Stock code: 3021

Welltend Technology Corporation
and Subsidiaries
Consolidated Financial Statements With
Independent Auditors' Review Report

For the Three-Month Periods Ended
March 31, 2024 and 2023

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Independent Auditors' Review Report

To the Board of Directors of Welltend Technology Corporation:

Introduction

We have completed our review of the consolidated balance sheet of Welltend Technology Corporation and its Subsidiaries (Welltend Group) as of March 31, 2024 and 2023, and the consolidated statement of comprehensive income, consolidated statement of changes in equity, and consolidated statement of cash flows for the three-month periods ended March 31, 2024 and 2023, as well as the notes to the consolidated financial statements (including a summary of significant accounting policies). 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 TWSRE 2410 "Review of Financial Information" performed by the Independent Auditor. A review of consolidated financial statements consists of making inquires (primarily of persons responsible for financial and accounting matters), and applying analytical and other review procedures. A review is substantially less in scope than audit conducted in accordance with auditing standards generally accepted in the Republic of China and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Basis for Qualified Conclusion

As explained in Note 4(2), the financial statements of certain insignificant subsidiaries were not reviewed by independent accountants. Those reflected total assets of NT$37,212 thousand and NT$135,553 thousand, constituting 1% and 5% of the consolidated total assets, and total liabilities of NT$2,158 thousand and NT$85,185 thousand, constituting 0% and 6% of the consolidated total liabilities as of March 31, 2024 and 2023, respectively; and total comprehensive income of NT$3,986 thousand and NT$7,755 thousand, constituting 6% and 21% of the consolidated total comprehensive income for the three-month period ended March 31, 2024 and 2023, respectively.

Qualified Conclusion

Based on our reviews, except for the effect of such adjustments, if any, as might have been determined to be necessary had the financial statements of certain joint ventures accounted for using equity method been reviewed by independent accountants, 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 at March 31, 2024 and 2023, and their consolidated financial performance and cash flows for the three-month periods ended March 31, 2024 and 2023, in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, “Interim Financial Reporting” as endorsed and became effective by Financial Supervisory Commission of the Republic of China.

The engagement partners on the reviews resulting in this independent auditors’ review report are Yu-Ting Hsin and Yiu-Kwan Au.

KPMG
Taipei, Taiwan (Republic of China)
May 9, 2024

Notes to Readers

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

The independent auditors’ report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors’ report and consolidated financial statements, the Chinese version shall prevail.

Welltend Technology Corporation and Subsidiaries
Consolidated Balance Sheet
31 March 2024, 31 December 2023 and 31 March 2023

Unit: NT$ thousand

Code	Assets	2024.3.31 Amount	%	2023.12.31 Amount	%	2023.3.31 Amount	%
	Current assets:						
1100	Cash and cash equivalents (Note VI (I))	$ 832,644	29	827,360	28	557,895	19
1170	Net notes and accounts receivable (Notes VI (II) and VI (XIV))	846,884	29	841,117	29	852,240	29
1300	Net inventories (Note VI (III))	567,274	19	594,251	20	722,290	25
1470	Other current assets (Note VI (IV))	69,487	2	61,907	2	141,556	5
1476	Other financial assets - current (Note VIII)	47,932	2	36,849	1	37,212	1
		2,364,221	81	2,361,484	80	2,311,193	79
	Non-current assets:						
1600	Property, plant, and equipment (Notes VI (V) and VIII)	410,033	14	421,128	14	424,977	15
1755	Right-of-use assets (Notes VI (VI) and VII)	36,723	1	43,838	2	65,731	2
1780	Intangible assets	44,155	2	43,908	2	43,915	2
1840	Deferred tax assets	3,415	-	4,545	-	3,404	-
1900	Other non-current assets (Note VIII)	54,343	2	59,858	2	63,425	2
		548,669	19	573,277	20	601,452	21
	Total assets	**$ 2,912,890**	**100**	**2,934,761**	**100**	**2,912,645**	**100**

Code	Liabilities and equity	2024.3.31 Amount	%	2023.12.31 Amount	%	2023.3.31 Amount	%
	Current liabilities:						
2100	Short-term borrowings (Notes VI (VII) ,VII and VIII)	$ 710,000	24	696,000	24	691,000	24
2130	Current contract liabilities (Note VI (XIV))	22,618	1	26,374	1	47,663	2
2170	Notes and accounts payable	296,735	10	372,604	12	337,266	12
2200	Other payables (Notes VI (VIII) and VII)	117,910	4	135,539	4	126,457	4
2216	Dividends payable (Notes VI (XII))	28,767	1	-	-	67,123	2
2230	Current Tax Liabilities	53,162	2	51,905	2	46,162	2
2280	Current lease liabilities (Notes VI (IX) and VII)	18,943	1	25,699	1	31,828	1
2300	Other current liabilities	17,519	-	21,177	1	22,267	-
		1,265,654	43	1,329,298	45	1,369,766	47
	Non-current liabilities:						
2570	Deferred tax liabilities (Note VI (X))	54,471	2	51,135	2	50,879	2
2580	Non-current lease liabilities (Notes VI (IX) and VII)	18,635	1	19,164	1	35,363	1
2600	Other non-current liabilities	204	-	301	-	302	-
		73,310	3	70,600	3	86,544	3
	Total liabilities	1,338,964	46	1,399,898	48	1,456,310	50
	Equity attributable to owners of parent (Note VI (XII)):						
3100	Capital stock	958,900	33	958,900	33	958,900	33
3200	Additional paid-in capital	7,525	-	7,525	-	7,525	-
3300	Retained earnings	703,178	24	700,769	24	601,563	21
3400	Other equity	(95,894)	(3)	(132,533)	(5)	(111,774)	(4)
		1,573,709	54	1,534,661	52	1,456,214	50
36XX	**Non-controlling interests**	217	-	202	-	121	-
	Total equity	1,573,926	54	1,534,863	52	1,456,335	50
	Total liabilities and equity	**$ 2,912,890**	**100**	**2,934,761**	**100**	**2,912,645**	**100**

