shanghai Commercial and Savings Bank, Ltd. Off – Shore Banking Unit – Unsecured loan	136,160 (CNY 31,600)	The period of the loan is from November 18, 2021 to November 18, 2024. The principal should be repaid every 36 months in 1 installments and interest is payable quarterly.
Sunny Finance Lease (China) Ltd.－Secured loan	21,113 (CNY 4,900)	The period of the loan is from November 8, 2021 to November 8, 2024. The principal should be repaid annually in 3 installments and interest is payable monthly.
Sunny Finance Lease (China) Ltd.－Secured loan	18,097 (CNY 4,200)	The period of the loan is from November 8, 2021 to November 8, 2024. The principal should be repaid annually in 3 installments and interest is payable monthly.
Robina Finance & Leasing Corp.(Suzhou) －Secured loan	13,660 (CNY 3,170)	The period of the loan is from April 15, 2022 to April 15, 2025. The principal should be repaid quarterly in 36 installments and interest is payable monthly.
FEIB Financial Leasing Co., Ltd －Secured loan	17,236 (CNY 4,000)	The period of the loan is from May 23, 2022 to May 23, 2025. The principal should be repaid semi-annually in 6 installments and interest is payable monthly.
Bank of Nanjing Co., Ltd. Nantong Branch – Unsecured loan	241,297 (CNY 56,000)	The period of the loan is from June 9, 2022 to May 30, 2027. The principal should be repaid semi-annually in 8 installments and interest is payable monthly.
SCSB Leasing (China) Co., Ltd. – Secured loan	71,829 (CNY 16,670)	The period of the loan is from September 28, 2022 to September 28, 2025. The principal should be repaid semi-annually in 6 installments and interest is payable monthly.

Creditor	As of June 30, 2023	Payment of principal
Bank Of Panshin – Unsecured loan	$107,722 (CNY 25,000)	The period of the loan is from August 15, 2022 to August 15, 2024. The principal should be repaid every 24 months in 1 installments and interest is payable semi-annually.
Taiwan Business Bank －Secured loan	39,498 (CNY 9,167)	The period of the loan is from Feburary 23, 2023 to Feburary 23, 2026. The principal should be repaid quarterly in 12 installments and interest is payable monthly.
Hua Nan International Leasing Co., Ltd.－Secured loan	72,407 (CNY 16,804)	The period of the loan is from October 21, 2022 to October 21, 2025. The principal should be repaid monthly in 36 installments and interest is payable monthly.
Hua Nan International Leasing Co., Ltd.－Secured loan	124,298 (CNY 28,847)	The period of the loan is from May 25, 2023 to May 25, 2027. The principal should be repaid monthly in 48 installments and interest is payable monthly.
Mega Bank－Unsecured loan	2,500	The period of the loan is from October 4, 2021 to October 4, 2026. Starting from November 2022 the repayment of principal shall be repaid monthly in 48 installments. Interest is payable monthly.
Mega Bank－Unsecured loan	5,000	The period of the loan is from February 10, 2022 to October 4, 2026. Starting from November 2022, the repayment of principal shall be repaid monthly in 48 installments. Interest is payable monthly.
Subtotal	23,082,657	
Less: current portion	(3,561,896)	
Total	$19,520,761	
Interest rate	1.80%~7.99%	

Creditor	As of December 31, 2022	Payment of principal
E.Sun Bank – Syndication unsecured loan	$12,878,234 (USD 419,350)	The tenure of the loan is from November 8, 2021 to November 8, 2024. The repayment of principal will be due in a lump-sum payment on the expiration of the term or an extension of additional two years to November 8, 2026 shall be applied prior to the expiration date. The extended facilities shall be repaid in five installments starting from November 8, 2024; every 6 months as one installment. The principal shall be repaid equally in 4 installments and the total loan shall be repaid in 5 installments, with the final payment due no later than on November 8, 2026.
KGI Bank – Unsecured loan	1,400,000	The period of the loan is from October 14, 2022 to October 13, 2024. The repayment of principal will be due in a lump-sum payment on the expiration of the term. Interest is payable monthly.
Yuanta Commercial Bank – Unsecured loan	700,000	The period of the loan is from December 28, 2021 to December 28, 2023. The repayment of principal will be due in a lump-sum payment on the expiration of the term. Interest is payable monthly.
Yuanta Commercial Bank – Unsecured loan	20,000	The period of the loan is from October 6, 2022 to December 28, 2023. The repayment of principal will be due in a lump-sum payment on the expiration of the term. Interest is payable monthly.
Chang Hwa Commercial Bank – Unsecured loan	300,000	The period of the loan is from December 2, 2021 to December 2, 2024. The repayment of principal will be due in a lump-sum payment on the expiration of the term. Interest is payable monthly.
Hua Nan Commercial Bank – Unsecured loan	800,000	The period of the loan is from December 13, 2021 to December 13, 2024. The repayment of principal will be due in a lump-sum payment on the expiration of the term. Interest is payable monthly.

Creditor	As of December 31, 2022	Payment of principal
Bank of Taiwan – Unsecured loan	$1,000,000	The period of the loan is from April 8, 2022 to April 8, 2025. Starting from July 8, 2024, the repayment of principal shall be repaid equally in 4 installments; every 3 months as one installment. Interest is payable monthly.
O-Bank – Unsecured loan	575,000	The period of the loan is from December 14, 2020 to December 13, 2023. After receiving the loan 1 and 2 years later, the principal should be each repaid $50,000 thousand. The rest of principal will be due in a lump-sum payment on the expiration of the term. Interest is payable monthly.
E.Sun Bank – Unsecured loan	500,000	The period of the loan is from October 12, 2021 to October 9, 2024. After receiving the loan 2 years later, the principal should be repaid quarterly in 5 installments. Interest is payable quarterly.
E.Sun Bank – Unsecured loan	600,000	The period of the loan is from October 12, 2021 to October 9, 2024. After receiving the loan 2 years later, the principal should be repaid quarterly in 5 installments. Interest is payable quarterly.
Jih Sun International Commercial Bank – Unsecured loan	600,000	The period of the loan is from February 10, 2022 to February 8, 2024. The repayment of principal will be due in a lump-sum payment on the expiration of the term. Interest is payable monthly.
Far Eastern International Bank – Unsecured loan	500,000	The period of the loan is from November 23, 2022 to December 21, 2025. The repayment of principal will be due in a lump-sum payment on the expiration of the term. Interest is payable monthly.
Taiwan Cooperative Bank – Unsecured loan	250,000	The period of the loan is from March 7, 2022 to March 7, 2025. The repayment of principal will be due in a lump-sum payment on the expiration of the term. Interest is payable monthly.

Creditor	As of December 31, 2022	Payment of principal
Mega Bank – Unsecured loan	$700,000	The period of the loan is from November 22, 2021 to November 22, 2024. The repayment of principal will be due in a lump-sum payment on the expiration of the term. Interest is payable monthly.
Entie Commercial Bank, Ltd. – Unsecured loan	300,000	The period of the loan is from August 29, 2022 to May 26, 2024. The repayment of principal will be due in a lump-sum payment on the expiration of the term. Interest is payable monthly.
Entie Commercial Bank, Ltd. – Unsecured loan	300,000	The period of the loan is from August 30, 2022 to May 26, 2024. The repayment of principal will be due in a lump-sum payment on the expiration of the term. Interest is payable monthly.
Entie Commercial Bank, Ltd. – Unsecured loan	100,000	The period of the loan is from September 29, 2022 to May 26, 2024. The repayment of principal will be due in a lump-sum payment on the expiration of the term. Interest is payable monthly.
DBS Bank, Ltd. – Unsecured loan	270,000	The period of the loan is from September 29, 2022 to September 28, 2024. The repayment of principal will be due in a lump-sum payment on the expiration of the term. Interest is payable monthly.
SCSB Leasing (China) Co., Ltd. – Secured loan	13,228 (CNY 3,000)	The period of the loan is from December 27, 2018 to December 27, 2023. The principal should be repaid annually in 5 installments and interest is payable monthly.
Taiwan Business Bank －Secured loan	5,301 (CNY 1,202)	The period of the loan is from January 21, 2020 to January 21, 2023. The principal should be repaid quarterly in 12 installments and interest is payable monthly.
Hua Nan International Leasing Co., Ltd.－Secured loan	87,879 (CNY 19,930)	The period of the loan is from July 27, 2021 to July 27, 2024. The principal should be repaid monthly in 36 installments and interest is payable monthly.

Creditor	As of December 31, 2022	Payment of principal
Hua Nan International Leasing Co., Ltd.－Secured loan	$88,138 (CNY 19,988)	The period of the loan is from October 21, 2022 to October 21, 2025. The principal should be repaid monthly in 36 installments and interest is payable monthly.
Taiwan Cooperative International Leasing Co., Ltd.– Secured loan	17,638 (CNY 4,000)	The period of the loan is from August 4, 2020 to August 4, 2023. The principal should be repaid semi-annually in 6 installments and interest is payable monthly.
Shanghai Pudong Development Bank Co., Ltd. – Secured loan	22,047 (CNY 5,000)	The period of the loan is from September 18, 2020 to September 18, 2025. 18 months after the start of the period, the principal should be repaid semi-annually in 8 installments and interest is payable monthly.
Shanghai Pudong Development Bank Co., Ltd. – Secured loan	17,638 (CNY 4,000)	The period of the loan is from October 16, 2020 to September 18, 2025. 17 months after the start of the period, the principal should be repaid semi-annually in 8 installments and interest is payable monthly.
Shanghai Pudong Development Bank Co., Ltd. – Secured loan	61,732 (CNY 14,000)	The period of the loan is from January 26, 2021 to September 18, 2025. 13 months after the start of the period, the principal should be repaid semi-annually in 8 installments and interest is payable monthly.
Shanghai Pudong Development Bank Co., Ltd. – Secured loan	11,024 (CNY 2,500)	The period of the loan is from April 21, 2021 to September 18, 2025. 10 months after the start of the period, the principal should be repaid semi-annually in 8 installments and interest is payable monthly.
Shanghai Pudong Development Bank Co., Ltd. – Secured loan	29,984 (CNY 6,800)	The period of the loan is from July 29, 2021 to September 18, 2025. 7 months after the start of the period, the principal should be repaid semi-annually in 8 installments and interest is payable monthly.

Creditor	As of December 31, 2022	Payment of principal
Sunny Finance Lease (China) Ltd. – Secured loan	$21,606 (CNY 4,900)	The period of the loan is from July 2, 2021 to July 2, 2024. The principal should be repaid annually in 3 installments and interest is payable monthly.
Bank SinoPac (China) Ltd. Shanghai branch – Unsecured loan	23,711 (CNY 5,377)	The period of the loan is from October 29, 2021 to October 28, 2024. The principal should be repaid quarterly in 13 installments and interest is payable monthly.
Bank SinoPac (China) Ltd. Shanghai branch – Unsecured loan	7,904 (CNY 1,792)	The period of the loan is from November 29, 2021 to November 29, 2024. The principal should be repaid quarterly in 13 installments and interest is payable monthly.
Bank SinoPac (China) Ltd. Shanghai branch – Unsecured loan	12,707 (CNY 2,882)	The period of the loan is from December 29, 2021 to December 27, 2024. The principal should be repaid quarterly in 13 installments and interest is payable monthly.
E.SUN Bank (China), Ltd. Dongguan branch – Unsecured loan	3,770 (CNY 855)	The period of the loan is from November 22, 2021 to May 22, 2023. The principal should be repaid monthly in 18 installments and interest is payable monthly.
E.SUN Bank (China), Ltd. Dongguan branch – Unsecured loan	4,515 (CNY 1,024)	The period of the loan is from December 20, 2021 to June 20, 2023. The principal should be repaid monthly in 18 installments and interest is payable monthly.
The Shanghai Commercial and Savings Bank, Ltd. Off – Shore Banking Unit – Unsecured loan	139,338 (CNY 31,600)	The period of the loan is from November 18, 2021 to November 18, 2024. The principal should be repaid every 36 months in 1 installments and interest is payable quarterly.
Sunny Finance Lease (China) Ltd.－Secured loan	21,606 (CNY 4,900)	The period of the loan is from November 8, 2021 to November 8, 2024. The principal should be repaid annually in 3 installments and interest is payable monthly.
Sunny Finance Lease (China) Ltd.－Secured loan	18,520 (CNY 4,200)	The period of the loan is from November 8, 2021 to November 8, 2024. The principal should be repaid annually in 3 installments and interest is payable monthly.
Bank SinoPac (China) Ltd. Shanghai branch – Unsecured loan	16,028 (CNY 3,635)	The period of the loan is from March 28, 2022 to March 28, 2025. The principal should be repaid quarterly in 13 installments and interest is payable monthly.

Creditor	As of December 31, 2022	Payment of principal
Bank SinoPac (China) Ltd. Shanghai branch – Unsecured loan	$11,822 (CNY 2,681)	The period of the loan is from April 27, 2022 to April 25, 2025. The principal should be repaid quarterly in 13 installments and interest is payable monthly.
Bank SinoPac (China) Ltd. Shanghai branch – Unsecured loan	9,934 (CNY 2,253)	The period of the loan is from May 27, 2022 to May 27, 2025. The principal should be repaid quarterly in 13 installments and interest is payable monthly.
Bank SinoPac (China) Ltd. Shanghai branch – Unsecured loan	5,663 (CNY 1,284)	The period of the loan is from June 27, 2022 to June 25, 2025. The principal should be repaid quarterly in 13 installments and interest is payable monthly.
Bank SinoPac (China) Ltd. Shanghai branch – Unsecured loan	6,436 (CNY 1,460)	The period of the loan is from July 22, 2022 to July 21, 2025. The principal should be repaid quarterly in 13 installments and interest is payable monthly.
Bank SinoPac (China) Ltd. Shanghai branch – Unsecured loan	7,804 (CNY 1,770)	The period of the loan is from September 22, 2022 to September 21, 2025. The principal should be repaid quarterly in 13 installments and interest is payable monthly.
Robina Finance & Leasing Corp.(Suzhou) －Secured loan	17,512 (CNY 3,971)	The period of the loan is from April 15, 2022 to April 15, 2025. The principal should be repaid quarterly in 36 installments and interest is payable monthly.
FEIB Financial Leasing Co., Ltd－Secured loan	22,047 (CNY 5,000)	The period of the loan is from May 23, 2022 to May 23, 2025. The principal should be repaid semi-annually in 6 installments and interest is payable monthly.
Bank of Nanjing Co., Ltd. Nantong Branch – Unsecured loan	273,385 (CNY 62,000)	The period of the loan is from June 9, 2022 to May 30, 2027. The principal should be repaid semi-annually in 8 installments and interest is payable monthly.
SCSB Leasing (China) Co., Ltd. – Secured loan	88,189 (CNY 20,000)	The period of the loan is from September 28, 2022 to September 28, 2025. The principal should be repaid semi-annually in 6 installments and interest is payable monthly.
Bank Of Panshin – Unsecured loan	110,236 (CNY 25,000)	The period of the loan is from August 15, 2022 to August 15, 2024. The principal should be repaid every 24 months in 1 installments and interest is payable semi-annually.

Creditor	As of December 31, 2022	Payment of principal
Mega Bank－Unsecured loan	$2,875	The period of the loan is from October 4, 2021 to October 4, 2026. Starting from November 2022, the repayment of principal shall be repaid monthly in 48 installments. Interest is payable monthly.
Mega Bank－Unsecured loan	5,750	The period of the loan is from February 10, 2022 to October 4, 2026. Starting from November 2022, the repayment of principal shall be repaid monthly in 48 installments. Interest is payable monthly.
Subtotal	$22,979,201	
Less: current portion	(1,858,002)	
Total	$21,121,199	
Interest rate	1.50%~8.53%	

Creditor	As of June 30, 2022	Payment of principal
E.Sun Bank – Syndication unsecured loan	$12,460,556 (USD 419,265)	The tenure of the loan is from November 8, 2021 to November 8, 2024. The repayment of principal will be due in a lump-sum payment on the expiration of the term or an extension of additional two years to November 8, 2026 shall be applied prior to the expiration date. The extended facilities shall be repaid in five installments starting from November 8, 2024; every 6 months as one installment. The principal shall be repaid equally in 4 installments and the total loan shall be repaid in 5 installments, with the final payment due no later than on November 8, 2026.
KGI Bank – Unsecured loan	1,400,000	The period of the loan is from September 16, 2021 to September 15, 2023. The repayment of principal will be due in a lump-sum payment on the expiration of the term. Interest is payable monthly.
Yuanta Commercial Bank – Unsecured loan	700,000	The period of the loan is from December 28, 2021 to December 28, 2023. The repayment of principal will be due in a lump-sum payment on the expiration of the term. Interest is payable monthly.

Creditor	As of June 30, 2022	Payment of principal
Chang Hwa Commercial Bank – Unsecured loan	$300,000	The period of the loan is from December 2, 2021 to December 2, 2024. The repayment of principal will be due in a lump-sum payment on the expiration of the term. Interest is payable monthly.
Hua Nan Commercial Bank – Unsecured loan	800,000	The period of the loan is from December 13, 2021 to December 13, 2024. The repayment of principal will be due in a lump-sum payment on the expiration of the term. Interest is payable monthly.
Bank of Taiwan – Unsecured loan	1,000,000	The period of the loan is from April 8, 2022 to April 8, 2024. Starting from July 8, 2024, the repayment of principal shall be repaid equally in 4 installments; every 3 months as one installment. Interest is payable monthly.
O-Bank – Unsecured loan	575,000	The period of the loan is from December 14, 2020 to December 13, 2023. After receiving the loan 1 and 2 years later, the principal should be each repaid $50,000 thousand. The rest of principal will be due in a lump-sum payment on the expiration of the term. Interest is payable monthly.
E.Sun Bank – Unsecured loan	500,000	The period of the loan is from October 12, 2021 to October 9, 2024. After receiving the loan 2 years later, the principal should be repaid quarterly in 5 installments. Interest is payable quarterly.
E.Sun Bank – Unsecured loan	600,000	The period of the loan is from October 12, 2021 to October 9, 2024. After receiving the loan 2 years later, the principal should be repaid quarterly in 5 installments. Interest is payable quarterly.
Jih Sun International Commercial Bank – Unsecured loan	600,000	The period of the loan is from February 10, 2022 to February 8, 2024. The repayment of principal will be due in a lump-sum payment on the expiration of the term. Interest is payable monthly.

Creditor	As of June 30, 2022	Payment of principal
Far Eastern International Bank – Unsecured loan	$500,000	The period of the loan is from November 10, 2020 to November 10, 2023. The repayment of principal will be due in a lump-sum payment on the expiration of the term. Interest is payable monthly.
Taiwan Cooperative Bank – Unsecured loan	250,000	The period of the loan is from March 7, 2022 to March 7, 2025. The repayment of principal will be due in a lump-sum payment on the expiration of the term. Interest is payable monthly.
Mega Bank – Unsecured loan	700,000	The period of the loan is from November 22, 2021 to November 22, 2024. The repayment of principal will be due in a lump-sum payment on the expiration of the term. Interest is payable monthly.
SCSB Leasing (China) Co., Ltd. – Secured loan	17,713 (CNY 4,000)	The period of the loan is from July 17, 2017 to July 17, 2022. The principal should be repaid annually in 5 installments and interest is payable monthly.
SCSB Leasing (China) Co., Ltd. – Secured loan	8,856 (CNY 2,000)	The period of the loan is from August 29, 2017 to August 29, 2022. The principal should be repaid annually in 5 installments and interest is payable monthly.
SCSB Leasing (China) Co., Ltd. – Secured loan	26,570 (CNY 6,000)	The period of the loan is from December 27, 2018 to December 27, 2023. The principal should be repaid annually in 5 installments and interest is payable monthly.
SCSB Leasing (China) Co., Ltd. – Secured loan	27,055 (CNY 6,000)	The period of the loan is from December 27, 2018 to December 27, 2023. The principal should be repaid annually in 5 installments and interest is payable monthly.
SinoPac International Leasing Corp.－Secured loan	6,108 (CNY 1,379)	The period of the loan is from November 28, 2019 to November 28, 2022. The principal should be repaid semi-annually in 6 installments and interest is payable monthly.
SinoPac International Leasing Corp.－Secured loan	11,605 (CNY 2,621)	The period of the loan is from January 17, 2020 to December 17, 2022. The principal should be repaid semi-annually in 6 installments and interest is payable monthly.

Creditor	As of June 30, 2022	Payment of principal
Taiwan Business Bank －Secured loan	$1,623 (CNY 367)	The period of the loan is from December 9, 2019 to December 9, 2022. The principal should be repaid quarterly in 12 installments and interest is payable monthly.
Taiwan Business Bank －Secured loan	15,970 (CNY 3,607)	The period of the loan is from January 21, 2020 to January 21, 2023. The principal should be repaid quarterly in 12 installments and interest is payable monthly.
Hua Nan International Leasing Co., Ltd.－Secured loan	25,030 (CNY 5,652)	The period of the loan is from July 24, 2020 to July 24, 2023. The principal should be repaid monthly in 36 installments and interest is payable monthly.
Hua Nan International Leasing Co., Ltd.－Secured loan	109,638 (CNY 24,758)	The period of the loan is from July 27, 2021 to July 27, 2024. The principal should be repaid monthly in 36 installments and interest is payable monthly.
Taiwan Cooperative International Leasing Co., Ltd. – Secured loan	26,570 (CNY 6,000)	The period of the loan is from August 4, 2020 to August 4, 2023. The principal should be repaid semi-annually in 6 installments and interest is payable monthly.
Shanghai Pudong Development Bank Co., Ltd. – Secured loan	33,212 (CNY 7,500)	The period of the loan is from July 29, 2021 to September 18, 2025. 7 months after the start of the period, the principal should be repaid semi-annually in 8 installments and interest is payable monthly.
Sunny Finance Lease (China) Ltd. – Secured loan	30,998 (CNY 7,000)	The period of the loan is from July 2, 2021 to July 2, 2024. The principal should be repaid annually in 3 installments and interest is payable monthly.
Shanghai Pudong Development Bank Co., Ltd. – Secured loan	24,356 (CNY 5,500)	The period of the loan is from September 18, 2020 to September 18, 2025. 18 months after the start of the period, the principal should be repaid semi-annually in 8 installments and interest is payable monthly.
Shanghai Pudong Development Bank Co., Ltd. – Secured loan	19,706 (CNY 4,450)	The period of the loan is from October 16, 2020 to September 18, 2025. 17 months after the start of the period, the principal should be repaid semi-annually in 8 installments and interest is payable monthly.

