

KINPO ELECTRONICS, INC. AND SUBSIDIARIES
CONSOLIDATED FINANCIAL STATEMENTS
WITH REPORT OF INDEPENDENT AUDITORS
FOR THE NINE-MONTH PERIOD ENDED
SEPTEMBER 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.

English Translation of Review Report Originally Issued in Chinese

Independent Auditors' Report

To Kinpo Electronics, Inc.

Introduction

We have reviewed the accompanying consolidated balance sheets of Kinpo Electronics, Inc. (the “Company”) and its subsidiaries as of September 30, 2023 and 2022, the related consolidated statements of comprehensive income for the three-month and nine-month period ended September 30, 2023 and 2022, changes in equity and cash flows for the nine-month period ended September 30, 2023 and 2022, and notes to the consolidated financial statements including the summary of material 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 Standard on Review Engagements 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 the Standards on Auditing of 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.

Basis for Qualified Conclusion

As explained in Note 4(3), the financial statements of certain insignificant subsidiaries were not reviewed by independent auditors. Those statements reflect total assets of NTD 4,963,369 thousand and NTD 5,839,912 thousand, constituting 4.04% and 4.27% of the consolidated total assets, and total liabilities of NTD 4,584,667 thousand and NTD 4,457,678 thousand, constituting 5.03% and 4.12% of the consolidated total liabilities as of September 30, 2023 and 2022, respectively. Total comprehensive income amounted to NTD (138,393) thousand, NTD (212,379) thousand, NTD (706,859) thousand and NTD (590,512) thousand, constituting (8.92)%, (16.32)%, (21.22)% and (20.71)% of the consolidated total comprehensive income for the three-month and nine-month period ended September 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 auditors. Those investments accounted for using equity method amounted to NTD 1,751,467 thousand and NTD 1,774,213 thousand as of September 30, 2023 and 2022, respectively. The related share of profit (loss) of associates and joint ventures accounted for using equity method amounted to NTD (31,014) thousand, NTD (9,490) thousand, NTD (44,737) thousand and NTD (26,503) thousand for the three-month and nine-month period ended September 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 36,611 thousand, NTD 71,599 thousand, NTD 47,680 thousand and NTD 136,868 thousand for the three-month and nine-month period ended September 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 auditors.

Qualified Conclusion

Based on our reviews and the review reports of the other independent auditors (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 auditors 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 September 30, 2023 and 2022, and their consolidated financial performance and cash flows for the three-month and nine-month period ended September 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.

Other Matter — Making Reference to the Reviews of Other Independent Auditors

We did not review the financial statements of certain consolidated subsidiaries, which statements reflect total assets of NTD 2,577,499 thousand and NTD 2,530,774 thousand, constituting 2.10% and 1.85% of consolidated total assets as of September 30, 2023 and 2022, respectively. Total operating revenue amounted to NTD 66,649 thousand, NTD 340,397 thousand, NTD 484,595 thousand and NTD 983,213 thousand, constituting 0.17%, 0.67%, 0.41% and 0.74% of consolidated operating revenue for the three-month and nine-month period ended September 30, 2023 and 2022, respectively. Those financial statements were reviewed by other independent auditors, whose reports thereon have been furnished to us, and our opinions expressed herein are based solely on the reviewed reports of the other independent auditors. 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 auditors. These investments accounted for using equity method amounted to NTD 4,420,741 thousand and NTD 2,455,344 thousand, constituting 3.60% and 1.79% of consolidated total assets as of September 30, 2023 and 2022, respectively. The related share of profit (loss) of associates and joint ventures accounted for using equity method amounted to NTD 16,093 thousand, NTD 94,105 thousand, NTD 26,771 thousand and NTD 180,921 thousand, constituting 2.93%, 13.85%, 2.24% and 11.33% of the consolidated net income before tax for the three-month and nine-month period ended September 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 67,121 thousand, NTD (25,106) thousand, NTD 78,517 thousand and NTD (6,706) thousand, constituting 6.11%, (3.02)%, 3.21% and (0.37)% of the consolidated other comprehensive income for the three-month and nine-month period ended September 30, 2023 and 2022, respectively.

Chen, Chih-Chung

Fuh, Wen-Fun

Ernst & Young, Taiwan
November 14, 2023

Taipei, Taiwan
Republic of China

Notice to Readers

The accompanying consolidated financial statements are intended only to present the financial position and results of operations and cash flows in accordance with Standard on Review Engagements the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to review such consolidated financial statements are those generally accepted and applied in the Republic of China.

Accordingly, the accompanying consolidated financial statements and report of independent auditors are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice. As the financial statements are the responsibility of the management, Ernst & Young cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

English translation of consolidated financial statements originally issued in Chinese
KINPO ELECTRONICS, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
September 30, 2023, December 31, 2022 and September 30, 2022
(Expressed in Thousands of New Taiwan Dollars)

Assets	Notes	As of					
		September 30, 2023	%	December 31, 2022	%	September 30, 2022	%
Current assets							
Cash and cash equivalents	6	\$13,230,649	11	\$9,915,366	8	\$10,926,220	8
Current financial assets at fair value through profit or loss	6	105,909	-	69,221	-	204,977	-
Current financial assets at fair value through other comprehensive income	6	29,680	-	34,094	-	35,350	-
Current financial assets at amortised cost	6,8	18,622	-	11,959	-	8,870	-
Current contract assets	6	-	-	5,626	-	5,626	-
Notes receivable, net	6	63,956	-	44,359	-	53,203	-
Accounts receivable, net	6	26,574,584	22	32,757,638	26	36,367,265	27
Accounts receivable due from related parties, net	6,7	8,079,164	7	8,557,035	7	7,426,706	6
Other receivables	6,12	3,165,893	3	3,367,870	3	3,352,293	2
Other receivables due from related parties	7	94,543	-	20,339	-	752,086	1
Current tax assets		151,924	-	65,431	-	51,778	-
Current inventories	6	24,578,469	20	26,460,597	21	33,332,688	24
Prepayments	6	1,309,258	1	1,435,936	1	1,392,714	1
Non-current assets classified as held for sale, net	6	266,096	-	506,342	1	-	-
Other current assets		851,025	-	1,680,999	1	1,371,232	1
Total current assets		78,519,772	64	84,932,812	68	95,281,008	70
Non-current assets							
Non-current financial assets at fair value through profit or loss	6	1,544,945	1	1,468,178	1	1,452,963	1
Non-current financial assets at fair value through other comprehensive income	6	5,231,792	5	3,989,978	3	3,846,181	3
Non-current financial assets at amortised cost	6	14,097	-	22,770	-	18,161	-
Investments accounted for using equity method	6	6,172,208	5	4,152,127	3	4,229,557	3
Property, plant and equipment	6,8	26,082,375	21	25,748,605	21	25,953,741	19
Right-of-use assets	6,8	1,456,173	1	1,532,641	1	1,659,076	1
Investment property, net	6	140,340	-	137,906	-	144,087	-
Intangible assets	6	237,468	-	204,866	-	875,469	1
Deferred tax assets	6	2,164,612	2	2,065,832	2	2,096,815	1
Other non-current assets	6	1,269,200	1	1,208,804	1	1,333,845	1
Total non-current assets		44,313,210	36	40,531,707	32	41,609,895	30
Total assets		\$122,832,982	100	\$125,464,519	100	\$136,890,903	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(CONTINUED)
September 30, 2023, December 31, 2022 and September 30, 2022
(Expressed in Thousands of New Taiwan Dollars)

Liabilities and Equity	Notes	As of					
		September 30, 2023	%	December 31, 2022	%	September 30, 2022	%
Current liabilities							
Current borrowings	6	\$24,066,077	20	\$30,279,151	24	\$35,505,058	26
Short-term notes and bills payable	6	2,046,411	1	1,722,578	1	1,623,117	1
Current financial liabilities at fair value through profit or loss	6	226,126	-	60,885	-	7,640	-
Current contract liabilities	6	1,189,083	1	323,525	-	113,917	-
Notes payable		1,783	-	2,853	-	2,948	-
Accounts payable		19,339,375	17	23,172,004	18	28,475,619	21
Accounts payable to related parties	7	6,842,474	6	4,539,857	4	4,974,994	4
Other payables	6,12	6,605,112	5	6,609,350	6	6,588,475	5
Other payables to related parties	7	1,684	-	1,553	-	82,823	-
Current tax liabilities		499,038	-	452,537	-	387,011	-
Liabilities related to non-current assets classified as held for sale	6	-	-	689,653	1	-	-
Current lease liabilities	6	138,657	-	146,152	-	160,378	-
Long-term liabilities, current portion	6	3,590,826	3	1,858,002	1	1,741,432	1
Other current liabilities, others		2,376,019	2	2,946,198	2	3,308,968	3
Total current liabilities		66,922,665	55	72,804,298	57	82,972,380	61
Non-current liabilities							
Non-current portion of non-current borrowings	6	20,851,024	17	21,121,199	17	21,690,004	16
Deferred tax liabilities	6	2,257,090	2	2,161,709	2	2,323,193	2
Non-current lease liabilities	6	170,592	-	252,683	-	294,476	-
Net defined benefit liability, non-current	6	882,363	1	831,576	1	860,266	-
Other non-current liabilities, others		76,366	-	81,121	-	139,179	-
Total non-current liabilities		24,237,435	20	24,448,288	20	25,307,118	18
Total liabilities		91,160,100	75	97,252,586	77	108,279,498	79
Equity attributable to owners of parent							
Share capital	6						
Ordinary share		14,985,152	12	14,944,162	12	14,930,552	11
Capital surplus	6	1,183,358	1	791,110	1	788,592	-
Retained earnings	6						
Legal reserve		495,322	-	395,320	-	395,320	-
Special reserve		255,058	-	255,058	-	255,058	-
Unappropriated retained earnings		1,220,034	1	1,006,914	1	998,992	1
Total retained earnings		1,970,414	1	1,657,292	1	1,649,370	1
Total other equity interest		2,666,603	2	696,968	1	916,443	1
Treasury shares	6	(230,380)	-	(331,782)	-	(331,782)	-
Total equity attributable to owners of parent		20,575,147	16	17,757,750	15	17,953,175	13
Non-controlling interests	6	11,097,735	9	10,454,183	8	10,658,230	8
Total equity		31,672,882	25	28,211,933	23	28,611,405	21
Total liabilities and equity		\$122,832,982	100	\$125,464,519	100	\$136,890,903	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 nine-month period ended September 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 nine-month period ended			
		September 30, 2023	%	September 30, 2022	%	September 30, 2023	%	September 30, 2022	%
Operating revenue	6,7	\$39,601,969	100	\$51,076,797	100	\$118,338,471	100	\$132,633,328	100
Operating costs	6,7	(37,026,488)	(93)	(47,968,131)	(94)	(110,528,060)	(93)	(124,846,519)	(94)
Gross profit from operations		2,575,481	7	3,108,666	6	7,810,411	7	7,786,809	6
Operating expenses	6,7								
Selling expenses		(363,314)	(1)	(552,795)	(1)	(1,236,896)	(1)	(1,316,102)	(1)
Administrative expenses		(799,648)	(2)	(864,545)	(2)	(2,434,404)	(2)	(2,541,409)	(2)
Research and development expenses		(428,058)	(1)	(803,447)	(2)	(1,674,448)	(1)	(2,263,874)	(2)
Impairment gain and reversal of impairment loss (impairment loss) determined in accordance with IFRS 9		(2,548)	-	(13,539)	-	4,949	-	(15,612)	-
Total operating expenses		(1,593,568)	(4)	(2,234,326)	(5)	(5,340,799)	(4)	(6,136,997)	(5)
Net operating income		981,913	3	874,340	1	2,469,612	3	1,649,812	1
Non-operating income and expenses	6								
Interest income		188,867	-	38,905	-	501,483	-	99,153	-
Other income		23,846	-	51,841	-	355,167	-	435,466	-
Other gains and losses, net		(14,371)	-	76,350	-	(173,117)	-	232,513	-
Finance costs, net		(616,327)	(2)	(446,483)	(1)	(1,938,771)	(2)	(974,538)	-
Share of profit (loss) of associates and joint ventures accounted for using equity method, net		(14,921)	-	84,615	-	(17,966)	-	154,418	-
Total non-operating income and expenses		(432,906)	(2)	(194,772)	(1)	(1,273,204)	(2)	(52,988)	-
Profit before tax		549,007	1	679,568	-	1,196,408	1	1,596,824	1
Total tax expense	6	(97,532)	-	(210,173)	-	(311,291)	-	(577,787)	-
Profit		451,475	1	469,395	-	885,117	1	1,019,037	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		207,136	1	(171,497)	-	1,146,560	1	(387,476)	-
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		(5,667)	-	(62,816)	-	(9,226)	-	(91,240)	-
Income tax related to components of other comprehensive income that will not be reclassified to profit or loss		896	-	4,454	-	2,484	-	9,865	-
Components of other comprehensive income that will be reclassified to profit or loss:									
Exchange differences on translation		929,123	2	1,133,710	2	1,352,827	1	2,462,039	2
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		109,399	-	109,309	-	135,423	-	221,402	-
Other components of other comprehensive income that will be reclassified to profit or loss		(748)	-	(1,341)	-	(1,029)	-	(2,688)	-
Income tax related to components of other comprehensive income that will be reclassified to profit or loss		(141,173)	-	(179,815)	-	(180,708)	-	(379,207)	-
Total other comprehensive income		1,098,966	3	832,004	2	2,446,331	2	1,832,695	2
Total comprehensive income		\$1,550,441	4	\$1,301,399	2	\$3,331,448	3	\$2,851,732	3
Profit, attributable to:									
Profit, attributable to owners of parent		\$355,713	1	\$433,789	-	\$732,627	1	\$1,021,448	1
Profit, attributable to non-controlling interests		95,762	-	35,606	-	152,490	-	(2,411)	-
Total		\$451,475	1	\$469,395	-	\$885,117	1	\$1,019,037	1
Comprehensive income attributable to:									
Comprehensive income, attributable to owners of parent		\$1,199,379	3	\$945,136	2	\$2,684,500	2	\$2,115,803	2
Comprehensive income, attributable to non-controlling interests		351,062	1	356,263	-	646,948	1	735,929	1
Total		\$1,550,441	4	\$1,301,399	2	\$3,331,448	3	\$2,851,732	3
Earnings per share (NT\$)	6								
Basic earnings per share		\$0.24		\$0.30		\$0.50		\$0.70	
Diluted earnings per share		\$0.24		\$0.30		\$0.50		\$0.70	

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 nine-month period ended September 30, 2023 and 2022
(Expressed in Thousands of New Taiwan Dollars)

Item	Equity attributable to owners of parent										Non-controlling interests	Total equity
	Share capital	Capital surplus	Retained earnings			Other equity interest			Treasury shares	Total equity attributable to owners of parent		
			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				
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 dividends 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	-	83,592	-	-	(991)	-	-	(64,894)	-	17,707	-	17,707
Profit for the nine-month period ended September 30, 2022	-	-	-	-	1,021,448	-	-	-	-	1,021,448	(2,411)	1,019,037
Other comprehensive income for the nine-month period ended September 30, 2022	-	-	-	-	-	1,554,339	(458,997)	(987)	-	1,094,355	738,340	1,832,695
Total comprehensive income for the nine-month period ended September 30, 2022	-	-	-	-	1,021,448	1,554,339	(458,997)	(987)	-	2,115,803	735,929	2,851,732
Changes in ownership interests in subsidiaries	-	14,993	-	-	-	-	-	-	-	14,993	61,159	76,152
Share-based payments	133,870	26,384	-	-	-	-	-	-	-	160,254	3,655	163,909
Disposal of investments in equity instruments measured at fair value through other comprehensive income	-	-	-	-	(28,361)	-	28,361	-	-	-	-	-
Others	-	1,252	-	-	-	-	-	-	-	1,252	(70,396)	(69,144)
Balance on September 30, 2022	<u>\$14,930,552</u>	<u>\$788,592</u>	<u>\$395,320</u>	<u>\$255,058</u>	<u>\$998,992</u>	<u>\$(689,716)</u>	<u>\$1,671,541</u>	<u>\$(65,382)</u>	<u>\$(331,782)</u>	<u>\$17,953,175</u>	<u>\$10,658,230</u>	<u>\$28,611,405</u>
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 dividends 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	-	446,961	-	-	348	-	-	38,154	-	485,463	-	485,463
Profit for the nine-month period ended September 30, 2023	-	-	-	-	732,627	-	-	-	-	732,627	152,490	885,117
Other comprehensive income for the nine-month period ended September 30, 2023	-	-	-	-	-	807,443	1,144,795	(365)	-	1,951,873	494,458	2,446,331
Total comprehensive income for the nine-month period ended September 30, 2023	-	-	-	-	732,627	807,443	1,144,795	(365)	-	2,684,500	646,948	3,331,448
Changes in ownership interests in subsidiaries	-	(81,297)	-	-	-	-	-	-	-	(81,297)	127,639	46,342
Share-based payments	40,990	26,040	-	-	-	-	-	-	101,402	168,432	6,790	175,222
Disposal of investments in equity instruments measured at fair value through other comprehensive income	-	-	-	-	20,392	-	(20,392)	-	-	-	-	-
Others	-	544	-	-	-	-	-	-	-	544	(137,825)	(137,281)
Balance on September 30, 2023	<u>\$14,985,152</u>	<u>\$1,183,358</u>	<u>\$495,322</u>	<u>\$255,058</u>	<u>\$1,220,034</u>	<u>\$(287,543)</u>	<u>\$2,983,262</u>	<u>\$(29,116)</u>	<u>\$(230,380)</u>	<u>\$20,575,147</u>	<u>\$11,097,735</u>	<u>\$31,672,882</u>