Welltend Technology Corporation and Subsidiaries
Consolidated Statement of Comprehensive Income
For the three-month periods ended 31 March, 2024 and 2023

Unit: NT$ thousand

Code	Item		For the three-month periods ended 31 March			
			2024		2023	
			Amount	%	Amount	%
	Operating revenue (Note XIV):					
4110	Net sales revenue	$	703,313	92	692,005	93
4800	Other operating revenue		59,668	8	53,981	7
			762,981	100	745,986	100
	Operating costs (Notes VI (III), VI (IX), VI (X), VII, and XII):					
5110	Cost of goods sold		597,743	78	596,174	80
5800	Other operating costs		35,185	5	18,169	2
			632,928	83	614,343	82
5910	**Operating margin**		130,053	17	131,643	18
	Operating expenses (Notes VI (IX), VI (X), VI (XV), VII, and XII):					
6100	Marketing expenses		33,242	4	49,409	7
6200	Management expenses		55,799	7	46,737	7
6450	Expected credit (gain) loss (Note VI (II))		(3,826)	-	762	-
			85,215	11	96,908	14
6900	**Operating profit**		44,838	6	34,735	4
	Non-operating income and expenses:					
7010	Other revenue		512	-	6,753	1
7100	Interest income		3,400	-	974	-
7230	Net foreign currency exchange gain (losses) (Note VI (XVI))		2,753	-	(10,533)	(1)
7510	Interest expense (Notes VI (IX) and VII)		(3,063)	-	(3,348)	-
7590	Sundry expenses		(761)	-	(444)	-
			2,841	-	(6,598)	-
7900	**Net profit before tax**		47,679	6	28,137	4
7950	**Less: Income tax expense (profit)** (Note VI (XI))		16,479	2	(1,245)	-
	Net profit for the period		31,200	4	29,382	4
8300	**Other comprehensive income:**					
8360	**Components of other comprehensive income subsequently reclassified to profit or loss**					
8361	Exchange differences on translation of foreign financial statements		36,639	5	8,254	1
8300	**Other comprehensive income for the period**		36,639	5	8,254	1
	Total comprehensive income for the period	**$**	**67,839**	**9**	**37,636**	**5**
	Net profit for the period attributable to:					
8610	Owners of parent	$	31,176	4	29,375	4
8620	Non-controlling interests		24	-	7	-
		$	**31,200**	**4**	**29,382**	**4**
	Comprehensive income attributable to:					
8710	Owners of parent	$	67,815	9	37,629	5
8720	Non-controlling interests		24	-	7	-
		$	**67,839**	**9**	**37,636**	**5**
	Earnings per share (Note VI (XIII))					
9750	**Basic earnings per share (Unit: NT$)**	**$**	**0.33**		**0.31**	
9850	**Diluted earnings per share (Unit: NT$)**	**$**	**0.32**		**0.31**	

(Please refer to the attached notes to the parent company only financial statements)

Chairman: Yun-Teng Chang **Manager: Jia-Xiang Lin** **Accounting Supervisor: Wen-Pin Chen**

Welltend Technology Corporation and Subsidiaries

Consolidated Statement of Changes in Equity

For the three-month periods ended 31 March, 2024 and 2023

Unit: NT$ thousand

	Equity Attributable to the Parent Company									
			Retained earnings				Other equity			
	Share capital from common stock	Additional paid-in capital	Legal reserve	Special reserve	Undistributed surplus earnings	Total	Exchange differences on translation of foreign financial statements	Total equity attributable to owners of the parent company	Non-controlling interests	Total equity
Balance on January 1, 2023	$ 958,900	7,525	93,590	178,096	367,625	639,311	(120,028)	1,485,708	114	1,485,822
Earnings allocation and distribution:										
Common stock cash dividend	-	-	-	-	(67,123)	(67,123)	-	(67,123)	-	(67,123)
	-	-	-	-	(67,123)	(67,123)	-	(67,123)	-	(67,123)
Net profit for the period	-	-	-	-	29,375	29,375	-	29,375	7	29,382
Other comprehensive income for the period	-	-	-	-	-	-	8,254	8,254	-	8,254
Total comprehensive income for the period	-	-	-	-	29,375	29,375	8,254	37,629	7	37,636
Balance on March 31, 2023	**$ 958,900**	**7,525**	**93,590**	**178,096**	**329,877**	**601,563**	**(111,774)**	**1,456,214**	**121**	**1,456,335**
Balance on January 1, 2024	$ 958,900	7,525	112,009	120,028	468,732	700,769	(132,533)	1,534,661	202	1,534,863
Earnings allocation and distribution:										
Common stock cash dividend	-	-	-	-	(28,767)	(28,767)	-	(28,767)	-	(28,767)
	-	-	-	-	(28,767)	(28,767)	-	(28,767)	-	(28,767)
Net profit for the period	-	-	-	-	31,176	31,176	-	31,176	24	31,200
Other comprehensive income for the period	-	-	-	-	-	-	36,639	36,639	-	36,639
Total comprehensive income for the period	-	-	-	-	31,176	31,176	36,639	67,815	24	67,839
Common stock cash dividend of non-controlling interests	-	-	-	-	-	-	-	-	(9)	(9)
Balance on March 31, 2024	**$ 958,900**	**7,525**	**112,009**	**120,028**	**471,141**	**703,178**	**(95,894)**	**1,573,709**	**217**	**1,573,926**