Creditor	As of June 30, 2022	Payment of principal
Shanghai Pudong Development Bank Co., Ltd. – Secured loan	$68,638 (CNY 15,500)	The period of the loan is from January 26, 2021 to September 18, 2025. 13 months after the start of the period, the principal should be repaid semi-annually in 8 installments and interest is payable monthly.
Shanghai Pudong Development Bank Co., Ltd. – Secured loan	12,178 (CNY 2,750)	The period of the loan is from April 21, 2021 to September 18, 2025. 10 months after the start of the period, the principal should be repaid semi-annually in 8 installments and interest is payable monthly.
Bank SinoPac (China) Ltd. Shanghai branch – Unsecured loan	30,569 (CNY 6,903)	The period of the loan is from October 29, 2021 to October 28, 2024. The principal should be repaid quarterly in 13 installments and interest is payable monthly.
Bank SinoPac (China) Ltd. Shanghai branch – Unsecured loan	10,190 (CNY 2,301)	The period of the loan is from November 29, 2021 to November 29, 2024. The principal should be repaid quarterly in 13 installments and interest is payable monthly.
Bank SinoPac (China) Ltd. Shanghai branch – Unsecured loan	15,932 (CNY 3,598)	The period of the loan is from December 29, 2021 to December 27, 2024. The principal should be repaid quarterly in 13 installments and interest is payable monthly.
Bank SinoPac (China) Ltd. Shanghai branch – Unsecured loan	19,654 (CNY 4,438)	The period of the loan is from March 28, 2022 to March 28, 2025. The principal should be repaid quarterly in 13 installments and interest is payable monthly.
E.SUN Bank (China), Ltd. Dongguan branch – Unsecured loan	8,231 (CNY 1,859)	The period of the loan is from November 22, 2021 to May 22, 2023. The principal should be repaid monthly in 18 installments and interest is payable monthly.
E.SUN Bank (China), Ltd. Dongguan branch – Unsecured loan	8,962 (CNY 2,024)	The period of the loan is from December 20, 2021 to June 20, 2023. The principal should be repaid monthly in 18 installments and interest is payable monthly.
The Shanghai Commercial and Savings Bank, Ltd. Off – Shore Banking Unit – Unsecured loan	139,934 (CNY 31,600)	The period of the loan is from November 18, 2021 to November 18, 2024. The principal should be repaid every 36 months in 1 installments and interest is payable quarterly.

Creditor	As of June 30, 2022	Payment of principal
Sunny Finance Lease (China) Ltd.－Secured loan	$30,998 (CNY 7,000)	The period of the loan is from November 8, 2021 to November 8, 2024. The principal should be repaid annually in 3 installments and interest is payable monthly.
Sunny Finance Lease (China) Ltd.－Secured loan	26,570 (CNY6,000)	The period of the loan is from November 8, 2021 to November 8, 2024. The principal should be repaid annually in 3 installments and interest is payable monthly.
Bank SinoPac (China) Ltd. Shanghai branch – Unsecured loan	14,497 (CNY3,274)	The period of the loan is from April 27, 2022 to April 25, 2025. The principal should be repaid quarterly in 13 installments and interest is payable monthly.
Bank SinoPac (China) Ltd. Shanghai branch – Unsecured loan	12,182 (CNY2,751)	The period of the loan is from May 27, 2022 to May 27, 2025. The principal should be repaid quarterly in 13 installments and interest is payable monthly.
Bank SinoPac (China) Ltd. Shanghai branch – Unsecured loan	6,819 (CNY1,540)	The period of the loan is from June 27, 2022 to June 27, 2025. The principal should be repaid quarterly in 13 installments and interest is payable monthly.
Robina Finance & Leasing Corp.(Suzhou) －Secured loan	$21,021 (CNY4,747)	The period of the loan is from April 15, 2022 to April 15, 2025. The principal should be repaid quarterly in 36 installments and interest is payable monthly.
FEIB Financial Leasing Co., Ltd－Secured loan	26,570 (CNY6,000)	The period of the loan is from May 23, 2022 to May 23, 2025. The principal should be repaid semi-annually in 6 installments and interest is payable monthly.
Bank of Nanjing Co., Ltd. Nantong Branch – Unsecured loan	287,839 (CNY65,000)	The period of the loan is from June 9, 2022 to May 30, 2027. The principal should be repaid semi-annually in 8 installments and interest is payable monthly.
Mega Bank－Unsecured loan	3,000	The period of the loan is from October 4, 2021 to October 4, 2026. Starting from November 2022, the repayment of principal shall be repaid monthly in 48 installments. Interest is payable monthly.

Creditor	As of June 30, 2022	Payment of principal
Mega Bank－Unsecured loan	$6,000	The period of the loan is from February 10, 2022 to October 4, 2026. Starting from November 2022, the repayment of principal shall be repaid monthly in 48 installments. Interest is payable monthly.
Subtotal	21,493,295	
Less: current portion	(333,789)	
Total	$21,159,506	
Interest rate	0.66%~8.54%	

B. Please refer to Note 8 for more details on assets pledged as security for non-current borrowings.

(19) Post-employment benefits

A. Defined contribution plan

Pension expenses under the defined contribution plan for the three-month period ended June 30, 2023 and 2022 were $117,590 thousand and $155,191 thousand, respectively; pension expenses under the defined contribution plan for the six-month period ended June 30, 2023 and 2022 were $252,520 thousand and $297,350 thousand, respectively.

B. Defined benefits plan

Pension expenses under the defined benefits plan for the three-month period ended June 30, 2023 and 2022 were $21,360 thousand and $19,272 thousand, respectively; pension expenses under the defined benefits plan for the six-month period ended June 30, 2023 and 2022 were $48,624 thousand and $37,919 thousand, respectively.

(20) Equity

A. Ordinary share

As of January 1, 2022, the Company’s authorized capital was $20,000,000 thousand and the paid-in capital was $14,796,682 thousand; the outstanding shares was 1,479,668 thousand shares, each at a par value of $10.

The Company issued employee share options in May 2015. For the year ended December 31, 2022 6,944 thousand shares (within 6,944 thousand shares were completed during the six-month period ended June 30, 2022) of employee share options was converted to common shares. The Company had received all capital amount, but the aforementioned conversion of employee share options amounted to 1,034 thousand shares were not completed amendment of registration as of June 30, 2022. The employee share option was expired in May, 2022.

The Company issued employee share options in December 2019. For the year ended December 31, 2022 and the six-month period ended June 30, 2023, 7,804 thousand shares (within 6,434 thousand shares were completed during the six-month period ended June 30, 2022) and 2,438 thousand shares of employee share options were converted to common shares. The Company had received all capital amount, but the aforementioned conversion of employee share options amounted to 2,438 thousand shares, 1,361 thousand shares and 1,132 thousand shares were not completed amendment of registration as of June 30, 2023, December 31, 2022 and June 30, 2022, respectively.

As of June 30, 2023 and 2022, the Company's authorized capital were all $20,000,000 thousand and the paid-in capital were $14,968,542 thousand and $14,930,462 thousand, respectively; the outstanding shares were 1,496,854 thousand shares and 1,493,046 thousand shares, respectively, each at a par value of $10. Each share has one voting right and right to receive dividends.

B. Capital surplus

	As of		
	June 30, 2023	December 31, 2022	June 30, 2022
Additional paid-in capital arising from ordinary share	$239,648	$226,385	$218,932
Treasury share transactions	386,081	371,990	371,990
Changes in equity of subsidiaries, associates and joint ventures and others	215,184	192,735	157,274
Total	$840,913	$791,110	$748,196

According to the Company Act, the capital surplus shall not be used except for offsetting the deficit of the Company. When a company incurs no loss, it may distribute the capital surplus generated from the excess of the issuance price over the par value of share capital and donations. The distribution could be made in cash or in the form of dividend shares to its shareholders in proportion to the number of shares being held by each of them.

C. Treasury shares

As of June 30, 2023, December 31, 2022 and June 30, 2022, the amount of treasury shares held by the Group were $230,380 thousand, $331,782 thousand, $331,782 thousand, respectively, and the number of treasury shares held by the Group were 19,750 thousand, 28,443 thousand, 28,443 thousand shares, respectively.

Please refer to Note 6(21)(C) for more details on treasury shares transferred to Company's employees of the parent entity.

D. Retained earnings and dividend policy

According to the Company Articles of Incorporation, current year's earnings, if any, shall be distributed in the following order:

(a) Payment of all taxes and dues;
(b) Offset prior years' operation losses;
(c) Set aside 10% of the remaining amount after deducting items (a) and (b) as legal reserve;
(d) Set aside or reverse special reserve in accordance with law and regulations; and
(e) The distribution of the remaining portion, if any, will be recommended by the Board of Directors, the distribution made in the form of dividend shares should be resolved in the shareholders' meeting; the distribution made in cash could be special resolved by the Board of Directors and reported in the shareholders' meeting.

The policy of dividend distribution should reflect factors such as the current and future investment environment, fund requirements, domestic and international competition and capital budgets; as well as the interest of the shareholders, share bonus equilibrium and long-term financial planning etc. The Board of Directors shall make the distribution proposal annually and present it at the shareholders' meeting. The proportion of stock dividends may be within 0% to 90% of the total dividends, and the cash dividends may be within 10% to 100% of the total dividends.

According to the Company Act, the Company needs to set aside amount to legal reserve unless where such legal reserve amounts to the total authorized capital. The legal reserve can be used to make good the deficit of the Company. When the Company incurs no loss, it may distribute the portion of legal serve which exceeds 25% of the paid-in capital by issuing new shares or by cash in proportion to the number of shares being held by each of the shareholders.

When the Company distributing distributable earnings, it shall set aside to special reserve, an amount equal to “other net deductions from shareholders” equity for the current fiscal year, provided that if the company has already set aside special reserve according to the requirements for the adoption of IFRS, it shall set aside supplemental special reserve based on the difference between the amount already set aside and other net deductions from shareholders’ equity. For any subsequent reversal of other net deductions from shareholders’ equity, the amount reversed may be distributed from the special reserve.

The FSC on June 30, 2021 issued Order No. Financial-Supervisory-Securities-Corporate-1090150022, which sets out the following provisions for compliance:

On a public company's first-time adoption of the IFRS, for any unrealized revaluation gains and cumulative translation adjustments (gains) recorded to shareholders’ equity that the company elects to transfer to retained earnings by application of the exemption under IFRS 1, the company shall set aside special reserve. For any subsequent use, disposal or reclassification of related assets, the Company can reverse the special reserve by the proportion of the special reserve first appropriated and distribute it.

Details of the year of 2022 and 2021 earnings distribution and dividends per share which were special resolved and reported by the Board of Directors and shareholders’ meeting held on May 30, 2023 and June 27, 2022, respectively were as follows:

	Appropriation of earnings		Dividend per share (NTD$)	
	2022	2021	2022	2021
Legal reserve	$100,002	$-		
Special reserve(Note)	-	(710,750)		
Cash dividends of ordinary share	440,245	290,551	$0.3	$0.2

Note : In accordance with regulatory requirements law and regulations, the Company set aside special reserve equivalent to the for contra account in net deductions from the shareholders’ equity on January 1, 2021. The amount has been reversed due to removal elimination of such restriction as of December 31, 2021.

Please refer to Note 6(26) for further details on employees’ compensation and remuneration to directors and supervisors.

E. Non-controlling interests

	For the six-month period ended	
	June 30, 2023	June 30, 2022
Beginning balance	$10,454,183	$9,927,883
Profit, attributable to non-controlling interest	56,728	(38,017)
Other comprehensive income, attributable to non-controlling interest:		
Exchange differences on translation	240,768	423,414
Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	(1,438)	(4,994)
Other components of other comprehensive income that will be reclassified to profit or loss	(172)	(737)
Subsidiaries appropriated and distributed retained earnings for cash dividends	(23,975)	(21,573)
Changes in ownership interests in subsidiaries	97,414	43,836
Share-based payments	6,300	2,436
Ending balance	$10,829,808	$10,332,248

(21) Share-based payments

Certain employees of the Group are entitled to share-based payments as part of their remunerations. Services are provided by the employees in return for the equity instruments granted. These plans are accounted for as equity-settled share-based payments transactions.

A. Share-based payments plan for employees of the parent entity

On December 15, 2014 and November 28, 2019, the Company was authorized by the Securities and Futures Bureau of the FSC to issue employee share options with a total number of 40,000 units and 45,000 units, respectively. Each unit entitles an optioned to subscribe for 1,000 shares of the Company’s common shares. The exercise price of the option was set at the closing price of the Company’s common share on the grant date. The optionee may exercise the options in accordance with certain schedules as prescribed by the plan starting 2 years from the grant date. Settlement upon the exercise of the options will be made through the issuance of new shares by the Company.

The fair value of the share options is estimated at the grant date using a binomial option pricing-model, taking into account the terms and conditions upon which the share options were granted.

The contractual term of each option granted is 7 years. There are no cash settlement alternatives. The Company does not have a past practice of cash settlement for these employee share options.

The relevant details of the aforementioned share-based payments plan were as follows:

Date of grant	Total number of share options granted (in thousands)	Exercise price of share options ($) (Note)
May 18, 2015	40	$10.49
December 16, 2019	45	$11.75

Note: After the share options are granted, if the capital shares changes (issuance of common stock, retained earnings transferred to common stock, capital reserve transferred to common stock, business combination, share split or raising capital by participating in depository receipt, issuance overseas certificates, etc.), decreases for reasons other than decrease in treasury stocks or issues cash dividends per share amounting more than 1.5% of the stock price at that time, it would be adjusted following the Company's order of share-based payment plan for employees.

The following table lists the inputs to the model used for the plan granted during the years of 2015 and 2019:

	Year of 2015	Year of 2019
Dividend yield (%)	-	-
Expected volatility (%)	32.20%	26.94%
Risk-free interest rate (%)	1.2476%	0.6165%
Expected option life (year)	7 years	7 years
Weighted average share price ($)	$12.35	$12.55
Option pricing model	Binomial option pricing model	Binomial option pricing model

The expected life of the share options is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may also not necessarily be the actual outcome.

The further details on the aforementioned share-based payments plan were as follows:

	For the six-month period ended			
	June 30, 2023		June 30, 2022	
	Number of share options outstanding	Weighted average exercise price of share options ($)	Number of share options outstanding	Weighted average exercise price of share options ($)
Outstanding at beginning of period	20,369	$11.75	45,606	$11.55
Granted	-	-	-	-
Forfeited	(133)	11.75	(1,768)	11.94
Exercised	(2,438)	11.75	(13,378)	11.19
Expired	-	-	(5,413)	10.49
Outstanding at end of period	17,798	$11.75	25,047	$11.94
Exercisable at end of period	10,062	$11.75	6,871	$11.94
For share options granted during the period, weighted average fair value of those options at the measurement date ($)		$-		$-

The information on the outstanding share options was as follows:

	Range of exercise price ($)	Weighted average remaining contractual life (years)
As of June 30, 2023		
Share options outstanding at the end of the period	$11.75	3.46
As of December 31, 2022		
Share options outstanding at the end of the period	$11.75	3.96
As of June 30, 2022		
Share options outstanding at the end of the period	$11.94	4.46

B. Share-based payments plan for employees of the subsidiaries

(a) On February 25, 2019, the Company’s subsidiary, Cal-Comp Electronics (Thailand) Public Company Limited, issued employee share options with a total number of 225,000 thousand units. Each unit entitles an optionee to subscribe for 1 share of the subsidiary’s common shares. Settlement upon the exercise of the options will be made through the issuance of new shares by the subsidiary. The exercise price of the option was set at THB $2.16. The contractual term of each option granted is 4 years. The optionee may exercise the options in accordance with certain schedules as prescribed by the plan upon maturity of 1 year following the grant date.

The fair value of the share options is estimated at the grant date using Black scholes pricing model, taking into account the terms and conditions upon which the share options were granted.

The relevant details of the aforementioned share-based payment plan were as follows:

Date of grant	Total number of share options granted (in thousands)	Exercise price of share options (THB $)
February 25, 2019	225,000	$2.16

On May 11, 2021, the abovementioned employee share options were resolved and approved by the board of directors of the Company's subsidiary, Cal-Comp Electronics (Thailand) Public Company Limited, to adjust the exercise method that each unit entitles an optionee to subscribe for 1.083 shares of the subsidiary's common shares. The exercise price per share of the option was set at THB 1.994. Therefore, the exercise price per unit of the option remained at THB 2.16.

The following table lists the inputs to the model used for the plan granted during the year of 2019:

Dividend yield (%)	-
Expected volatility (%)	25.26%
Risk-free interest rate (%)	1.83%~1.99%
Expected option life (year)	4 years
Weighted average share price (THB $)	$1.805
Option pricing model	Black scholes option pricing model

The expected life of the share options is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may also not necessarily be the actual outcome.

The further details on the aforementioned share-based payment plan were as follows:

	For the six-month period ended			
	June 30, 2023		June 30, 2022	
	Number of share options outstanding (in thousands)	Weighted average exercise price of share options (THB $)	Number of share options outstanding (in thousands)	Weighted average exercise price of share options (THB $)
Outstanding at beginning of period	156,621	$2.16	171,755	$2.16
Granted	-	-	-	-

	For the six-month period ended			
	June 30, 2023		June 30, 2022	
	Number of share options outstanding (in thousands)	Weighted average exercise price of share options (THB $)	Number of share options outstanding (in thousands)	Weighted average exercise price of share options (THB $)
Forfeited	-	-	(2,169)	2.16
Exercised	(11,646)	2.16	(9,796)	2.16
Expired	(144,975)	2.16	-	-
Outstanding at end of period	-	$-	159,790	$2.16
Exercisable at end of period	-	$-	159,790	$2.16
For share options granted during the period, weighted average fair value of those options at the measurement date (THB $)		$-		$-

The information on the outstanding share options was as follows:

	Range of exercise price (THB $)	Weighted average remaining contractual life (years)
As of June 30, 2023		
Share options outstanding at the end of the period	$-	-
As of December 31, 2022		
Share options outstanding at the end of the period	$2.16	0.15
As of June 30, 2022		
Share options outstanding at the end of the period	$2.16	0.66

(b) On April 30, 2019, the Company’s subsidiary, Qbit Semiconductor Holding, Ltd., issued employee share options with a total number of 518 thousand units. Each unit entitles an option to subscribe for 1 share of the subsidiary’s common shares. Settlement upon the exercise of the options will be made through the issuance of new shares by the subsidiary. The optionee may exercise the options all at USD $0.1 in accordance with certain schedules as prescribed by the plan upon maturity of 3 to 4 years following the grant date.

The fair value of the share options is estimated at the grant date using Black-Scholes option pricing-model, taking into account the terms and conditions upon which the share options were granted.

The exercise price of the option was set at par value of the subsidiary's common share on the grant date. The contractual term of each option granted is 3 to 4 years. There are no cash settlement alternatives. The Group does not have a past practice of cash settlement for these employee share options.

The relevant details of the aforementioned share-based payment plan were as follows:

Date of grant	Total number of share options granted (in thousands)	Exercise price of share options (USD $)
April 30, 2019	518	$0.1

The following table lists the inputs to the model used for the plan granted during the years of 2019:

Dividend yield (%)	-
Expected volatility (%)	28.93%~30.58%
Risk-free interest rate (%)	0.58%~0.59%
Expected option life (year)	3.5~4 years
Weighted average share price (USD $)	$0.095
Option pricing model	Black-Scholes option pricing model

The expected life of the share options is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may also not necessarily be the actual outcome.

The further details on the aforementioned share-based payment plan were as follows:

	For the six-month period ended			
	June 30, 2023		June 30, 2022	
	Number of share options outstanding (in thousands)	Weighted average exercise price of share options (USD $)	Number of share options outstanding (in thousands)	Weighted average exercise price of share options (USD $)
Outstanding at beginning of period	518	$0.1	518	$0.1
Granted	-	-	-	-
Forfeited	-	-	-	-
Exercised	-	-	-	-
Expired	(518)	0.1	-	-
Outstanding at end of period	-	$-	518	$0.1
Exercisable at end of period	-	$-	-	$-
For share options granted during the period, weighted average fair value of those options at the measurement date (USD $)		$-		$-

The information on the outstanding share options was as follows:

	Range of exercise price (USD $)	Weighted average remaining contractual life (years)
As of June 30, 2023		
Share options outstanding at the end of the period	$0.1	-
As of December 31, 2022		
Share options outstanding at the end of the period	$0.1	0.33
As of June 30, 2022		
Share options outstanding at the end of the period	$0.1	0.83

(c) On August 12, 2019, November 12, 2020 and November 11, 2021, the Company's subsidiary, CastleNet Technology Inc., resolved and approved by the Board of Directors to issue employee share options with a total number of 10,000 units, 3,000 units and 3,000 units, respectively. Each unit entitles an optionee to subscribe for 1,000 shares of the subsidiary's common shares. The exercise price of the option was set at the closing price of the subsidiary's common share on the grant date. The optionee may exercise the options in accordance with certain schedules as prescribed by the plan starting 2 years from the grant date. Settlement upon the exercise of the options will be made through the issuance of new shares by the Company.