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 nine-month period ended September 30, 2023 and 2022
(Expressed in Thousands of New Taiwan Dollars)

Item	For the nine-month period ended	
	September 30, 2023	September 30, 2022
Cash flows from (used in) operating activities:		
Profit before tax	\$1,196,408	\$1,596,824
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation expense	2,317,495	2,320,689
Amortization expense	95,989	85,125
Expected credit loss (gain)	(4,949)	15,612
Net loss (gain) on financial assets or liabilities at fair value through profit or loss	(76,812)	(86,980)
Interest expense	1,918,284	943,931
Interest income	(501,483)	(99,153)
Dividend income	(182,786)	(303,977)
Share-based payments	28,855	27,518
Share of loss (profit) of associates and joint ventures accounted for using equity method	17,966	(154,418)
Loss (gain) on disposal of property, plant and equipment	(18,950)	24,139
Loss (gain) on disposal of non-current assets classified as held for sale	(62,827)	(72,689)
Loss (gain) on disposal of investments	252	8,361
Impairment loss (gain) on non-financial assets	11,471	(5,835)
Other adjustments to reconcile profit (loss)	189	504
Changes in operating assets and liabilities:		
Decrease (increase) in financial assets mandatorily measured at fair value through profit or loss	118,373	364,441
Decrease (increase) in notes receivable	(19,597)	49,760
Decrease (increase) in accounts receivable	6,169,350	(10,154,472)
Decrease (increase) in accounts receivable due from related parties	477,871	(6,758,295)
Decrease (increase) in other receivable	(134,800)	(686,862)
Decrease (increase) in other receivable due from related parties	(74,204)	(672,948)
Decrease (increase) in inventories	1,882,128	(3,960,775)
Decrease (increase) in prepayments	196,660	(215,164)
Decrease (increase) in other current assets	827,140	(906,413)
Increase (decrease) in contract liabilities	865,558	24,718
Increase (decrease) in notes payable	(1,070)	(971)
Increase (decrease) in accounts payable	(3,832,629)	4,707,194
Increase (decrease) in accounts payable to related parties	2,302,617	2,988,238
Increase (decrease) in other payables	101,687	1,493,065
Increase (decrease) in other payables to related parties	131	82,385
Increase (decrease) in other current liabilities	(570,179)	1,259,035
Increase (decrease) in net defined benefit liability	50,787	95,437
Cash inflow (outflow) generated from operations:	13,098,925	(7,991,976)
Interest received	680,917	62,055
Interest paid	(1,930,131)	(843,022)
Income taxes paid	(532,906)	(351,081)
Net cash flows from (used in) operating activities	11,316,805	(9,124,024)
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	34,289	-
Acquisition of financial assets at amortised cost	(7,435)	-
Proceeds from repayments of financial assets at amortised cost	5,846	351
Proceeds from disposal of financial assets at fair value through profit or loss	10,225	23,150
Acquisition of investments accounted for using the equity method	(1,451,681)	-
Proceeds from disposal of non-current assets classified as held for sale	1,329	182,043
Acquisition of property, plant and equipment	(2,249,502)	(4,210,360)
Proceeds from disposal of property, plant and equipment	391,074	150,825
Acquisition of intangible assets	(122,025)	(162,588)
Decrease in other financial assets	7,793	12,806
Increase in other non-current assets	(37,895)	(159,579)
Increase in prepayments for business facilities	(148,482)	(289,890)
Dividends received	212,817	433,839
Other investing activities	(83,662)	125,882
Net cash flows from (used in) investing activities	(3,491,209)	(3,893,521)
Cash flows from (used in) financing activities:		
Increase in short-term loans	832,881	4,984,095
Decrease in short-term loans	(8,291,657)	(1,302,268)
Increase in short-term notes and bills payable	400,000	-
Decrease in short-term notes and bills payable	(74,939)	(1,145,000)
Proceeds from long-term debt	2,444,121	11,096,631
Repayments of long-term debt	(1,661,920)	(3,684,168)
Repayments of lease liabilities	(112,389)	(155,076)
Increase in other non-current liabilities	-	20,627
Decrease in other non-current liabilities	(4,755)	-
Cash dividends	(440,245)	(290,551)
Execution of employee stock options	149,150	149,770
Change in non-controlling interests	(108,053)	62,773
Net cash flows from (used in) financing activities	(6,867,806)	9,736,833
Effect of exchange rate changes on cash and cash equivalents	2,357,493	6,139,033
Net increase (decrease) in cash and cash equivalents	3,315,283	2,858,321
Cash and cash equivalents at the beginning of period	9,915,366	8,067,899
Cash and cash equivalents at the end of period	\$13,230,649	\$10,926,220

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 nine-month period ended September 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, Shengkeng 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 nine-month period ended September 30, 2023 and 2022 were recommended and authorized for issue by the Board of Directors on November 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 International Accounting Standards Board (“IASB”) which are 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	Classification of Liabilities as Current or Non-current – Amendments to IAS 1	January 1, 2024
B	Lease Liability in a Sale and Leaseback – Amendments to IFRS 16	January 1, 2024
C	Non-current Liabilities with Covenants – Amendments to IAS 1	January 1, 2024
D	Supplier Finance Arrangements – Amendments to IAS 7 and IFRS 7	January 1, 2024

A. 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.

B. 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.

C. 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.

D. 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 were issued by IASB and endorsed by FSC so that they are applicable for annual periods beginning on or after January 1, 2024. Apart from item (B) explained above which has no material impact on the Group, the Group is still currently determining the potential impact of the remaining standards and interpretations. The impact will be disclosed after the evaluation is completed.

- (3) 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	Lack of Exchangeability – Amendments to IAS 21	January 1, 2025

- 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 1 January, 2023 (from the original effective date of 1 January, 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 1 January, 2023.

C. Lack of Exchangeability – Amendments to IAS 21

These amendments specify whether a currency is exchangeable into another currency and, when it is not, to determining the exchange rate to use and the disclosures to provide. The amendments apply for annual reporting periods beginning on January 1, 2025.

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), it is not practicable to estimate their impact on the Group at this point of time. The remaining new or amended standards and interpretations have no material impact on the Group.

4. Summary of Material Accounting Policies

(1) Statement of compliance

The consolidated financial statements of the Group for the nine-month period ended September 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 (%)		
			September 30, 2023	December 31, 2022	September 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	48.59%	46.40%	46.40%

Investor	Subsidiary	Main businesses	Percentage of ownership (%)		
			September 30, 2023	December 31, 2022	September 30, 2022
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%	46.64%
The Company	CastleNet Technology Inc.	Development, manufacturing and sales of products including cable modem, powerline communication and digital home applications	68.22%	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%	-
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%
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%

Investor	Subsidiary	Main businesses	Percentage of ownership (%)		
			September 30,	December 31,	September 30,
			2023	2022	2022
Crownpo Technology Inc.	Ranashe International Ltd.	Holding Company	100.00%	100.00%	100.00%
Crownpo Technology Inc.	Li-Cheng Materials Co., Ltd. (Note 13)	Manufacture of various chemical materials	99.50%	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 5)	Internet technology development	-	100.00%	100.00%
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 Technology (Suzhou) Co., Ltd. (Note 9)	Manufacturing	-	100.00%	100.00%
Cal-Comp Electronics (Thailand) Public Company Limited	Logistar International Holding Co., Ltd. (Note 14)	Dealer	9.14%	12.92%	12.92%
Cal-Comp Electronics (Thailand) Public Company Limited	Cal Comp (Malaysia) SDN. BHD.	Manufacturing	100.00%	100.00%	100.00%

Investor	Subsidiary	Main businesses	Percentage of ownership (%)		
			September 30,	December 31,	September 30,
			2023	2022	2022
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%	100.00%
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	Cal-Comp Semiconductor, Ltd. (Note 12)	Holding Company	99.95%	91.60%	91.60%
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%

Investor	Subsidiary	Main businesses	Percentage of ownership (%)		
			September 30,	December 31,	September 30,
			2023	2022	2022
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%
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%
Cal-Comp Semiconductor, 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 Asset Management, Inc.	Confiar Land Corp. (Note 4)	Sales and lease of land and building	40.00%	40.00%	40.00%
Cal-Comp Electronics & Communications Co., Ltd.	Logistar International Holding Co., Ltd. (Note 14)	Dealer	90.86%	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: The ownership percentage is calculated based on the proportion of Confiar Land Corp.'s issued share capital (including ordinary and preferred shares) held by Cal-Comp Asset Management, Inc. However, all the voting ordinary shares issued by Confiar Land Corp. are 100% held 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.
- Note 5: XYZprinting (Shanghai) Cloud Technology Co., Ltd. completed cancellation of local registration in the second quarter of 2023 and had completed liquidation procedure with the local tax authority.
- 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 Kaipu 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. In addition, Dongguan Kaipu Electronics Co., Ltd. completed cancellation of local registration in the third quarter of 2023 and had completed liquidation procedure with the local tax authority at the same time.
- 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. The aforementioned transaction was completed on June 28, 2023, and reclassified to financial assets at fair value through profit or loss.
- 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 Semicondutores 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: QBit Semiconductor Holding, Ltd. was renamed its name into Cal-Comp Semiconductor, Ltd. in the third quarter of 2023.

Note 13: Li-Cheng Materials Co., Ltd. increased its share capital in cash by an investment from Crownpo Technology Inc. in the third quarter of 2023. The new shares issued by this alteration were all subscribed by Crownpo Technology Inc.

Note 14: Logistar International Holding Co., Ltd. increased its share capital in cash by an investment from Cal-Comp Electronics & Communications Co., Ltd. in the third quarter of 2023. The new shares issued by this alteration were all subscribed by Cal-Comp Electronics & Communications Co., Ltd.

The financial statements of some of the consolidated subsidiaries listed above had not been reviewed by accountants. Those statements reflect total assets of NTD 4,963,369 thousand and NTD 5,839,912 thousand of the consolidated total assets, and total liabilities of NTD 4,584,667 thousand and NTD 4,457,678 thousand of the consolidated total liabilities as of September 30, 2023 and 2022, respectively. Total comprehensive income amounted to NTD (138,393) thousand and NTD (212,379) thousand of the consolidated total comprehensive income for the three-month period ended September 30, 2023 and 2022; NTD (706,859) thousand and NTD (590,512) thousand of the consolidated total comprehensive income for the nine-month period ended September 30, 2023 and 2022, respectively.

- (4) The same accounting policies applied in the Group's consolidated financial statements for the nine-month period ended September 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. According to the temporary exception in the International Tax Reform – Pillar Two Model Rules (Amendments to IAS 12), deferred tax assets and liabilities related to Pillar Two income tax will not be recognized nor disclosed.

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 nine-month period ended September 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		
	September 30, 2023	December 31, 2022	September 30, 2022
Petty cash / revolving funds	\$21,220	\$43,317	\$5,606
Cash in banks	6,138,530	7,699,170	6,455,485
Time deposit	7,008,396	2,120,861	4,408,121
Cash equivalents	62,503	52,018	57,008
Total	<u>\$13,230,649</u>	<u>\$9,915,366</u>	<u>\$10,926,220</u>

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

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

	As of		
	September 30, 2023	December 31, 2022	September 30, 2022
Financial assets mandatorily measured at fair value through profit or loss:			
Convertible corporate bond	\$1,544,945	\$1,478,358	\$1,471,958
Structured deposit	-	-	178,993
Derivatives not designated as hedging instruments	105,909	59,041	6,989
Total	<u>\$1,650,854</u>	<u>\$1,537,399</u>	<u>\$1,657,940</u>
Current	\$105,909	\$69,221	\$204,977
Non-current	1,544,945	1,468,178	1,452,963
Total	<u>\$1,650,854</u>	<u>\$1,537,399</u>	<u>\$1,657,940</u>

	As of		
	September 30, 2023	December 31, 2022	September 30, 2022
Financial liabilities mandatorily measured at fair value through profit or loss:			
Derivatives not designated as hedging instruments	<u>\$226,126</u>	<u>\$60,885</u>	<u>\$7,640</u>
Current	\$226,126	\$60,885	\$7,640
Non-current	-	-	-
Total	<u>\$226,126</u>	<u>\$60,885</u>	<u>\$7,640</u>

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 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		
	September 30, 2023	December 31, 2022	September 30, 2022
Equity instrument investments measured at fair value through other comprehensive income — non-current:			
Listed companies stocks	\$4,684,681	\$3,529,135	\$3,325,693
Unlisted companies stocks	<u>576,791</u>	<u>494,937</u>	<u>555,838</u>
Total	<u>\$5,261,472</u>	<u>\$4,024,072</u>	<u>\$3,881,531</u>
Current	\$29,680	\$34,094	\$35,350
Non-current	<u>5,231,792</u>	<u>3,989,978</u>	<u>3,846,181</u>
Total	<u>\$5,261,472</u>	<u>\$4,024,072</u>	<u>\$3,881,531</u>

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 nine-month period ended September 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		
	September 30, 2023	December 31, 2022	September 30, 2022
Time deposit and cash in banks	\$32,719	\$34,729	\$27,031
Less: loss allowance	-	-	-
Total	<u>\$32,719</u>	<u>\$34,729</u>	<u>\$27,031</u>
Current	\$18,622	\$11,959	\$8,870
Non-current	14,097	22,770	18,161
Total	<u>\$32,719</u>	<u>\$34,729</u>	<u>\$27,031</u>

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		
	September 30, 2023	December 31, 2022	September 30, 2022
Notes receivable arising from operating activities	\$63,979	\$44,378	\$53,208
Less: loss allowance	(23)	(19)	(5)
Total	<u>\$63,956</u>	<u>\$44,359</u>	<u>\$53,203</u>

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		
	September 30, 2023	December 31, 2022	September 30, 2022
Accounts receivable	\$26,629,641	\$32,798,995	\$36,414,839
Less: loss allowance	(55,057)	(41,357)	(47,574)
Subtotal	<u>26,574,584</u>	<u>32,757,638</u>	<u>36,367,265</u>

	As of		
Accounts receivable due from related parties	8,079,164	8,557,035	7,426,706
Less: loss allowance	-	-	-
Subtotal	8,079,164	8,557,035	7,426,706
Total	<u>\$34,653,748</u>	<u>\$41,314,673</u>	<u>\$43,793,971</u>

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 September 30, 2023, December 31, 2022 and September 30, 2022 was \$34,772,784 thousand, \$41,400,408 thousand and \$43,894,753 thousand, respectively. Please refer to Note 6(23) for more details on loss allowance of account receivables for the nine-month period ended September 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 September 30, 2023:

(In thousands)

The Factor (Transferee)	Accounts receivable transferred	Accounts receivable derecognized	Interest rate	Credit Line
Citibank	USD 560,391	(USD 560,391)	5.28%~6.20%	(Note)
HSBC	USD 27,562	(USD 27,562)	6.48%~6.90%	(Note)
MUFG	USD 21,589	(USD 21,589)	6.61%~6.65%	(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 September 30, 2022:

(In thousands)

The Factor (Transferee)	Accounts receivable transferred	Accounts receivable derecognized	Interest rate	Credit Line
Citibank	USD 463,186	(USD 463,186)	1.95%~4.50%	(Note)
HSBC	USD 48,214	(USD 48,214)	3.98%~4.67%	(Note)
Bank of America	USD 15,099	(USD 15,099)	4.02%~4.61%	(Note)
MUFG	USD 18,031	(USD 18,031)	3.62%~4.25%	(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 92,261 thousand, USD 109,646 thousand, and USD 98,823 thousand as of September 30, 2023, December 31, 2022 and September 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 \$60,708 thousand and \$44,299 thousand for the three-month period ended September 30, 2023 and 2022; \$152,721 thousand and \$91,164 thousand for the nine-month period ended September 30, 2023 and 2022, respectively.