(Please refer to the attached notes to the parent company only financial statements)

Chairman: Yun-Teng Chang **Manager: Jia-Xiang Lin** **Accounting Supervisor: Wen-Pin Chen**

Welltend Technology Corporation and Subsidiaries
Consolidated Statement of Cash Flows
For the three-month periods ended 31 March, 2024 and 2023

Unit: NT$ thousand

		For the three-month periods ended 31 March	
		2024	2023
Cash flows from operating activities:			
Net profit before tax for the period	$	47,679	28,137
Adjustments:			
Adjustments to reconcile profit (loss)			
Depreciation expense		20,787	20,409
Amortization expense		749	499
Expected credit loss		(3,826)	762
Interest expense		3,063	3,348
Interest income		(3,400)	(974)
Total adjustments to reconcile profit (loss)		17,373	24,044
Changes in assets and liabilities related to operating activities:			
Net changes in assets related to operating activities, net:			
Notes and accounts receivable		(1,941)	144,773
Inventories		26,977	56,915
Other current assets		(5,128)	(9,304)
Other financial assets		82	(665)
Total net changes in assets related to operating activities		19,990	191,719
Changes in liabilities related to operating activities, net:			
Contract liabilities		(3,756)	(8,229)
Notes and accounts payable		(75,869)	(106,328)
Other payables		(17,598)	(58,722)
Other current liabilities		(3,658)	(8,204)
Other liabilities related to operating activities		(100,881)	(181,483)
Net changes in assets and liabilities related to operating activities		(80,891)	10,236
Total adjustments		(63,518)	34,280
Cash (outflow) inflow generated from operations		(15,839)	62,417
Interest received		3,387	972
Interest paid		(3,103)	(3,341)
Income tax paid		(11,024)	(15,691)
Net cash (outflow) inflow from operating activities		(26,579)	44,357
Cash flows from investing activities:			
Acquisition of property, plant, and equipment		(3,247)	(6,464)
Decrease (Increase) in refundable deposits		4,470	(5,824)
Decrease (Increase) in other non-current assets		80	(3,526)
Acquisition of intangible assets		(996)	-
Increase in other financial assets		(10,200)	-
Net cash outflows from investing activities		(9,893)	(15,814)
Cash flows from financing activities:			
Increase in short-term borrowings		14,000	-
Repayment of lease liability principal		(8,128)	(7,888)
Decrease in other non-current liabilities		(98)	(132)
Net cash inflows (outflow) from financing activities		5,774	(8,020)
Effect of exchange rate changes on cash and cash equivalents		35,982	7,012
Net increase in cash and cash equivalents for the period		5,284	27,535
Cash and cash equivalents at start of period		827,360	530,360
Cash and cash equivalents at end of period	$	**832,644**	**557,895**

(Please refer to the attached notes to the parent company only financial statements)

Chairman: Yun-Teng Chang **Manager: Jia-Xiang Lin** **Accounting Supervisor: Wen-Pin Chen**

Welltend Technology Corporation and Subsidiaries
Notes to the Consolidated Financial Statements
For the three-month periods ended 31 March, 2024 and 2023
(Amounts in Thousands of New Taiwan Dollars unless Specified Otherwise)

I. Company history

Welltend Technology Corporation (“the Company”) was established in June 1993. Its main businesses are the sale of wires and connectors and the integrated planning and implementation of information systems and consulting services. The composition of the Company's consolidated financial statements includes the Company and subsidiaries of the Company (hereinafter collectively referred to as “the Group”). Please refer to Note IV (II) for an explanation of the main businesses of the Group.

II. Approval date and procedures of the consolidated financial statements

The consolidated financial statements were authorized for issuance by the Board of Directors on May 9, 2024.

III. New standards, amendments and interpretations adopted

(I) The impact of the IFRS Accounting Standards endorsed by the Financial Supervisory Commission, R.O.C. which have already been adopted.

The Group has initially adopted the new amendments, which do not have a significant impact on its consolidated financial statements, from January 1, 2024：

- Amendments to IAS 1 “Classification of Liabilities as Current or Non-current”
- Amendments to IAS 1 “Non-current Liabilities with Covenants”
- Amendments to IAS 7 and IFRS 7 “Supplier Finance Arrangements”
- Amendments to IFRS 16 “Lease Liability in a Sale and Leaseback”

(II) The impact of IFRS Accounting Standards issued by IASB but not yet endorsed by the FSC

The following new and amended standards, which may be relevant to the Group, have been issued by the International Accounting Standards Board (IASB), but have yet to be endorsed by the FSC:

Standards or Interpretations	Content of amendment	Effective date per IASB
IFRS 18 “Presentation and Disclosure in Financial Statements”	The new standard introduces three categories of income and expenses, two income statement subtotals and one single note on management performance measures. The three amendments, combined with enhanced guidance on how to disaggregate information, set the stage for better and more consistent information for users, and will affect all the entities. The amendment clarifies how an enterprise should classify liabilities that are paid off by issuing its own equity instruments (such as convertible bonds). ・ A more structured income statement: under current standards, companies use different formats to present their results, making it difficult for investors to compare financial performance across companies. The new standard promotes a more structured income statement, introducing a newly defined ‘operating profit’ subtotal and a requirement for all income and expenses to be allocated between three new distinct categories based on a company’s main business activities. ・ Management performance measures (MPMs): the new standard introduces a definition for management performance measures, and requires companies to explain in a single note to the financial statements why the measure provides useful information, how it is calculated and reconcile it to an amount determined under IFRS Accounting Standards. ・ Greater disaggregation of information: the new standard includes enhanced guidance on how companies group information in the financial statements. This includes guidance on whether information is included in the primary financial statements or is further disaggregated in the notes.	January 1, 2024

The Group is evaluating the impact on its consolidated financial position and consolidated financial performance upon the initial adoption of the abovementioned standards or interpretations. The results thereof will be disclosed when the Group completes its evaluation.