The fair value of the share options is estimated at the grant date using Black-Scholes option pricing-model, taking into account the terms and conditions upon which the share options were granted.

The relevant details of the aforementioned share-based payment plan were as follows:

Date of grant	Total number of share options granted (in units)	Exercise price of share options ($) (Note)
August 30, 2019	8,508	$12.60
December 25, 2020	1,663	$11.45
November 24, 2021	1,337	$10.80

Note: After the share options are granted, except for issuance of various securities with common stock conversion rights or share options to exchange common stock shares or issuance of new shares for employee compensation, when the capital shares change (including private offering), the exercise price of share options would be adjusted according to the company's share-based payment plan for employees.

The following table lists the inputs to the model used for the plan granted during the years of 2019 to 2021:

	Year of 2019	Year of 2020	Year of 2021
Dividend yield (%)	-	-	-
Expected volatility (%)	39.979%~41.061%	43.540%~46.311%	41.680%
Risk-free interest rate (%)	0.522%~0.543%	0.1771%~0.1968%	0.460%
Expected option life (year)	7 years	7 years	7 years
Weighted average share price ($)	$13.60	$11.45	$10.80
Option pricing model	Black-Scholes option pricing model	Black-Scholes option pricing model	Black-Scholes option pricing model

The expected life of the share options is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may also not necessarily be the actual outcome.

The further details on the aforementioned share-based payment plan were as follows:

	For the six-month period ended			
	June 30, 2023		June 30, 2022	
	Number of share options outstanding (in units)	Weighted average exercise price of share options ($)	Number of share options outstanding (in units)	Weighted average exercise price of share options ($)
Outstanding at beginning of period	8,615	$12.13	9,075	$12.13
Granted	-	-	-	-
Forfeited	(536)	12.09	(385)	12.23
Exercised	(1,110)	12.36	-	-
Expired	-	-	-	-
Outstanding at end of period	6,969	$12.10	8,690	$12.12
Exercisable at end of period	3,690	$12.46	2,910	$12.60
For share options granted during the period, weighted average fair value of those options at the measurement date ($)		$-		$-

The information on the outstanding share options was as follows:

	Range of exercise price ($)	Weighted average remaining contractual life (years)
As of June 30, 2023		
Share options outstanding at the end of the period	$12.60, $11.45 and $10.80	3.17, 4.49 and 5.40
As of December 31, 2022		
Share options outstanding at the end of the period	$12.60, $11.45 and $10.80	3.67, 4.99 and 5.90
As of June 30, 2022		
Share options outstanding at the end of the period	$12.60, $11.45 and $10.80	4.17, 5.49 and 6.40

C. Treasury shares transferred to Company's employees of the parent entity

To motivate employees and retain the best talent, a resolution of repurchasing and transferring shares to employees was approved at the board meeting held on March 20, 2018. The number of shares to be repurchased was 40,000 thousand shares. The Company has repurchased all the aforementioned shares at the cost of $412,597 thousand during the year of 2018. In addition, the board meeting held on March 30, 2020 has approved a resolution of repurchasing 45,000 thousand shares of the Company for employee compensation plan, and the Company has repurchased 331,782 thousand shares at the cost of $28,443 thousand as of the expiry date of the buyback period. As of June 30, 2023, the Company has transferred 48,693 thousand shares to employees.

D. Expenses incurred on share-based payment transactions were shown as follows:

	For the three-month period ended		For the six-month period ended	
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
Equity-settled	$22,216	$9,079	$25,984	$19,135

(22) Operating revenue

A. Breakdown of operating revenue was as follows:

	For the three-month period ended		For the six-month period ended	
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
Revenue from contracts with customers				
Sale of goods	$39,302,815	$41,313,560	$78,452,697	$81,240,920
Revenue arising from rendering of services	79,774	115,510	177,091	231,483

	For the three-month period ended		For the six-month period ended	
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
Other revenue	20,116	57,050	106,714	84,128
Total	$39,402,705	$41,486,120	$78,736,502	$81,556,531

B. Analysis of revenue from contracts with customers was shown as follows:

(a) Disaggregation of revenue

For the three-month period ended June 30, 2023:

	Consumer electronic products	Other operating segments	Total
Sale of goods	$38,828,536	$474,279	$39,302,815
Rendering of services	78,751	1,023	79,774
Total	$38,907,287	$475,302	$39,382,589

Timing of revenue recognition:			
At a point in time	$38,870,080	$475,302	$39,345,382
Over time	37,207	-	37,207
Total	$38,907,287	$475,302	$39,382,589

For the three-month period ended June 30, 2022:

	Consumer electronic products	Other operating segments	Total
Sale of goods	$40,854,646	$458,914	$41,313,560
Rendering of services	115,510	-	115,510
Total	$40,970,156	$458,914	$41,429,070

Timing of revenue recognition:			
At a point in time	$40,961,705	$458,914	$41,420,619
Over time	8,451	-	8,451
Total	$40,970,156	$458,914	$41,429,070

For the six-month period ended June 30, 2023:

	Consumer electronic products	Other operating segments	Total
Sale of goods	$77,616,419	$836,278	$78,452,697
Rendering of services	176,068	1,023	177,091
Total	$77,792,487	$837,301	$78,629,788
Timing of revenue recognition:			
At a point in time	$77,689,555	$837,301	$78,526,856
Over time	102,932	-	102,932
Total	$77,792,487	$837,301	$78,629,788

For the six-month period ended June 30, 2022:

	Consumer electronic products	Other operating segments	Total
Sale of goods	$80,329,599	$911,321	$81,240,920
Rendering of services	231,483	-	231,483
Total	$80,561,082	$911,321	$81,472,403
Timing of revenue recognition:			
At a point in time	$80,472,758	$911,321	$81,384,079
Over time	88,324	-	88,324
Total	$80,561,082	$911,321	$81,472,403

(b) Contract balances

Current contract liabilities

	As of			
	June 30, 2023	December 31, 2022	June 30, 2022	January 1, 2022
Sales of goods	$657,892	$323,525	$137,199	$89,199

The significant changes in the Group's balances of contract liabilities for the six-month period ended June 30, 2023 and 2022 were as follows:

	For the six-month period ended	
	June 30, 2023	June 30, 2022
The opening balance transferred to revenue	$(79,407)	$(49,823)
Increase in receipts in advance during the period (excluding the amount incurred and transferred to revenue during the period)	407,016	96,326
Effect of exchange rate changes and others	6,758	1,497

(c) The Group's transaction price allocated to unsatisfied performance obligations as of June 30, 2023 and 2022 were expected to be recognized as revenue within a year.

(d) There were no assets recognized from costs to fulfill a contract during the period.

(23) Impairment loss (impairment gain and reversal of impairment loss) determined in accordance with IFRS 9

A. The impairment loss (impairment gain and reversal of impairment loss) determined in accordance with IFRS 9 recognized as operating expenses was as follows:

	For the three-month period ended		For the six-month period ended	
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
Operating expenses – impairment loss (reversal of impairment loss) determined in accordance with IFRS 9				
Notes receivable	$17	$55	$2	$(85)
Accounts receivable	6,296	(1,828)	4,816	(3,010)
Other receivables	(8,147)	(2,221)	(12,315)	5,168
Total	$(1,834)	$(3,994)	$(7,497)	$2,073

B. Please refer to Note 12 for more details on credit risk.

C. The credit risk for the Group's financial assets measured at amortized cost as of June 30, 2023 and 2022, was assessed as low (the same as the assessment result in the beginning of the period). Therefore, the expected credit loss which was measured at an amount equal to twelve-month expected credit loss was not significant.

D. The Group measures the loss allowance of its receivables (including notes receivable, accounts receivable and accounts receivable due from related parties) at an amount equal to lifetime expected credit loss. The assessment of the Group's loss allowance as of June

30, 2023, December 31, 2022 and June 30, 2022 was as follow:

(a) The Group considers the grouping of notes receivable and accounts receivable by counterparties' credit rating, by geographical region and by industry sector. Based on the historical credit loss experience, different customer groups do not have significantly different loss patterns. Therefore, the loss allowance is measured by using a provision matrix without distinguishing the sectors. The details as of June 30, 2023, December 31, 2022 and June 30, 2022 are as follows:

	As of June 30, 2023					
	Not yet due	Overdue				
	(Note1)	<=30 days	31-60 days	61-90 days	>=91 days	Total
Gross carrying amount	$31,539,799	$525,250	$404,213	$3,718	$48,847	$32,521,827
Loss ratio	0%~0.625%	0%~0.625%	0%~10%	0%~30%	0%~100%	
Lifetime expected credit loss	(1,816)	(581)	(36,819)	(563)	(7,040)	(46,819)
Carrying amount of accounts receivable	$31,537,983	$524,669	$367,394	$3,155	$41,807	$32,475,008

	As of December 31, 2022					
	Not yet due	Overdue				
	(Note1)	<=30 days	31-60 days	61-90 days	>=91 days	Total
Gross carrying amount	$40,344,682	$742,210	$238,136	$14,969	$60,411	$41,400,408
Loss ratio	0%~0.625%	0%~0.625%	0%~10%	0%~30%	0%~100%	
Lifetime expected credit loss	(396)	(61)	-	(226)	(40,693)	(41,376)
Carrying amount of accounts receivable	$40,344,286	$742,149	$238,136	$14,743	$19,718	$41,359,032

	As of June 30, 2022					
	Not yet due	Overdue				
	(Note1)	<=30 days	31-60 days	61-90 days	>=91 days	Total
Gross carrying amount	$30,835,051	$915,508	$151,690	$1,360,988	$128,846	$33,392,083
Loss ratio	0%~0.06%	0%~0.06%	0%~10%	0%~30%	0%~100%	
Lifetime expected credit loss	(1,829)	(12)	-	(200)	(40,493)	(42,534)
Carrying amount of accounts receivable	$30,833,222	$915,496	$151,690	$1,360,788	$88,353	$33,349,549

Note 1: The Group's notes receivable was not overdue.

Note 2: The Group follows the requirement of IFRS 9 to assess the business model the accounts receivable was held within. Certain amount of USD 77,409 thousand, USD 109,646 thousand and USD 59,704 thousand included in the accounts receivable as of June 30, 2023, December 31, 2022 and June 30, 2022, respectively, were sold to the aforementioned financial institutions in the subsequent period.

(b) The credit period of the Group's sale of goods is from 30 to 180 days. To manage the credit risk, before accepting a new customer, the Group will evaluate the potential customer's credit quality and set credit line for the customer through the credit rating system. Customers' credit line and rating shall be reviewed according to the type of customer on a periodical basis to ensure that adequate loss allowance has been provided. In addition, most of the counterparties the Group transacts with are large international companies with good credit rating. Moreover, based on the historical default rates and other internal and external resources for the assessment, there's no significant credit loss for the Group.

E. The movements in the provision for impairment of receivables during the six-month period ended June 30, 2023 and 2022 were shown as follows:

	Accounts receivable	Other accounts receivable	Total
Beginning balance as of January 1, 2023	$41,376	$51,777	$93,153
Allowance (reverse) for the current period	4,818	(12,315)	(7,497)
Reclassification, effect of exchange rate changes and others	625	484	1,109
Ending balance as of June 30, 2023	$46,819	$39,946	$86,765

	Accounts receivable	Other accounts receivable	Total
Beginning balance as of January 1, 2022	$42,707	$39,942	$82,649
Allowance (reverse) for the current period	(3,095)	5,168	2,073
Reclassification, effect of exchange rate changes and others	2,922	3,126	6,048
Ending balance as of June 30, 2022	$42,534	$48,236	$90,770

(24) Operating costs

	For the three-month period ended		For the six-month period ended	
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
Cost of sales	$36,791,787	$38,812,325	$73,341,116	$76,717,275
Cost of services	67,154	3,979	86,525	26,764
Others	11,286	89,969	73,931	134,349
Total	$36,870,227	$38,906,273	$73,501,572	$76,878,388

(25) Leases

A. Group as a lessee

The Group leases various properties, including real estate such as land and buildings, and other equipment. The lease terms range from 1 to 50 years.

The Group's leases effect on the financial position, financial performance and cash flows were as follows:

(a) Amounts recognized in the balance sheet

i. Right-of-use assets

The carrying amount of right-of-use assets

	As of		
	June 30, 2023	December 31, 2022	June 30, 2022
Land	$1,156,588	$1,163,419	$1,165,074
Buildings	311,270	369,001	471,537
Other equipment	1,402	221	524
Total	$1,469,260	$1,532,641	$1,637,135

During the six-month period ended June 30, 2023 and 2022, the Group's additions to right-of-use assets amounted to $35,974 thousand and $54,492 thousand.

ii. Lease liabilities

	As of		
	June 30, 2023	December 31, 2022	June 30, 2022
Lease liabilities	$345,681	$398,835	$496,109
Current	$140,650	$146,152	$163,130
Non-current	$205,031	$252,683	$332,979

Please refer to Note 6(27)(D) for the interest expense on lease liabilities recognized during the six-month period ended June 30, 2023 and 2022; refer to Note 12(5) Liquidity Risk Management for the maturity analysis for lease liabilities as of June 30, 2023 and 2022.

(b) Amounts recognized in the statement of profit or loss

Depreciation charge for right-of-use assets

	For the three-month period ended		For the six-month period ended	
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
Land	$8,404	$5,860	$11,977	$9,797
Buildings	34,883	45,307	75,013	83,855
Other equipment	83	236	97	463
Total	$43,370	$51,403	$87,087	$94,115

(c) Income and costs relating to leasing activities

	For the three-month period ended		For the six-month period ended	
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
The expenses relating to short-term leases	$24,657	$20,460	$53,693	$37,950
The relating to leases of low-value assets (Not including the expenses relating to short-term leases of low-value assets)	2,272	1,505	2,951	2,944
The expenses relating to variable lease payments not included in the measurement of lease liabilities	3,972	2,388	8,915	5,773
Total	$30,901	$24,353	$65,559	$46,667

(d) Cash outflow relating to leasing activities

The Group’s total cash outflows for leases amounted to $64,382 thousand and $77,030 thousand for the three-month period ended June 30, 2023 and 2022; $139,469 thousand and $138,705 thousand for the six-month period ended June 30, 2023 and 2022, respectively.

(e) Other information relating to leasing activities

i. Variable lease payments

The Group does not have significant variable lease payments.

ii. Extension and termination options

Some of the Group's building and equipment rental agreement contain extension and termination options. In determining the lease terms, the non-cancellable period for which the Group has the right to use an underlying asset, together with both periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option. These options are used to maximize operational flexibility in terms of managing contracts. The majority of extension and termination options held are exercisable only by the Group. After the commencement date, the Group reassesses the lease term upon the occurrence of a significant event or a significant change in circumstances that is within the control of the lessee and affects whether the Group is reasonably certain to exercise an option not previously included in its determination of the lease term, or not to exercise an option previously included in its determination of the lease term.

iii. Residual value guarantees

There is no residual value guarantee provided by the Group, and no residual value guarantee was recognized as part of the lease liability.

(26) Additional information of expenses by function

A. Summary statement of employee benefits, depreciation and amortization expenses by function were as follows:

By function / By feature	For the three-month period ended					
	June 30, 2023			June 30, 2022		
	Operating costs	Operating expenses	Total amount	Operating costs	Operating expenses	Total amount
Employee benefits expense						
Wages and salaries	$2,084,627	$857,496	$2,942,123	$2,227,394	$1,022,452	$3,249,846
Labor and health insurance	120,958	52,755	173,713	122,330	61,285	183,615
Pension	105,079	33,871	138,950	123,846	50,617	174,463
Other employee benefits expense	75,553	37,870	113,423	77,724	28,354	106,078
Depreciation	700,729	76,530	777,259	711,558	103,169	814,727
Amortization	4,351	32,884	37,235	5,237	19,394	24,631

By function / By feature	For the six-month period ended					
	June 30, 2023			June 30, 2022		
	Operating costs	Operating expenses	Total amount	Operating costs	Operating expenses	Total amount
Employee benefits expense						
Wages and salaries	$4,257,893	$1,791,455	$6,049,348	$4,539,464	$2,066,350	$6,605,814
Labor and health insurance	263,600	112,894	376,584	230,573	132,168	362,741
Pension	224,979	76,165	301,144	236,029	99,240	335,269
Other employee benefits expense	149,790	94,952	244,742	139,506	78,976	218,482
Depreciation	1,380,613	161,849	1,542,462	1,338,362	206,124	1,544,486
Amortization	7,035	57,312	64,347	9,313	39,339	48,652

B. According to the Articles of Incorporation of the Company, no lower than 2% of profit of the current year is distributable as employees' compensation and no higher than 2% of profit of the current year is distributable as remuneration to directors. However, the Company's accumulated losses shall have been covered. The Company may, by a resolution adopted by a majority vote at a meeting of Board of Directors attended by two-thirds of the total number of directors, have the profit distributable as employees' compensation in the form of shares or in cash; and in addition thereto a report of such distribution is submitted to the shareholders' meeting. Information on the Board of Directors' resolution regarding the employees' compensation and remuneration to directors can be obtained from the "Market Observation Post System" on the website of the TWSE.

Based on profit of the six-month period ended June 30, 2023 and 2022, the Company estimated the amounts of the employees' compensation and remuneration to directors and supervisors to be both 9.0% and 2.0%, respectively. As such, employees' compensation and remuneration to directors were recognized as employee benefits expense at $16,189 thousand and $2,159 thousand, for the three-month period ended June 30, 2023; 45,088 thousand and $6,012 thousand for the six-month period ended June 30, 2023, respectively. Employees' compensation and remuneration to directors were recognized as employee benefits expense at $35,017 thousand and $7,781 thousand for the three-month period ended June 30, 2022; $76,150 thousand and $16,922 thousand for the six-month period ended June 30, 2022, respectively. The aforementioned amount was recognized in wages and salaries.

A resolution was approved through the Board of Directors' meeting held on March 10, 2023 to distribute $129,844 thousand and $17,312 thousand in cash as employees' compensation and remuneration to directors for the year of 2022, respectively. There were no significant differences between the approved amount and the estimated amount which recognized in the year of 2022.

There were no significant differences between actual distribution amount in the year of 2022 and the estimated amount which recognized in the year of 2021.

(27) Non-operating income and expenses

A. Interest income

	For the three-month period ended		For the six-month period ended	
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
Bank deposits	$192,167	$35,008	$312,324	$59,210
Financial assets measured at amortized cost	6	1	6	1
Others	108	688	286	1,037
Total	$192,281	$35,697	$312,616	$60,248

B. Other income

	For the three-month period ended		For the six-month period ended	
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
Dividend income	$832	$720	$182,786	$303,977
Government grants revenue	11,770	38	23,724	467
Other revenue – others	67,807	52,942	124,811	79,181
Total	$80,409	$53,700	$331,321	$383,625

C. Other gains and losses

	For the three-month period ended		For the six-month period ended	
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
Gain (loss) on financial assets/liabilities at fair value through profit or loss				
Forward currency contracts(Note)	$(229,513)	$(136,040)	$(367,555)	$(376,369)
Convertible corporate bond(Note)	7,675	5,420	44,394	4,325
Structured deposit(Note)	-	2,047	-	4,816
Accounts receivable factoring	(62,297)	(21,505)	(92,013)	(44,522)
Gain (loss) on disposal of property, plant and equipment	8,983	(17,395)	42,533	(13,626)
Gain on disposal of non-current assets held for sale	62,827	285	62,827	72,604
Gains (loss) on disposals of investments	(252)	-	(252)	-

	For the three-month period ended		For the six-month period ended	
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
Impairment gain (loss) on non-financial assets	(3,812)	70	(12,085)	7,002
Foreign exchange gain (loss), net	216,872	13,794	164,801	502,196
Other losses	8,589	3,129	(1,396)	2,080
Total	$9,072	$(150,195)	$(158,746)	$158,506

Note: Balances were arising from financial assets and liabilities mandatorily measured at fair value through profit or loss.

D. Finance costs

	For the three-month period ended		For the six-month period ended	
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
Interest expenses (Note)	$669,981	$295,562	$1,301,177	$498,885
Interest due from lease liabilities	2,460	1,183	4,723	2,901
Others	8,427	16,182	16,544	28,612
Total	$680,868	$312,927	$1,322,444	$530,398

Note: Mainly arose from current borrowings, short-term notes and bills payable and non-current borrowings.