(7) Other receivables

	As of		
	September 30, 2023	December 31, 2022	September 30, 2022
Remittance of funds for deliverable forward exchange transaction	\$16,509	\$41,378	\$133,771
Molds receivable	1,163,502	1,276,176	1,142,985
Grants receivable—government	962,996	1,226,269	1,184,080
Others (Note)	1,022,886	824,047	891,457
Total	<u>\$3,165,893</u>	<u>\$3,367,870</u>	<u>\$3,352,293</u>

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		
	September 30, 2023	December 31, 2022	September 30, 2022
Raw materials	\$15,739,056	\$19,797,924	\$23,128,355
Work in process	767,455	875,404	4,311,244
Finished goods	7,273,377	4,831,495	5,395,419
Merchandise inventory	4,517	37,405	69,989
Goods in transit	794,064	918,369	427,681
Total	<u>\$24,578,469</u>	<u>\$26,460,597</u>	<u>\$33,332,688</u>

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

	For the three-month period ended		For the nine-month period ended	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
Cost of inventories sold	\$36,872,091	\$47,718,099	\$110,565,093	\$124,363,316
Expense recognized	66,972	215,823	(284,914)	287,881
from inventory write- down to net realizable value (gain from reversal of inventory valuation losses)				
Total	<u>\$36,939,063</u>	<u>\$47,933,922</u>	<u>\$110,280,179</u>	<u>\$124,651,197</u>

During the nine-month period ended September 30, 2023, the Group recognized the gain from reversal of inventory valuation losses amounting to be \$284,914 primarily because the inventory that was recognized as loss allowance in the prior year was disposed in the current period; therefore, the recognized allowance was reversed in the nine-month period ended September 30, 2023.

B. Inventories were not pledged.

(9) Prepayments

	As of		
	September 30, 2023	December 31, 2022	September 30, 2022
Business tax paid (or Input VAT)	\$678,735	\$851,822	\$738,039
Prepayments to suppliers	243,346	283,193	285,798
Others (Note)	387,177	300,921	368,877
Total	<u>\$1,309,258</u>	<u>\$1,435,936</u>	<u>\$1,392,714</u>

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

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

	As of		
	September 30, 2023	December 31, 2022	September 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	-	75,176	-
Other current assets	-	1,220	-
Property, plant and equipment	259,923	3,385	-
Intangible assets	-	242,315	-
Right-of-use assets	6,173	23,984	-
Deferred tax assets	-	42,036	-
Refundable deposits	-	82	-
Total	<u>\$266,096</u>	<u>\$506,342</u>	<u>-</u>
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	<u>-</u>	<u>\$689,653</u>	<u>-</u>
Net carrying amount for non-current group held for sale	<u>\$266,096</u>	<u>\$(183,311)</u>	<u>\$-</u>

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:

Investee companies	As of					
	September 30, 2023		December 31, 2022		September 30, 2022	
	Carrying amount	% of ownership	Carrying amount	% of ownership	Carrying amount	% of ownership
<u>Associates</u>						
AcBel Polytech Inc.	\$4,420,741	19.08%	\$2,402,989	23.71%	\$2,455,344	23.71%
Ascendant Private Equity Investment Ltd.	1,426,827	34.72%	1,405,408	34.72%	1,429,514	34.72%
Teleport Access Services, Inc.	222,452	23.70%	228,362	23.70%	225,379	23.70%
Others (Note)	102,188		115,368		119,320	
Total	<u>\$6,172,208</u>		<u>\$4,152,127</u>		<u>\$4,229,557</u>	

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 \$7,088,287 thousand, \$3,724,949 thousand and \$3,512,808 thousand as of September 30, 2023, December 31, 2022 and September 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		
	September 30, 2023	December 31, 2022	September 30, 2022
Current assets	\$24,069,939	\$21,389,975	\$21,689,631
Non-current assets	21,958,323	12,474,261	12,138,076
Current liabilities	(13,055,211)	(11,015,897)	(11,340,740)
Non-current liabilities	(9,407,129)	(12,115,959)	(11,432,898)
Equity	23,565,922	10,732,380	11,054,069
Non-controlling interest	(396,427)	(597,461)	(698,336)
Shareholders of the parent	23,169,495	10,134,919	10,355,733
Proportion of the Group's ownership	19.08%	23.71%	23.71%
Carrying amount of the investment	<u>\$4,420,741</u>	<u>\$2,402,989</u>	<u>\$2,455,344</u>

	For the three-month period ended		For the nine-month period ended	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
Operating revenue	\$9,783,654	\$6,594,627	\$19,603,833	\$19,129,977
Profit from continuing operations	102,500	357,872	108,747	699,045

	For the three-month period ended		For the nine-month period ended	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
Net profit from discontinued operations	(29,207)	47,267	24,093	85,013
Other comprehensive income, net	319,125	(103,338)	354,785	(17,988)
Total comprehensive income	392,418	301,801	487,625	766,070

- (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 \$1,751,467 thousand, \$1,749,138 thousand and \$1,774,213 thousand as of September 30, 2023, December 31, 2022 and September 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 nine-month period ended	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
Loss from continuing operations	\$(31,014)	\$(9,490)	\$(44,737)	\$(26,503)
Other comprehensive income, net	36,611	71,599	47,680	136,868
Total comprehensive income	<u>\$5,597</u>	<u>\$62,109</u>	<u>\$2,943</u>	<u>\$110,365</u>

- C. As of September 30, 2023, December 31, 2022 and September 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 September 30, 2023, December 31, 2022 and September 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. In addition, although the Group has less than 20% shareholding in certain associates, it is deemed to have significant influence over those associates due to the Group to be elected as a director and being able to participate in decision-making because of the shareholding it owned. Therefore, the equity method is still applied in these cases.

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 \$1,751,467 thousand and \$1,774,213 thousand as of September 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 \$(31,014) thousand and \$(9,490) thousand for the three-month period ended September 30, 2023 and 2022; \$(44,737) thousand and \$(26,503) thousand for the nine-month period ended September 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 \$36,611 thousand and \$71,599 thousand for the three-month period ended September 30, 2023 and 2022; \$47,680 thousand and \$136,868 thousand for the nine-month period ended September 30, 2023 and 2022, respectively.

(12) Property, plant and equipment

A. Movements of property, plant and equipment of the Group for the nine-month period ended September 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	-	123,689	560,921	149,313	1,286,360	2,120,283
Disposals	-	(73,107)	(1,695,022)	(188,636)	-	(1,956,765)
Reclassification, effect of exchange rate changes and other changes	43,313	725,299	556,967	30,963	(437,487)	919,055
As of September 30, 2023	<u>\$2,140,893</u>	<u>\$18,477,110</u>	<u>\$21,893,261</u>	<u>\$4,481,854</u>	<u>\$4,162,988</u>	<u>\$51,156,106</u>
As of January 1, 2022	\$1,786,487	\$15,399,495	\$19,454,291	\$3,690,075	\$3,071,774	\$43,402,122
Additions	36,286	266,851	1,180,331	343,549	1,805,479	3,632,496
Disposals	-	(35,630)	(783,065)	(195,977)	(404)	(1,015,076)
Reclassification, effect of exchange rate changes and other changes	300,371	2,253,651	2,762,231	704,490	(1,673,754)	4,346,989
As of September 30, 2022	<u>\$2,123,144</u>	<u>\$17,884,367</u>	<u>\$22,613,788</u>	<u>\$4,542,137</u>	<u>\$3,203,095</u>	<u>\$50,366,531</u>
Accumulated depreciation and impairment:						
As of January 1, 2023	\$-	\$6,558,262	\$14,824,814	\$2,941,852	\$-	\$24,324,928
Depreciation	-	511,847	1,325,154	322,283	-	2,159,284

			Machinery		Construction in progress and equipment	
	Land	Buildings and structures	and molding equipment	Miscellaneous Equipment	awaiting examination	Total
Reversal of impairment	-	-	8,273	-	-	8,273
Disposals	-	(59,148)	(1,467,940)	(115,396)	-	(1,642,484)
Reclassification, effect of exchange rate changes and other changes	-	64,662	185,573	(26,505)	-	223,730
As of September 30, 2023	\$-	\$7,075,623	\$14,875,874	\$3,122,234	\$-	\$25,073,731
As of January 1, 2022	\$-	\$5,527,292	\$12,743,406	\$2,530,461	\$-	\$20,801,159
Depreciation	-	481,683	1,355,428	336,390	-	2,173,501
Reversal of impairments	-	-	(6,140)	305	-	(5,835)
Disposals	-	(30,901)	(632,481)	(172,891)	-	(836,273)
Reclassification, effect of exchange rate changes and other changes	-	531,830	1,500,363	248,045	-	2,280,238
As of September 30, 2022	\$-	\$6,509,904	\$14,960,576	\$2,942,310	\$-	\$24,412,790
Net carrying amount as of:						
September 30, 2023	\$2,140,893	\$11,401,487	\$7,017,387	\$1,359,620	\$4,162,988	\$26,082,375
December 31, 2022	\$2,097,580	\$11,142,967	\$7,645,581	\$1,548,362	\$3,314,115	\$25,748,605
September 30, 2022	\$2,123,144	\$11,374,463	\$7,653,212	\$1,599,827	\$3,203,095	\$25,953,741

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 September 30, 2023, December 31, 2022 and September 30, 2022, the Group received \$4,936,072 thousand, \$4,747,009 thousand and \$4,831,250 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 September 30, 2023, December 31, 2022 and September 30, 2022, the Group had prepaid for equipment approximately \$468,929 thousand, \$530,218 thousand and \$472,677 thousand accounted for other receivables, respectively.

The production equipment procurement by using aforementioned local government grants which had been accepted for \$5,128,344 thousand, \$5,177,696 thousand and \$5,229,711 thousand as of September 30, 2023, December 31, 2022 and September 30, 2022, respectively. The production equipment should recognize depreciation expense for \$606,267 thousand and \$760,789 thousand based on the useful life for the nine-month period ended September 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, the aforementioned production equipment resulted in no impact from net depreciation in income and the Group did not recognize related depreciation expense for the nine-month period ended September 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 1.83 years. Movements of investment property of the Group for the nine-month period ended September 30, 2023 and 2022 were as follows:

	<u>Buildings and Structures</u>
Cost:	
As of January 1, 2023	\$244,846
Reclassification, effect of exchange rate changes and other changes	12,422
As of September 30, 2023	<u>\$257,268</u>
As of January 1, 2022	\$223,338
Reclassification, effect of exchange rate changes and other changes	29,800
As of September 30, 2022	<u>\$253,138</u>
Accumulated depreciation and impairment:	
As of January 1, 2023	\$106,940
Depreciation	4,374
Reclassification, effect of exchange rate changes and other changes	5,614
As of September 30, 2023	<u>\$116,928</u>
As of January 1, 2022	\$91,504
Depreciation	3,773
Reclassification, effect of exchange rate changes and other changes	13,774
As of September 30, 2022	<u>\$109,051</u>
Net carrying amount as of:	
September 30, 2023	<u>\$140,340</u>
December 31, 2022	<u>\$137,906</u>
September 30, 2022	<u>\$144,087</u>

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

	For the three-month period ended		For the nine-month period ended	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
Rental income from investment property	\$5,825	\$5,719	\$17,120	\$17,674
Deduct: direct operating expenses derived from investment property with rental revenue in current period	(1,814)	(1,773)	(5,371)	(5,183)
Total	<u>\$4,011</u>	<u>\$3,946</u>	<u>\$11,749</u>	<u>\$12,491</u>

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 \$199,992 thousand, \$190,336 thousand and \$196,782 thousand as of September 30, 2023, December 31, 2022 and September 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 nine-month period ended September 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	121,942	-	122,025
Disposals	-	(44,643)	-	(44,643)
Reclassification, effect of exchange rate changes and other changes	5	15,128	-	15,133
As of September 30, 2023	<u>\$15,455</u>	<u>\$452,811</u>	<u>\$54,829</u>	<u>\$523,095</u>

	Patents	Computer software	Know-how and others	Total
As of January 1, 2022	\$673,911	\$331,352	\$317,755	\$1,323,018
Additions	65,119	97,469	-	162,588
Disposals	(18,428)	(34,373)	(275,351)	(328,152)
Reclassification, effect of exchange rate changes and other changes	1,062	6,788	5,296	13,146
As of September 30, 2022	<u>\$721,664</u>	<u>\$401,236</u>	<u>\$47,700</u>	<u>\$1,170,600</u>
Amortization and impairments:				
As of January 1, 2023	\$13,868	\$201,984	\$9,862	\$225,714
Amortization	987	94,402	600	95,989
Disposals	-	(44,643)	-	(44,643)
Impairment loss	-	364	-	364
Reclassification, effect of exchange rate changes and other changes	(2)	8,205	-	8,203
As of September 30, 2023	<u>\$14,853</u>	<u>\$260,312</u>	<u>\$10,462</u>	<u>\$285,627</u>
As of January 1, 2022	\$54,267	\$200,175	\$271,989	\$526,431
Amortization	28,589	55,936	600	85,125
Disposals	(18,428)	(34,373)	(275,351)	(328,152)
Reclassification, effect of exchange rate changes and other changes	214	6,218	5,295	11,727
As of September 30, 2022	<u>\$64,642</u>	<u>\$227,956</u>	<u>\$2,533</u>	<u>\$295,131</u>
Net carrying amount as of:				
September 30, 2023	<u>\$602</u>	<u>\$192,499</u>	<u>\$44,367</u>	<u>\$237,468</u>
December 31, 2022	<u>\$1,499</u>	<u>\$158,400</u>	<u>\$44,967</u>	<u>\$204,866</u>
September 30, 2022	<u>\$657,022</u>	<u>\$173,280</u>	<u>\$45,167</u>	<u>\$875,469</u>

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

	For the three-month period ended		For the nine-month period ended	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
Operating cost	\$7,018	\$2,287	\$14,053	\$11,600
Operating expenses	24,624	34,186	81,936	73,525
Total	<u>\$31,642</u>	<u>\$36,473</u>	<u>\$95,989</u>	<u>\$85,125</u>

(15) Current borrowings

	As of		
	September 30, 2023	December 31, 2022	September 30, 2022
Unsecured bank loans	\$23,938,530	\$30,220,964	\$35,378,206
Secured bank loans	127,547	58,187	126,852
Total	<u>\$24,066,077</u>	<u>\$30,279,151</u>	<u>\$35,505,058</u>
Unused amount	<u>\$42,311,529</u>	<u>\$45,763,356</u>	<u>\$37,554,613</u>
Interest rate	<u>1.78%~6.78%</u>	<u>1.10%~6.25%</u>	<u>0.80%~4.81%</u>

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		
	September 30, 2023	December 31, 2022	September 30, 2022
Short-term notes	\$2,050,000	\$1,725,000	\$1,625,000
Discount of short-term notes	(3,589)	(2,422)	(1,883)
Total	<u>\$2,046,411</u>	<u>\$1,722,578</u>	<u>\$1,623,117</u>
Interest rate	<u>1.92%~2.14%</u>	<u>1.36%~1.63%</u>	<u>1.36%~1.63%</u>

(17) Other payables

	As of		
	September 30, 2023	December 31, 2022	September 30, 2022
Payable due to settlement of forward contract	\$199,023	\$33,887	\$102,147
Wages, salaries and bonus payable	1,470,168	1,656,977	1,723,722
Compensation due to employee	118,627	139,965	143,194
Real estate and equipment payable	82,117	169,653	128,853
Commissions payable	708,107	345,723	318,422
Business tax payable	10,334	266,700	316,284
Others (Note)	4,016,736	3,996,445	3,855,853
Total	<u>\$6,605,112</u>	<u>\$6,609,350</u>	<u>\$6,588,475</u>

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

(18) Non-current borrowings

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

Creditor	As of September 30, 2023	Payment of principal
E.Sun Bank – Syndication unsecured loan	\$13,535,684 (USD419,477)	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.
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.

Creditor	As of September 30, 2023	Payment of principal
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, 2024. The repayment of principal will be due in a lump-sum payment on the expiration of the term. Interest is payable monthly.
Bank SinoPac – Unsecured loan	200,000	The period of the loan is from July 17, 2023 to July 17, 2025, the day after 2 years from the first date of the loan. The repayment of principal will be due in a lump-sum payment on the expiration of the term. Interest is payable monthly.
Bank SinoPac – Unsecured loan	400,000	The period of the loan is from July 24, 2023 to July 24, 2025. 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 September 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	500,000	The period of the loan is from July 17, 2023 to July 17, 2026. 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 September 30, 2023	Payment of principal
SCSB Leasing (China) Co., Ltd. – Secured loan	\$13,483 (CNY3,000)	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.
Sunny Finance Lease (China) Ltd. – Secured loan	12,584 (CNY2,800)	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	16,179 (CNY3,600)	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	12,584 (CNY2,800)	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	44,943 (CNY10,000)	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	8,090 (CNY1,800)	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	21,572 (CNY4,800)	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	13,881 (CNY3,089)	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	4,627 (CNY1,030)	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.

Creditor	As of September 30, 2023	Payment of principal
Bank SinoPac (China) Ltd. Shanghai branch – Unsecured loan	\$8,124 (CNY1,808)	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	10,920 (CNY2,430)	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	8,054 (CNY1,792)	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	6,768 (CNY1,506)	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	4,049 (CNY901)	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	4,601 (CNY1,024)	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	5,794 (CNY1,289)	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	142,019 (CNY31,600)	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	22,022 (CNY4,900)	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.