The Group does not expect the (following) other new and amended standards, which have yet to be endorsed by the FSC, to have a significant impact on its consolidated financial statements:

- Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets Between an Investor and Its Associate or Joint Venture”
- IFRS 17 “Insurance Contracts” and amendments to IFRS 17 “ Insurance Contracts”
- Amendment to IAS21“Lack of Exchangeability”

IV. Summary of significant accounting policies

(I) Statement of compliance

These consolidated financial statements have been prepared in accordance with the preparation and guidelines of IAS 34 “Interim Financial Reporting” which are endorsed and issued into effect by FSC, and do not include all of the information required by the Regulations and International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations and SIC Interpretations endorsed and issued into effect by the FSC (hereinafter referred to IFRS endorsed by the FSC) for a complete set of the annual consolidated financial statements.

Except the following accounting policies mentioned below, the significant accounting policies adopted in the consolidated financial statements are the same as those in the consolidated financial statement for the year ended December 31, 2023. For the related information, please refer to note IV of the consolidated financial statements for the year ended December 31, 2023.

(II) Basis of consolidation

The basis for preparation of these consolidated financial statements is consistent with these for the preparation of these consolidated financial statements for the year ended December 31, 2023, the related information refers to the Note IV.

Subsidiaries included in these consolidated financial statements include:

Investing company name	Subsidiary name	Nature of business	Shareholding ratio			Note
			March 31, 2024	December 31, 2023	March 31, 2023	
The Company	A-Team Tech Inc. (A-Team)	Investment, trading, and holding company	100.00%	100.00%	100.00%	Note 1
The Company	JIUN TAI CORPORATION LIMITED (JIUN TAI)	Holding company	100.00%	100.00%	100.00%	
The Company	CELERAISE ELECTRONIC CORPORATION (CELERAISE)	Manufacture and sale of wire and cable connectors and connectors	100.00%	100.00%	100.00%	Note 3
The Company	CELERAISE (THAILAND) CO., LTD (THAILAND)	Manufacture and sale of wire and cable connectors and connectors	100.00%	100.00%	100.00%	Note 4
The Company and JIUN TAI	Celeraise Investments Limited (Celeraise Hong Kong)	Manufacture and sale of wire and cable connectors and connectors	100.00%	100.00%	100.00%	
The Company	Leadpak Industrial Co., Ltd. (Leadpak Industrial, formerly Bor Sheng Industrial Co., Ltd.)	International trade and other wholesale and retail trade	99.36%	99.36%	99.36%	Note 1

Notes to the Consolidated Financial Statements of Welltend Technology Corporation and Subsidiaries (continued)

Investing company name	Subsidiary name	Nature of business	Shareholding ratio March 31, 2024	December 31, 2023	March 31, 2023	Note
The Company	Celeraise Technology Corporation (Celeraise Technology)	Automatic control equipment engineering industry, computer equipment installation industry, etc.	100.00%	100.00%	100.00%	Note 2
A-Team	Minshi Computer Technology (Shanghai) Co., Ltd. (Shanghai Minshi)	R&D and production of industrial automation control, product quality control, communication, and electronic network computer software	100.00%	100.00%	100.00%	Note 1
JIUN TAI	Shanghai Zhansheng Electronics Co., Ltd. (Shanghai Zhansheng)	Production of electronics, wire connectors, telephone spare parts and small household appliances; sale of the company's own products	100.00%	100.00%	100.00%	
Celeraise Hong Kong	Yield Profit International Enterprise Limited (Yield Profit International)	Investment, trading, and holding company	100.00%	100.00%	100.00%	
Celeraise Hong Kong	Jet Success Technology Development Limited (Jet Success)	Investment, trading, and holding company	100.00%	100.00%	100.00%	
Celeraise Hong Kong	Shenzhen Zhansheng Electric Power Co., Ltd. (Shenzhen Zhansheng)	Manufacture and sale of wire and cable connectors and connectors	100.00%	100.00%	100.00%	
Yield Profit International	Zhan Mao Electronics Enterprise (Huizhou) Co., Ltd. (Huizhou Zhan Mao)	Manufacture and sale of wire and cable connectors and connectors	100.00%	100.00%	100.00%	
Jet Success	Kunshan Yiguan Electronic Technology Co., Ltd. (Kunshan Yiguan)	Manufacture and sale of wire and cable connectors and connectors	100.00%	100.00%	100.00%	

Note1: The financial statements of certain non-significant subsidiaries were not reviewed by independent auditors.

Note2: From January 1 to March 31, 2023, it was a non-significant subsidiary and its financial statements have not been reviewed by accountants.

Note3: CELRAISE was established in March 2015, 0.01% of the equity acquired in CELERAISE is held in the name of third party considering the relevant regulations of Philippines.

Note4: THAILAND was established in June 2017, 0.01% of the equity acquired in THAILAND is held in the name of third party considering the relevant regulations of Thailand.

(III) Classification of current and non-current assets and liabilities

The Group classifies the asset as current under one of the following criteria, and all other assets are classified as non-current.

1. It expects to realize the asset, or intends to sell or consume it, in its normal operating cycle;
2. It holds the asset primarily for the purpose of trading;
3. It expects to realize the asset within twelve months after the reporting period; or
4. The asset is cash or a cash equivalent (as defined in IAS 7) unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

The Group classifies the liability as current under one of the following criteria, and all other liabilities are classified as non-current.