(28) Components of other comprehensive income

For the three-month period ended June 30, 2023:

	Arising during the period	Reclassification adjustments during the period	Other comprehensive income, before tax	Income tax relating to components of other comprehensive income	Other comprehensive income, net of tax
Will not be reclassified to profit or loss in subsequent periods:					
Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	$775,127	$-	775,127	$372	$775,499

	Arising during the period	Reclassification adjustments during the period	Other comprehensive income, before tax	Income tax relating to components of other comprehensive income	Other comprehensive income, net of tax
Share of other comprehensive income of associates and joint ventures accounted for using equity method	(17,168)	-	(17,168)	1,850	(15,318)
Will be reclassified to profit or loss in subsequent periods:					
Exchange differences on translation	379,921	-	379,921	(36,359)	343,562
Share of other comprehensive income of associates and joint ventures accounted for using equity method	47,036	-	47,036	(6,216)	40,820
Other components of other comprehensive income that will be reclassified to profit or loss	(453)	-	(453)	42	(411)
Total of other comprehensive income	$1,184,463	$-	$1,184,463	$(40,311)	$1,144,152

For the three-month period ended June 30, 2022:

	Arising during the period	Reclassification adjustments during the period	Other comprehensive income, before tax	Income tax relating to components of other comprehensive income	Other comprehensive income, net of tax
Will not be reclassified to profit or loss in subsequent periods:					
Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	$(317,902)	$-	$(317,902)	$433	$(317,469)
Share of other comprehensive income of associates and joint ventures accounted for using equity method	(32,288)	-	(32,288)	3,219	(29,069)
Will be reclassified to profit or loss in subsequent periods:					
Exchange differences on translation	(133,365)	-	(133,365)	(7,833)	(141,198)
Share of other comprehensive income of associates and joint ventures accounted for using equity method	49,906	-	49,906	(10,122)	39,784
Other components of other comprehensive income that will be reclassified to profit or loss	(723)	-	(723)	64	(659)
Total of other comprehensive income	$(434,372)	$-	$(434,372)	$(14,239)	$(448,611)

For the six-month period ended June 30, 2023:

	Arising during the period	Reclassification adjustments during the period	Other comprehensive income, before tax	Income tax relating to components of other comprehensive income	Other comprehensive income, net of tax
Will not be reclassified to profit or loss in subsequent periods:					
Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	$939,424	$-	$939,424	$191	$939,615
Share of other comprehensive income of associates and joint ventures accounted for using equity method	(3,559)	-	(3,559)	1,397	(2,162)
Will be reclassified to profit or loss in subsequent periods:					
Exchange differences on translation	423,704	-	423,704	(35,697)	388,007
Share of other comprehensive income of associates and joint ventures accounted for using equity method	26,024	-	26,024	(3,860)	22,164
Other components of other comprehensive income that will be reclassified to profit or loss	(281)	-	(281)	22	(259)
Total of other comprehensive income	$1,385,312	$-	$1,385,312	$(37,947)	$1,347,365

For the six-month period ended June 30, 2022:

	Arising during the period	Reclassification adjustments during the period	Other comprehensive income, before tax	Income tax relating to components of other comprehensive income	Other comprehensive income, net of tax
Will not be reclassified to profit or loss in subsequent periods:					
Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	$(215,979)	$-	$(215,979)	$826	$(215,153)
Share of other comprehensive income of associates and joint ventures	(28,424)	-	(28,424)	4,585	(23,839)

	Arising during the period	Reclassification adjustments during the period	Other comprehensive income, before tax	Income tax relating to components of other comprehensive income	Other comprehensive income, net of tax
accounted for using equity method					
Will be reclassified to profit or loss in subsequent periods:					
Exchange differences on translation	1,328,329	-	1,328,329	(180,586)	1,147,743
Share of other comprehensive income of associates and joint ventures accounted for using equity method	112,093	-	112,093	(18,928)	93,165
Other components of other comprehensive income that will be reclassified to profit or loss	(1,347)	-	(1,347)	122	(1,225)
Total of other comprehensive income	$1,194,672	$-	$1,194,672	$(193,981)	$1,000,691

(29) Tax

A. The major components of tax expense (income) were as follows:

Tax recognized in profit or loss

	For the three-month period ended		For the six-month period ended	
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
Current tax expense (income):				
Current income tax charge	$239,322	$116,926	$365,462	$241,707
Adjustments in respect of current income tax of prior periods (including overestimated and underestimated)	-	1,568	-	1,568
Others	68	-	39	38
Deferred tax expense (income):				
Deferred tax expense (income) relating to origination and reversal of temporary differences	(138,720)	69,778	(132,991)	123,754
Deferred tax expense (income) relating to origination and reversal of tax loss and tax credit	28,272	(619)	6,796	(927)

	For the three-month period ended		For the six-month period ended	
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
Deferred tax expense arising from write-down of deferred tax assets	3,610	-	9,061	3,400
Taxa loss, tax credits or temporary differences not recognised in previous years are recognised in the current period	-	(1,926)	-	(1,926)
Other	(13,854)	-	(34,608)	-
Total tax expense (income)	$118,698	$185,727	$213,759	$367,614

Tax recognized in other comprehensive income

	For the three-month period ended		For the six-month period ended	
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
Deferred tax expense (income):				
Exchange differences on translation	$36,359	$7,833	$35,697	$180,586
Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	(372)	(433)	(191)	(826)
Share of other comprehensive income of associates and joint ventures accounted for using the equity method	4,366	6,903	2,463	14,343
Other components of other comprehensive income that will be reclassified to profit or loss	(42)	(64)	(22)	(122)
Income tax related to components of other comprehensive income	$40,311	$14,239	$37,947	$193,981

B. The assessment of income tax returns

The assessment of the income tax returns of the Company and its subsidiaries in Taiwan were as follows:

	The assessment of income tax returns
The Company	Assessed and approved up to 2020
Crownpo Technology Inc.	Assessed and approved up to 2021
Li-Cheng Materials Corporation	Assessed and approved up to 2020
XYZpriting, Inc.	Assessed and approved up to 2020
Cal-Comp Electronics & Communications Co., Ltd.	Assessed and approved up to 2021 (2020 not yet assessed and approved)
CastleNet Technology Inc.	Assessed and approved up to 2021
Cal-Comp Asset Management, Inc.	Assessed and approved up to 2022

(30) Earnings per share

Basic earnings per share is calculated by dividing net profit for the year attributable to ordinary equity owners of the Company by the weighted average number of ordinary shares outstanding during the year.
Diluted earnings per share is calculated by dividing the net profit attributable to ordinary equity owners of the Company by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

	For the three-month period ended		For the six-month period ended	
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
Basic earnings per share				
Profit, attributed to owners of parents (in thousands of NTD)	$128,433	$253,903	$376,914	$587,659
Weighted average number of ordinary shares outstanding for basic earnings per share (in thousands of shares)	1,468,103	1,463,859	1,467,427	1,458,092
Basic earnings per share (NTD)	$0.09	$0.17	$0.26	$0.40

Considering that the potential ordinary shares, if converted to ordinary shares will not result in a significant dilution effect and the diluted earnings per share would equal to basic earnings per share, the Company only disclosed basic earnings per share for the aforementioned periods.

There have been no other transactions involving ordinary shares or potential ordinary shares between the financial report date and the date the financial statements were authorized for issue.

(31) Subsidiaries that have material non-controlling interests

Financial information of subsidiaries that have material non-controlling interests was provided below:

Proportion of equity interest held by non-controlling interests:

Name	Country of Incorporation and operation	As of June 30, 2023	As of December 31, 2022	As of June 30, 2022
Cal-Comp Electronics (Thailand) Public Company Limited	Thailand	53.48%	53.37%	53.35%

A. Accumulated balances of material non-controlling interest:

	As of June 30, 2023	As of December 31, 2022	As of June 30, 2022
Cal-Comp Electronics (Thailand) Public Company Limited	$9,822,383	$9,363,115	$9,020,726

B. Profit (loss) allocated to material non-controlling interest:

	For the three-month period ended		For the six-month period ended	
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
Cal-Comp Electronics (Thailand) Public Company Limited	$175,501	$28,362	$307,829	$151,232

C. Dividends paid to material non-controlling interests

	For the three-month period ended		For the six-month period ended	
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
Cal-Comp Electronics (Thailand) Public Company Limited	$1,425	$-	$23,975	$21,573

D. The summarized financial information of Cal-Comp Electronics (Thailand) Public Company Limited and subsidiaries was provided below. This information was based on amounts before inter-company eliminations.

(a) Summarized information of profit or loss as follows:

	For the three-month period ended		For the six-month period ended	
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
Operating revenue	$33,513,584	$32,720,675	$66,445,165	$65,308,799
Profit from continuing operations	323,918	35,367	576,119	295,385
Total comprehensive income	213,028	(819,409)	684,753	(25,669)

(b) Summarized information of financial position as follows:

	As of		
	June 30, 2023	December 31, 2022	June 30, 2022
Current assets	$59,824,782	$65,969,732	$64,074,277
Non-current assets	20,231,441	19,303,480	18,368,119
Current liabilities	(48,797,798)	(54,975,417)	(53,065,673)
Non-current liabilities	(13,856,414)	(13,713,326)	(13,417,480)

(c) Summarized cash flows information as follows:

	For the six-month period ended	
	June 30, 2023	June 30, 2022
Operating activities	$9,188,385	$(3,172,325)
Investing activities	(2,059,364)	(1,863,422)
Financing activities	(6,083,814)	6,261,269
Net increase in cash and cash equivalents	1,349,557	1,413,120

7. Related party transactions

Information of the related parties that had transactions with the Group during the financial reporting period was as follows:

Name and Relationship of Related Parties

Name of the related parties	Relationship with the Group
Kinpo Group Management Service Company	Associate
AcBel Polytech Inc. and its subsidiaries	Associate
iHELPER Inc.	Associate
SaveCom International Inc.	Associate
Compal Electronics, Inc. and its subsidiaries	Substantive related party
Instituto Cal-Comp De Pesquisa E Inovacao Tecnologica Da Amazonia	Substantive related party

Significant transactions with the related parties

(1) Sales

	For the three-month period ended		For the six-month period ended	
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
Associates	$10,085	$16,423	$19,951	$30,466
Substantive related parties				
Compal Electronics, Inc. and its subsidiaries	9,708,655	5,668,887	18,198,712	10,604,315
Others	32,641	8,139	39,177	31,686
Subtotal	9,741,296	5,677,026	18,237,889	10,636,001
Total	$9,751,381	$5,693,449	$18,257,840	$10,666,467

The terms for sales to related parties were not significantly different from those of sales to third parties. The collection period was about 90 to 120 days after sales.

(2) Purchases

	For the three-month period ended		For the six-month period ended	
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
Associates	$50,850	$208,799	$217,534	$380,028
Substantive related parties	-	-	3,588	-
Total	$50,850	$208,799	$221,122	$380,028

The purchase prices from related parties were close to the general trading price and payment term were about 30 to 90 days after purchase.

(3) Accounts receivable

	As of		
	June 30, 2023	December 31, 2022	June 30, 2022
Associates	$30,345	$23,760	$41,526
Substantive related parties			
Compal Electronics, Inc. and its subsidiaries	6,462,184	8,516,395	4,192,554
Others	55,798	16,880	-
Subtotal	6,517,982	8,533,275	4,192,554
Total	$6,548,327	$8,557,035	$4,234,080

(4) Other receivables

	As of		
	June 30, 2023	December 31, 2022	June 30, 2022
Associates	$36,982	$12	$9
Substantive related parties			
Compal Electronics, Inc. and its subsidiaries	271,412	20,327	130,983
Total	$308,394	$20,339	$130,992

(5) Accounts payable

	As of		
	June 30, 2023	December 31, 2022	June 30, 2022
Associates	$76,362	$168,948	$251,937
Substantive related parties			
Compal Electronics, Inc. and its subsidiaries	5,494,178	4,370,909	3,599,901
Total	$5,570,540	$4,539,857	$3,851,838

The above-mentioned amounts included accounts payable to related parties that purchased materials for the Group.

(6) Operating lease

The details of rental revenues from related parties were as follows:

		For the three-month period ended		For the six-month period ended	
	Nature	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
Associates	Office building and network equipment	$249	$249	$497	$497

Rental revenue was based on the market price and was received on a monthly basis.

(7) Others

A. Compensation of key management personnel

	For the three-month period ended		For the six-month period ended	
	June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021
Short-term employee benefits	$81,873	$61,490	$154,020	$136,332
Post-employment benefits	(823)	1,339	412	2,964
Share-based payments	5,372	1,304	6,006	2,748
Total	$86,422	$64,133	$160,438	$142,044

8. Assets pledged as security

The following table lists assets of the Group pledged as security:

	Carrying amount as of			
Assets pledged for security	June 30, 2023	December 31, 2022	June 30, 2022	Secured liabilities
Time deposit (presented in current financial assets at amortized cost)	$5,018	$5,006	$2,001	Current borrowings
Buildings and structures	1,030,593	1,132,472	714,515	Current and non-current borrowings
Machinery & other equipment	540,806	652,991	1,176,455	Current and non-current borrowings
Right-of-use assets	17,336	24,095	24,515	Current and non-current borrowings
Assets classified as held for sale	151,590	-	-	Current borrowings
Total	$1,745,343	$1,814,564	$1,917,486	

9. Commitments and contingencies

(1) As of June 30, 2023, the Group provided endorsement and guarantee to subsidiaries were amounted to USD 403,000 thousand, EUR 4,500 thousand and NTD 2,355,000 thousand.

(2) As of June 30, 2023, the Company issued declaration statement to the lending bank related to comprehensive loan facilities amounting to USD 5,000 thousand to Kinpo Electronics (Philippines), Inc., the declaration was as follows:

A. The Company commits to hold directly or indirectly no less than 51% of total Kinpo Electronics (Philippines), Inc.'s outstanding shares.
B. The Company commits to maintain management and control over Kinpo Electronics (Philippines), Inc.
C. The Company commits to support Kinpo Electronics (Philippines), Inc. all the necessary resources (including but not limited to finance, personnel and technology), and ensure that Kinpo Electronics (Philippines), Inc. operates normally and complies with its obligations.
D. The Company commits that in case of default, the Company should take a necessary action to promote Kinpo Electronics (Philippines), Inc. to fulfill its repayment obligation.

(3) As of June 30, 2023, the Company issued declaration statement to the lending bank related to comprehensive loan facilities amounting to USD 20,000 thousand to Kinpo International (Singapore) Pte. Ltd., the declaration was as follows:

A. The Company commits to maintain management and control over Kinpo International (Singapore) Pte. Ltd.

B. The Company commits to support Kinpo International (Singapore) Pte. Ltd. all the necessary resources (including but not limited to finance, personnel and technology), and ensure that Kinpo International (Singapore) Pte. Ltd. operates normally and complies with its obligations.

C. The Company commits that in case of default, the Company should take a necessary action to promote Kinpo International (Singapore) Pte. Ltd. to fulfill its repayment obligation.

(4) As of June 30, 2023, the Company issued declaration statement to the lending bank related to comprehensive loan facilities amounting to THB 2,000,000 thousand to Cal-Comp Electronics (Thailand) Public Company Limited, the declaration was as follows:

A. The Company commits to hold directly or indirectly no less than 40% of total Cal-Comp Electronics (Thailand) Public Company Limited’s outstanding shares. And continue to hold the equity until Cal-Comp Electronics (Thailand) Public Company Limited has fully settled its debts to the bank guarantee application.

B. The Company commits to support Cal-Comp Electronics (Thailand) Public Company Limited all the necessary resources to assist Cal-Comp Electronics (Thailand) Public Company Limited in fulfilling its obligations to the tax bureau and the agreements, documents and applications submitted to the bank.

(5) As of June 30, 2023, the Company issued declaration statement to the lending bank related to comprehensive loan facilities amounting to USD 2,000 thousand and NTD 90,000 thousand to CastleNet Technology Inc., the declaration was as follows:

A. The Company commits to hold directly or indirectly no less than 60% of total CastleNet Technology Inc.’s outstanding shares.

B. The Company commits to maintain management and control over CastleNet Technology Inc.

C. The Company commits to support CastleNet Technology Inc. all the necessary resources (including but not limited to finance, personnel and technology), and ensure that CastleNet Technology Inc. operates normally and complies with its obligations.

D. The Company commits that in case of default, the Company should take a necessary action to promote CastleNet Technology Inc. to fulfill its repayment obligation.

(6) As of June 30, 2023, December 31, 2022 and June 30, 2022, the Group’s subsidiaries had outstanding commitments in respect of purchase of the construction of factory building and acquisition of machinery which were as follows:

(In thousands)

	As of		
	June 30, 2023	December 31, 2022	June 30, 2022
THB	$318,000	$1,264,000	$1,170,000
USD	9,000	11,000	-
CNY	81,057	134,451	149,467

(7) Guarantees

As of June 30, 2023, there were outstanding bank guarantees of approximately THB 1,152,000 thousand, BRL 11,000 thousand, CNY 4,000 thousand issued by the banks on behalf of the Group's subsidiaries in respect of certain performance bonds as required in the normal course of business.

10. Losses due to major disasters

None.

11. Significant subsequent events

On August 14, 2023, the Company's board of directors resolved and approved the Company to provide financing facilities to the Company's subsidiary, Kinpo International Ltd., in the amount of USD 40,000 thousand.

12. Others

(1) Financial instruments

Financial assets

	As of		
	June 30, 2023	December 31, 2022	June 30, 2022
Financial assets at fair value through profit or loss:			
Mandatorily measured at fair value through profit or loss (including non-current)	$1,516,323	$1,537,399	$1,761,961
Financial assets at fair value through other comprehensive income (including non-current)	5,044,658	4,024,072	4,038,751
Financial assets at amortised cost:			
Cash and cash equivalents	13,747,585	9,915,366	11,126,874
Financial assets at amortised cost (including non-current)	32,177	34,729	28,526
Notes receivable	56,742	44,359	110,908
Accounts receivable (including due from related parties)	32,418,266	41,314,673	33,238,641
Other receivables (including due from related parties)	3,182,958	3,388,209	2,844,052
Subtotal	49,437,728	54,697,336	47,349,001
Total	$55,998,709	$60,258,807	$53,149,713

Financial liabilities

	As of		
	June 30, 2023	December 31, 2022	June 30, 2022
Financial liabilities at amortized cost:			
Current borrowings	$23,087,962	$30,279,151	$30,223,193
Short-term notes and bills payable	2,066,358	1,722,578	1,649,067
Notes payable	701	2,853	4,257
Accounts payable (including to related parties)	23,719,139	27,711,861	31,195,737
Other payables (including to related parties)	7,178,103	6,610,903	5,350,867
Non-current borrowings (including current portion)	23,082,657	22,979,201	21,493,295
Lease liabilities (including non-current portion)	345,681	398,835	496,109
Subtotal	79,480,601	89,705,382	90,412,525
Financial liabilities at fair value through profit or loss:			
Mandatorily measured at fair value through profit or loss	36,028	60,885	28,853
Total	$79,516,629	$89,766,267	$90,441,378

(2) Financial risk management objectives

The Group's principal financial risk management objective is to manage the market risk, credit risk and liquidity risk related to its operating activates. The Group identifies measures and manages the aforementioned risks based on the Group's policy and risk appetite.

The Group has established appropriate policies, procedures and internal controls for financial risk management. Before entering into significant transactions, due approval process by the Board of Directors and Audit Committee must be carried out based on related protocols and internal control procedures. The Group complies with its financial risk management policies at all times.

(3) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of the changes in market prices. Market risk comprise currency risk, interest rate risk and other price risk (such as equity risk).

In practice, it is rarely the case that a single risk variable will change independently from other risk variables; there are usually interdependencies between risk variables. However, the sensitivity analysis disclosed below does not take into account the interdependencies between risk variables.

Foreign currency risk

The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense are denominated in a different currency from the Group's functional currency) and the Group's net investments in foreign subsidiaries.

The Group reviews its assets and liabilities denominated in foreign currency and enters into forward exchange contracts to hedge the exposure from exchange rate fluctuations. The level of hedging depends on the foreign currency requirements from each operating unit. As the purpose of holding forward exchange contracts are to hedge exchange rate fluctuation risk, the gain or loss made on the contracts from the fluctuation in exchange rates are expected to mostly offset gains or losses made on the hedged item. Hedge accounting is not applied as they did not qualify for hedge accounting criteria. Furthermore, as net investments in foreign subsidiaries are for strategic purposes, they are not hedged by the Group.

The foreign currency sensitivity analysis of the possible change in foreign exchange rates on the Group's profit is performed on significant monetary items denominated in foreign currencies as of the end of the reporting period. The Group's foreign currency risk is mainly related to the volatility in the exchange rates. The information of the sensitivity analysis, please refer to Note 12(10).

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's debt instrument investment at variable interest rates, bank borrowings with fixed interest rates and variable interest rates.

The Group manages its interest rate risk by having a balanced portfolio of fixed and variable loans and borrowings.

The interest rate sensitivity analysis is performed on items exposed to interest rate risk as of the end of the reporting period, including investments with variable interest rates. At the balance sheet date, an increase or a decrease of 5 basis points of interest rate could cause the profit for the six-month period ended June 30, 2023 and 2022 to decrease/increase by $11,958 thousand and $13,287 thousand, respectively.

Equity price risk

The fair value of the Group's listed and unlisted equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Group's listed and unlisted equity securities are classified under financial assets at fair value through other comprehensive income. The Group manages the equity price risk through diversification and placing limits on individual and total equity instruments. Reports on the equity portfolio are submitted to the Group's senior management on a regular basis. The Group's Board of Directors reviews and approves all equity investment decisions.

An increase/decrease of 1% in the price of the listed companies stocks classified as investments in equity instruments measured at fair value through other comprehensive income could cause the equity for the six-month period ended June 30, 2023 and 2022 to increase/decrease by $44,709 thousand and $34,881 thousand, respectively.

(4) Credit risk management

Credit risk is the risk that counter-party will not meet its obligations under a contract, leading to a financial loss. The Group is exposed to credit risk from operating activities (primarily for accounts receivable and notes receivable) and from its financing activities, including bank deposits and other financial instruments.

Credit risk is managed by each business unit of the Group subject to established policy, procedures and controls relating to credit risk management. Credit limits are established for all counter parties based on their financial position, rating from credit rating agencies, historical experience, prevailing economic condition and the Group's internal rating criteria, etc. Certain counter parties' credit risk will also be managed by taking credit enhancing procedures, such as requesting for prepayment and insurance.

As of June 30, 2023, December 31, 2022 and June 30, 2022, the top three receivables from counter parties represented 38.41%, 48.67% and 42.40% of the total receivables of the Group, respectively. The credit concentration risk of the remaining receivables was insignificant.