Creditor	As of September 30, 2023	Payment of principal
Sunny Finance Lease (China) Ltd. — Secured loan	\$18,876 (CNY4,200)	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	12,404 (CNY2,760)	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	17,977 (CNY4,000)	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	251,679 (CNY56,000)	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	59,954 (CNY13,340)	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	112,357 (CNY25,000)	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	37,452 (CNY8,333)	The period of the loan is from February 23, 2023 to February 23, 2026. The principal should be repaid quarterly in 12 installments and interest is payable monthly.
Hua Nan International Leasing Co., Ltd. — Secured loan	75,197 (CNY28,383)	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	127,562 (CNY28,383)	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.

Creditor	As of September 30, 2023	Payment of principal
TBB International Leasing Co., Ltd. — Unsecured loan	\$67,414 (CNY15,000)	The period of the loan is from September 20, 2023 to September 20, 2026. The principal should be repaid quarterly in 12 installments and interest is payable monthly.
Subtotal	24,441,850	
Less: current portion	(3,590,826)	
Total	\$20,851,024	
Interest rate	1.79%~7.99%	

Creditor	As of December 31, 2022	Payment of principal
E.Sun Bank – Syndication unsecured loan	\$12,878,234 (USD419,350)	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.

Creditor	As of December 31, 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, 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.

Creditor	As of December 31, 2022	Payment of principal
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.
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.

Creditor	As of December 31, 2022	Payment of principal
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.
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.

Creditor	As of December 31, 2022	Payment of principal
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.
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.

Creditor	As of December 31, 2022	Payment of principal
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.
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.

Creditor	As of December 31, 2022	Payment of principal
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.
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 September 30, 2022	Payment of principal
E.Sun Bank – Syndication unsecured loan	\$13,312,997 (USD419,307)	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.

Creditor	As of September 30, 2022	Payment of principal
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.
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, 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.

Creditor	As of September 30, 2022	Payment of principal
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 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.
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.

Creditor	As of September 30, 2022	Payment of principal
SCSB Leasing (China) Co., Ltd. – Secured loan	\$26,832 (CNY6,000)	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	6,168 (CNY1,379)	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	11,720 (CNY2,621)	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.
TBB International Leasing Co., Ltd. – Secured loan	819 (CNY183)	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.
TBB International Leasing Co., Ltd. – Secured loan	10,753 (CNY2,404)	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	17,328 (CNY3,875)	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	90,183 (CNY20,166)	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	17,888 (CNY4,000)	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	22,360 (CNY5,000)	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	17,888 (CNY4,000)	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.

Creditor	As of September 30, 2022	Payment of principal
Shanghai Pudong Development Bank Co., Ltd. – Secured loan	\$62,607 (CNY14,000)	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	11,180 (CNY2,500)	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	30,409 (CNY6,800)	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.
Sunny Finance Lease (China) Ltd. – Secured loan	21,913 (CNY4,900)	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	27,459 (CNY6,140)	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	9,153 (CNY2,047)	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	14,488 (CNY3,240)	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	6,081 (CNY1,360)	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	6,828 (CNY1,527)	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.

Creditor	As of September 30, 2022	Payment of principal
The Shanghai Commercial and Savings Bank, Ltd. Off – Shore Banking Unit – Unsecured loan	\$141,314 (CNY31,600)	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	31,304 (CNY7,000)	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	26,832 (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	18,051 (CNY4,037)	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	13,315 (CNY2,977)	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	11,189 (CNY2,502)	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	6,315 (CNY1,412)	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	7,176 (CNY1,605)	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	8,631 (CNY1,930)	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	19,508 (CNY4,362)	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.

Creditor	As of September 30, 2022	Payment of principal
FEIB Financial Leasing Co., Ltd— Secured loan	\$26,832 (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	290,677 (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.
SCSB Leasing (China) Co., Ltd. – Secured loan	89,439 (CNY20,000)	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	111,799 (CNY25,000)	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.
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.
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	23,431,436	
Less: current portion	(1,741,432)	
Total	<u>\$21,690,004</u>	
Interest rate	<u>1.28%~8.54%</u>	

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 September 30, 2023 and 2022 were \$148,370 thousand and \$143,937 thousand, respectively; pension expenses under the defined contribution plan for the nine-month period ended September 30, 2023 and 2022 were \$400,890 thousand and \$441,287 thousand, respectively.

B. Defined benefits plan

Pension expenses under the defined benefits plan for the three-month period ended September 30, 2023 and 2022 were \$50,477 thousand and \$21,579 thousand, respectively; pension expenses under the defined benefits plan for the nine-month period ended September 30, 2023 and 2022 were \$99,101 thousand and \$59,498 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 nine-month period ended September 30, 2022) of employee share options was converted to common shares. The Company had received all capital amount, and the conversion of employee share options were completed amendment of registration as of September 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 nine-month period ended September 30, 2023, 7,804 thousand shares (within 6,443 thousand shares were completed during the nine-month period ended September 30, 2022) and 4,099 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 1,661 thousand shares, 1,361 thousand shares and 9 thousand shares were not completed amendment of registration as of September 30, 2023, December 31, 2022 and September 30, 2022, respectively.

As of September 30, 2023 and 2022, the Company's authorized capital were all \$20,000,000 thousand and the paid-in capital were \$14,985,152 thousand and \$14,930,552 thousand, respectively; the outstanding shares were 1,498,515 thousand shares and 1,493,055 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		
	September 30, 2023	December 31, 2022	September 30, 2022
Additional paid-in capital arising from ordinary share	\$248,268	\$226,385	\$218,981
Treasury share transactions	385,777	371,990	371,990
Changes in equity of subsidiaries, associates and joint ventures and others	457,705	92,042	96,023
Employee shares options and others	91,608	100,693	101,598
Total	<u>\$1,183,358</u>	<u>\$791,110</u>	<u>\$788,592</u>

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 September 30, 2023, December 31, 2022 and September 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 March 31, 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 nine-month period ended	
	September 30, 2023	September 30, 2022
Beginning balance	\$10,454,183	\$9,927,883
Profit, attributable to non-controlling interest	152,490	(2,411)
Other comprehensive income, attributable to non-controlling interest:		
Exchange differences on translation	500,008	749,648
Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	(4,977)	(9,853)
Other components of other comprehensive income that will be reclassified to profit or loss	(573)	(1,455)
Subsidiaries appropriated and distributed retained earnings for cash dividends	(137,825)	(70,396)
Changes in ownership interests in subsidiaries	127,639	61,159
Share-based payments	6,790	3,655
Ending balance	<u>\$11,097,735</u>	<u>\$10,658,230</u>

(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 optionee 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	\$11.50

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 nine-month period ended			
	September 30, 2023		September 30, 2022	
	Weighted		Weighted	
	Number of share options outstanding	average exercise price of share options (\$)	Number of share options outstanding	average exercise price of share options (\$)
Outstanding at beginning of period	20,369	\$11.75	45,606	\$11.55
Granted	-	-	-	-
Forfeited	(807)	11.50	(4,912)	11.94
Exercised	(4,099)	11.50	(13,387)	11.19
Expired	-	-	(5,413)	10.49
Outstanding at end of period	<u>15,463</u>	\$11.50	<u>21,894</u>	\$11.75
Exercisable at end of period	<u>8,401</u>	\$11.50	<u>6,862</u>	\$11.75
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 September 30, 2023		
Share options outstanding at the end of the period	\$11.50	3.21
As of December 31, 2022		
Share options outstanding at the end of the period	\$11.75	3.96
As of September 30, 2022		
Share options outstanding at the end of the period	\$11.75	4.21

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 nine-month period ended			
	September 30, 2023		September 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	-	-	-	-
Forfeited	-	-	(2,989)	2.16
Exercised	(11,646)	2.16	(10,366)	2.16
Expired	(144,975)	2.16	-	-
Outstanding at end of period	-	\$-	158,400	\$2.16
Exercisable at end of period	-	\$-	158,400	\$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 September 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 September 30, 2022		
Share options outstanding at the end of the period	\$2.16	0.40

- (b) On April 30, 2019, the Company's subsidiary, Cal-Comp Semiconductor, 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 nine-month period ended			
	September 30, 2023		September 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	-	\$-	259	\$0.1
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 September 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	\$0.1	0.33
As of September 30, 2022		
Share options outstanding at the end of the period	\$0.1	0.58

- (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 nine-month period ended			
	September 30, 2023		September 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	9,057	\$12.13
Granted	-	-	-	-
Forfeited	(536)	12.09	(400)	12.18
Exercised	(2,258)	12.43	-	-
Expired	-	-	-	-
Outstanding at end of period	5,821	\$12.02	8,657	\$12.13
Exercisable at end of period	3,920	\$12.50	4,364	\$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 September 30, 2023		
Share options outstanding at the end of the period	\$12.60, \$11.45 and \$10.80	2.92, 4.24 and 5.15
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 September 30, 2022		
Share options outstanding at the end of the period	\$12.60, \$11.45 and \$10.80	3.92, 5.24 and 6.15

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 September 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 nine-month period ended	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
Equity-settled	\$2,871	\$8,383	\$28,855	\$27,518

(22) Operating revenue

A. Breakdown of operating revenue was as follows:

	For the three-month period ended		For the nine-month period ended	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
Revenue from contracts with customers				
Sale of goods	\$39,503,922	\$50,860,891	\$117,956,619	\$132,101,811
Revenue arising from rendering of services	61,074	167,439	238,165	398,922
Other revenue	36,973	48,467	143,687	132,595
Total	\$39,601,969	\$51,076,797	\$118,338,471	\$132,633,328

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

(a) Disaggregation of revenue

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

	Consumer electronic products	Other operating segments	Total
Sale of goods	\$39,030,354	\$473,568	\$39,503,922
Rendering of services	59,998	1,076	61,074
Total	<u>\$39,090,352</u>	<u>\$474,644</u>	<u>\$39,564,996</u>

Timing of revenue recognition:

At a point in time	\$39,082,508	\$474,644	\$39,557,152
Over time	7,844	-	7,844
Total	<u>\$39,090,352</u>	<u>\$474,644</u>	<u>\$39,564,996</u>

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

	Consumer electronic products	Other operating segments	Total
Sale of goods	\$50,507,211	\$353,680	\$50,860,891
Rendering of services	167,439	-	167,439
Total	<u>\$50,674,650</u>	<u>\$353,680</u>	<u>\$51,028,330</u>

Timing of revenue recognition:

At a point in time	\$50,670,041	\$353,680	\$51,023,721
Over time	4,609	-	4,609
Total	<u>\$50,674,650</u>	<u>\$353,680</u>	<u>\$51,028,330</u>

For the nine-month period ended September 30, 2023:

	Consumer electronic products	Other operating segments	Total
Sale of goods	\$116,646,773	\$1,309,846	\$117,956,619
Rendering of services	236,066	2,099	238,165
Total	<u>\$116,882,839</u>	<u>\$1,311,945</u>	<u>\$118,194,784</u>

	Consumer electronic products	Other operating segments	Total
Timing of revenue recognition:			
At a point in time	\$116,772,063	\$1,311,945	\$118,084,008
Over time	110,776	-	110,776
Total	<u>\$116,882,839</u>	<u>\$1,311,945</u>	<u>\$118,194,784</u>

For the nine-month period ended September 30, 2022:

	Consumer electronic products	Other operating segments	Total
Sale of goods	\$130,836,810	\$1,265,001	\$132,101,811
Rendering of services	398,922	-	398,922
Total	<u>\$131,235,732</u>	<u>\$1,265,001</u>	<u>\$132,500,733</u>
Timing of revenue recognition:			
At a point in time	\$131,142,799	\$1,265,001	\$132,407,800
Over time	92,933	-	92,933
Total	<u>\$131,235,732</u>	<u>\$1,265,001</u>	<u>\$132,500,733</u>

(b) Contract balances

Current contract liabilities

	As of			
	September 30, 2023	December 31, 2022	September 30, 2022	January 1, 2022
Sales of goods	<u>\$1,189,083</u>	<u>\$323,525</u>	<u>\$113,917</u>	<u>\$89,199</u>

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

	For the nine-month period ended	
	September 30, 2023	September 30, 2022
The opening balance transferred to revenue	\$(105,016)	\$(61,935)
Increase in receipts in advance during the period (excluding the amount incurred and transferred to revenue during the period)	948,404	83,925
Effect of exchange rate changes and others	22,170	2,728

(c) The Group's transaction price allocated to unsatisfied performance obligations as of September 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 nine-month period ended	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
Operating expenses – impairment loss (reversal of impairment loss) determined in accordance with IFRS 9				
Notes receivable	\$2	\$ (55)	\$4	\$(140)
Accounts receivable	7,900	2,286	12,716	(724)
Other receivables	(5,354)	11,308	(17,669)	16,476
Total	<u>\$2,548</u>	<u>\$13,539</u>	<u>\$(4,949)</u>	<u>\$15,612</u>

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 September 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 September 30, 2023, December 31, 2022 and September 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 September 30, 2023, December 31, 2022 and September 30, 2022 are as follows:

As of September 30, 2023						
	Not yet due	Overdue				
	(Note1)	<=30 days	31-60 days	61-90 days	>=91 days	Total
Gross carrying amount	\$33,352,192	\$905,538	\$277,290	\$137,821	\$99,943	\$34,772,784
Loss ratio	0%~0.625%	0%~0.625%	0%~10%	0%~30%	0%~100%	
Lifetime expected credit loss	(411)	(228)	(4)	(21,311)	(33,126)	(55,080)
Carrying amount of accounts receivable	\$33,351,781	\$905,310	\$277,286	\$116,510	\$66,817	\$34,717,704

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 September 30, 2022						
	Not yet due	Overdue				
	(Note1)	<=30 days	31-60 days	61-90 days	>=91 days	Total
Gross carrying amount	\$43,174,195	\$630,556	\$16,652	\$26,634	\$46,716	\$43,894,753
Loss ratio	0%~0.06%	0%~0.06%	0%~10%	0%~30%	0%~100%	
Lifetime expected credit loss	(555)	-	-	(1,724)	(45,300)	(47,579)
Carrying amount of accounts receivable	\$43,173,640	\$630,556	\$16,652	\$24,910	\$1,416	\$43,847,174

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 92,161 thousand, USD 109,646 thousand and USD 98,823 thousand included in the accounts receivable as of September 30, 2023, December 31, 2022 and September 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 nine-month period ended September 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	12,720	(17,669)	(4,949)
Write-off due to uncollectability	(1,358)	-	(1,358)
Reclassification, effect of exchange rate changes and others	2,342	1,839	4,181
Ending balance as of September 30, 2023	<u>\$55,080</u>	<u>\$35,947</u>	<u>\$91,027</u>

	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	(864)	16,476	15,612
Reclassification, effect of exchange rate changes and others	5,736	7,271	13,007
Ending balance as of September 30, 2022	<u>\$47,579</u>	<u>\$63,689</u>	<u>\$111,268</u>

(24) Operating costs

	For the three-month period ended		For the nine-month period ended	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
Cost of sales	\$36,939,063	\$47,933,922	\$110,280,179	\$124,651,197
Cost of services	57,924	8,281	144,449	35,045
Others	29,501	25,928	103,432	160,277
Total	<u>\$37,026,488</u>	<u>\$47,968,131</u>	<u>\$110,528,060</u>	<u>\$124,846,519</u>

(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		
	September 30, 2023	December 31, 2022	September 30, 2022
Land	\$1,183,565	\$1,163,419	\$1,210,446
Buildings	271,350	369,001	422,056
Other equipment	1,258	221	26,574
Total	<u>\$1,456,173</u>	<u>\$1,532,641</u>	<u>\$1,659,076</u>

During the nine-month period ended September 30, 2023 and 2022, the Group's additions to right-of-use assets amounted to \$36,082 thousand and \$97,172 thousand.

ii. Lease liabilities

	As of		
	September 30, 2023	December 31, 2022	September 30, 2022
Lease liabilities	<u>\$309,249</u>	<u>\$398,835</u>	<u>\$454,854</u>
Current	<u>\$138,657</u>	<u>\$146,152</u>	<u>\$160,378</u>
Non-current	<u>\$170,592</u>	<u>\$252,683</u>	<u>\$294,476</u>

Please refer to Note 6(27)(D) for the interest expense on lease liabilities recognized during the nine-month period ended September 30, 2023 and 2022; refer to Note 12(5) Liquidity Risk Management for the maturity analysis for lease liabilities as of September 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 nine-month period ended	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
Land	\$18,806	\$8,316	\$30,783	\$18,113
Buildings	47,835	40,047	122,848	123,902
Other equipment	109	937	206	1,400
Total	<u>\$66,750</u>	<u>\$49,300</u>	<u>\$153,837</u>	<u>\$143,415</u>

(c) Income and costs relating to leasing activities

	For the three-month period ended		For the nine-month period ended	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
The expenses relating to short-term leases	\$27,602	\$28,360	\$81,295	\$66,310
The relating to leases of low-value assets (Not including the expenses relating to short-term leases of low-value assets)	3,279	2,141	6,230	5,085
The expenses relating to variable lease payments not included in the measurement of lease liabilities	4,769	3,957	13,684	9,730
Total	<u>\$35,650</u>	<u>\$34,458</u>	<u>\$101,209</u>	<u>\$81,125</u>