1. It expects to settle the liability in its normal operating cycle;
2. It holds the liability primarily for the purpose of trading;
3. The liability is due to be settled within twelve months after the reporting period; or
4. It does not have the right at the end of the reporting period to defer settlement of the liability for at least twelve months after the reporting period.

(IV) Employee benefits

1. Defined contribution plans

The contribution obligation of the defined contribution pension plan is the employee benefit expense recognized under income during the period of service provided by the employee.

2. Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are recognized as expenses at the time of provision of the relevant services.

In connection with the amount expected to be paid under the short-term cash bonus or dividend plan, if it is a result of the employee's past provision of services, the Group has a current statutory or presumptive payment obligation, and the obligation can be reliably estimated, the amount shall be recognized as a liability.

(V) Income taxes

The income tax expenses have been prepared and disclosed in accordance with paragraph B12 of International Financial Reporting Standards 34, Interim Reporting.

Income tax expenses for the period are best estimated by multiplying pre-tax income for the interim reporting period using the effective annual tax rate as forecasted by the management. This should be recognized fully as tax expense for the current period (and allocated to current and deferred taxes based on its proportionate size).

Temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their respective tax bases shall be measured based on the tax rates that have been enacted or substantively enacted at the time of the asset or liability is recovered or settled and be recognized directly in equity or other comprehensive income as tax expense.

V. Significant accounting assumptions and judgments, and major sources of estimation uncertainty

The preparation of the consolidated financial statements in conformity with the Regulations and IFRSs (in accordance with IAS 34 “Interim Financial Reporting” and endorsed by the FSC) requires management to make judgments, estimates and assumptions that affect the application of the accounting policies and the reported amount of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

The preparation of the consolidated interim financial statements, estimates and underlying assumptions are reviewed on an ongoing basis which are in conformity with the consolidated financial statements for the year ended December 31, 2023. For related information, please refer to note V of the consolidated financial statements for the year ended December 31, 2023.

VI. Explanation of significant accounts

Except for the following disclosures, there were no material differences in the disclosures of significant accounts between the interim consolidated financial statements for the current period and the 2023 consolidated financial statements. Please refer to note VI to the 2023 annual consolidated financial statements.

(I) Cash and cash equivalents

	March 31, 2024	December 31, 2023	March 31, 2023
Cash on hand	$ 1,258	1,821	2,170
Demand and foreign currency deposits	611,567	583,633	539,330
Time deposits	219,819	241,906	16,395
	$ 832,644	**827,360**	**557,895**

Please refer to Note VI (XVI) for the fair value sensitivity analysis and interest and exchange rate risk of the Group's financial assets and liabilities.

(II) Notes and accounts receivable

	March 31, 2024	December 31, 2023	March 31, 2023
Notes receivable	$ 748	4,739	887
Accounts receivable	873,864	867,403	876,045
	874,612	872,142	876,932
Less: Loss allowance	(27,728)	(31,025)	(24,692)
	$ 846,884	**841,117**	**852,240**

The Group uses a simplified approach to estimate expected credit losses for all notes and accounts receivable, i.e., they are measured by lifetime expected credit losses. For measurement purpose, these notes and accounts receivable are grouped by common credit risk characteristics that represent the customer's ability to pay all amounts due in accordance with the contractual terms. Forward-looking information such as historical credit loss experience and reasonable forecast of future economic conditions has been incorporated. Analysis of the expected credit loss of the notes receivable and accounts receivable of the Group is as follows:

	March 31, 2024		
Credit rating	Carrying amount of notes and accounts receivable	Weighted average expected credit loss ratio	Allowance for lifetime expected credit losses
Level A	$ 813,469	-%	-
Level B	61,143	45.35%	27,728
	$ 874,612		**27,728**

	December 31, 2023		
Credit rating	Carrying amount of notes and accounts receivable	Weighted average expected credit loss ratio	Allowance for lifetime expected credit losses
Level A	$ 793,625	-%	-
Level B	78,517	39.51%	31,025
	$ 872,142		**31,025**

Credit rating	March 31, 2023 Carrying amount of notes and accounts receivable	Weighted average expected credit loss ratio	Allowance for lifetime expected credit losses
Level A	$ 780,787	0.19%	1,479
Level B	96,145	24.14%	23,213
	$ 876,932		24,692

Aging analysis of the Group's notes and accounts receivable is as follows:

	March 31, 2024	December 31, 2023	March 31, 2023
Not yet past due	$ 742,557	678,504	680,986
0 to 90 days past due	63,348	107,941	95,923
90 to 180 days past due	16,737	19,628	33,815
More than 180 days past due	51,970	66,069	66,208
	$ 874,612	872,142	876,932

Changes in the Group's loss allowance for notes receivable and accounts receivable were as follows:

	For the three-month periods ended 31 March	
	2024	2023
Opening balance at start of period	$ 31,025	23,872
Impairment losses recognized	-	762
Impairment losses reversed	(3,826)	-
Foreign exchange gains	529	58
Balance at end of period	$ 27,728	24,692

Loss allowance is mainly based on historical payment behavior and extensive analysis of the credit ratings of the target customers. The Group believes that the overdue portion of accounts receivable for which loss allowance has not yet been provided is still recoverable.

As of March 31, 2024, December 31, 2023, and March 31, 2023, none of the Group's notes and accounts receivable were pledged as collateral.

Please see note VI (XVI) for the risk and sensitivity analysis of exchange rates for the Group's notes and accounts receivable for the three-month periods ended 31 March 2024 and 2023.