Credit risk from balances with banks, fixed income securities and other financial instruments is managed by the Group's treasury in accordance with the Group's policy. The Group only transacts with counterparties approved by the internal control procedures, which are banks and financial institutions, companies and government entities with good credit rating. Consequently, there is no significant credit risk for these counter parties.

The Group adopted IFRS 9 to assess the expected credit losses. Except for the loss allowance of trade receivables measured at lifetime expected credit losses, the remaining debt instrument investments which are not measured at fair value through profit or loss, low credit risk for these investments is a prerequisite upon acquisition and by using their credit risk as a basis for the distinction of categories. The Group makes an assessment at each reporting date as to whether the debt instrument investments are still considered low credit risk, and then further determines the method of measuring the loss allowance and the loss rates.

Financial assets are written off when there is no realistic prospect of future recovery (the issuer or the debtor is in financial difficulties or bankruptcy).

When the credit risk on debt instrument investment has increased, the Group will dispose that investment in order to minimize the credit losses. When assessing the expected credit losses, the evaluation of the forward-looking information (available without undue cost and effort) is mainly based on the macroeconomic information and the credit loss ratio is further adjusted if there is significant impact from forward-looking information.

(5) Liquidity risk management

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of cash and cash equivalents, highly liquid equity investments and bank borrowings. The table below summarizes the maturity profile of the Group's financial liabilities based on the contractual undiscounted payments and contractual maturity. The payment amount includes the contractual interest. The undiscounted payment relating to borrowings with variable interest rates is extrapolated based on the estimated interest rate yield curve as of the end of the reporting period.

<u>Non-derivative financial liabilities</u>

	Less than 1 year	1 to 2 years	2 to 5 years	Above 5 years	Total
As of June 30, 2023					
Current borrowings (including interest to be paid)	$23,896,522	$-	$-	$-	$23,896,522
Short-term notes and bills payable	2,070,000	-	-	-	2,070,000
Notes payable	701	-	-	-	701
Accounts payable (including to related parties)	23,719,139	-	-	-	23,719,139
Other payables (including to related parties)	7,178,103	-	-	-	7,178,103
Non-current borrowings (including interest to be paid)	4,586,468	9,101,296	11,961,509	-	25,649,273
Lease liabilities (including non-current portion)	136,296	134,284	94,286	-	364,866

	Less than 1 year	1 to 2 years	2 to 5 years	Above 5 years	Total
As of December 31, 2022					
Current borrowings (including interest to be paid)	$30,543,779	$-	$-	$-	$30,543,779
Short-term notes and bills payable	1,725,000	-	-	-	1,725,000
Notes payable	2,853	-	-	-	2,853
Accounts payable (including to related parties)	27,711,861	-	-	-	27,711,861
Other payables (including to related parties)	6,610,903	-	-	-	6,610,903
Non-current borrowings (including interest to be paid)	2,782,278	20,368,064	1,534,654	-	24,684,996
Lease liabilities (including non-current portion)	154,965	316,593	6,105	-	477,663

	Less than 1 year	1 to 2 years	2 to 5 years	Above 5 years	Total
As of June 30, 2022					
Current borrowings (including interest to be paid)	$30,734,256	$-	$-	$-	$30,734,256
Short-term notes and bills payable	1,650,000	-	-	-	1,650,000
Notes payable	4,257	-	-	-	4,257
Accounts payable (including to related parties)	31,195,737	-	-	-	31,195,737
Other payables (including to related parties)	6,637,956	-	-	-	6,637,956
Non-current borrowings (including interest to be paid)	774,119	5,102,623	16,603,327	-	22,480,069
Lease liabilities (including non-current portion)	168,525	213,543	119,176	-	501,244

(6) Reconciliation of liabilities arising from financing activities

Reconciliation of liabilities for the six-month period ended June 30, 2023:

	Current borrowings	Short-term notes and bills payable	Lease liabilities	Non-current borrowings (including current portion)	Total liabilities from financing activities
As of January 1, 2023	$30,279,151	$1,722,578	$398,835	$22,979,201	$55,379,765
Cash flows	(7,696,935)	345,004	(73,910)	(51,772)	(7,477,613)
Non-cash changes	-	(1,220)	14,712	-	13,492
Foreign exchange movement	505,746	(4)	6,044	155,228	667,014
As of June 30, 2023	$23,087,962	$2,066,358	$345,681	$23,082,657	$48,582,658

Reconciliation of liabilities for the six-month period ended June 30, 2022:

	Current borrowings	Short-term notes and bills payable	Lease liabilities	Non-current borrowings (including current portion)	Total liabilities from financing activities
As of January 1, 2022	$28,066,102	$2,768,643	$491,258	$14,358,751	$45,684,754
Cash flows	533,984	(1,120,000)	(92,038)	6,489,044	5,810,990
Non-cash charges	-	424	57,393	-	57,817
Foreign exchange movement	1,623,107	-	39,496	645,500	2,308,103
As of June 30, 2022	$30,223,193	$1,649,067	$496,109	$21,493,295	$53,861,664

(7) Fair values of financial instruments

A. The methods and assumptions applied in determining the fair value of financial instruments:

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following methods and assumptions were used by the Group to measure or disclose the fair values of financial assets and financial liabilities:

(a) The carrying amount of cash and cash equivalents, accounts receivable (including due from related parties), other receivables (including due from related parties), accounts payable (including to related parties), other payables (including to related parties) and other current liabilities approximate their fair value due to their short maturities.

(b) For financial assets and liabilities traded in an active market with standard terms and conditions, their fair value is determined based on market quotation price (including listed equity securities, beneficiary certificates and bonds etc.) at the reporting date.

(c) Fair value of equity instruments without market quotations (including private placement of listed equity securities, unquoted public company and private company equity securities) are estimated using the market method valuation techniques based on parameters such as prices based on market transactions of equity instruments of identical or comparable entities and other relevant information (for example, inputs such as discount for lack of marketability, P/E ratio of similar entities and Price-Book ratio of similar entities).

(d) Fair value of debt instruments without market quotations, bank loans and other non-current liabilities are determined based on the counterparty prices or valuation method. The valuation method uses DCF method as a basis, and the assumptions such as the interest rate and discount rate are primarily based on relevant information of similar instrument (such as yield curves published by the Taipei Exchange, average prices for Fixed Rate Commercial Paper published by Reuters and credit risk, etc.)

(e) The fair value of derivatives which are not options and without market quotations, is determined based on the counterparty prices or discounted cash flow analysis using interest rate yield curve for the contract period. Fair value of option-based derivative financial instruments is obtained using on the counterparty prices or appropriate option pricing model (for example, Black-Scholes model) or other valuation method (for example, Monte Carlo Simulation).

B. Fair value of financial instruments measured at amortized cost

Among the Group's financial assets and financial liabilities measured at amortized cost, other than cash and cash equivalents, financial assets at amortised cost, accounts receivable (including due from related parties), other receivables (including due from related parties), current borrowings, short-term notes and bills payable, accounts payable (including to related parties), other payables (including to related parties), other current liabilities and non-current borrowings, the carrying amount approximate their fair value.

C. Fair value measurement hierarchy for financial instruments

Please refer to Note 12(9) for fair value measurement hierarchy for financial instruments of the Group.

(8) Derivatives financial instruments

The related information for derivative financial instruments not qualified for hedge accounting and not yet settled as of June 30, 2023, December 31, 2022 and June 30, 2022 was as follows:

Forward currency contracts

The Group entered into forward currency contracts to manage its exposure to financial risk, but these contracts were not designated as hedging instruments. The table below listed the information related to forward currency contracts:

As of June 30, 2023

Items	Contract Amount	Exchange Currency	Contract Period
Forward currency contract	Sell USD 11,420 thousand	THB	From August 2, 2023 to September 8, 2023
Forward currency contract	Sell USD 7,100 thousand	PHP	July 31, 2023
Forward currency contract	Sell USD 8,400 thousand	MXN	July 31, 2023
Forward currency contract	Sell USD 105,000 thousand	THB	From July 31, 2023 to May 31, 2024
Forward currency contract	Sell USD 4,900 thousand	PHP	July 31, 2023
Forward currency contract	Buy USD 11,426 thousand	THB	From August 2, 2023 to September 8, 2023
Forward currency contract	Buy USD 41,000 thousand	CNY	July 31, 2023
Forward currency contract	Buy USD 35,150 thousand	BRL	From July 6, 2023 to July 28, 2023
Forward currency contract	Buy USD 3,030 thousand	BRL	From July 6, 2023 to July 28, 2023

As of December 31, 2022

Items	Contract Amount	Exchange Currency	Contract Period
Forward currency contract	Sell USD 10,000 thousand	PHP	January 31, 2023
Forward currency contract	Sell USD 21,501 thousand	THB	From March 21, 2023 to April 24, 2023
Forward currency contract	Sell USD 40,000 thousand	THB	From January 13, 2023 to January 26, 2023
Forward currency contract	Sell USD 5,000 thousand	MXN	January 31, 2023
Forward currency contract	Sell USD 68,000 thousand	THB	January 31, 2023
Forward currency contract	Sell USD 13,000 thousand	THB	January 31, 2023
Forward currency contract	Sell USD 4,500 thousand	PHP	January 31, 2023
Forward currency contract	Buy USD 21,517 thousand	THB	From March 21 , 2023 to April 24, 2023
Forward currency contract	Buy USD 53,110 thousand	BRL	From January 12, 2023 to January 31, 2023

As of June 30, 2022

Items	Contract Amount	Exchange Currency	Contract Period
Forward currency contract	Sell USD 80,143 thousand	NTD、THB	From July 6, 2022 to September 22, 2022
Forward currency contract	Sell USD 45,000 thousand	THB	From July 12, 2022 to July 21, 2022
Forward currency contract	Sell USD 63,000 thousand	THB、MXN	From July 27, 2022 to July 29, 2022
Forward currency contract	Sell USD 49,200 thousand	NTD	From August 15, 2022 to September 8, 2022
Forward currency contract	Buy USD 80,211 thousand	NTD、THB	From July 4, 2022 to September 22, 2022
Forward currency contract	Buy USD 50,000 thousand	CNY	July 29, 2022
Forward currency contract	Buy USD 49,200 thousand	NTD	From August 11, 2022 to September 6, 2022
Forward currency contract	Buy USD 56,000 thousand	BRL	From July 7, 2022 to July 29, 2022

The counterparties for the aforementioned derivatives transactions were well known local or overseas banks, as they had sound credit ratings, the credit risk was insignificant.

With regard to the forward foreign exchange contracts, as they have been entered into to hedge the foreign currency risk of net assets or net liabilities, and there will be corresponding cash inflow or outflows upon maturity and the Group has sufficient operating funds, the cash flow risk is insignificant.

As of June 30, 2023, December 31, 2022 and June 30, 2022, the Group had forward currency contract transactions which were settled but not received, recognized as other receivables, amounted to $54,599 thousand, $41,378 thousand and $95,746 thousand, respectively. The forward currency contract transactions which were settled but not paid, recognized as other payables, amounted to $149,426 thousand, $33,887 thousand and $99,411 thousand, respectively.

(9) Fair value measurement hierarchy

A. Fair value measurement hierarchy

All asset and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, based on the lowest level input that is significant to the fair value measurement as a whole. Level 1, 2 and 3 inputs are described as follows:

Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities that the entity can access at the measurement date.
Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
Level 3 – Unobservable inputs for the asset or liability.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period.

B. Fair value measurement hierarchy of the Group's assets and liabilities

The Group did not have assets that are measured at fair value on a non-recurring basis. Fair value measurement hierarchy of the Group assets and liabilities measured at fair value on a recurring basis was as follows:

As of June 30, 2023:

	Level 1	Level 2	Level 3	Total
Financial assets:				
At fair value through profit or loss				
Convertible corporate bond	$-	$-	$1,512,527	$1,512,527
Forward currency contracts	-	3,796	-	3,796
Assets at fair value through other comprehensive income				
Equity instrument measured at fair value through other comprehensive income	4,470,926	-	573,732	5,044,658
Financial liabilities：				
At fair value through profit or loss				
Forward contract	-	36,028	-	36,028

As of December 31, 2022:

	Level 1	Level 2	Level 3	Total
Financial assets:				
At fair value through profit or loss				
Convertible corporate bond	$-	$-	$1,478,358	$1,478,358
Foreign Exchange Forward Contract	-	59,041	-	59,041
At fair value through other comprehensive income				
Equity instrument measured at fair value through other comprehensive income	3,529,135	-	494,937	4,024,072
Financial liabilities：				
At fair value through profit or loss				
Forward contract	-	60,885	-	60,885

As of June 30, 2022:

	Level 1	Level 2	Level 3	Total
Financial assets:				
At fair value through profit or loss				
Convertible corporate bond	$-	$-	$1,488,927	$1,488,927

	Level 1	Level 2	Level 3	Total
Structured deposit	-	-	239,407	239,407
Forward currency contracts	-	33,627	-	33,627
Assets at fair value through other comprehensive income				
Equity instrument measured at fair value through other comprehensive income	3,488,107	-	550,644	4,038,751
Financial liabilities：				
At fair value through profit or loss				
Forward contract	-	28,853	-	28,853

Transfers between Level 1 and Level 2 during the period

During the six-month period ended June 30, 2023 and 2022, there were no transfers between Level 1 and Level 2 fair value measurements.

Reconciliation for fair value measurements in Level 3 of the fair value hierarchy

The movements during the period were as follows:

	Assets			
	At fair value through profit and loss		At fair value through other comprehensive income	
	Convertible Corporate Bond	Structured Deposit	Stocks	Total
Beginning balances As of January 1, 2023	$1,478,358	$-	$494,937	$1,973,295
Total gains and losses recognized for the six-month period ended June 30, 2023:				
Amount recognized in profit or loss (presented in "other profit or loss")	44,394	-	-	44,394
Amount recognized in OCI (presented in "Unrealized gains (losses) from equity instruments investments measured at fair value through other comprehensive income)	-	-	(34,216)	(34,216)
Acquisition for the six-month period ended June 30, 2023	-	-	53,900	53,900
Disposal/settlements/reclassification for the six-month period ended June 30, 2023	(10,225)	-	58,756	48,531
Effect of exchange rate changes	-	-	355	355
Ending balances As of June 30, 2023	$1,512,527	$-	$573,732	$2,086,259

	Assets			
	At fair value through profit and loss		At fair value through other comprehensive income	
	Convertible Corporate Bonds	Structured Deposit	Stocks	Total
Beginning balances as of January 1, 2022	$1,507,752	$523,043	$545,443	$2,576,238
Total gains and losses recognized for the six-month period ended June 30, 2022:				
Amount recognized in profit or loss (presented in "other profit or loss")	4,325	4,816	-	9,141
Amount recognized in OCI (presented in "Unrealized gains (losses) from equity instruments investments measured at fair value through other comprehensive income)	-	-	(9,128)	(9,128)
Acquisition for the six-month period ended June 30, 2022	-	1,391,711	-	1,391,711
Disposal/settlements/reclassification for the six-month period ended June 30, 2022	(23,150)	(1,690,879)	-	(1,714,029)
Effect of exchange rate changes and others	-	10,716	14,329	25,045
Ending balances as of June 30, 2022	$1,488,927	$239,407	$550,644	$2,278,978

Information on significant unobservable inputs to valuation

Description of significant unobservable inputs to valuation of recurring fair value measurements categorized within Level 3 of the fair value hierarchy was as follows:

As of June 30, 2023:

	Valuation techniques	Significant unobservable inputs	Quantitative information	Relationship between inputs and fair value	Sensitivity of the input to fair value
Financial assets:					
At fair value through profit and loss					
Convertible corporate bonds	Binomial Model	Long-term net profit before tax weighted average cost of funds	13.38%	The higher the long-term net profit before tax, the higher the fair value of the convertible bonds	1% increase (decrease) in the discount for lack of marketability would result in decrease (increase) in the Group's profit or loss by $15,125 thousand
		Discount for lack of marketability	20%	The higher the discount for lack of marketability, the lower the fair value of the convertible bonds	

	Valuation techniques	Significant unobservable inputs	Quantitative information	Relationship between inputs and fair value	Sensitivity of the input to fair value
At fair value through other comprehensive income					
Stocks	Market approach	Discount for lack of marketability	20%	The higher the discount for lack of marketability, the lower the fair value of the stocks	1% increase (decrease) in the discount for lack of marketability would result in decrease (increase) in the Group's equity by $6,437 thousand

As of December 31, 2022:

	Valuation techniques	Significant unobservable inputs	Quantitative information	Relationship between inputs and fair value	Sensitivity of the input to fair value
Financial assets:					
At fair value through profit and loss					
Convertible corporate bonds	Cox-Ross-Rubinstein	Volatility of the stock price	44.58%	The higher the volatility of the stock price, the higher the fair value of the convertible bonds	1% increase (decrease) in the volatility of the stock price would not have significant effect on the Group's profit or loss
Convertible corporate bonds	Binomial Model	Long-term net profit before tax weighted average cost of funds	15.50%	The higher the long-term net profit before tax, the higher the fair value of the convertible bonds	1% increase (decrease) in the discount for lack of marketability would result in decrease (increase) in the Group's profit or loss by $14,682 thousand
		Discount for lack of marketability	20%	The higher the discount for lack of marketability, the lower the fair value of the convertible bonds	
At fair value through other comprehensive income					

	Valuation techniques	Significant unobservable inputs	Quantitative information	Relationship between inputs and fair value	Sensitivity of the input to fair value
Stocks	Market approach	Discount for lack of marketability	20%	The higher the discount for lack of marketability, the lower the fair value of the stocks	1% increase (decrease) in the discount for lack of marketability would result in decrease (increase) in the Group's equity by $6,187 thousand

As of June 30, 2022:

	Valuation techniques	Significant unobservable inputs	Quantitative information	Relationship between inputs and fair value	Sensitivity of the input to fair value
Financial assets:					
At fair value through profit and loss					
Convertible corporate bonds	Cox-Ross-Rubinstein	Volatility of the stock price	38.38%	The higher the volatility of the stock price, the higher the fair value of the convertible bonds	1% increase (decrease) in the volatility of the stock price would not have significant effect on the Group's profit or loss
Convertible corporate bonds	Binomial Model	Long-term net profit before tax weighted average cost of funds	15.50%	The higher the long-term net profit before tax, the higher the fair value of the convertible bonds	1% increase (decrease) in the discount for lack of marketability would result in decrease (increase) in the Group's profit or loss by $14,597 thousand
		Discount for lack of marketability	20%	The higher the discount for lack of marketability, the lower the fair value of the convertible bonds	
Convertible corporate bonds	Assets approach	Discount for lack of marketability	10%	The higher the discount for lack of marketability, the lower the fair value of the convertible bonds	1% increase (decrease) in the discount for lack of marketability would not have significant effect on the Group's profit or loss

	Valuation techniques	Significant unobservable inputs	Quantitative information	Relationship between inputs and fair value	Sensitivity of the input to fair value
Structured deposit	Market approach	Price of the structured deposit	-	-	Structured deposit is a monetary transaction, therefore its value is equal to fair value
At fair value through other comprehensive income					
Stocks	Market approach	Discount for lack of marketability	20%	The higher the discount for lack of marketability, the lower the fair value of the stocks	1% increase (decrease) in the discount for lack of marketability would result in decrease (increase) in the Group's equity by $6,883 thousand

<u>Valuation process used for fair value measurements categorized within Level 3 of the fair value hierarchy</u>

The Group's finance department is responsible for validating the fair value measurements and ensuring that the results of the valuation are in line with market conditions, based on independent and reliable inputs which are consistent with other information, and represent exercisable prices. The department analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Group's accounting policies at each reporting date.

C. Fair value measurement hierarchy of the Group's assets and liabilities not measured at fair value but for which the fair value was disclosed

As of June 30, 2023:

	Level 1	Level 2	Level 3	Total
Financial assets did not measure at fair value but for which the fair value was disclosed:				
Financial assets measured at amortized cost				
Time deposit and cash in banks	$-	$32,177	$-	$32,177
Investments accounted for using equity method (Note1)	5,796,445	-	-	5,796,445
Investment property (Note2)	-	-	192,970	192,970
Financial liabilities did not measure at fair value but for which the fair value was disclosed:				
Non-current borrowings (including current portion)	-	23,082,657	-	23,082,657

As of December 31, 2022:

	Level 1	Level 2	Level 3	Total
Financial assets did not measure at fair value but for which the fair value was disclosed:				
Financial assets measured at amortized cost				
Time deposit and cash in banks	$-	$34,729	$-	$34,729
Investments accounted for using equity method (Note1)	3,724,949	-	-	3,724,949
Investment property (Note2)	-	-	190,336	190,336
Financial liabilities did not measure at fair value but for which the fair value was disclosed:				
Non-current borrowings (including current portion)	-	22,979,201	-	22,979,201

As of June 30, 2022:

	Level 1	Level 2	Level 3	Total
Financial assets did not measure at fair value but for which the fair value was disclosed:				
Financial assets measured at amortized cost				
Time deposit and cash in banks	$-	$28,526	$-	$28,526
Investments accounted for using equity method (Note1)	3,593,921	-	-	3,593,921
Investment property (Note2)	-	-	184,200	184,200
Financial liabilities did not measure at fair value but for which the fair value was disclosed:				
Non-current borrowings (including current portion)	-	21,493,295	-	21,493,295

Note 1: Please refer to Note 6(11) for more detailed information for the investments in associates.

Note 2: Please refer to Note 6(13) for more detailed information for the investment property.