(d) Cash outflow relating to leasing activities

The Group's total cash outflows for leases amounted to \$74,129 thousand and \$97,496 thousand for the three-month period ended September 30, 2023 and 2022; \$213,598 thousand and \$236,201 thousand for the nine-month period ended September 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					
	September 30, 2023			September 30, 2022		
	Operating costs	Operating expenses	Total amount	Operating costs	Operating expenses	Total amount
Employee benefits expense						
Wages and salaries	\$2,114,425	\$737,974	\$2,852,399	\$2,336,344	\$1,007,042	\$3,343,386
Labor and health insurance	124,361	56,577	180,938	126,358	60,738	187,096
Pension	153,007	45,840	198,847	118,025	47,491	165,516
Other employee benefits expense	14,862	26,479	41,341	71,249	34,040	105,289
Depreciation	703,154	71,879	775,033	684,527	91,676	776,203
Amortization	7,018	24,624	31,642	2,287	34,186	36,473

By function By feature	For the nine-month period ended					
	September 30, 2023			September 30, 2022		
	Operating costs	Operating expenses	Total amount	Operating costs	Operating expenses	Total amount
Employee benefits expense						
Wages and salaries	\$6,372,318	\$2,529,429	\$8,901,747	\$6,875,808	\$3,073,392	\$9,949,200
Labor and health insurance	387,961	169,471	557,432	356,931	192,906	549,837
Pension	377,986	122,005	499,991	354,054	146,731	500,785
Other employee benefits expense	164,652	121,431	286,083	210,755	113,016	323,771
Depreciation	2,083,767	233,728	2,317,495	2,022,889	297,800	2,320,689
Amortization	14,053	81,936	95,989	11,600	73,525	85,125

- 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 nine-month period ended September 30, 2023 and 2022, the Company estimated the amounts of the employees' compensation and remuneration to directors and supervisors to be 9.0% and 1.2% for the nine-month period ended September 30, 2023; 9.0% and 2.0% for the nine-month period ended September 30, 2022, respectively. As such, employees' compensation and remuneration to directors were recognized as employee benefits expense at \$39,616 thousand and \$5,282 thousand, for the three-month period ended September 30, 2023; \$84,704 thousand and \$11,294 thousand for the nine-month period ended September 30, 2023, respectively. Employees' compensation and remuneration to directors were recognized as employee benefits expense at \$55,685 thousand and \$12,375 thousand for the three-month period ended September 30, 2022; \$131,835 thousand and \$29,297 thousand for the nine-month period ended September 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 nine-month period ended	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
Bank deposits	\$188,785	\$38,765	\$501,109	\$97,975
Financial assets measured at amortized cost	5	4	11	5
Others	77	136	363	1,173
Total	<u>\$188,867</u>	<u>\$38,905</u>	<u>\$501,483</u>	<u>\$99,153</u>

B. Other income

	For the three-month period ended		For the nine-month period ended	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
Dividend income	\$-	\$-	\$182,786	\$303,977
Government grants revenue	9,448	4,656	33,172	5,123
Other revenue – others	14,398	47,185	139,209	126,366
Total	<u>\$23,846</u>	<u>\$51,841</u>	<u>\$355,167</u>	<u>\$435,466</u>

C. Other gains and losses

	For the three-month period ended		For the nine-month period ended	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
Gain (loss) on financial assets/liabilities at fair value through profit or loss				
Forward currency contracts(Note)	\$(277,823)	\$(27,155)	\$(645,378)	\$(403,524)
Convertible corporate bond(Note)	32,418	(6,744)	76,812	(2,419)
Structured deposit(Note)	-	2,555	-	7,371

	For the three-month period ended		For the nine-month period ended	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
Accounts receivable factoring	(60,708)	(44,299)	(152,721)	(91,164)
Gain (loss) on disposal of property, plant and equipment	(23,583)	(10,513)	18,950	(24,139)
Gain on disposal of non- current assets held for sale	-	86	62,827	72,690
Gains (loss) on disposals of investments	-	(8,361)	(252)	(8,361)
Impairment gain (loss) on non-financial assets	614	(1,167)	(11,471)	5,835
Foreign exchange gain (loss), net	365,675	175,780	530,476	677,976
Other losses	(50,964)	(3,832)	(52,360)	(1,752)
Total	<u><u>\$ (14,371)</u></u>	<u><u>\$ 76,350</u></u>	<u><u>\$ (173,117)</u></u>	<u><u>\$ 232,513</u></u>

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 nine-month period ended	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
Interest expenses (Note)	\$609,496	\$441,030	\$1,910,673	\$939,915
Interest due from lease liabilities	2,888	1,115	7,611	4,016
Others	3,943	4,338	20,487	30,607
Total	<u><u>\$616,327</u></u>	<u><u>\$446,483</u></u>	<u><u>\$1,938,771</u></u>	<u><u>\$974,538</u></u>

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 September 30, 2023:

		Reclassification adjustments	Other comprehensive income, before tax	Income tax relating to components of other comprehensive income	Other comprehensive income, net of tax
	Arising during the period	during the period			
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	\$207,136	\$-	\$207,136	\$616	\$207,752
Share of other comprehensive income of associates and joint ventures accounted for using equity method	(5,667)	-	(5,667)	280	(5,387)
Will be reclassified to profit or loss in subsequent periods:					
Exchange differences on translation	929,123	-	929,123	(131,159)	797,964
Share of other comprehensive income of associates and joint ventures accounted for using equity method	109,399	-	109,399	(10,083)	99,316
Other components of other comprehensive income that will be reclassified to profit or loss	(748)	-	(748)	69	(679)
Total of other comprehensive income	<u>\$1,239,243</u>	<u>\$-</u>	<u>\$1,239,243</u>	<u>\$(140,277)</u>	<u>\$1,098,966</u>

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

		Reclassification adjustments	Other comprehensive income, before tax	Income tax relating to components of other comprehensive income	Other comprehensive income, net of tax
	Arising during the period	during the period			
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	\$(171,497)	\$-	\$(171,497)	\$845	\$(170,652)

		Reclassification	Other	Income tax relating to	Other
	Arising during	adjustments	comprehensive	components of	comprehensive
	the period	during the	income, before	other	income, net of
		period	tax	comprehensive	tax
				income	
Share of other comprehensive income of associates and joint ventures accounted for using equity method	(62,816)	-	(62,816)	3,609	(59,207)
Will be reclassified to profit or loss in subsequent periods:					
Exchange differences on translation	1,133,710	-	1,133,710	(161,503)	972,207
Share of other comprehensive income of associates and joint ventures accounted for using equity method	109,309	-	109,309	(18,437)	90,872
Other components of other comprehensive income that will be reclassified to profit or loss	(1,341)	-	(1,341)	125	(1,216)
Total of other comprehensive income	<u>\$1,007,365</u>	<u>\$-</u>	<u>\$1,007,365</u>	<u>\$(175,361)</u>	<u>\$832,004</u>

For the nine-month period ended September 30, 2023:

		Reclassification	Other	Income tax relating to	Other
	Arising during	adjustments	comprehensive	components of	comprehensive
	the period	during the	income, before	other	income, net of
		period	tax	comprehensive	tax
				income	
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	\$1,146,560	\$-	\$1,146,560	\$807	\$1,147,367
Share of other comprehensive income of associates and joint ventures accounted for using equity method	(9,226)	-	(9,226)	1,677	(7,549)
Will be reclassified to profit or loss in subsequent periods:		-			
Exchange differences on translation	1,352,827	-	1,352,827	(166,856)	1,185,971
Share of other comprehensive income of associates and joint ventures accounted for using equity method	135,423	-	135,423	(13,943)	121,480

				Income tax relating to	
	Reclassification	Other	components of	Other	
	adjustments	comprehensive	other	comprehensive	
Arising during	during the	income, before	comprehensive	income, net of	
the period	period	tax	income	tax	
Other components of other comprehensive income that will be reclassified to profit or loss	(1,029)	-	(1,029)	91	(938)
Total of other comprehensive income	<u>\$2,624,555</u>	<u>\$-</u>	<u>\$2,624,555</u>	<u>\$(178,224)</u>	<u>\$2,446,331</u>

For the nine-month period ended September 30, 2022:

				Income tax relating to	
	Reclassification	Other	components of	Other	
	adjustments	comprehensive	other	comprehensive	
Arising during	during the	income, before	comprehensive	income, net of	
the period	period	tax	income	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	\$(387,476)	\$-	\$(387,476)	\$1,671	\$(385,805)
Share of other comprehensive income of associates and joint ventures accounted for using equity method	(91,240)	-	(91,240)	8,194	(83,046)
Will be reclassified to profit or loss in subsequent periods:					
Exchange differences on translation	2,462,039	-	2,462,039	(342,089)	2,119,950
Share of other comprehensive income of associates and joint ventures accounted for using equity method	221,402	-	221,402	(37,365)	184,037
Other components of other comprehensive income that will be reclassified to profit or loss	(2,688)	-	(2,688)	247	(2,441)
Total of other comprehensive income	<u>\$2,202,037</u>	<u>\$-</u>	<u>\$2,202,037</u>	<u>\$(369,342)</u>	<u>\$1,832,695</u>

(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 nine-month period ended	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
Current tax expense (income):				
Current income tax charge	\$107,553	\$162,622	\$473,015	\$404,329
Adjustments in respect of current income tax of prior periods (including overestimated and underestimated)	-	-	-	1,568
Others	-	-	39	38
Deferred tax expense (income):				
Deferred tax expense (income) relating to origination and reversal of temporary differences	20,680	47,606	(112,311)	171,360
Deferred tax expense (income) relating to origination and reversal of tax loss and tax credit	20,995	(730)	27,791	(1,657)
Deferred tax expense arising from write-down of deferred tax assets	13	-	9,074	3,400
Taxa loss, tax credits or temporary differences not recognised in previous years are recognised in the current period	-	1,768	-	(158)
Unrecognised deductible temporary difference	(51,709)	(1,093)	(86,317)	(1,093)
Total tax expense (income)	<u>\$97,532</u>	<u>\$210,173</u>	<u>\$311,291</u>	<u>\$577,787</u>

Tax recognized in other comprehensive income

	For the three-month period ended		For the nine-month period ended	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
Deferred tax expense (income):				
Exchange differences on translation	\$131,159	\$161,503	\$166,856	\$342,089
Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	(616)	(845)	(807)	(1,671)
Share of other comprehensive income of associates and joint ventures accounted for using the equity method	9,803	14,828	12,266	29,171
Other components of other comprehensive income that will be reclassified to profit or loss	(69)	(125)	(91)	(247)
Income tax related to components of other comprehensive income	<u>\$140,277</u>	<u>\$175,361</u>	<u>\$178,224</u>	<u>\$369,342</u>

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:

	<u>The assessment of income tax returns</u>
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
XYZprinting, 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 nine-month period ended	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
Basic earnings per share				
Profit, attributed to owners of parents (in thousands of NTD)	<u>\$355,713</u>	<u>\$433,789</u>	<u>\$732,627</u>	<u>\$1,021,448</u>
Weighted average number of ordinary shares outstanding for basic earnings per share (in thousands of shares)	<u>1,478,127</u>	<u>1,464,603</u>	<u>1,471,033</u>	<u>1,460,286</u>
Basic earnings per share (NTD)	<u>\$0.24</u>	<u>\$0.30</u>	<u>\$0.50</u>	<u>\$0.70</u>

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		
		September 30, 2023	December 31, 2022	September 30, 2022
Cal-Comp Electronics (Thailand) Public Company Limited	Thailand	53.48%	53.37%	53.36%

A. Accumulated balances of material non-controlling interest:

	As of		
	September 30, 2023	December 31, 2022	September 30, 2022
Cal-Comp Electronics (Thailand) Public Company Limited	<u>\$10,127,821</u>	<u>\$9,363,115</u>	<u>\$9,429,209</u>

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

	For the three-month period ended		For the nine-month period ended	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
Cal-Comp Electronics (Thailand) Public Company Limited	<u>\$175,212</u>	<u>\$139,484</u>	<u>\$483,041</u>	<u>\$290,716</u>

C. Dividends paid to material non-controlling interests

	For the three-month period ended		For the nine-month period ended	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
Cal-Comp Electronics (Thailand) Public Company Limited	<u>\$113,850</u>	<u>\$48,823</u>	<u>\$137,825</u>	<u>\$70,396</u>

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 nine-month period ended	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
Operating revenue	\$32,358,753	\$40,600,314	\$98,803,918	\$105,909,113
Profit from continuing operations	321,935	260,437	898,054	555,822
Total comprehensive income	172,871	(208,200)	857,624	(233,869)

(b) Summarized information of financial position as follows:

	As of		
	September 30, 2023	December 31, 2022	September 30, 2022
Current assets	\$61,856,315	\$65,969,732	\$71,871,618
Non-current assets	20,808,956	19,303,480	20,308,888
Current liabilities	(50,127,852)	(54,975,417)	(61,148,654)
Non-current liabilities	(14,464,228)	(13,713,326)	(14,292,643)

(c) Summarized cash flows information as follows:

	For the nine-month period ended	
	September 30, 2023	September 30, 2022
Operating activities	\$9,647,177	\$(4,349,119)
Investing activities	(2,455,202)	(3,377,559)
Financing activities	(7,153,073)	8,461,384
Net increase in cash and cash equivalents	394,346	981,912

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 nine-month period ended	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
Associates	\$22,401	\$20,620	\$42,352	\$51,086
Substantive related parties				
Compal Electronics, Inc. and its subsidiaries	11,108,654	8,610,727	29,307,366	19,215,042
Others	5,516	24,835	44,693	56,521
Subtotal	11,114,170	8,635,562	29,352,059	19,271,563
Total	<u>\$11,136,571</u>	<u>\$8,656,182</u>	<u>\$29,394,411</u>	<u>\$19,322,649</u>

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 nine-month period ended	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
Associates	\$69,503	\$196,463	\$287,037	\$576,491
Substantive related parties	1	-	3,589	-
Total	<u>\$69,504</u>	<u>\$196,463</u>	<u>\$290,626</u>	<u>\$576,491</u>

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		
	September 30, 2023	December 31, 2022	September 30, 2022
Associates	\$22,402	\$23,760	\$16,580
Substantive related parties			
Compal Electronics, Inc. and its subsidiaries	8,037,042	8,516,395	7,410,126
Others	19,720	16,880	-
Subtotal	8,056,762	8,533,275	7,410,126
Total	<u>\$8,079,164</u>	<u>\$8,557,035</u>	<u>\$7,426,706</u>

(4) Other receivables

	As of		
	September 30, 2023	December 31, 2022	September 30, 2022
Associates	\$13,590	\$12	\$18
Substantive related parties			
Compal Electronics, Inc. and its subsidiaries	80,953	20,327	752,068
Total	<u>\$94,543</u>	<u>\$20,339</u>	<u>\$752,086</u>

(5) Accounts payable

	As of		
	September 30, 2023	December 31, 2022	September 30, 2022
Associates	\$75,342	\$168,948	\$257,248
Substantive related parties			
Compal Electronics, Inc. and its subsidiaries	6,767,132	4,370,909	4,717,746
Total	<u>\$6,842,474</u>	<u>\$4,539,857</u>	<u>\$4,974,994</u>

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

(6) Other payables

	As of		
	September 30, 2023	December 31, 2022	September 30, 2022
Associates	\$311	\$333	\$415
Substantive related parties	1,373	1,220	82,408
Total	<u>\$1,684</u>	<u>\$1,553</u>	<u>\$82,823</u>

(7) Operating lease

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

	Nature	For the three-month period ended		For the nine-month period ended	
		September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
Associates	Office building and network equipment	<u>\$248</u>	<u>\$248</u>	<u>\$745</u>	<u>\$745</u>

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

(8) Others

A. Compensation of key management personnel

	For the three-month period ended		For the nine-month period ended	
	September 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021
Short-term employee benefits	\$65,581	\$68,492	\$203,160	\$204,824
Post-employment benefits	745	1,373	1,157	4,337
Share-based payments	890	1,669	6,896	4,417
Total	<u>\$67,216</u>	<u>\$71,534</u>	<u>\$211,213</u>	<u>\$213,578</u>

8. Assets pledged as security

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

Assets pledged for security	Carrying amount as of			Secured liabilities
	September 30, 2023	December 31, 2022	September 30, 2022	
Time deposit (presented in current financial assets at amortized cost)	\$5,018	\$5,006	\$2,001	Current borrowings
Buildings and structures	1,068,981	1,132,472	1,152,771	Current and non-current borrowings
Machinery & other equipment	583,385	652,991	761,466	Current and non-current borrowings
Right-of-use assets	17,979	24,095	24,596	Current and non-current borrowings
Assets classified as held for sale	150,656	-	-	Current borrowings
Total	<u>\$ 1,826,019</u>	<u>\$1,814,564</u>	<u>\$1,940,834</u>	

9. Commitments and contingencies

- (1) As of September 30, 2023, the Group provided endorsement and guarantee to subsidiaries were amounted to USD 343,000 thousand and NTD 2,175,000 thousand.
- (2) As of September 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 September 30, 2023, the Company issued declaration statement to the lending bank related to comprehensive loan facilities amounting to USD 10,000 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 September 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 September 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 September 30, 2023, December 31, 2022 and September 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		
	September 30, 2023	December 31, 2022	September 30, 2022
THB	\$248,000	\$1,264,000	\$1,492,000
USD	11,000	11,000	2,000
CNY	43,146	134,451	155,810

(7) Guarantees

As of September 30, 2023, there were outstanding bank guarantees of approximately THB 1,133,000 thousand, BRL 12,000 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

None.