(III) Inventories

	March 31, 2024	December 31, 2023	March 31, 2023
Raw materials	$ 315,460	357,113	463,078
Works in process	101,473	88,026	83,392
Finished goods	75,507	74,932	73,894
Goods held for sale	74,834	74,180	101,926
	$ 567,274	**594,251**	**722,290**

1. The cost of inventories and other operating cost recognized as cost of goods sold and as expenses by the Group for the three-month periods ended 31 March 2024 and 2023 were NT$632,496 thousand and NT$607,770 thousand respectively.
2. For the three-month periods ended 31 March 2024 and 2023, the Group recognized inventory depreciation and inactive inventory of NT$432 thousand and NT$6,753 thousand, respectively, due to the write-down of inventories to the net realizable value, and this has been reported as the operating cost.
3. As of March 31, 2024, December 31, 2023, and March 31, 2023, none of the Group's inventories were pledged as collateral.

(IV) Other current assets

The other current assets of the Group were as follows:

	March 31, 2024	December 31, 2023	March 31, 2023
Tax Overpaid retained for Offsetting the Future Tax Payable	$ 38,296	38,673	113,195
Prepaid expense	15,344	9,706	14,098
Others	15,847	13,528	14,263
	$ 69,487	**61,907**	**141,556**

(V) Property, plant, and equipment

The cost, depreciation, and impairment loss of the property, plant and equipment of the Group were as follows:

	Land	Buildings	Machinery and equipment	Office equipment and others	Total
Cost or deemed cost:					
Balance on January 1, 2024	$ 204,252	153,332	325,715	161,276	844,575
Add	-	-	2,596	651	3,247
Disposal	-	-	(2,365)	(9,043)	(11,408)
Effect of changes in exchange rates	(1,279)	(1,063)	5,940	1,580	5,178
Balance on March 31, 2024	$ 202,973	152,269	331,886	154,464	841,592
Balance on January 1, 2023	$ 203,683	152,993	317,698	141,201	815,575
Add	-	-	2,311	4,153	6,464
Disposal	-	-	-	(16)	(16)
Transfers	-	-	2,089	-	2,089
Effect of changes in exchange rates	213	286	4,861	896	6,256
Balance on March 31, 2023	$ 203,896	153,279	326,959	146,234	830,368
Depreciation:					
Balance on January 1, 2024	$ -	55,707	250,916	116,824	423,447
Depreciation	-	1,384	5,453	6,015	12,852
Disposal	-	-	(2,365)	(9,043)	(11,408)
Effect of changes in exchange rates	-	(67)	5,386	1,349	6,668
Balance on March 31, 2024	$ -	57,024	259,390	115,145	431,559
Balance on January 1, 2023	$ -	50,191	238,700	99,710	388,601
Depreciation	-	1,396	5,401	5,617	12,414
Disposal	-	-	-	(16)	(16)
Effect of changes in exchange rates	-	54	3,939	399	4,392
Balance on March 31, 2023	$ -	51,641	248,040	105,710	405,391
Carrying amounts:					
January 1, 2024	$ 204,252	97,625	74,799	44,452	421,128
March 31, 2024	$ 202,973	95,245	72,496	39,319	410,033
January 1, 2023	$ 203,683	102,802	78,998	41,491	426,974
March 31, 2023	$ 203,896	101,638	78,919	40,524	424,977

Please see Note VIII for details of circumstances in which property, plant and equipment of the Group were used to provide loans and financing and guarantees for customs duties as of March 31, 2024, December 31, 2023, and March 31, 2023.

(VI) Right-of-use assets

Details of changes in right-of-use assets recognized as leased premises and buildings, transportation equipment and other assets of the Group, and their cost and depreciation, are as follows:

	Buildings	Transportation equipment and others	Total
Right-of-use asset costs:			
Balance on January 1, 2024	$ 111,053	3,759	114,812
Disposal	(24,627)	-	(24,627)
Effect of changes in exchange rates	2,014	(54)	1,960
Balance on March 31, 2024	$ 88,440	3,705	92,145
Balance on January 1, 2023	$ 111,749	3,735	115,484
Effect of changes in exchange rates	990	9	992
Balance on March 31, 2023	$ 112,739	3,744	116,483
Right-of-use asset depreciation:			
Balance on January 1, 2024	$ 68,901	2,073	70,974
Depreciation	7,680	255	7,935
Disposal	(24,627)	-	(24,627)
Effect of changes in exchange rates	1,168	(28)	1,140
Balance on March 31, 2024	$ 53,122	2,300	55,422
Balance on January 1, 2023	$ 41,489	1,037	42,526
Depreciation	7,738	257	7,995
Effect of changes in exchange rates	229	2	231
Balance on March 31, 2023	$ 49,456	1,296	50,752
Carrying amounts:			
January 1, 2024	$ 42,152	1,686	43,838
March 31, 2024	$ 35,318	1,405	36,723
January 1, 2023	$ 70,260	2,698	72,958
March 31, 2023	$ 63,283	2,448	65,731

The Group leased factories and offices from other related parties as of March 31, 2024, December 31, 2023, and March 31, 2023, please refer to Note VII for details.

(VII) Short-term loans

Details of short-term loans of the Group are as follows:

	March 31, 2024	December 31, 2023	March 31, 2023
Non-Secured bank loans	$ 410,000	335,000	180,000
Secured bank loans	300,000	361,000	511,000
Total	**$ 710,000**	**696,000**	**691,000**
Unused credit line	**$ 443,000**	**403,763**	**620,125**
Interest rate	**0.50%~1.95%**	**0.50%~2.078%**	**1.57%~1.85%**

1. For information about the Group's exchange and interest rate and liquidity risks, and sensitivity analysis, please refer to Note VI (XVI) for details.
2. The Group's short-term borrowings and loan amounts are jointly and severally guaranteed by key management personnel, please refer to Note VII for details.
3. For the details of the related assets of the Group pledged as collateral, please refer to Note VIII for the details.