(10) Significant assets and liabilities denominated in foreign currencies

(In thousands)

	As of June 30, 2023				
				Sensitivity analysis	
	Foreign currencies	Exchange rate	Carrying amount (NTD)	Fluctuation	Effect on income
Financial assets					
Monetary items					
USD	$397,933	31.1350	$12,389,643	0.5%	$61,948
CNY	197,050	4.3089	849,069	0.5%	4,245
THB	1,341,000	0.8778	1,177,130	0.5%	5,886
PHP	371,616	0.5640	209,591	0.5%	1,048

	As of June 30, 2023				
				Sensitivity analysis	
	Foreign currencies	Exchange rate	Carrying amount (NTD)	Fluctuation	Effect on income
Financial liabilities					
Monetary items					
USD	38,925	31.1350	1,211,940	0.5%	6,060
CNY	503,545	4.3089	2,169,724	0.5%	10,849
THB	301,000	0.8778	264,218	0.5%	1,321
PHP	1,004,193	0.5640	566,365	0.5%	2,832

(In thousands)

	As of December 31, 2022				
				Sensitivity analysis	
	Foreign currencies	Exchange rate	Carrying amount (NTD)	Fluctuation	Effect on income
Financial assets					
Monetary items					
USD	$503,735	30.7100	$15,469,700	0.5%	$77,349
CNY	187,026	4.4094	824,674	0.5%	4,123
THB	1,455,000	0.8899	1,294,805	0.5%	6,474
PHP	140,582	0.5508	77,432	0.5%	387
Financial liabilities					
Monetary items					
USD	59,754	30.7100	1,835,040	0.5%	9,175
CNY	463,005	4.4094	2,041,573	0.5%	10,208
THB	2,793,000	0.8899	2,485,491	0.5%	12,427
PHP	1,207,119	0.5508	664,881	0.5%	3,234

(In thousands)

	As of June 30, 2022				
				Sensitivity analysis	
	Foreign currencies	Exchange rate	Carrying amount (NTD)	Fluctuation	Effect on income
Financial assets					
Monetary items					
USD	$376,770	29.7200	$11,197,601	0.5%	$55,988
CNY	163,498	4.4283	724,018	0.5%	3,620
THB	1,097,000	0.8511	933,657	0.5%	4,668
PHP	181,946	0.5406	98,360	0.5%	492

	As of June 30, 2022				
				Sensitivity analysis	
	Foreign currencies	Exchange rate	Carrying amount (NTD)	Fluctuation	Effect on income
Financial liabilities					
Monetary items					
USD	113,899	29.7200	3,385,086	0.5%	16,925
CNY	576,970	4.4283	2,554,997	0.5%	12,775
THB	3,578,000	0.8511	3,045,236	0.5%	15,226
PHP	739,244	0.5406	399,635	0.5%	1,998

The Group's foreign currency transactions were denominated in multiple currency; therefore, the information of the foreign exchange gains (losses) of monetary assets and liabilities denominated by each currency was not applicable for disclosure. The Group's significant monetary financial assets and liabilities denominated in foreign currencies incurred foreign exchange gain (loss) (including realized and unrealized) of $216,872 thousand and $13,794 thousand for the three-month period ended June 30, 2023 and 2022; $164,801 thousand and $502,196 thousand for the six-month period ended June 30, 2023 and 2022, respectively.

The above information was disclosed based on the carrying amount of foreign currency (after conversion to functional currency).

(11) Capital management

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximize shareholders' value. The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust dividend payment to shareholders, return capital to shareholders or issue new shares.

13. Other disclosure

(1) Information at significant transactions (portion of transactions were eliminated upon consolidation)

A. Financings provided to others: Please refer to table 1 for more details.

B. Endorsements/guarantees provided to others: Please refer to table 2 for more details.

C. Marketable securities held (not including subsidiaries, associates and joint ventures): Please refer to table 3 for more details.

D. Individual securities acquired or disposed of with accumulated amount exceeding NTD 300 million or 20 percent of the capital stock: Please refer to table 4 for more details.

E. Acquisition of individual real estate properties at costs of at least NTD 300 million or 20 percent of the paid-in capital: No such circumstances.

F. Disposal of individual real estate properties at costs of at least NTD 300 million or 20 percent of the paid-in capital: No such circumstances.

G. Total purchases from or sales to related parties of at least NTD 100 million or 20 percent of the paid-in capital: Please refer to table 5 for more details.

H. Receivables due from related parities amounting to at least NTD 100 million or 20 percent of the paid-in capital: Please refer to table 6 for more details.

I. Derivative instruments transactions: Please refer to Note 6 and Note 12 for more details.

J. Significant intercompany transactions between consolidated entities: Please refer to table 7 for more details.

(2) Information on investees (portion of investees information were eliminated upon consolidation)

A. Financings provided to others: Please refer to table 1 for more details.

B. Endorsements/guarantees provided to others: Please refer to table 2 for more details.

C. Marketable securities held (not including subsidiaries, associates and joint ventures): Please refer to table 3 for more details.

D. Individual securities acquired or disposed of with accumulated amount exceeding NTD 300 million or 20 percent of the capital stock: Please refer to table 4 for more details.

E. Acquisition of individual real estate properties at costs of at least NTD 300 million or 20 percent of the paid-in capital: No such circumstances.

F. Disposal of individual real estate properties at costs of at least NTD 300 million or 20 percent of the paid-in capital: No such circumstances.

G. Total purchases from or sales to related parties of at least NTD 100 million or 20 percent of the paid-in capital: Please refer to table 5 for more details.

H. Receivables due from related parities amounting to at least NTD 100 million or 20 percent of the paid-in capital: Please refer to table 6 for more details.

I. Derivative instruments transactions: Please refer to Note 6 and Note 12 for more details.

J. Names, locations and related information of investees over which the company exercises significant influence (not including information on investments in Mainland China): Please refer to table 8 for more details.

(3) Information on investments in Mainland China (Eliminated upon consolidation)

A. Names, main business, paid-in capital, method of investment, investment flows, percentage of ownership, share of profits (losses), carrying amount at the end of the period, accumulated inward remittance of earnings and the upper limit of investment: Please refer to table 9 for more details.

B. Significant transactions with investee in Mainland China

Directly or indirectly significant transactions through third regions with the investees in Mainland China, including price, payment terms, unrealized gain or loss, and other events with significant effects on the operating results and financial condition: Please refer to tables 5 to 7 for more details.

(4) Information on major shareholders

Major shareholders \ Shares	Total shares owned	Ownership percent
Compal Electronics, Inc.	124,043,763 shares	8.28%

Note 1: The major shareholders information was from the date that the Company issued common shares (including treasury shares) and preference shares in dematerialized form which were registered and held by the shareholders above 5% on the last operating date of each quarter and was calculated by Taiwan Depository & Clearing Corporation. The share capital which was recorded in the financial statements may differ from the actual number of shares issued in dematerialized form because of a different calculation basis.

Note 2: If the aforementioned data contains shares which were kept in trust by the shareholders, the data disclosed was the settlor’s separate account for the fund set by the trustee. As for the shareholder who reports share equity as an insider whose shareholding ratio is greater than 10% in accordance with Securities and Exchange Act, the shareholding ratio includes the self-owned shares and trusted shares, at the same time, persons who have power to decide how to allocate the trust assets. For the information of reported share equity of insider, please refer to Market Observation Post System.

14. Segment information

(1) Segment information

	For the three-month period ended June 30, 2023			
	Consuming electronic products	Other operating segments	Adjustment and elimination	Consolidated
External customer	$38,927,403	$475,302	$-	$39,402,705
Segment profit	$457,077	$(296,239)	$-	$160,838

	For the three-month period ended June 30, 2022			
	Consuming electronic products	Other operating segments	Adjustment and elimination	Consolidated
External customer	$41,027,206	$458,914	$-	$41,486,120
Segment profit	$383,431	$(236,618)	$-	$146,813

	For the six-month period ended June 30, 2023			
	Consuming electronic products	Other operating segments	Adjustment and elimination	Consolidated
External customer	$77,899,201	$837,301	$-	$78,736,502
Segment profit	$994,847	$(561,205)	$-	$433,642

	For the six-month period ended June 30, 2022			
	Consuming electronic products	Other operating segments	Adjustment and elimination	Consolidated
External customer	$80,645,210	$911,321	$-	$81,556,531
Segment profit	$940,054	$(390,412)	$-	$549,642

The Group’s only reportable segment was the Consumer Electronic Products Segment. The segment mainly engages in design and manufacturing of calculator/computer, web-based communications, computer peripherals and storage products. The Group also had other segments that did not exceed the quantitative threshold. The segments mainly engage in production and sale of passive components.

The segment assets information of the Group as of June 30, 2023, December 31, 2022 and June 30, 2022 were as follows:

Segment assets

	Consumer electronic products	Other operating segments	Adjustment and elimination	Consolidated
June 30, 2023	$111,010,580	$4,829,028	$-	$115,839,608
December 31, 2022	$120,159,659	$5,304,860	$-	$125,464,519
June 30, 2022	$118,617,204	$5,657,953	$-	$124,275,157

The amount reported by the Group was consistent with that used by the operating decision makers. There was no material inconsistency between the accounting policies of the operating segment and the accounting policies described in Note 4. The Group uses the operating profit or loss (net of tax) as the measurement for segment profit and the basis of performance assessment.

Table 1: Financings provided to others (Unit: thousands of NTD/ foreign currency)

No. <Note1>	Financing Company	Related Party	Financial Statement Account	Related Party	Maximum Balance for the period	Ending Balance (Passed by the Board of Directores)	Amount Acutally Drawn	Interest rate	Nature of Financing <Note2>	Transaction Amounts	Reason for Financing	Allowance for Bad Debt	Collateral		Financing Limits for Each Borrowing Company <Note3,5>	Financing Company's Total Financing Amount Limits <Note4,5>
													Item	Value		
0	Kinpo Electronics, Inc.	Kinpo International Ltd.	Other receivables due from related parties	Yes	USD 95,000 (2,957,825)	USD 95,000 (2,957,825)	USD 76,700 (2,388,055)	6.06%~6.14%	2	-	Need for operating	-	-	-	$3,798,161	$15,192,643
0	Kinpo Electronics, Inc.	Kinpo Electronics (Philippines), Inc.	〃	Yes	USD 50,000 (1,556,750)	USD 50,000 (1,556,750)	- -	1M TAIFX3+0.5%	2	-	Need for operating	-	-	-	3,798,161	15,192,643
0	Kinpo Electronics, Inc.	XYZprinting Japan, Inc.	〃	Yes	JPY 600,000 (138,480)	JPY 300,000 (64,500)	JPY 300,000 (64,500)	0.5%	2	-	Need for operating	-	-	-	3,798,161	15,192,643
0	Kinpo Electronics, Inc.	XYZprinting, Inc.	〃	Yes	900,000	900,000	-	3M TAIBOR+0.8%	2	-	Need for operating	-	-	-	3,798,161	15,192,643
1	Kinpo International Ltd.	XYZprinting, Inc. (USA)	〃	Yes	USD 3,000 (93,405)	USD 3,000 (93,405)	USD 3,000 (93,405)	6.38%	2	-	Need for operating	-	-	-	690,086	3,450,429
2	Kinpo International (Singapore) Pte. Ltd.	Kinpo Electronics (Philippines), Inc.	〃	Yes	USD 65,000 (2,023,775)	USD 65,000 (2,023,775)	USD 12,700 (395,415)	6.18%	2	-	Need for operating	-	-	-	7,662,147	7,662,147
3	Cal-Comp Technology (Philippines), Inc.	Kinpo Electronics (Philippines), Inc.	〃	Yes	USD 13,000 (404,755)	USD 13,000 (404,755)	USD 12,000 (373,620)	6.3668%~6.4294%	2	-	Need for operating	-	-	-	9,038,142	9,038,142
3	Cal-Comp Technology (Philippines), Inc.	Confiar Land Corp.	〃	Yes	USD 4,000 (124,540)	USD 4,000 (124,540)	USD 1,400 (43,589)	6.56374%	2	-	Need for operating	-	-	-	1,807,628	9,038,142
4	Cal-Comp Electronics (Thailand) Public Company Limited	Cal-Comp Industria de Semicondutores S.A.	〃	Yes	USD 7,500 (233,513)	USD 7,500 (233,513)	USD 7,500 (233,513)	2.5%	2	-	Need for operating	-	-	-	3,458,515	15,192,643
4	Cal-Comp Electronics (Thailand) Public Company Limited	Cal-Comp Industria e Comercio de Eletronicos e Informatica Ltda.	〃	Yes	USD 20,000 (1,152,984)	USD 20,000 (622,700)	- -	3M CME SOFR+2.6%	2	-	Need for operating	-	-	-	3,458,515	15,192,643
5	Cal-Comp Precision (Thailand) Limited	Cal-Comp Precision (Philippines), Inc.	〃	Yes	USD 45,000 (1,401,075)	USD 45,000 (1,401,075)	USD 20,000 (622,700)	6.16374%	2	-	Need for operating	-	-	-	1,733,152	1,733,152
5	Cal-Comp Precision (Thailand) Limited	Cal-Comp Precision (Singapore), Inc.	〃	Yes	USD 30,000 (934,050)	USD 30,000 (934,050)	USD 10,000 (311,350)	6.16374%	2	-	Need for operating	-	-	-	1,733,152	1,733,152
6	Cal-Comp Electronics (USA) Co., Ltd.	Cal-Comp USA (San Diego), Inc.	〃	Yes	USD 3,000 (93,405)	USD 3,000 (93,405)	- -	3M CME SOFR+1%	2	-	Need for operating	-	-	-	1,299,410	1,299,410
7	Cal-Comp Optical Electronics (Suzhou) Co., Ltd.	Cal-Comp Optical Electronics (Yueyang) Co., Ltd.	〃	Yes	CNY 140,000 (621,992)	CNY 140,000 (603,246)	CNY 140,000 (603,246)	3.8%	2	-	Need for operating	-	-	-	4,332,397	4,332,397
8	Kinpo Electronics (China) Co., Ltd.	Cal-Comp Optical Electronics (Yueyang) Co., Ltd.	〃	Yes	CNY 50,000 (221,980)	CNY 50,000 (215,445)	- -	1Y LPR+0.15%	2	-	Need for operating	-	-	-	6,221,197	6,221,197
8	Kinpo Electronics (China) Co., Ltd.	LIZ Electronics (Nantong) Co., Ltd.	〃	Yes	CNY 200,000 (888,560)	CNY 200,000 (861,780)	CNY 200,000 (861,780)	6.35%	2	-	Need for operating	-	-	-	6,221,197	6,221,197
9	Crownpo Technology Inc.	Li-Cheng Materials Co., Ltd.	〃	Yes	16,000	16,000	16,000	2%	2	-	Need for operating	-	-	-	24,692	98,767
10	LIZ Electronics (Kunshan) Co., Ltd.	LIZ Electronics (Nantong) Co., Ltd.	〃	Yes	CNY 30,000 (133,284)	CNY 15,000 (64,634)	- -	4.35%	1	CNY 49,586 (213,662)	-	-	-	-	695,041	695,041
11	LIZ Electronics (Nantong) Co., Ltd.	LIZ Electronics (Kunshan) Co., Ltd.	〃	Yes	CNY 30,000 (133,284)	CNY 15,000 (64,634)	- -	4.35%	1	CNY 49,586 (213,662)	-	-	-	-	646,726	646,726

<Note1> The numbers filled in for the financings provided by the group or subsidiaries are as follows:
1. The Company is "0".
2. The subsidiaries are numbered in order starting from "1".

<Note2> The codes represent the nature of financing activities as follows:
1. Trading partner is "1".
2. Short-term financing is "2".

<Note3> Financing limits for each borrowing companies are as follows:
1. Non related party
(1) Trading Partners: The maximum of total financing is highter of the transaction amount during the most recent 3 months or 30% of transaction amount during current year, and shall not exceed 10% of its net worth.
(2) Short-term financing: The maximum of total financing is 80% of counter-party's net worth and shall not exceed 4% of its net worth.
2. Related Party
(1) Trading Partners: The maximum of total financing is highter of the transaction amount during the most recent 3 months or during current year, and shall not exceed 20% of its net worth.
(2) Short-term financing: The maximum of total financing is 20% of its net worth.
(3) Subsidiaries 100% held by the company: The maximum of total financing is 100% of the company's net worth.

<Note4> Financing company's total financing amount limits are as follows:
1. The maximum amount of financing to trading partners is 100% of transaction amount during current year and shall not exceed 40% of its net worth.
2. The maximum amount of short-term financing is 40% of financing company's net worth.
3. The maximum amount of short-term financing to subsidiaries 100% held by the company is 100% of the company.
4. The summary of the three situations above shall not exceed 80% of the company's net worth.

Table 2: Endorsements/guarantees provided to others (Unit: thousands of NTD/ foreign currency)

No. <Note1>	Endorsement/ Guarantee Provider	Guaranteed Party		Limits on Endorsement/ Guarantee Amount Provided to Each Guaranteed Party <Note3>	Maximum Balance for the period	Ending Balance	Amount Actually Drawn	Amounts of Endorsement/ Guarantee Collateralized by Properties	Ratio of Accumulated Endorsement/ Guarantee to Net Equity per Latest Financial Statements	Maximum Endorsement/ Guarantee Amount Allowable <Note3>	Guarantee Provided by Parent Company	Guarantee Provided by A Subsidiary	Guanantee Provided to Subsidiaries in Mainland China
		Name	Nature of relationship <Note2>										
0	Kinpo Electronics, Inc.	Kinpo International Ltd.	2	$18,990,804	USD 141,000 (4,390,035)	USD 137,000 (4,265,495)	USD 15,000 (467,025)	$-	22.46%	$18,990,804	YES	NO	NO
0	Kinpo Electronics, Inc.	Kinpo International (Singapore) Pte. Ltd.	2	18,990,804	USD 30,000 (934,050)	USD 30,000 (934,050)	- -	-	4.92%	18,990,804	YES	NO	NO
0	Kinpo Electronics, Inc.	XYZprinting, Inc.	2	18,990,804	930,000	930,000	50,000	-	4.90%	18,990,804	YES	NO	NO
1	Cal-Comp Electronics (Thailand) Public Company	Logistar International Holding Co., Ltd.	2	17,292,573	USD 135,000 EUR 4,500 (4,355,298)	USD 54,000 EUR 4,500 (1,833,363)	- - -	-	9.65%	17,292,573	YES	NO	NO
1	Cal-Comp Electronics (Thailand) Public Company	Cal-Comp Electronics (USA) Co., Ltd.	2	17,292,573	USD 35,000 (1,089,725)	USD 35,000 (1,089,725)	- -	-	5.74%	17,292,573	YES	NO	NO
1	Cal-Comp Electronics (Thailand) Public Company	Cal-Comp Electronics & Communications Co., Ltd.	2	17,292,573	USD 70,000 900,000 (3,079,450)	USD 70,000 900,000 (3,079,450)	- 100,000 (100,000)	-	16.22%	17,292,573	YES	NO	NO
1	Cal-Comp Electronics (Thailand) Public Company	Qbit Semiconductor Ltd.	2	17,292,573	575,000 USD 22,000 (1,259,970)	525,000 USD 22,000 (1,209,970)	50,750 - (50,750)	-	6.37%	17,292,573	YES	NO	NO
1	Cal-Comp Electronics (Thailand) Public Company	Cal-Comp Precision (Singapore) Limited	2	17,292,573	USD 10,000 (311,350)	USD 10,000 (311,350)	USD 10,000 (311,350)	-	1.64%	17,292,573	YES	NO	NO
2	Cal-Comp Precision Holding Co., Ltd.	Cal-Comp Precision (Singapore) Limited	2	3,471,430	USD 45,000 (1,401,075)	USD 45,000 (1,401,075)	USD 24,830 (773,082)	-	7.38%	3,471,430	YES	NO	NO

<Note1> The numbers filled in for the endorsements/guarantees provided by the group or subsidiaries are as follows:
1. The Company is "0".
2. The subsidiaries are numbered in order starting from "1".

<Note2> The following code represents the relationship with the company:
1. A company with which it does business.
2. A company in which the public company directly and indirectly holds more than 50 percent of the voting shares.
3. A company that directly and indirectly holds more than 50 percent of the voting shares in the public company.
4. A company in which the public company holds, directly or indirectly, 90% or more of the voting shares.
5. A company that fulfills its contractual obligations by providing mutual endorsements/guarantees for another company in the same industry or for joint builders for purposes of undertaking a construction project.
6. A company that all capital contributing shareholders make endorsements/ guarantees for their jointly invested company in proportion to their shareholding percentages.
7. Companies in the same industry provide among themselves joint and several security for a performance guarantee of a sales contract for pre-construction homes pursuant to the Consumer Protection Act for each other.

<Note3> The limit amount of endorsement/guarantee are as follows:
1. The aggregate amount of endorsement/guarantee:
(1) The aggregate amount of transactions of endorsement/guarantee must be less than 100% of net worth of provider company.
(2) The aggregate amount of endorsement /guarnatee of the Company and subsidiaries should be less than 2% of the company's net worth.
(3) The aggregate amount of endorsements/guarantees that the Company as a whole may exceed 50% of the Company's net worth, and the Company should explain the rationality of it in the shareholders meeting.
2. The amount of endorsement/guarantee for any single entity is as follow:
(1) The amount of endorsement/guarantee for trading partners should be less than 30% of the total sales or purchase transactions between endorsor/guarantor and the receiving party from the previous fiscal year, and should be less than 65% of the Company's net worth.
(2) For subsidiaries jointly or directly owned over 50% by the company, the amount of endorsement/guarantee for the entity should be less than 100% of the company's net worth.
(3) For subsidiaries jointly or directly owned over 90% by the company, the amount of endorsement/guarantee for the entity should be less than 10% of the company's net worth, except for 100% owned companies. The ceiling for subsidiaries owned 100% is 100% of the Company's net worth.