12. Others

(1) Financial instruments

Financial assets

	As of		
	September 30, 2023	December 31, 2022	September 30, 2022
Financial assets at fair value through profit or loss:			
Mandatorily measured at fair value through profit or loss (including non-current)	\$1,650,854	\$1,537,399	\$1,657,940
Financial assets at fair value through other comprehensive income (including non-current)	5,261,472	4,024,072	3,881,531
Financial assets at amortised cost:			
Cash and cash equivalents	13,230,649	9,915,366	10,926,220
Financial assets at amortised cost (including non-current)	32,719	34,729	27,031
Notes receivable	63,956	44,359	53,203
Accounts receivable (including due from related parties)	34,653,748	41,314,673	43,793,971
Other receivables (including due from related parties)	3,260,436	3,388,209	4,104,379
Subtotal	51,241,508	54,697,336	58,904,804
Total	<u>\$58,153,834</u>	<u>\$60,258,807</u>	<u>\$64,444,275</u>

Financial liabilities

	As of		
	September 30, 2023	December 31, 2022	September 30, 2022
Financial liabilities at amortized cost:			
Current borrowings	\$24,066,077	\$30,279,151	\$35,505,058
Short-term notes and bills payable	2,046,411	1,722,578	1,623,117
Notes payable	1,783	2,853	2,948
Accounts payable (including to related parties)	26,181,849	27,711,861	33,450,613
Other payables (including to related parties)	6,606,796	6,610,903	6,671,298
Non-current borrowings (including current portion)	24,441,850	22,979,201	23,431,436

	As of		
	September 30, 2023	December 31, 2022	September 30, 2022
Lease liabilities (including non-current portion)	309,249	398,835	454,854
Subtotal	83,654,015	89,705,382	101,139,324
Financial liabilities at fair value through profit or loss:			
Mandatorily measured at fair value through profit or loss	226,126	60,885	7,640
Total	<u>\$83,880,141</u>	<u>\$89,766,267</u>	<u>\$101,146,964</u>

(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 activities. 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 nine-month period ended September 30, 2023 and 2022 to decrease/increase by \$18,832 thousand and \$22,529 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 nine-month period ended September 30, 2023 and 2022 to increase/decrease by \$46,847 thousand and \$33,257 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 September 30, 2023, December 31, 2022 and September 30, 2022, the top three receivables from counter parties represented 54.25%, 48.67% and 45.03% 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.

Non-derivative financial liabilities

	Less than 1 year	1 to 2 years	2 to 5 years	Above 5 years	Total
As of September 30, 2023					
Current borrowings (including interest to be paid)	\$24,645,942	\$-	\$-	\$-	\$24,645,942
Short-term notes and bills payable	2,050,000	-	-	-	2,050,000
Notes payable	1,783	-	-	-	1,783
Accounts payable (including to related parties)	26,181,849	-	-	-	26,181,849
Other payables (including to related parties)	6,606,796	-	-	-	6,606,796
Non-current borrowings (including interest to be paid)	4,657,114	9,201,351	13,058,973	-	26,917,438
Lease liabilities (including non-current portion)	145,641	175,965	7,821	-	329,427
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 September 30, 2022					
Current borrowings (including interest to be paid)	\$36,137,926	\$-	\$-	\$-	\$36,137,926
Short-term notes and bills payable	1,625,000	-	-	-	1,625,000
Notes payable	2,948	-	-	-	2,948
Accounts payable (including to related parties)	33,450,613	-	-	-	33,450,613
Other payables (including to related parties)	6,671,298	-	-	-	6,671,298
Non-current borrowings (including interest to be paid)	2,428,796	5,528,729	16,868,129	-	24,825,654
Lease liabilities (including non-current portion)	176,156	375,314	24,755	-	576,225

(6) Reconciliation of liabilities arising from financing activities

Reconciliation of liabilities for the nine-month period ended September 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	(7,458,776)	325,061	(112,389)	782,201	(6,463,903)
Non-cash changes	-	(1,167)	15,565	-	14,398
Foreign exchange movement	1,245,702	(61)	7,238	680,448	1,933,327
As of September 30, 2023	<u>\$24,066,077</u>	<u>\$2,046,411</u>	<u>\$309,249</u>	<u>\$24,441,850</u>	<u>\$50,863,587</u>

Reconciliation of liabilities for the nine-month period ended September 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	3,681,827	(1,145,000)	(155,076)	7,412,463	9,794,214
Non-cash charges	-	(526)	62,422	-	61,896
Foreign exchange movement	3,757,129	-	56,250	1,660,222	5,473,601
As of September 30, 2022	<u>\$35,505,058</u>	<u>\$1,623,117</u>	<u>\$454,854</u>	<u>\$23,431,436</u>	<u>\$61,014,465</u>

(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 September 30, 2023, December 31, 2022 and September 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 September 30, 2023

Items	Contract Amount	Exchange Currency	Contract Period
Forward currency contract	Sell USD 113,415 thousand	THB	From October 3, 2023 to March 20, 2024
Forward currency contract	Sell USD 2,000 thousand	PHP	October 31, 2023
Forward currency contract	Sell USD 80,000 thousand	NTD	October 31, 2023
Forward currency contract	Sell USD 26,000 thousand	CNY	October 31, 2023
Forward currency contract	Sell USD 30,000 thousand	THB	From October 6, 2023 to October 26, 2023
Forward currency contract	Sell USD 60,000 thousand	NTD	October 31, 2023
Forward currency contract	Sell USD 8,600 thousand	MXN	October 31, 2023
Forward currency contract	Sell USD 137,000 thousand	THB	Form October 31, 2023 to May 31, 2024
Forward currency contract	Sell USD 2,000 thousand	PHP	October 31, 2023
Forward currency contract	Sell USD 15,000 thousand	THB	October 31, 2023
Forward currency contract	Buy USD 113,500 thousand	THB	Form October 3, 2023 to March 20, 2024
Forward currency contract	Buy USD 10,000 thousand	CNY	October 31, 2023
Forward currency contract	Buy USD 38,000 thousand	BRL	From October 5, 2023 to October 26, 2023
Forward currency contract	Buy USD 4,000 thousand	BRL	From October 5, 2023 to October 26, 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 September 30, 2022

Items	Contract Amount	Exchange Currency	Contract Period
Forward currency contract	Sell THB 600,000 thousand	USD	From March 21, 2023 to March 31, 2023
Forward currency contract	Sell USD 50,000 thousand	THB	From October 6, 2022 to October 27, 2022
Forward currency contract	Sell USD 45,000 thousand	THB	October 31, 2022
Forward currency contract	Buy THB 600,000 thousand	USD	From March 21, 2023 to March 31, 2023
Forward currency contract	Buy USD 20,000 thousand	CNY	October 31, 2022
Forward currency contract	Buy USD 15,000 thousand	CNY	October 31, 2022
Forward currency contract	Buy USD 85,461 thousand	BRL	From October 6, 2022 to October 31, 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 September 30, 2023, December 31, 2022 and September 30, 2022, the Group had forward currency contract transactions which were settled but not received, recognized as other receivables, amounted to \$16,509 thousand, \$41,378 thousand and \$133,771 thousand, respectively. The forward currency contract transactions which were settled but not paid, recognized as other payables, amounted to \$199,023 thousand, \$33,887 thousand and \$102,147 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 September 30, 2023:

	Level 1	Level 2	Level 3	Total
Financial assets:				
At fair value through profit or loss				
Convertible corporate bond	\$-	\$-	\$1,544,945	\$1,544,945
Forward currency contracts	-	105,909	-	105,909
Assets at fair value through other comprehensive income				
Equity instrument measured at fair value through other comprehensive income	4,684,681	-	576,791	5,261,472
Financial liabilities :				
At fair value through profit or loss				
Forward contract	-	226,126	-	226,126

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 September 30, 2022:

	Level 1	Level 2	Level 3	Total
Financial assets:				
At fair value through profit or loss				
Convertible corporate bond	\$-	\$-	\$1,471,958	\$1,471,958
Structured deposit	-	-	178,993	178,993
Forward currency contracts	-	6,989	-	6,989
Assets at fair value through other comprehensive income				
Equity instrument measured at fair value through other comprehensive income	3,325,693	-	555,838	3,881,531
Financial liabilities :				
At fair value through profit or loss				
Forward contract	-	7,640	-	7,640

Transfers between Level 1 and Level 2 during the period

During the nine-month period ended September 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 other comprehensive income			
	At fair value through profit and loss			
	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 nine-month period ended September 30, 2023:				
Amount recognized in profit or loss (presented in “other profit or loss”)	76,812	-	-	76,812
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 nine-month period ended September 30, 2023	-	-	53,900	53,900
Disposal/settlements/reclassification for the nine-month period ended September 30, 2023	(10,225)	-	60,894	50,669
Effect of exchange rate changes	-	-	1,276	1,276
Ending balances As of September 30, 2023	\$1,544,945	\$-	\$576,791	\$2,121,736

	Assets			
	At fair value through other comprehensive income			
	At fair value through profit and loss			
	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 nine-month period ended September 30, 2022:				
Amount recognized in profit or loss (presented in “other profit or loss”)	(2,419)	7,371	-	4,952
Amount recognized in OCI (presented in “Unrealized gains (losses) from equity instruments investments measured at fair value through other comprehensive income)	-	-	(18,211)	(18,211)

	Assets			
	At fair value through other comprehensive income			
	At fair value through profit and loss		income	
	Convertible	Structured		
	Corporate Bonds	Deposit	Stocks	Total
Acquisition for the nine-month period ended September 30, 2022	-	1,899,635	-	1,899,635
Disposal/settlements/reclassification for the nine-month period ended September 30, 2022	(33,375)	(2,264,076)	-	(2,297,451)
Effect of exchange rate changes and others	-	13,020	28,606	41,626
Ending balances as of September 30, 2022	\$1,471,958	\$178,993	\$555,838	\$2,206,789

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 September 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 \$15,449 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 \$7,210 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	

	Valuation	Significant	Quantitative	Relationship	
	techniques	unobservable inputs	information	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 \$6,187 thousand

As of September 30, 2022:

	Valuation	Significant	Quantitative	Relationship	
	techniques	unobservable inputs	information	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	39.26%	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	14.59%	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 \$14,530 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
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
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 \$6,948 thousand

Valuation process used for fair value measurements categorized within Level 3 of the fair value hierarchy

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 September 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	\$-	\$32,719	\$-	\$32,719

	Level 1	Level 2	Level 3	Total
Investments accounted for using equity method (Note1)	7,088,287	-	-	7,088,287
Investment property (Note2)	-	-	199,992	199,992
Financial liabilities did not measure at fair value but for which the fair value was disclosed:				
Non-current borrowings (including current portion)	-	24,441,850	-	24,441,850

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 September 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	\$-	\$27,031	\$-	\$27,031
Investments accounted for using equity method (Note1)	3,512,808	-	-	3,512,808
Investment property (Note2)	-	-	196,782	196,782
Financial liabilities did not measure at fair value but for which the fair value was disclosed:				
Non-current borrowings (including current portion)	-	23,431,436	-	23,431,436

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 September 30, 2023					
	Foreign currencies	Exchange rate	Carrying amount (NTD)	Sensitivity analysis	
				Fluctuation	Effect on income
<u>Financial assets</u>					
<u>Monetary items</u>					
USD	\$446,947	32.2680	\$14,422,076	0.5%	\$72,110
CNY	181,349	4.4943	815,038	0.5%	4,075
THB	971,000	0.8866	860,889	0.5%	4,304
PHP	430,693	0.5704	245,667	0.5%	1,228
<u>Financial liabilities</u>					
<u>Monetary items</u>					
USD	40,201	32.2680	1,297,201	0.5%	6,486
CNY	508,705	4.4943	2,286,271	0.5%	11,431
THB	6,286,000	0.8866	5,573,168	0.5%	27,866
PHP	1,010,324	0.5704	576,289	0.5%	2,881

(In thousands)

As of December 31, 2022					
	Foreign currencies	Exchange rate	Carrying amount (NTD)	Sensitivity analysis	
				Fluctuation	Effect on income
<u>Financial assets</u>					
<u>Monetary items</u>					
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
<u>Financial liabilities</u>					
<u>Monetary items</u>					
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 September 30, 2022

	As of September 30, 2022				
	Foreign	Exchange	Carrying	Sensitivity analysis	
	currencies	rate	amount		Effect on
			(NTD)	Fluctuation	income
<u>Financial assets</u>					
<u>Monetary items</u>					
USD	\$503,967	31.7500	\$16,000,953	0.5%	\$80,005
CNY	186,541	4.4720	834,211	0.5%	4,171
THB	1,212,000	0.8373	1,014,808	0.5%	5,074
PHP	150,898	0.5416	81,726	0.5%	409
<u>Financial liabilities</u>					
<u>Monetary items</u>					
USD	136,593	31.7500	4,336,821	0.5%	21,684
CNY	526,563	4.4720	2,354,790	0.5%	11,774
THB	3,744,000	0.8373	3,134,851	0.5%	15,674
PHP	847,534	0.5416	459,025	0.5%	2,295

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 \$365,675 thousand and \$175,780 thousand for the three-month period ended September 30, 2023 and 2022; \$530,476 thousand and \$677,976 thousand for the nine-month period ended September 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 parties 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 parties 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

Shares	Total shares owned	Ownership percent
Major shareholders		
Compal Electronics, Inc.	124,043,763 shares	8.27%

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 September 30, 2023				
	Consuming electronic products	Other operating segments	Adjustment and elimination	Consolidated
External customer	\$39,127,325	\$474,644	\$-	\$39,601,969
Segment profit	\$602,760	\$(151,285)	\$-	\$451,475
For the three-month period ended September 30, 2022				
	Consuming electronic products	Other operating segments	Adjustment and elimination	Consolidated
External customer	\$50,723,117	\$353,680	\$-	\$51,076,797
Segment profit	\$693,363	\$(223,968)	\$-	\$469,395
For the nine-month period ended September 30, 2023				
	Consuming electronic products	Other operating segments	Adjustment and elimination	Consolidated
External customer	\$117,026,526	\$1,311,945	\$-	\$118,338,471
Segment profit	\$1,597,607	\$(712,490)	\$-	\$885,117

For the nine-month period ended September 30, 2022				
	Consuming electronic products	Other operating segments	Adjustment and elimination	Consolidated
External customer	\$131,368,327	\$1,265,001	\$-	\$132,633,328
Segment profit	\$1,633,417	\$(614,380)	\$-	\$1,019,037

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 September 30, 2023, December 31, 2022 and September 30, 2022 were as follows:

Segment assets

	Consumer electronic products	Other operating segments	Adjustment and elimination	Consolidated
September 30, 2023	\$117,916,951	\$4,916,031	\$-	\$122,832,982
December 31, 2022	\$120,159,659	\$5,304,860	\$-	\$125,464,519
September 30, 2022	\$131,241,905	\$5,648,998	\$-	\$136,890,903