(VIII) Other payables

Details of Other payables of the Group are as follows:

	March 31, 2024	December 31, 2023	March 31, 2023
Salaries and bonuses payable	$ 61,185	83,420	61,042
Remuneration payable to directors and supervisors and remuneration payable to employees	7,363	8,040	11,080
Other expenses payable	49,362	44,079	54,335
	$ 117,910	**135,539**	**126,457**

Other expenses payable mainly constitute payables in the form of labor fees, service fees, health and labor insurance, transport fees, and related miscellaneous expenses payable.

(IX) Lease liabilities

Book value of the Group's lease liabilities is as follows：

	March 31, 2024	December 31, 2023	March 31, 2023
Current	$ 18,943	25,699	31,828
Non-current	$ 18,635	19,164	35,363

For the maturity analysis, please refer to Note VI (XVI).

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Amounts recognized as profit or loss are as follows:

	For the three-month periods ended 31 March	
	2024	2023
Interest expense on lease liabilities	$ 134	219
Variable lease payments not included in the measurement of lease liabilities	$ 68	-
Gains from sublease of right-of-use assets	$ 188	187
Expenses related to short term leases	$ 350	725
Expenses related to leases of low value assets (excluding short term leases of low value assets)	$ 77	34

Amounts recognized in the consolidated statements of cash flows are as follows:

	For the three-month periods ended 31 March	
	2024	2023
Total cash flows from leases	$ 8,757	8,866

1. Leasing of buildings

The Group leases buildings as offices and factories. The lease period for is three years for offices and three to twenty years for factories. Some leases include the option to extend the lease term for the same period as the original contract.

2. Other leases

The lease period of parking space and transport equipment leased by the Group is 3 years.

Lease payments for some contracts are calculated based on the actual usage of the lease.

The Group also leases office space and office equipment and vehicle with contract terms of 1 to 5 years. These leases are low-value items. The Group has elected not to recognize right-of-use assets and lease liabilities for these leases.

(X) Employee benefits

The pension expenses of the Company and its subsidiaries within the jurisdiction of the Republic of China as for the three-month periods ended 31 March 2024 and 2023 defined pension contributions were NT$3,066 thousand and NT$2,690 thousand respectively and were transferred to the Bureau of Labor Insurance.

Other subsidiaries included in the preparation of the consolidated financial statements recognized defined pension contributions and endowment insurance premiums of NT$3,034 thousand and NT$2,958 thousand as for the three-month periods ended 31 March 2024 and 2023, respectively.

(XI) Income taxes

1. Details of income tax expenses of the Group are as follows:

	For the three-month periods ended 31 March	
	2024	**2023**
Income tax expense for the current period:		
Generated in the current period	$ 12,131	7,103
Adjusted current tax for the prior period	-	(9,885)
	12,131	(2,782)
Deferred tax expense		
Incurrence and reversal of the temporary difference	4,348	1,537
Income tax expense (profit)	**$ 16,479**	**(1,245)**

2. The Profit-seeking Enterprise Annual Income Tax settlement declaration of the Company of the Republic of China have been approved by the taxation agency until 2021. The Profit-seeking Enterprise Annual Income Tax settlement declaration of Celeraise Technology and Leadpak Industrial of the Republic of China have been approved by the taxation agency until 2022.

(XII) Capital and other equity

Except stated as below, the capital and other equity for the three-month periods ended 31 March 2024 and 2023 of the Group has no major changes, the related information please refer to the Note VI (XII) of the consolidated financial statements.

1. Retained earnings and Surplus distribution

If there is a surplus in the annual final accounts, then in accordance with the Articles of Incorporation of the Company and after paying income tax on profit-making enterprises and making up for losses in prior years, 10% should first be set aside as legal reserve. However, when the legal reserve has reached the level of the Company's paid-in capital, this limitation shall not apply. Furthermore, appropriate special reserve or reversals shall be set aside in accordance with the decrees or regulations of the competent authority. If there is any remaining balance, a proposal for the distribution of this balance plus accumulated undistributed surplus earnings from the previous period shall be formulated by the Board of Directors. When issuing new shares, such distribution shall be made after a resolution of the shareholders' meeting.

According to Article 240, paragraph 5 of Company Act, the distributable dividends and bonus in whole or in part or the legal reserve and capital reserved in whole or in part which are brought in Article 241, paragraph 1 of Company Act may be paid in cash after a resolution has been adopted by a majority vote at a meeting of the Board of Directors attended by two-thirds of the total number of directors, and in addition thereto a report of such distribution shall be submitted to the Shareholders Meeting.

In response to the growth of operations and investment needs, the Company has adopted the following dividend distribution principles at this stage:

The Company is in a stage of business growth, and the dividend distribution policy depends on the Company's current and future investment environment, capital needs, domestic and international competition, capital budget, etc. Considering the interests of shareholders, balancing dividends, and the Company's long-term financial planning, etc., every year the Board of Directors shall draw up a distribution plan in accordance with the law and submit it for resolution by the shareholders' meeting. Shareholders' dividends may be distributed in cash or stock. The proportion of cash dividend distribution shall be no less than 10% of the total dividends. However, the cash dividend distribution ratio can still be adjusted according to the operating conditions of the current year.