Table 3: Marketable securities held (not including subsidaries, associates and joint ventures)

(Unit: thousands of NTD/ foreign currency)

No. <Note1>	Held Company Name	Marketable Securities Type and Name	Relationship with the Company	Financial Statement Account	As of June 30, 2023				Remark
					Share/Units	Carrying Value	Percentage	Fair Value	
0	Kinpo Electronics, Inc.	Amphastar Pharmaceuticals, Inc. / Stock	—	Current financial assets at fair value through other comprehensive income	20,000	$35,787	0.03%	$35,787	Public: AMPH
0	Kinpo Electronics, Inc.	Compal Electronics, Inc. / Stock	—	Non-current financial assets at fair value through other comprehensive income	151,628,692	4,435,139	3.44%	4,435,139	Public: 2324
0	Kinpo Electronics, Inc.	Helios Semiconductor, Inc. / Stock	—	〃	42,001	21	0.64%	21	
0	Kinpo Electronics, Inc.	Taiwan Star Telecom Corp. Ltd. / Stock	—	〃	98,860,342	445,662	1.58%	445,662	
0	Kinpo Electronics, Inc.	Norm Pacific Automation Corp. / Stock	—	〃	469,240	6,194	1.64%	6,194	
0	Kinpo Electronics, Inc.	Prudence Capital Management Ltd. / Stock	—	〃	104,367	1,873	1.00%	1,873	
0	Kinpo Electronics, Inc.	Puritron Technology Inc. / Stock	—	〃	629,148	994	3.85%	994	
0	Kinpo Electronics, Inc.	Intergrafx Holding Ltd. / Convertible preferred stock	—	〃	1,166,667	-	-	-	
0	Kinpo Electronics, Inc.	PChome Ventures fund / Stock	—	〃	157,080	-	6.06%	-	
0	Kinpo Electronics, Inc.	iMedtac Company Limited / Stock	—	〃	890,400	15,217	6.25%	15,217	
0	Kinpo Electronics, Inc.	Hongyi optical Company Limited / Stock	—	〃	2,156,000	19,684	17.13%	19,684	
1	Kinpo International (Singapore) Pte. Ltd.	URSrobot Holding Ltd. / Preferred stock	—	〃	2,033,180	USD 813	-	USD 813	
2	XYZprinting, Inc.	Taiwan Tech 3D Co., Ltd. / Stock	—	〃	200,000	-	10.00%	-	
3	CastleNet Technology Inc.	SPI. / Convertible corporate bond	—	Non-current financial assets at fair value through profit and loss	-	1,512,527	-	1,512,527	
4	Cal-Comp Electronics (Thailand) Public Company Limited	Nexa3D Inc. / Stock	—	Non-current financial assets at fair value through other comprehensive income	57,445,600	-	11.75%	-	
5	Logistar International Holding Co., Ltd.	Mojoose Inc. / Convertible corporate bond	—	Non-current financial assets at fair value through profit and loss	-	-	-	-	
6	Cal-Comp Electronics (USA) Co., Ltd.	Fellow, Inc. / Stock	—	Non-current financial assets at fair value through other comprehensive income	480,815	-	4.72%	-	
7	QBit Semiconductor Holding, Ltd.	QBit Semiconductor Ltd.	—	〃	7,220,000	USD 1,887	19.00%	USD 1,887	

<Note1> The numbers filled in for the marketable securities held by the group or subsidiaries are as follows:

(1) The company is "0".

(2) The subsidiaries are numbered in order starting from "1".

Table 4: Individual securities acquired or disposed of with accumulated amount exceeding NTD 300 million or 20 percent of the capital stock

(Unit: thousands of NTD/ foreign currency)

Company Name	Marketable Securities Type and Name	Financial Statement Account	Counter-party	Nature of Relationship	Beginning Balance		Acquisition		Disposal				Ending Balance		
					Shares/Units	Amount	Shares/Units	Amount	Shares/Units	Amount	Carrying Value	Gain/Loss on Disposal	Shares/Units	Amount	Remark
Kinpo Electronics, Inc.	XYZprinting, Inc.	Investments accounted for using equity method	Capital increment in cash	—	43,151,760	(509,674)	72,000,000	720,000	-	-	-	-	115,151,760	88,385	<Note1>
Cal-Comp Electronics (Thailand) Public Company Limited	XYZprinting, Inc.	〃	Capital increment in cash	—	43,151,760	(USD 16,577)	72,000,000	USD 23,423	-	-	-	-	115,151,760	USD 2,858	<Note1>
Cal-Comp Electronics & Communications Company Limited	Logistar International Holding Co., Ltd.	〃	Capital increment in cash	—	270,000,000	(5,110,513)	-	2,450,800	-	-	-	-	270,000,000	(2,605,346)	<Note1,2>

<Note1> The ending balance included the recognition of share of profit (loss) of associates and joint ventures accounted for using equity method, exchange differences on translation and unrealised gains (losses) from investments in financial assets/liabilities, etc.

<Note2> The current cash increase has not yet been verified.

Table 5: Total purchases from or sales to related parties of at least NTD 100 million or 20% of the paid-in capital

(Unit: thousands of NTD/ foreign currency)

Company Name	Related Party	Nature of Relationship	Transaction Details				Abnormal Transaction Terms Different From Regular Transactions		Notes/Accounts Receivable (Payable)		Remark
			Purchase /Sales	Amount	% to Total	Payment Term	Unit Price	Payment Term	Ending Balance	% to Total <Note>	
Kinpo Electronics, Inc.	Kinpo Electronics (Philippines), Inc.	Subsidiary	Purchases	$1,933,839	9.13%	About 30 days	Similar to general terms and conditions	About 30 days	($453,159)	5.67%	
Kinpo Electronics, Inc.	Cal-Comp Electronics (Thailand) Public Company Limited	Subsidiary	Purchases	19,249,486	90.87%	About 30 days	Similar to general terms and conditions	About 30 days	(7,200,057)	90.05%	
Kinpo Electronics, Inc.	Compal Electronics, Inc.	Substantive Related Parties	Sales	14,765,775	68.21%	About 50 days	Similar to general terms and conditions	About 50 days	6,413,423	77.40%	
Kinpo International Ltd.	Kinpo Electronics, Inc.(China)	Subsidiary	Purchases	CNY 24,984	14.35%	–	Similar to general terms and conditions	–	(CNY 55,759)	59.65%	
Kinpo Electronics, Inc.(China)	Kinpo International Ltd.	Parent company	Sales	CNY 24,984	8.30%	–	Similar to general terms and conditions	–	CNY 55,759	24.43%	
Kinpo Electronics (Philippines), Inc.	Kinpo Electronics, Inc.	Parent company	Sales	USD 63,588	17.56%	About 30 days	Similar to general terms and conditions	About 30 days	USD 14,621	9.08%	
Kinpo Electronics (Philippines), Inc.	Cal-Comp Precision (Philippines), Inc.	Affiliated company	Purchases	USD 55,964	21.44%	About 30 days	Similar to general terms and conditions	About 30 days	(USD 18,426)	19.56%	
XYZprinting, Inc.	Cal-Comp Electronics (Thailand) Public Company Limited	Affiliated company	Purchases	115,705	95.77%	About 90 days	Similar to general terms and conditions	About 90 days	(88,581)	76.70%	
CastleNet Technology Inc.	Cal-Comp Electronics (Thailand) Public Company Limited	Affiliated company	Purchases	208,660	40.00%	About 90-120 days	Similar to general terms and conditions	About 90-120 days	(212,708)	66.00%	
Cal-Comp Electronics (Thailand) Public Company Limited	Kinpo Electronics, Inc.	Parent company	Sales	USD 631,308	38.99%	About 30 days	Similar to general terms and conditions	About 30 days	USD 231,259	34.38%	
Cal-Comp Electronics (Thailand) Public Company Limited	XYZprinting, Inc.	Affiliated company	Sales	USD 3,424	0.21%	About 90 days	Similar to general terms and conditions	About 90 days	USD 2,845	0.42%	
Cal-Comp Electronics (Thailand) Public Company Limited	CastleNet Technology Inc.	Affiliated company	Sales	USD 172,212	10.64%	About 90-120 days	Similar to general terms and conditions	About 90-120 days	USD 162,183	24.11%	
Cal-Comp Electronics (Thailand) Public Company Limited	Cal-Comp Precision (Thailand) Limited	Subsidiary	Purchases	USD 20,948	1.35%	About 60 days	Similar to general terms and conditions	About 60 days	(USD 9,663)	1.88%	
Cal-Comp Electronics (Thailand) Public Company Limited	Cal-Comp Electronics & Communications Co., Ltd.	Subsidiary	Sales	USD 146,605	9.05%	About 60-90 days	Similar to general terms and conditions	About 60-90 days	USD 33,583	4.99%	
Cal-Comp Electronics (Thailand) Public Company Limited	Compal Electronics, Inc.	Substantive Relationship	Purchases	USD 454,176	29.20%	About 60-90 days	Similar to general terms and conditions	About 60-90 days	(USD 176,463)	34.32%	
Cal-Comp Optical Electronics (Suzhou) Co., Ltd.	Cal-Comp Electronics & Communications Co., Ltd.	Affiliated company	Sales	CNY 275,250	100.00%	About 45-90 days	Similar to general terms and conditions	About 45-90 days	CNY 138,341	100.00%	
Cal-Comp Optical Electronics (Yueyang) Co., Ltd.	Cal-Comp Electronics & Communications Co., Ltd.	Affiliated company	Sales	CNY 1,441,717	92.38%	About 90 days	Similar to general terms and conditions	About 90 days	CNY 305,422	44.98%	
Cal-Comp Optical Electronics (Yueyang) Co., Ltd.	Cal-Comp Precision (Yueyang) Co., Ltd.	Affiliated company	Purchases	CNY 200,936	13.47%	About 60-90 days	Similar to general terms and conditions	About 60-90 days	(CNY 95,147)	15.77%	
Cal-Comp Precision (Thailand) Limited	Cal-Comp Electronics (Thailand) Public Company Limited	Parent company	Sales	USD 20,948	94.61%	About 60 days	Similar to general terms and conditions	About 60 days	USD 9,743	97.00%	
Cal-Comp Precision (Philippines), Inc.	Kinpo Electronics (Philippines), Inc.	Affiliated company	Sales	USD 55,405	94.23%	About 30 days	Similar to general terms and conditions	About 30 days	USD 17,868	91.95%	
Cal-Comp Precision (Yueyang) Co., Ltd.	Cal-Comp Optical Electronics (Yueyang) Co., Ltd.	Affiliated company	Sales	CNY 200,937	96.36%	About 60-90 days	Similar to general terms and conditions	About 60-90 days	CNY 95,147	96.66%	
Cal-Comp Electronics & Communications Co., Ltd.	Cal-Comp Electronics (Thailand) Public Company Limited	Parent company	Purchases	USD 146,605	40.68%	About 60-90 days	Similar to general terms and conditions	About 60-90 days	(USD 33,583)	35.35%	
Cal-Comp Electronics & Communications Co., Ltd.	Cal-Comp Optical Electronics (Suzhou) Co., Ltd.	Affiliated company	Purchases	USD 39,858	11.06%	About 45-90 days	Similar to general terms and conditions	About 45-90 days	(USD 19,145)	20.15%	
Cal-Comp Electronics & Communications Co., Ltd.	Cal-Comp Optical Electronics (Yueyang) Co., Ltd.	Affiliated company	Purchases	USD 173,901	48.25%	About 90 days	Similar to general terms and conditions	About 90 days	(USD 42,268)	44.49%	
Cal-Comp Electronics de Mexico Co., S.A. de C.V.	Cal-Comp Electronics (USA) Co., Ltd.	Affiliated company	Sales	MXN 135,787	100.00%	About 60-90 days	Similar to general terms and conditions	About 60-90 days	MXN 98,749	100.00%	

<Note> Percentage to total sales (purchases), accounts and notes receivable (payable).

Table 6: Receivables due from related parites amounting to at least NTD 100 million or 20% of the paid-in capital

(Unit: thousands of NTD/ foreign currency)

Company Name	Related Party	Nature of Relationship	Financial Statement Account	Ending Balance	Turover Ratio	Overdue		Amounts Received in Subsequent Period	Allowance for Bad Debts
Kinpo Electronics, Inc.	Compal Electronics, Inc.	Substantive Related Parties	Accounts receivable due from related parties	$6,413,423	3.97	$-	-	$3,741,297	$-
Kinpo Electronics, Inc.	Kinpo International Ltd.	Subsidiary	Other receivables due from related parties	2,466,703	-	-	-	208,605	-
Kinpo Electronics, Inc.	Kinpo Electronics (Philippines), Inc.	Subsidiary	Accounts receivable due from related parties	793,853	-	-	-	17,722	-
Kinpo International (Singapore) Pte. Ltd.	Kinpo Electronics (Philippines), Inc.	Subsidiary	Long-term receivable due from related parties	USD 13,230	-	-	-	-	-
Kinpo International Ltd.	Kinpo Electronics, Inc.(China)	Subsidiary	Accounts receivable due from related parties	CNY 96,712	-	-	-	CNY 14,961	-
Kinpo Electronics, Inc.(China)	Kinpo International Ltd.	Parent company	〃	CNY 55,759	0.96	-	-	-	-
Kinpo Electronics, Inc.(China)	LIZ Electronics (Nantong) Co., Ltd.	Affiliated company	Long-term receivable due from related parties	CNY 210,875	-	-	-	-	-
Kinpo Electronics (Philippines), Inc.	Kinpo Electronics, Inc.	Parent company	Accounts receivable due from related parties	USD 14,621	12.96	-	-	USD 14,621	-
Cal-Comp Technology (Philippines), Inc.	Kinpo Electronics (Philippines), Inc.	Parent company	〃	USD 12,440	-	-	-	-	-
Cal-Comp Electronics (Thailand) Public Company Limited	Kinpo Electronics, Inc.	Parent company	〃	USD 231,259	18.70	-	-	USD 125,352	-
Cal-Comp Electronics (Thailand) Public Company Limited	CastleNet Technology Inc.	Affiliated company	〃	USD 162,183	8.06	-	-	USD 24,710	-
Cal-Comp Electronics (Thailand) Public Company Limited	Logistar International Holding Co., Ltd.	Subsidiary	〃	USD 15,780	-	-	-	-	-
Cal-Comp Electronics (Thailand) Public Company Limited	Cal-Comp Electronics & Communications Co., Ltd.	Subsidiary	〃	USD 33,583	48.48	-	-	USD 42,278	-
Cal-Comp Electronics (Thailand) Public Company Limited	Cal-Comp Industria de Semicondutores S.A.	Subsidiary	Long-term receivable due from related parties	USD 7,500	-	-	-	-	-
Cal-Comp Optical Electronics (Suzhou) Co., Ltd.	Cal-Comp Electronics & Communications Co., Ltd.	Affiliated company	Accounts receivable due from related parties	CNY 138,341	19.07	-	-	CNY 48,753	-
Cal-Comp Optical Electronics (Suzhou) Co., Ltd.	Cal-Comp Optical Electronics (Yueyang) Co., Ltd.	Subsidiary	Other receivables due from related parties	CNY 140,000	-	-	-	-	-
Cal-Comp Optical Electronics (Yueyang) Co., Ltd.	Logistar International Holding Co., Ltd.	Affiliated company	Accounts receivable due from related parties	CNY 338,537	-	-	-	-	-
Cal-Comp Optical Electronics (Yueyang) Co., Ltd.	Cal-Comp Electronics & Communications Co., Ltd.	Affiliated company	〃	CNY 305,422	53.33	-	-	CNY 63,264	-
Cal-Comp Precision (Thailand) Limited	Cal-Comp Electronics (Thailand) Public Company Limited	Parent company	〃	USD 9,743	17.19	-	-	USD 4,668	-
Cal-Comp Precision (Thailand) Limited	Cal-Comp Precision (Philippines), Inc.	Subsidiary	Long-term receivable due from related parties	USD 27,000	-	-	-	-	-
Cal-Comp Precision (Thailand) Limited	Cal-Comp Precision (Singapore), Inc.	Parent company	〃	USD 10,000	-	-	-	-	-
Cal-Comp Precision (Philippines), Inc.	Kinpo Electronics (Philippines), Inc.	Affiliated company	Accounts receivable due from related parties	USD 17,868	20.99	-	-	USD 9,725	-
Cal-Comp Precision (Yueyang) Co., Ltd.	Cal-Comp Optical Electronics (Yueyang) Co., Ltd.	Affiliated company	〃	CNY 95,147	15.46	-	-	CNY 30,175	-
Cal-Comp Electronics de Mexico Co., S.A. de C.V.	Cal-Comp Electronics (USA) Co., Ltd.	Affiliated company	〃	MXN 98,749	7.33	-	-	MXN 17,547	-
Cal-Comp Electronics & Communications Co., Ltd.	Cal-Comp Electronics (Thailand) Public Company Limited	Parent company	〃	USD 9,559	0.06	-	-	-	-

Kinpo Electronics, Inc. and subsidiaries
Notes to unaudited consolidated financial statements (continued)

Table 7: Significant intercompany transactions between consolidated entities

(Unit: thousands of NTD/ foreign currency)

No. <Note1>	Company Name	Counter-party	Nature of Relationship <Note2>	Intercompany Transactions			
				Financial Statement Account	Amount	Terms	Percentage of Consolidated Net Revenue or Total Assets <Note3>
0	Kinpo Electronics, Inc.	Cal-Comp Technology (Philippines), Inc. and Subsidiary	1	Accounts receivables	$831,248	Similar to general terms and conditions	0.72%
0	Kinpo Electronics, Inc.	Cal-Comp Technology (Philippines), Inc. and Subsidiary	1	Accounts payable	453,159	Similar to general terms and conditions	0.39%
0	Kinpo Electronics, Inc.	Cal-Comp Technology (Philippines), Inc. and Subsidiary	1	Purchases	1,933,839	Similar to general terms and conditions	4.91%
0	Kinpo Electronics, Inc.	Cal-Comp Electronics (Thailand) Public Company Limited and Subsidiary	1	Accounts payable	7,200,057	Similar to general terms and conditions	6.22%
0	Kinpo Electronics, Inc.	Cal-Comp Electronics (Thailand) Public Company Limited and Subsidiary	1	Other payables	217,426	Similar to general terms and conditions	0.19%
0	Kinpo Electronics, Inc.	Cal-Comp Electronics (Thailand) Public Company Limited and Subsidiary	1	Purchases	19,249,486	Similar to general terms and conditions	48.85%
0	Kinpo Electronics, Inc.	Kinpo International Ltd. and Subsidiary	1	Other receivables	2,466,703	Similar to general terms and conditions	2.13%
1	Kinpo International Ltd. and Subsidiary	Lipo Holding Co., Ltd. and Subsidiary	3	Long-term receivables	908,639	Similar to general terms and conditions	0.78%
2	Cal-Comp Technology (Philippines), Inc. and Subsidiary	Cal-Comp Electronics (Thailand) Public Company Limited and Subsidiary	3	Accounts payable	589,456	Similar to general terms and conditions	0.51%
2	Cal-Comp Technology (Philippines), Inc. and Subsidiary	Cal-Comp Electronics (Thailand) Public Company Limited and Subsidiary	3	Purchases	1,775,326	Similar to general terms and conditions	4.51%
3	XYZprinting, Inc. and Subsidiary	Cal-Comp Electronics (Thailand) Public Company Limited and Subsidiary	3	Accounts payable	104,070	Similar to general terms and conditions	0.09%
4	CastleNet Technology Inc.and Subsidiary	Cal-Comp Electronics (Thailand) Public Company Limited and Subsidiary	3	Accounts payable	212,708	Similar to general terms and conditions	0.18%
4	CastleNet Technology Inc.and Subsidiary	Cal-Comp Electronics (Thailand) Public Company Limited and Subsidiary	3	Purchases	208,660	Similar to general terms and conditions	0.53%

<Note1> The numbers filled in represent:
(1) The company is "0".
(2) The subsidiaries are numbered in order starting from "1".

<Note2> The following lists the three types of intercompany transactions (one transaction between parent company and subsidiary or between subsidiaries could be disclosed only once.)
(1) Transactions from parent company to subsidiary is "1".
(2) Transactions from subsidiary to parent company is "2".
(3) Transactions between subsidiaries is "3".

<Note3> The percentage is divided by:
(1) Consolidated total assets if the transaction account belongs to balance sheet.
(2) Consolidated net revenue if the transaction account belongs to comprehensive income statement.

<Note4> We included only the intercompany transactions with amount larger than 100 millions in the table.