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 Acually Drawn	Interest rate	Nature of Financing <Note2>	Transaction Amounts	Reason for Financing	Allowance for Bad Debt	Collateral		Financing Limits for Each Borrowing Company <Note3>	Financing Company's Total Financing Amount Limits <Note4>
													Item	Value		
0	Kinpo Electronics, Inc.	Kinpo International Ltd.	Other receivables due from related parties	Yes	USD 110,000 (3,549,480)	USD 85,000 (2,742,780)	USD 85,000 (2,742,780)	6.04%~6.26%	2	-	Need for operating	-	-	-	\$4,155,029	\$16,460,118
0	Kinpo Electronics, Inc.	Kinpo Electronics (Philippines), Inc.	"	Yes	USD 50,000 (1,613,400)	USD 50,000 (1,613,400)	-	1M TAIFX3+0.5%	2	-	Need for operating	-	-	-	4,155,029	16,460,118
0	Kinpo Electronics, Inc.	XYZprinting Japan, Inc.	"	Yes	JPY 600,000 (138,480)	JPY 300,000 (64,800)	JPY 300,000 (64,800)	0.5%	2	-	Need for operating	-	-	-	4,155,029	16,460,118
0	Kinpo Electronics, Inc.	XYZprinting, Inc.	"	Yes	900,000	350,000	-	3M TAIBOR+0.8%	2	-	Need for operating	-	-	-	4,155,029	16,460,118
1	Kinpo International Ltd.	XYZprinting, Inc. (USA)	"	Yes	USD 3,000 (96,804)	USD 3,000 (96,804)	USD 3,000 (96,804)	6.44%	2	-	Need for operating	-	-	-	721,574	3,607,870
2	Kinpo International (Singapore) Pte. Ltd.	Kinpo Electronics (Philippines), Inc.	"	Yes	USD 65,000 (2,097,420)	USD 65,000 (2,097,420)	USD 12,700 (409,804)	6.25%	2	-	Need for operating	-	-	-	8,105,186	8,105,186
3	Cal-Comp Technology (Philippines), Inc.	Kinpo Electronics (Philippines), Inc.	"	Yes	USD 13,000 (419,484)	USD 13,000 (419,484)	USD 12,000 (387,216)	6.67648%~6.67734%	2	-	Need for operating	-	-	-	9,564,394	9,564,394
3	Cal-Comp Technology (Philippines), Inc.	Confiar Land Corp.	"	Yes	USD 4,000 (129,072)	USD 2,000 (64,536)	USD 1,400 (45,175)	6.72245%	2	-	Need for operating	-	-	-	1,912,879	9,564,394
4	Cal-Comp Electronics (Thailand) Public Company Limited	Cal-Comp Industria de Semicondutores S.A.	"	Yes	USD 7,500 (242,010)	USD 7,500 (242,010)	USD 7,500 (242,010)	7.8985%	2	-	Need for operating	-	-	-	3,574,202	16,460,118
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 (645,360)	-	3M CME SOFR+2.6%	2	-	Need for operating	-	-	-	3,574,202	16,460,118
5	Cal-Comp Precision (Thailand) Limited	Cal-Comp Precision (Philippines), Inc.	"	Yes	USD 45,000 (1,452,060)	USD 45,000 (1,452,060)	USD 15,000 (484,020)	6.2879%	2	-	Need for operating	-	-	-	1,813,308	1,813,308
5	Cal-Comp Precision (Thailand) Limited	Cal-Comp Precision (Singapore), Inc.	"	Yes	USD 30,000 (968,040)	USD 30,000 (968,040)	USD 20,000 (645,360)	6.2879%~6.31009%	2	-	Need for operating	-	-	-	1,813,308	1,813,308
6	Cal-Comp Electronics (USA) Co., Ltd.	Cal-Comp USA (San Diego), Inc.	"	Yes	USD 3,000 (96,804)	USD 3,000 (96,804)	-	3M CME SOFR+1%	2	-	Need for operating	-	-	-	1,319,220	1,319,220
7	Cal-Comp Optical Electronics (Suzhou) Co., Ltd.	Cal-Comp Optical Electronics (Yueyang) Co., Ltd.	"	Yes	CNY 140,000 (629,202)	CNY 140,000 (629,202)	CNY 140,000 (629,202)	3.8%	2	-	Need for operating	-	-	-	4,518,462	4,518,462
8	Kinpo Electronics (China) Co., Ltd.	Cal-Comp Optical Electronics (Yueyang) Co., Ltd.	"	Yes	CNY 50,000 (224,715)	CNY 50,000 (224,715)	-	1Y LPR+0.15%	2	-	Need for operating	-	-	-	6,493,840	6,493,840
8	Kinpo Electronics (China) Co., Ltd.	LIZ Electronics (Nantong) Co., Ltd.	"	Yes	CNY 200,000 (898,860)	CNY 200,000 (898,860)	CNY 200,000 (898,860)	6.35%	2	-	Need for operating	-	-	-	6,493,840	6,493,840
9	Crownpo Technology Inc.	Li-Cheng Materials Co., Ltd.	"	Yes	16,000	-	-	-	2	-	Need for operating	-	-	-	24,692	98,767
10	LIZ Electronics (Kunshan) Co., Ltd.	LIZ Electronics (Nantong) Co., Ltd.	"	Yes	CNY 30,000 (134,829)	CNY 15,000 (67,415)	-	4.35%	1	CNY 49,586 (222,855)	-	-	-	-	695,041	695,041
11	LIZ Electronics (Nantong) Co., Ltd.	LIZ Electronics (Kunshan) Co., Ltd.	"	Yes	CNY 30,000 (134,829)	CNY 15,000 (67,415)	-	4.35%	1	CNY 49,586 (222,855)	-	-	-	-	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 higher 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 higher 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.

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

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	Guarantee Provided to Subsidiaries in Mainland China
		Name	Nature of relationship <Note2>										
0	Kinpo Electronics, Inc.	Kinpo International Ltd.	2	\$20,575,147	USD 141,000 (4,549,788)	USD 137,000 (4,420,716)	- -	\$-	21.49%	\$20,575,147	YES	NO	NO
0	Kinpo Electronics, Inc.	Kinpo International (Singapore) Pte. Ltd.	2	20,575,147	USD 30,000 (968,040)	USD 25,000 (806,700)	USD 25,000 (806,700)	-	3.92%	20,575,147	YES	NO	NO
0	Kinpo Electronics, Inc.	XYZprinting, Inc.	2	20,575,147	930,000	890,000	-	-	4.33%	20,575,147	YES	NO	NO
1	Cal-Comp Electronics (Thailand) Public Company	Logistar International Holding Co., Ltd.	2	17,871,011	USD 135,000 EUR 4,500 (4,456,319)	- - -	- - -	-	-	17,871,011	YES	NO	NO
1	Cal-Comp Electronics (Thailand) Public Company	Cal-Comp Electronics (USA) Co., Ltd.	2	17,871,011	USD 35,000 (1,129,380)	USD 35,000 (1,129,380)	- -	-	5.49%	17,871,011	YES	NO	NO
1	Cal-Comp Electronics (Thailand) Public Company	Cal-Comp Electronics & Communications Co., Ltd.	2	17,871,011	USD 91,000 1,000,000 (3,936,388)	USD 91,000 1,000,000 (3,936,388)	USD 47,285 250,000 (1,775,792)	-	19.13%	17,871,011	YES	NO	NO
1	Cal-Comp Electronics (Thailand) Public Company	Qbit Semiconductor Ltd.	2	-	575,000 USD 22,000 (1,266,460)	285,000 - (285,000)	52,597 - (52,597)	-	1.39%	-	YES	NO	NO
1	Cal-Comp Electronics (Thailand) Public Company	Cal-Comp Precision (Singapore) Limited	2	17,871,011	USD 10,000 (322,680)	USD 10,000 (322,680)	USD 10,000 (322,680)	-	1.57%	17,871,011	YES	NO	NO
2	Cal-Comp Precision Holding Co., Ltd.	Cal-Comp Precision (Singapore) Limited	2	3,724,876	USD 45,000 (1,452,060)	USD 45,000 (1,452,060)	USD 24,830 (801,214)	-	7.06%	3,724,876	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 /guarantee 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 endorser/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.

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

Table 3: Marketable securities held (not including subsidiaries, 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 September 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	\$29,680	0.03%	\$29,680	Public: AMPH
0	Kinpo Electronics, Inc.	Compal Electronics, Inc. / Stock	—	Non-current financial assets at fair value through other comprehensive income	151,628,692	4,655,001	3.44%	4,655,001	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 equity investments measured at fair value through profit and loss	-	1,544,945	-	1,544,945	
4	Cal-Comp Electronics (Thailand) Public Company Limited	Nexa3D Inc. / Stock	—	Non-current equity investments measured 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 equity investments measured at fair value through other comprehensive income	480,815	-	4.72%	-	
7	Cal-Comp Semiconductor, 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".

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

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	27,252	<Note1>
Kinpo Electronics, Inc.	AcBel Polytech Inc.	"	Capital increment in cash	—	124,788,917	2,402,989	37,414,446	1,451,681	-	-	-	-	162,203,363	4,420,741	<Note1>
Cal-Comp Electronics (Thailand) Public Company Limited	XYZprinting, Inc.	"	Capital increment in cash	—	43,151,760	(509,674)	72,000,000	USD 23,423	-	-	-	-	115,151,760	27,252	<Note1>
Cal-Comp Electronics & Communications Company Limited	Logistar International Holding Co., Ltd.	"	Capital increment in cash	—	270,000,000	(5,110,513)	128,000,000	3,945,280	-	-	-	-	398,000,000	(1,607,818)	<Note1>

<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.

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

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	\$2,474,421	7.41%	About 30 days	Similar to general terms and conditions	About 30 days	(\$264,581)	2.74%	
Kinpo Electronics, Inc.	Cal-Comp Electronics (Thailand) Public Company Limited	Subsidiary	Purchases	30,938,065	92.59%	About 30 days	Similar to general terms and conditions	About 30 days	(8,843,544)	91.73%	
Kinpo Electronics, Inc.	Compal Electronics, Inc.	Substantive Related Parties	Sales	29,206,126	85.88%	About 50 days	Similar to general terms and conditions	About 50 days	7,975,459	79.98%	
Kinpo International Ltd.	Kinpo Electronics, Inc.(China)	Subsidiary	Purchases	CNY 439,839	61.08%	—	Similar to general terms and conditions	—	(CNY 56,579)	31.25%	
Kinpo Electronics, Inc.(China)	Kinpo International Ltd.	Parent company	Sales	CNY 439,839	92.34%	—	Similar to general terms and conditions	—	CNY 56,579	20.04%	
Kinpo Electronics (Philippines), Inc.	Kinpo Electronics, Inc.	Parent company	Sales	USD 80,839	13.98%	About 30 days	Similar to general terms and conditions	About 30 days	USD 8,199	3.82%	
Kinpo Electronics (Philippines), Inc.	Cal-Comp Precision (Philippines), Inc.	Affiliated company	Purchases	USD 85,411	19.35%	About 30 days	Similar to general terms and conditions	About 30 days	(USD 19,636)	14.38%	
Kinpo Electronics (Philippines), Inc.	Cal-Comp Precision (Singapore) Limited	Affiliated company	Purchases	USD 3,353	0.76%	About 30 days	Similar to general terms and conditions	About 30 days	(USD 217)	0.16%	
Kinpo Electronics (Philippines), Inc.	AcBel Polytech Philippines, Inc.	Substantive Related Parties	Purchases	USD 3,300	0.75%	About 30 days	Similar to general terms and conditions	About 30 days	(USD 1,192)	0.87%	
XYZprinting, Inc.	Cal-Comp Electronics (Thailand) Public Company Limited	Affiliated company	Purchases	174,643	95.66%	About 90 days	Similar to general terms and conditions	About 90 days	(163,165)	85.57%	
CastleNet Technology Inc.	Cal-Comp Electronics (Thailand) Public Company Limited	Affiliated company	Purchases	229,047	42.20%	About 90-120 days	Similar to general terms and conditions	About 90-120 days	(92,199)	95.72%	
Cal-Comp Electronics (Thailand) Public Company Limited	Kinpo Electronics, Inc.	Parent company	Sales	USD 1,002,220	41.68%	About 30 days	Similar to general terms and conditions	About 30 days	USD 274,176	42.84%	
Cal-Comp Electronics (Thailand) Public Company Limited	XYZprinting, Inc.	Affiliated company	Sales	USD 4,218	0.18%	About 90 days	Similar to general terms and conditions	About 90 days	USD 3,640	0.57%	
Cal-Comp Electronics (Thailand) Public Company Limited	CastleNet Technology Inc.	Affiliated company	Sales	USD 236,386	9.83%	About 90-120 days	Similar to general terms and conditions	About 90-120 days	USD 139,882	21.86%	
Cal-Comp Electronics (Thailand) Public Company Limited	Cal-Comp Electronics & Communications Company Limited	Subsidiary	Sales	USD 223,557	9.30%	About 60-90 days	Similar to general terms and conditions	About 60-90 days	USD 24,889	3.89%	
Cal-Comp Electronics (Thailand) Public Company Limited	Cal-Comp Precision (Thailand) Limited	Subsidiary	Purchases	USD 32,509	1.40%	About 60 days	Similar to general terms and conditions	About 60 days	(USD 7,733)	1.48%	
Cal-Comp Electronics (Thailand) Public Company Limited	Compal Electronics, Inc.	Substantive Related Parties	Purchases	USD 777,636	33.53%	About 60-90 days	Similar to general terms and conditions	About 60-90 days	(USD 209,717)	40.15%	
Cal-Comp Optical Electronics (Suzhou) Co., Ltd.	Cal-Comp Electronics & Communications Co., Ltd.	Affiliated company	Sales	CNY 439,943	100.00%	About 45-90 days	Similar to general terms and conditions	About 45-90 days	CNY 137,490	100.00%	
Cal-Comp Optical Electronics (Yueyang) Co., Ltd.	Cal-Comp Electronics & Communications Co., Ltd.	Affiliated company	Sales	CNY 2,026,932	93.17%	About 90 days	Similar to general terms and conditions	About 90 days	CNY 343,303	92.72%	
Cal-Comp Optical Electronics (Yueyang) Co., Ltd.	Cal-Comp Precision (Yueyang) Co., Ltd.	Affiliated company	Purchases	CNY 282,652	13.61%	About 60-90 days	Similar to general terms and conditions	About 60-90 days	(CNY 81,837)	15.23%	
Cal-Comp Precision (Thailand) Limited	Cal-Comp Electronics (Thailand) Public Company Limited	Parent company	Sales	USD 32,509	96.41%	About 60 days	Similar to general terms and conditions	About 60 days	USD 7,806	98.08%	
Cal-Comp Precision (Philippines), Inc.	Kinpo Electronics (Philippines), Inc.	Affiliated company	Sales	USD 85,283	94.32%	About 30 days	Similar to general terms and conditions	About 30 days	USD 19,507	86.68%	
Cal-Comp Precision (Yueyang) Co., Ltd.	Cal-Comp Optical Electronics (Yueyang) Co., Ltd.	Affiliated company	Sales	CNY 282,599	95.98%	About 60-90 days	Similar to general terms and conditions	About 60-90 days	CNY 81,749	95.17%	
Cal-Comp Electronics & Communications Co., Ltd.	Cal-Comp Electronics (Thailand) Public Company Limited	Parent company	Purchases	USD 223,556	42.20%	About 60-90 days	Similar to general terms and conditions	About 60-90 days	(USD 24,889)	26.96%	
Cal-Comp Electronics & Communications Co., Ltd.	Cal-Comp Optical Electronics (Suzhou) Co., Ltd.	Affiliated company	Purchases	USD 62,806	11.86%	About 45-90 days	Similar to general terms and conditions	About 45-90 days	(USD 19,149)	20.74%	
Cal-Comp Electronics & Communications Co., Ltd.	Cal-Comp Optical Electronics (Yueyang) Co., Ltd.	Affiliated company	Purchases	USD 242,840	45.84%	About 90 days	Similar to general terms and conditions	About 90 days	(USD 47,815)	51.79%	
Cal-Comp Electronics de Mexico Co., S.A. de C.V.	Cal-Comp Electronics (USA) Co., Ltd.	Affiliated company	Sales	MXN 167,958	100.00%	About 60-90 days	Similar to general terms and conditions	About 60-90 days	MXN 72,477	100.00%	

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

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

Table 6: Receivables due from related parties 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	Turnover 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	\$7,975,459	4.73	\$-	-	\$1,767,966	\$-
Kinpo Electronics, Inc.	Kinpo International Ltd.	Subsidiary	Other receivables due from related parties	2,786,267	-	-	-	-	-
Kinpo Electronics, Inc.	Kinpo Electronics (Philippines), Inc.	Subsidiary	Accounts receivable due from related parties	1,118,260	-	-	-	297,709	-
Kinpo International (Singapore) Pte. Ltd.	Kinpo Electronics (Philippines), Inc.	Subsidiary	Long-term receivable due from related parties	USD 13,401	-	-	-	-	-
Kinpo International Ltd.	Kinpo Electronics, Inc.(China)	Subsidiary	Accounts receivable due from related parties	CNY 137,494	-	-	-	CNY 57,442	-
Kinpo International Ltd.	XYZprinting, Inc. (USA)	Affiliated company	Long-term receivable due from related parties	USD 3,200	-	-	-	-	-
Kinpo Electronics, Inc.(China)	Kinpo International Ltd.	Parent company	Accounts receivable due from related parties	CNY 56,579	11.17	-	-	CNY 9,873	-
Kinpo Electronics, Inc.(China)	LIZ Electronics (Nantong) Co., Ltd.	Affiliated company	Long-term receivable due from related parties	CNY 214,120	-	-	-	-	-
Kinpo Electronics (Philippines), Inc.	Kinpo Electronics, Inc.	Parent company	Accounts receivable due from related parties	USD 8,199	16.33	-	-	-	-
Cal-Comp Technology (Philippines), Inc.	Kinpo Electronics (Philippines), Inc.	Parent company	Other receivables due from related parties	USD 12,620	-	-	-	-	-
Cal-Comp Electronics (Thailand) Public Company Limited	Kinpo Electronics, Inc.	Parent company	Accounts receivable due from related parties	USD 274,176	27.50	-	-	USD 62,844	-
Cal-Comp Electronics (Thailand) Public Company Limited	XYZprinting, Inc. and Subsidiary	Affiliated company	"	USD 3,640	10.82	-	-	USD 455	-
Cal-Comp Electronics (Thailand) Public Company Limited	CastleNet Technology Inc.	Affiliated company	"	USD 139,882	11.83	-	-	USD 5,320	-
Cal-Comp Electronics (Thailand) Public Company Limited	Cal-Comp Electronics & Communications Co., Ltd.	Subsidiary	"	USD 24,889	90.12	-	-	USD 24,889	-
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 137,490	30.59	-	-	CNY 63,886	-
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.	Cal-Comp Electronics & Communications Co., Ltd.	Affiliated company	Accounts receivable due from related parties	CNY 343,303	68.94	-	-	CNY 248,907	-
Cal-Comp Precision (Thailand) Limited	Cal-Comp Electronics (Thailand) Public Company Limited	Parent company	"	USD 7,806	29.62	-	-	USD 3,909	-
Cal-Comp Precision (Thailand) Limited	Cal-Comp Precision (Philippines), Inc.	Subsidiary	Long-term receivable due from related parties	USD 15,000	-	-	-	-	-
Cal-Comp Precision (Thailand) Limited	Cal-Comp Precision (Singapore), Inc.	Parent company	"	USD 20,000	-	-	-	-	-
Cal-Comp Precision (Philippines), Inc.	Kinpo Electronics (Philippines), Inc.	Affiliated company	Accounts receivable due from related parties	USD 19,507	31.11	-	-	USD 10,447	-
Cal-Comp Precision (Yueyang) Co., Ltd.	Cal-Comp Optical Electronics (Yueyang) Co., Ltd.	Affiliated company	"	CNY 81,749	23.24	-	-	CNY 30,385	-
Cal-Comp Electronics de Mexico Co., S.A. de C.V.	Cal-Comp Electronics (USA) Co., Ltd.	Affiliated company	"	MXN 72,477	9.95	-	-	MXN 23,580	-
Cal-Comp Electronics & Communications Co., Ltd.	Cal-Comp Electronics (Thailand) Public Company Limited	Parent company	"	USD 10,630	0.46	-	-	USD 2,450	-

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	\$1,118,260	Similar to general terms and conditions	0.91%
0	Kinpo Electronics, Inc.	Cal-Comp Technology (Philippines), Inc. and Subsidiary	1	Accounts payable	264,581	Similar to general terms and conditions	0.22%
0	Kinpo Electronics, Inc.	Cal-Comp Technology (Philippines), Inc. and Subsidiary	1	Purchases	2,474,421	Similar to general terms and conditions	6.25%
0	Kinpo Electronics, Inc.	Cal-Comp Electronics (Thailand) Public Company Limited and Subsidiary	1	Accounts payable	8,843,544	Similar to general terms and conditions	7.20%
0	Kinpo Electronics, Inc.	Cal-Comp Electronics (Thailand) Public Company Limited and Subsidiary	1	Other payables	120,133	Similar to general terms and conditions	0.10%
0	Kinpo Electronics, Inc.	Cal-Comp Electronics (Thailand) Public Company Limited and Subsidiary	1	Purchases	30,938,065	Similar to general terms and conditions	78.12%
0	Kinpo Electronics, Inc.	Kinpo International Ltd. and Subsidiary	1	Other receivables	2,786,267	Similar to general terms and conditions	2.27%
1	Kinpo International Ltd. and Subsidiary	Lipo Holding Co., Ltd. and Subsidiary	3	Long-term receivables	962,322	Similar to general terms and conditions	0.78%
1	Kinpo International Ltd. and Subsidiary	XYZprinting, Inc. and Subsidiary	3	Long-term receivables	103,265	Similar to general terms and conditions	0.08%
2	Cal-Comp Technology (Philippines), Inc. and Subsidiary	Cal-Comp Electronics (Thailand) Public Company Limited and Subsidiary	3	Accounts payable	640,680	Similar to general terms and conditions	0.52%
2	Cal-Comp Technology (Philippines), Inc. and Subsidiary	Cal-Comp Electronics (Thailand) Public Company Limited and Subsidiary	3	Other payables	118,616	Similar to general terms and conditions	0.10%
2	Cal-Comp Technology (Philippines), Inc. and Subsidiary	Cal-Comp Electronics (Thailand) Public Company Limited and Subsidiary	3	Purchases	2,747,171	Similar to general terms and conditions	6.94%
3	XYZprinting, Inc. and Subsidiary	Cal-Comp Electronics (Thailand) Public Company Limited and Subsidiary	3	Accounts payable	200,739	Similar to general terms and conditions	0.16%
4	CastleNet Technology Inc. and Subsidiary	Cal-Comp Electronics (Thailand) Public Company Limited and Subsidiary	3	Purchases	229,047	Similar to general terms and conditions	0.58%

<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.

Kinpo Electronics, Inc. and subsidiaries
Notes to parent company only financial statements (continued)

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 NT\$/ 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%	\$8,819,824	\$903,586	\$409,137	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%	8,105,186	288,071	288,071	Subsidiary
Kinpo Electronics, Inc.	Kinpo International Ltd.	BVI	Holding company	4,801,764	4,801,764	154,223,270	100.00%	3,607,870	(71,920)	(71,920)	Subsidiary
Kinpo Electronics, Inc.	Lipo Holding Co., Ltd.	Cayman Islands	Holding company	505,305	505,305	102,000	51.00%	132,061	(559,119)	(285,151)	Subsidiary
Kinpo Electronics, Inc.	Crowmpo Technology Inc.	Taiwan	Manufacturing and sales of chip diodes, etc.	341,730	341,730	5,805,765	51.61%	20,470	(80,015)	(41,296)	Subsidiary
Kinpo Electronics, Inc.	XYZprinting, Inc.	Taiwan	Trading 3D printer	1,151,518	431,518	115,151,760	48.59%	27,252	(289,597)	(136,905)	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	68.22%	1,375,363	55,648	38,270	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%	48,323	(3,590)	(3,590)	Subsidiary
Kinpo Electronics, Inc.	AcBel Polytech Inc.	Taiwan	Manufacturing switching power supply & sales of main materials	2,558,724	1,107,044	162,203,363	19.08%	4,420,741	116,618	26,771	Associate
Kinpo Electronics, Inc.	Kinpo Group Management Service Company	Taiwan	Investment and management consulting	3,000	3,000	300,000	37.50%	6,469	1,138	427	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%	222,452	(3,846)	(911)	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%	1,426,726	(114,951)	(39,911)	Associate
Kinpo Electronics, Inc.	Ascendant Private Equity Investment Ltd. (Stock)	BVI	Reinvestment on domestic and overseas business	95	95	3,125	34.72%	101	(114,951)	-	Associate
Kinpo Electronics, Inc.	iHELPER Inc.	Taiwan	Healthcare industry robot , etc.	15,840	15,840	1,584,000	44.00%	7,301	(157)	(69)	Associate
Kinpo Electronics, Inc.	NTNU Innovation Investment Holding Company	Taiwan	Industry-academia cooperation	17,470	17,470	1,990,129	19.92%	11,698	(9,514)	(1,887)	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%	7,638,654	376,930	<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%	8,733,873	358,467	<Note1>	Subsidiary
Crowmpo Technology Inc.	Ranashe International Ltd.	BVI	Holding company	137,962	137,962	50,000	100.00%	30,774	(69,000)	<Note1>	Subsidiary
Crowmpo Technology Inc.	Li-Cheng Materials Corporation	Taiwan	Manufacturing chemical materials	23,230	23,000	2,314,000	99.50%	13,835	(1,126)	<Note1>	Subsidiary
XYZprinting, Inc.	XYZprinting, Inc. (USA)	USA	Trading 3D printer	551,977	551,977	5,000	100.00%	(44,198)	(103,521)	<Note1>	Subsidiary
XYZprinting, Inc.	XYZprinting Japan, Inc.	Japan	Trading 3D printer	96,852	96,852	7,013,200	100.00%	(48,500)	(19,960)	<Note1>	Subsidiary
XYZprinting, Inc.	XYZprinting Netherlands, B.V.	Netherlands	Trading 3D printer	308,340	308,340	1,488,901	100.00%	60,080	(19,175)	<Note1>	Subsidiary
XYZprinting, Inc.	XYZprinting (Thailand) Co., Ltd.	Thailand	Trading 3D printer	16,178	16,178	1,800,000	100.00%	(2,364)	(171)	<Note1>	Subsidiary
XYZprinting, Inc.	XYZlife (Philippines) Inc.	Philippines	Trading aesthetic medicine products	6,325	6,325	93,995	100.00%	1,369	(96)	<Note1>	Subsidiary
CastleNet Technology Inc.	CastleNet Technology (BVI) Inc.	BVI	Holding company	302,692	302,692	8,708	100.00%	42,272	952	<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%	45,482	(3,485)	<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	9.14%	(164,631)	259,455	<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%	871	(188)	<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%	(5,824,406)	(217,623)	<Note1>	Subsidiary

(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%	1,321,762	(105,651)	<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%	384,667	14,155	<Note1>	Subsidiary
Cal-Comp Electronics (Thailand) Public Company Limited	Cal-Comp Industria e Comercio de Electronica e Informatica Ltda.	Brazil	Manufacturing	USD 88,607	USD 79,120	247,820,420	100.00%	5,380,528	590,487	<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%	121,844	(7,484)	<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%	171,085	5,882	<Note1>	Subsidiary
Cal-Comp Electronics (Thailand) Public Company Limited	Cal-Comp Semiconductor, Ltd.	Cayman Islands	Holding company	USD 41,936	USD 12,873	300,340,514	99.69%	66,149	(5,618)	<Note1>	Subsidiary
Cal-Comp Electronics (Thailand) Public Company Limited	Cal-Comp Precision Holding Co., Ltd.	Cayman Islands	Holding company	USD 85,244	USD 85,244	56,455,000	99.92%	3,639,959	255,809	<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%	1,844,536	376,930	<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%	27,252	(289,597)	<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%	5,841	(7,063)	<Note1>	Associate
Cal-Comp Electronics & Communications Company Limited	Kinpo Group Management Service Company	Taiwan	Investment and management consulting	1,000	1,000	100,000	12.50%	1,051	1,138	<Note1>	Associate
Cal-Comp Electronics & Communications Company Limited	Logistar International Holding Co.,Ltd	BVI	Dealer	11,906,230	7,960,950	398,000,000	90.86%	(1,607,818)	259,455	<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%	3,665,935	255,188	<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%	1,813,300	16,514	<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%	201,223	5,975	<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%	2,625,292	364,299	<Note1>	Subsidiary
Cal-Comp Precision (Singapore) Limited	Daviscooms (S) Pte Ltd	Singapore	Designing and manufacturing of communication products	USD 2,955	USD 2,955	340,458	20.00%	69,828	10,839	<Note1>	Associate
Cal-Comp Industria e Comercio de Eletronicos e Informatica Ltda.	Cal-Comp Industria de Semicondutores S.A.	Brazil	Manufacturing	-	BRL 40,466	-	-	-	(7,484)	<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%	260,629	33,361	<Note1>	Subsidiary
Cal-Comp Semiconductor, Ltd.	QBit Semiconductor Ltd.	Taiwan	Semiconductor Design	-	USD 11,912	-	-	-	(113,636)	<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 September 30, 2023	Percentage of Ownership	Net Income (Loss) of the Investee Company	Share of Profits/Losses	Carrying Amount as of September 30, 2023	Accumulated Inward Remittance of Earnings as of September 30, 2023
					Outflow	Inflow						
Kinpo Electronics (China) Co., Ltd.	Processing, manufacturing and selling electronic products of other companies	CNY 899,289 (3,996,772)	Indirect investment via Kinpo International Ltd.	USD 55,100 (1,777,967)	\$-	\$-	USD 55,100 (1,777,967)	100.00%	CNY 15,536 (68,741)	Please refer to <Note1>(2)-iii	CNY 1,444,906 (6,493,841)	\$-
Dongguan Kaipo Electronics Co., Ltd.	Manufacturing and sales of other companies' products	-	Indirect investment via Kinpo International Ltd.	USD 1,000 (32,268)	-	-	USD 1,000 (32,268)	-	(CNY 8,908) (-39,414)	Please refer to <Note1>(2)-iii	-	-
Superpower Mould & Plastic Ltd.	Manufacturing and sales of other companies' products	-	Indirect investment via Kinpo International Ltd.	USD 1,573 (50,758)	-	-	USD 1,573 (50,758)	-	-	-	-	-
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 (36,140)	-	-	USD 1,120 (36,140)	-	-	-	-	-
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 (32,268)	-	-	USD 1,000 (32,268)	-	-	-	-	-
McTECH Guangzhou Co., Ltd.	Producing automatic bike & battery exchange station	CNY 63,304 (284,507)	Indirect investment via McTEC Taiwan Limited	USD 1,350 (43,562)	-	-	USD 1,350 (43,562)	19.61%	-	-	-	-
LIZ Electronics (Kunshan) Co., Ltd.	Producing and marketing chip resistors & ceramic multilayer capacitors & chip diodes	CNY 252,202 (1,133,471)	Indirect investment via Lipo Holding Co., Ltd. & Ranashe International Ltd.	USD 14,270 (460,464)	-	-	USD 14,270 (460,464)	51.07%	(CNY 110,143) (-484,057)	Please refer to <Note1>(2)-iii	USD 3,376 (108,937)	-
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 (978,661)	Indirect investment via Lipo Holding Co., Ltd & LIZ Electronics (Kunshan) Co., Ltd.	USD 1,530 (49,370)	-	-	USD 1,530 (49,370)	51.06%	(CNY 96,203) (-422,794)	Please refer to <Note1>(2)-iii	USD 3,592 (115,907)	-
XYZprinting (Suzhou) Co., Ltd.	Trading 3D printer	CNY 38,859 (174,644)	Indirect investment via XYZprinting, Inc.	-	-	-	-	72.92%	CNY 48 (212)	Please refer to <Note1>(2)-iii	CNY 251 (1,128)	-
XYZprinting (Shanghai) Cloud Technology Co., Ltd.	Internet technology development	-	Indirect investment via XYZprinting, Inc.	-	-	-	-	-	CNY 1 (4)	-	-	-
CastleNet Technology Inc. (Kunshan)	Design and manufacture of modem; sale of self-production	CNY 56,470 (242,010)	Indirect investment via CastleNet Technology (BVI) Inc.	-	-	-	-	68.90%	CNY 199 (874)	Please refer to <Note1>(2)-iii	USD 740 (23,888)	-
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 (2,459,047)	Indirect investment via Cal-Comp Electronics (Thailand) Public Company Limited	-	-	-	-	46.52%	(CNY 39,826) (-176,214)	Please refer to <Note1>(2)-iii	USD 55,851 (1,802,200)	-
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 (497,991)	Indirect investment via Cal-Comp Precision (Singapore) Limited	-	-	-	-	46.48%	(CNY 3,246) (-14,362)	Please refer to <Note1>(2)-iii	USD 5,497 (177,377)	-
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 (355,117)	Indirect investment via Cal-Comp Precision (Singapore) Limited	-	-	-	-	46.48%	CNY 15,957 (70,603)	Please refer to <Note1>(2)-iii	USD 11,523 (371,824)	-
Shanghai Cuang Ge Education Technology Co., Ltd.	R&D of educational and internet products	CNY 4,250 (19,101)	Indirect investment via Cal-Comp Optical Electronics (Suzhou) Co., Ltd.	-	-	-	-	20.25%	(CNY 29) (-128)	Please refer to <Note1>(2)-iii	-	-
ICKP (Beijing) Technology Development Co., Ltd.	Developing 3D printers and AI equipments	CNY 10,000 (44,943)	Indirect investment via Cal-Comp Optical Electronics (Suzhou) Co., Ltd.	-	-	-	-	37.22%	(CNY 91) (-403)	Please refer to <Note1>(2)-iii	CNY 3,174 (14,265)	-
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 (611,225)	Indirect investment via Cal-Comp Optical Electronics (Suzhou) Co., Ltd.	-	-	-	-	46.52%	CNY 33,419 (147,866)	Please refer to <Note1>(2)-iii	CNY 158,543 (712,540)	-
NKG Advanced Intelligence & Technology Development (Yueyang) Co., Ltd.	Production and sale of various intelligent electronic equipment and its consumables and parts	CNY 350,000 (1,573,005)	Indirect investment via Cal-Comp Optical Electronics (Suzhou) Co., Ltd.	-	-	-	-	46.52%	(CNY 78,292) (-346,411)	Please refer to <Note1>(2)-iii	CNY 64,650 (290,556)	-
Jun-Hui LED Electronics, Co., Limited	R&D and manufacturing optical electronics technique	HKD 494,706 (2,039,920)	Others	-	-	-	-	1.52%	-	-	USD 567 (18,296)	-

Accumulated Investment in Mainland China as of September 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 (\$2,482,797)	USD 250,737 (\$8,090,782)	\$12,345,088

<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.)