Table 8: Names, locations and related information of investees over which the company exercises significant influence (not including information on investments in Mainland China)

(Unit: thousands of NTD/ foreign currency)

Investor Company	Investee Company	Location	Main Businesses	Original Investment Amount		Balance at The End of Period			Net Income (Losses) of The Investee	Share of Profits (Losses) of Investee	Nature of Relationship
				Ending balance	Beginning balance	Shares	Percentage of Ownership	Carrying Value			
Kinpo Electronics, Inc.	Cal-Comp Electronics (Thailand) Public Company Limited	Thailand	Manufacturing and sales of computer peripherals and IT products	$2,320,469	$2,320,469	2,721,221,322	46.52%	$8,554,212	$576,027	$260,604	Subsidiary
Kinpo Electronics, Inc.	Kinpo International (Singapore) Pte. Ltd.	Singapore	Reinvestment on domestic and overseas business	3,203,059	3,203,059	247,955,881	100.00%	7,662,147	135,044	135,044	Subsidiary
Kinpo Electronics, Inc.	Kinpo International Ltd.	BVI	Holding company	4,801,764	4,801,764	154,223,270	100.00%	3,450,429	(80,655)	(80,655)	Subsidiary
Kinpo Electronics, Inc.	Lipo Holding Co., Ltd.	Cayman Islands	Holding company	505,305	505,305	102,000	51.00%	187,042	(440,201)	(224,503)	Subsidiary
Kinpo Electronics, Inc.	Crownpo Technology Inc.	Taiwan	Manufacturing and sales of chip diodes, etc.	341,730	341,730	5,805,765	51.61%	30,013	(64,510)	(33,294)	Subsidiary
Kinpo Electronics, Inc.	XYZprinting, Inc.	Taiwan	Trading 3D printer	1,151,518	431,518	115,151,760	48.59%	88,385	(165,678)	(77,216)	Subsidiary
Kinpo Electronics, Inc.	CastleNet Technology Inc.	Taiwan	Development, manufacturing and sales of products including cable modem, powerline communication and digital home application	1,775,923	1,775,923	129,958,907	68.90%	1,369,623	52,203	35,968	Subsidiary
Kinpo Electronics, Inc.	Cal-Comp Big Data, Inc.	Taiwan	Medical equipment, data processing and provision service	-	610,000	-	-	-	-	-	Subsidiary
Kinpo Electronics, Inc.	New Era AI Robotic Inc.	Taiwan	Trading robot and applications development	-	310,000	-	-	-	526	263	Subsidiary
Kinpo Electronics, Inc.	Cal-Comp Asset Management, Inc.	Taiwan	Asset management	50,000	50,000	5,000,000	100.00%	50,028	(1,391)	(1,391)	Subsidiary
Kinpo Electronics, Inc.	AcBel Polytech Inc.	Taiwan	Manufacturing switching power supply & sales of main materials	1,107,044	1,107,044	124,788,917	23.38%	2,522,348	45,002	10,678	Associate
Kinpo Electronics, Inc.	Kinpo Group Management Service Company	Taiwan	Investment and management consulting	3,000	3,000	300,000	37.50%	6,277	628	235	Associate
Kinpo Electronics, Inc.	Teleport Access Services, Inc.	Taiwan	First rate telecommunications, system design and engineering, integration, construction, and product services; restrained telecom	322,376	322,376	10,145,800	23.70%	222,431	(3,936)	(932)	Associate
Kinpo Electronics, Inc.	Ascendant Private Equity Investment Ltd. (Preferred Stock)	BVI	Reinvestment on domestic and overseas business	949,219	949,219	31,250,000	34.72%	1,470,118	(30,266)	(10,508)	Associate
Kinpo Electronics, Inc.	Ascendant Private Equity Investment Ltd. (Stock)	BVI	Reinvestment on domestic and overseas business	95	95	3,125	34.72%	97	(30,266)	-	Associate
Kinpo Electronics, Inc.	iHELPER Inc.	Taiwan	Healthcare industry robot , etc.	15,840	15,840	1,584,000	44.00%	7,320	(114)	(50)	Associate
Kinpo Electronics, Inc.	NTNU Innovation Investment Holding Company	Taiwan	Industry-academia cooperation	17,470	17,470	1,990,129	19.92%	12,584	(5,069)	(1,001)	Associate
Kinpo Electronics, Inc.	McTEC Taiwan Limited	Samoa	Reinvestment on domestic and overseas business	47,193	47,193	1,500,000	26.04%	-	-	-	Associate
Kinpo International (Singapore) Pte. Ltd.	Cal-Comp Technology (Philippines), Inc.	Philippines	Manufacturing	USD 100,000	USD 100,000	895,638,400	80.81%	7,207,925	182,438	<Note1>	Subsidiary
Cal-Comp Technology (Philippines), Inc.	Kinpo Electronics (Philippines), Inc.	Philippines	Manufacturing and sales products of other companies' electronic products	USD 100,000	USD 100,000	49,260,075	100.00%	8,233,954	169,885	<Note1>	Subsidiary
Crownpo Technology Inc.	Ranashe International Ltd.	BVI	Holding company	137,962	137,962	50,000	100.00%	43,781	(54,359)	<Note1>	Subsidiary
Crownpo Technology Inc.	Li-Cheng Materials Corporation	Taiwan	Manufacturing chamical materials	23,000	23,000	140,000	54.69%	(4,204)	(562)	<Note1>	Subsidiary
XYZprinting, Inc.	XYZprinting, Inc. (USA)	USA	Trading 3D printer	551,977	551,977	5,000	100.00%	(156,725)	(91,685)	<Note1>	Subsidiary
XYZprinting, Inc.	XYZprinting Japan, Inc.	Japan	Trading 3D printer	96,852	96,852	7,013,200	100.00%	(52,654)	(24,114)	<Note1>	Subsidiary
XYZprinting, Inc.	XYZprinting Netherlands, B.V.	Netherlands	Trading 3D printer	308,340	308,340	1,488,901	100.00%	121,649	(8,004)	<Note1>	Subsidiary
XYZprinting, Inc.	XYZprinting (Thailand) Co., Ltd.	Thailand	Trading 3D printer	16,178	16,178	1,800,000	100.00%	(2,341)	89	<Note1>	Subsidiary
XYZprinting, Inc.	XYZlife (Philippines) Inc.	Philippines	Trading aesthetic medicine products	6,325	6,325	93,995	100.00%	1,354	87	<Note1>	Subsidiary
CastleNet Technology Inc.	CastleNet Technology (BVI) Inc.	BVI	Holding company	302,692	302,692	8,708	100.00%	40,461	837	<Note1>	Subsidiary
Cal-Comp Asset Management, Inc.	Confiar Land Corp.	Philippines	Acquire, purchase, lease, hold, sell or otherwise deal in land and real estate	PHP 79,920	PHP 79,920	2,700,000	40.00%	47,156	(1,316)	<Note1>	Subsidiary
Cal-Comp Electronics (Thailand) Public Company Limited	Logistar International Holding Co., Ltd.	BVI	Dealer	USD 43,208	USD 43,208	40,050,000	12.92%	(759,040)	12,377	<Note1>	Subsidiary
Cal-Comp Electronics (Thailand) Public Company Limited	Cal Comp Malaysia SDN. BHD.	Malaysia	Manufacturing	USD 2,481	USD 2,481	38,680	100.00%	1,027	(61)	<Note1>	Subsidiary
Cal-Comp Electronics (Thailand) Public Company Limited	Cal-Comp Electronics & Communications Co., Ltd.	Taiwan	Purchasing materials and R&D	USD 277,594	USD 277,594	117,897,792	100.00%	(5,014,914)	(192,343)	<Note1>	Subsidiary

Table 8: Names, locations and related information of investees over which the company exercises significant influence (not including information on investments in Mainland China) (Unit: thousands of NTD/ foreign currency)

Investor Company	Investee Company	Location	Main Businesses	Original Investment Amount		Balance at The End of Period			Net Income (Losses) of The Investee	Share of Profits (Losses) of Investee	Nature of Relationship
				Ending balance	Beginning balance	Shares	Percentage of Ownership	Carrying Value			
Cal-Comp Electronics (Thailand) Public Company Limited	Cal-Comp Electronics (USA) Co.,Ltd	USA	Manufacturing	USD 71,737	USD 98,736	43,800,000	100.00%	1,302,066	(78,661)	<Note1>	Subsidiary
Cal-Comp Electronics (Thailand) Public Company Limited	Cal-Comp Electronics de Mexico Co., S.A. de C.V.	Mexico	Manufacturing	USD 9,557	USD 9,557	141,182,050	100.00%	376,640	8,801	<Note1>	Subsidiary
Cal-Comp Electronics (Thailand) Public Company Limited	Cal-Comp Industria e Comercio de Electronica e Informatica Ltda.	Brazil	Manufacturing	USD 70,129	USD 79,120	159,333,339	100.00%	4,640,049	436,180	<Note1>	Subsidiary
Cal-Comp Electronics (Thailand) Public Company Limited	Cal-Comp Electronics de Mexico Co., S.A.	Brazil	Manufacturing	USD 7,966	-	40,466,000	58.03%	144,933	214	<Note1>	Subsidiary
Cal-Comp Electronics (Thailand) Public Company Limited	Cal-Comp Automation and Industrial 4.0 Service (Thailand) Co., Ltd.	Thailand	Auto-manage producing system development	USD 3,082	USD 3,082	10,000,000	100.00%	169,032	5,470	<Note1>	Subsidiary
Cal-Comp Electronics (Thailand) Public Company Limited	Qbit Semiconductor Holding Ltd.	Cayman Islands	Holding company	USD 41,936	USD 12,873	300,340,514	99.69%	64,200	(5,745)	<Note1>	Subsidiary
Cal-Comp Electronics (Thailand) Public Company Limited	Cal-Comp Precision (Singapore) Limited	Cayman Islands	Holding company	USD 85,224	USD 85,244	56,455,000	99.92%	3,387,208	136,602	<Note1>	Subsidiary
Cal-Comp Electronics (Thailand) Public Company Limited	Cal-Comp Technology (Philippines), Inc.	Philippines	Manufacturing	USD 24,348	USD 24,348	212,711,600	19.19%	1,732,974	182,438	<Note1>	Subsidiary
Cal-Comp Electronics (Thailand) Public Company Limited	XYZprinting, Inc.	Taiwan	Trading 3D printer	USD 37,653	USD 14,231	115,151,760	48.59%	88,385	(165,678)	<Note1>	Subsidiary
Cal-Comp Electronics (Thailand) Public Company Limited	Cal-Comp Big Data, Inc.	Taiwan	Medical equipment, data processing and provision service	-	USD 20,419	-	-	-	-	<Note1>	Subsidiary
Cal-Comp Electronics (Thailand) Public Company Limited	New Era AI Robotic Inc.	Taiwan	Trading robot and applications development	-	USD 10,180	-	-	-	526	<Note1>	Subsidiary
Cal-Comp Electronics (Thailand) Public Company Limited	Pchome (Thailand) Co., Ltd.	Thailand	E-commerce, selling and customer services	USD 2,075	USD 2,075	6,750,000	33.75%	6,694	(4,339)	<Note1>	Associate
Cal-Comp Electronics (Thailand) Public Company Limited	Kinpo Group Management Service Company	Taiwan	Investment and management consulting	1,000	1,000	100,000	12.50%	1,014	628	<Note1>	Associate
Cal-Comp Electronics (Thailand) Public Company Limited	Logistar International Holding Co.,Ltd	BVI	Dealer	7,960,950	7,960,950	270,000,000	87.08%	(2,605,346)	12,377	<Note1>	Subsidiary
Cal-Comp Precision Holding Co., Ltd.	Cal-Comp Precision (Singapore) Limited	Singapore	Holding company and distributor	USD 82,198	USD 82,198	1,124,132,310	100.00%	3,414,856	136,266	<Note1>	Subsidiary
Cal-Comp Precision (Singapore) Limited	Cal-Comp Precision (Thailand) Co.,Ltd.	Thailand	Plastic Molding	USD 44,426	USD 44,426	16,425,695	100.00%	1,733,161	(244)	<Note1>	Subsidiary
Cal-Comp Precision (Singapore) Limited	Cal-Comp Precision (Malaysia) Sdn. Bhd.	Malaysia	Plastic Molding	USD 5,550	USD 5,550	11,968,000	100.00%	197,271	8,129	<Note1>	Subsidiary
Cal-Comp Precision (Singapore) Limited	Cal-Comp Precision (Philippine) Inc.	Philippines	Plastic Molding	USD 55,098	USD 55,098	24,645,685	100.00%	2,371,646	200,044	<Note1>	Subsidiary
Cal-Comp Precision (Singapore) Limited	Daviscoomms (S) Pte Ltd	Singapore	Designing and manufacturing of communication products	USD 2,955	USD 2,955	340,458	20.00%	79,145	(116,922)	<Note1>	Associate
Cal-Comp Industria e Comercio de Eletronicos e Informatica Ltda.	Cal-Comp Industria de Semicondutores S.A.	Brazil	Manufacturing	-	BRL 40,466	-	-	-	214	<Note1>	Subsidiary
Cal-Comp Electronics (USA) Co., Ltd.	Cal-Comp USA (San Diego), Inc.	USA	Manufacturing	USD 16,513	USD 16,513	860,000	100.00%	237,311	18,947	<Note1>	Subsidiary
QBit Semiconductor Holding, Ltd.	QBit Semiconductor Ltd.	Taiwan	Semiconductor Design	-	USD 11,912	-	-	-	(68,868)	<Note1>	Subsidiary

<Note1> The share of profits (losses) of investee have already been included in the net income of the investor company. We decided not to further disclose in case of causing confusion.

Table 9: Informations on investments in Mainland China

(Unit: thousands of NTD/ foreign currency)

Investee Company	Main Business and Products	Total Amount of Paid-in Capital	Method of Investment	Accumulated Outflow of Investment from Taiwan as of January 1, 2023	Investment Flows		Accumulated Outflow of Investment from Taiwan as of June 30, 2023	Percentage of Ownership	Net Income (Loss) of the Investee Company	Share of Profits/Losses	Carrying Amount as of June 30, 2023	Accumulated Inward Remittance of Earnings as of June 30, 2023
					Outflow	Inflow						
Kinpo Electronics (China) Co., Ltd.	Processing, manufacturing and selling electronic products of other companies	CNY 889,298 (3,831,896)	Indirect investment via Kinpo International Ltd.	USD 55,100 (1,715,539)	$-	$-	USD 55,100 (1,715,539)	100.00%	CNY 14,432 (63,674)	Please refer to <Note1>(2)-iii	CNY 1,443,802 (6,221,198)	$-
Dongguan Kaipo Electronics Co., Ltd.	Manufacturing and sales of other companies' products	CNY 128,945 (555,611)	Indirect investment via Kinpo International Ltd.	USD 1,000 (31,135)	-	-	USD 1,000 (31,135)	100.00%	CNY 263 (1,160)	Please refer to <Note1>(2)-iii	CNY 47,997 (206,814)	-
Superpower Mould & Plastic Ltd.	Manufacturing and sales of other companies' products	-	Indirect investment via Kinpo International Ltd.	USD 1,573 (48,975)	-	-	USD 1,573 (48,975)	-	-	-	-	-
Kinpo Electronics (Shanghai) Co., Ltd.	Manufacturing & wholesaling electronics dictionary, design, R&D and sales for calculator software	-	Indirect investment via Kinpo International Ltd.	USD 1,120 (34,871)	-	-	USD 1,120 (34,871)	-	-	-	-	-
Kinpo Electronics (Beijing) Co., Ltd.	Manufacturing & wholesaling electronics dictionary, design, R&D and sales for calculator software	-	Indirect investment via Kinpo International Ltd.	USD 1,000 (31,135)	-	-	USD 1,000 (31,135)	-	-	-	-	-
McTECH Guangzhou Co., Ltd.	Producing automatic bike & battery exchange station	CNY 63,304 (272,771)	Indirect investment via McTEC Taiwan Limited	USD 1,350 (42,032)	-	-	USD 1,350 (42,032)	19.61%	-	-	-	-
LIZ Electronics (Kunshan) Co., Ltd.	Producing and marketing chip resistors & ceramic multilayer capacitors & chip diodes	CNY 252,202 (1,086,713)	Indirect investment via Lipo Holding Co., Ltd. & Ranashe International Ltd.	USD 14,270 (444,296)	-	-	USD 14,270 (444,296)	51.07%	(CNY 88,002) (-388,378)	Please refer to <Note1>(2)-iii	USD 4,919 (153,153)	-
LIZ Electronics (Nantong) Co., Ltd.	R&D, manufacturing chip components; sales of products and provide after-sales service; wholesaling, improting and exporting electronic components, semiconductors special materials and spare parts	CNY 217,756 (938,289)	Indirect investment via Lipo Holding Co., Ltd & LIZ Electronics (Kunshan) Co., Ltd.	USD 1,530 (47,637)	-	-	USD 1,530 (47,637)	51.06%	(CNY 70,595) (-311,556)	Please refer to <Note1>(2)-iii	USD 5,368 (167,133)	-
XYZprinting (Suzhou) Co., Ltd.	Trading 3D printer	CNY 38,859 (167,440)	Indirect investment via XYZprinting, Inc.	-	-	-	-	72.92%	(CNY 3) (-13)	Please refer to <Note1>(2)-iii	CNY 251 (1,082)	-
XYZprinting (Shanghai) Cloud Technology Co., Ltd.	Internet technology development	-	Indirect investment via XYZprinting, Inc.	-	-	-	-	-	-	-	-	-
CastleNet Technology Inc. (Kunshan)	Design and manufacture of modem; sale of self-production	CNY 56,470 (233,513)	Indirect investment via CastleNet Technology (BVI) Inc.	-	-	-	-	68.90%	CNY 176 (772)	Please refer to <Note1>(2)-iii	USD 5,299 (22,834)	-
Cal-Comp Electronics (Suzhou) Co., Ltd.	Manufacturing	-	Indirect investment via Cal-Comp Electronics (Thailand) Public Company Limited	-	-	-	-	-	-	-	-	-
Cal-Comp Optical Electronics (Suzhou) Co., Ltd.	Manufacturing	CNY 547,148 (2,357,606)	Indirect investment via Cal-Comp Electronics (Thailand) Public Company Limited	-	-	-	-	46.52%	(CNY 39,749) (-175,373)	Please refer to <Note1>(2)-iii	USD 55,362 (1,723,696)	-
Cal-Comp Technology (Suzhou) Co., Ltd	Manufacturing	-	Indirect investment via Cal-Comp Electronics (Thailand) Public Company Limited	-	-	-	-	-	-	-	-	-
Cal-Comp Electronics and Communications (Suzhou) Co., Ltd.	Manufacturing	-	Indirect investment via Cal-Comp Electronics (Thailand) Public Company Limited	-	-	-	-	-	-	-	-	-
Cal-Comp Precision (Dongguan) Limited	Precision plastic components injection molding and plastic mold design and manufacturing	CNY 110,805 (477,448)	Indirect investment via Cal-Comp Precision (Singapore) Limited	-	-	-	-	46.48%	(CNY 1,040) (-4,588)	Please refer to <Note1>(2)-iii	USD 5,604 (174,481)	-
Cal-Comp Precision (Wujiang) Co., Ltd.	Plastic Molding	-	Indirect investment via Cal-Comp Precision (Singapore) Limited	-	-	-	-	-	-	-	-	-
Cal-Comp Precision (Yueyang) Co., Ltd.	Plastic Molding	CNY 79,015 (340,468)	Indirect investment via Cal-Comp Precision (Singapore) Limited	-	-	-	-	46.48%	CNY 10,901 (48,095)	Please refer to <Note1>(2)-iii	USD 11,125 (346,377)	-
Shanghai Cuang Ge Education Technology Co., Ltd.	R&D of educational and internet products	CNY 4,250 (18,313)	Indirect investment via Cal-Comp Optical Electronics (Suzhou) Co., Ltd.	-	-	-	-	20.25%	(CNY 7) (-31)	Please refer to <Note1>(2)-iii	-	-
ICKP (Beijing) Technology Development Co., Ltd.	Developing 3D printers and AI equipments	CNY 10,000 (43,089)	Indirect investment via Cal-Comp Optical Electronics (Suzhou) Co., Ltd.	-	-	-	-	37.22%	(CNY 50) (-221)	Please refer to <Note1>(2)-iii	CNY 3,189 (13,741)	-
Cal-Comp Optical Electronics (Yueyang) Co., Ltd.	Manufacturing and sales of new printing device, electronic components and their components.and other components	CNY 136,000 (586,010)	Indirect investment via Cal-Comp Optical Electronics (Suzhou) Co., Ltd.	-	-	-	-	46.52%	CNY 14,974 (66,065)	Please refer to <Note1>(2)-iii	CNY 149,962 (646,171)	-
NKG Advanced Intelligence & Technology Development (Yueyang) Co., Ltd.	Production and sale of various intelligent electronic equipment and its consumables and parts	CNY 350,000 (1,508,115)	Indirect investment via Cal-Comp Optical Electronics (Suzhou) Co., Ltd.	-	-	-	-	46.52%	(CNY 52,118) (-229,945)	Please refer to <Note1>(2)-iii	CNY 76,826 (331,036)	-
Jun-Hui LED Electronics, Co., Limited	R&D and manufacturing optical electronics technique	HKD 494,706 (1,966,110)	Others	-	-	-	-	1.52%	-	-	USD 567 (17,654)	-

Accumulated Investment in Mainland China as of June 30, 2023 (in thousands)	Investment Amount Authorized by Investment Commission, MOEA (in thousands)	Upper Limit of Investment (60% of Net value) (in thousands)
USD 76,943 ($2,395,620)	USD 250,737 ($7,806,696)	$11,394,482

<Note1> In the shared profits/losses column:

(1) The investments that are in preparation and thus haven't generated any profits/losses should be specified.

(2) The resources of shared profits/losses should be specified as one of the three below:

i. Financial report audited by international audit firm that has partnership with audit firm in Taiwan.

ii. Financial report audited by CPA who audits the parent company in Taiwan.

iii. Others. (The share of profits/losses were already included in the investor's profits/losses. In case of causing confusion, we decided not to disclose in this table.)

<Note2> The figures in this table are presented in NTD. The exchange rate on the financial reporting date used for translating the amount of investment in foreign currency is as following:

(1) Ending investment balance as of report date were translated using the exchange rates as follows:

USD:NTD 1: 31.135

CNY:NTD 1: 4.3089

(2) Investment gains or losses were translated using the average rates for the six-month period ended June 30, 2023 as follows:

USD:NTD 1: 30.5598

CNY:NTD 1: 4.4120