The Company respectively passed resolutions of the Board of Directors on the amount of cash dividends under appropriation of earnings for 2023 and 2022 on March 12, 2024, and March 23, 2023. Other earnings distribution for 2023 were proposed by the Board of Directors held on March 12, 2024(but has not yet been resolved by the shareholders' meeting). Other earnings distribution for 2022 were approved by the general meetings of shareholder held on June 13, 2023. The amount distributed as dividends to shareholders is as follows:

	2023		2022	
	Dividend rate (NT$)	**Amount**	**Dividend rate (NT$)**	**Amount**
Dividends distributed to owners of ordinary shares:				
Cash dividend	$ 0.30	$ 28,767	0.70	$ 67,123

(XIII) Earnings per share

The Group's basic earnings per share and diluted earnings per share are calculated as follows:

	For the three-month periods ended 31 March	
	2024	**2023**
Basic earnings per share:		
Net profit attributable to holders of ordinary shares of the Company	$ 31,176	29,375
Weighted average number of ordinary shares outstanding (thousand shares)	95,890	95,890
Basic earnings per share (NT$)	$ 0.33	0.31

	For the three-month periods ended 31 March	
	2024	2023
Diluted earnings per share:		
Net profit attributable to holders of ordinary shares of the Company (diluted)	$ 31,176	29,375
Weighted average number of ordinary shares outstanding (basic) (thousand shares)	95,890	95,890
Impact of employee stock remuneration	169	332
Weighted average number of ordinary shares outstanding (diluted) (thousand shares)	96,059	96,222
Diluted earnings per share (NT$)	$ 0.32	0.31

(XIV) Revenue from customer contracts

1. Details of revenue

	For the three-month periods ended 31 March 2024		
	Information Services Department	Wire & Connectors Department	Total
Primary regional markets:			
Taiwan	$ 312,096	3,312	315,408
Mainland China	-	249,233	249,233
Philippines	-	125,152	125,152
Thailand	-	73,188	73,188
	$ 312,096	450,885	762,981

	For the three-month periods ended 31 March 2023		
	Information Services Department	Wire & Connectors Department	Total
Primary regional markets:			
Taiwan	$ 275,263	-	275,263
Mainland China	-	228,842	228,842
Philippines	-	117,044	117,044
Thailand	-	124,837	124,837

	For the three-month periods ended 31 March 2023		
	Information Services Department	Wire & Connectors Department	Total
	$ 275,263	470,723	745,986

2. Contract balances

	March 31, 2024	December 31, 2023	March 31, 2023
Notes receivable	$ 748	4,739	887
Accounts receivable	873,864	867,403	876,045
Less: Loss allowance	(27,728)	(31,025)	(24,692)
	$ 846,884	841,117	852,240

	March 31, 2024	December 31, 2023	March 31, 2023
Contract liabilities	$ 22,618	26,374	47,663

Please refer to Note VI (II) for the details of notes and accounts receivable and their impairment.

The opening balances of contract liabilities for January 1, 2024, and 2023, and the amounts recognized as revenue as for the three-month periods ended 31 March 2024 and 2023 were NT$7,793 thousand and NT$11,871 thousand, respectively.

Changes in contract assets and contract liabilities are mainly due to the difference between the time when the Group transfers goods or services to customers to satisfy performance obligations and when customers pay.

(XV) Remuneration of employees and of directors

In accordance with the Company's Articles of Incorporation, if there is profit for the year then no less than 1% and no more than 10% shall be allocated for employee remuneration by a resolution of the Board of Directors and in the form of stock or cash distributions. Distribution recipients are to include employees of affiliated companies who meet certain conditions. Out of the profit amount of the Company, no more than 3% should be appropriated by a resolution of the Board of Directors as remuneration for directors.

For the three months ended March 31,2024, and 2023, the Company estimated its employee remuneration amounting at NT$1,200 thousand and NT$340 thousand, respectively, and directors' remuneration amounting the net profit before tax, excluding the remuneration to employees and directors of each period, multiplied by the percentage of remuneration of employees and directors as specified in the Company's Article. These remunerations were expensed under operating expenses. If remuneration to employees is resolved to be distributed in stock, the number of shares is calculated based on the closing price of the Company's share, one day before the date of the Board of Directors meeting.

For the years ended December 31, 2023, and 2022, the remunerations to employees amounted to NT$3,400 thousand and NT$7,700 thousand, and to directors amounted to NT$3,400 thousand and NT$6,400 thousand, respectively. The aforementioned estimated amounts are identical to those of the actual distributions. The related information is available on the Market Observation Post System website.

(XVI) Financial instruments

Except for the contention mentioned below, there was no significant change in the fair value of the Group's financial instruments and degree of exposure to credit risk, liquidity risk and market risk arising from financial instruments. For related information, please refer to note VI (XVI) to the consolidated financial statements for the year ended December 31, 2023.

1. Credit risk

(1) Amount of maximum credit risk exposure

The carrying amounts of financial assets and contract assets represent the maximum credit exposure amount.

(2) Concentration of credit risk

Since the Group has a large customer base, there is no significant concentration of transactions with a single customer and the sales area is dispersed. Therefore, there is no risk of significant concentration of credit risk in accounts receivable. To reduce credit risk, the Group also regularly and continuously evaluates the financial status of customers. However, customers are usually not required to provide collateral.

(3) Credit risk of receivables

For details of credit risk exposure information and credit impairment of notes receivable and accounts receivable, please refer to Note VI (II).

2. Liquidity risk

The table below shows the contractual maturity dates of financial liabilities, including estimated interest and impact of netting agreements.

	Carrying amount	Contractual cash flows	Within 1 year	1 to 2 years	Over 2 years
March 31, 2024					
Non-derivative financial liabilities					
Short-term bank loans	$ 710,000	(711,724)	(711,724)	-	-
Notes and accounts payable	296,735	(296,735)	(296,735)	-	-
Other payables	117,910	(117,910)	(117,910)	-	-
Dividends payables	28,767	(28,767)	(28,767)	-	-
Lease liabilities - current and non-current	37,578	(39,626)	(19,297)	(2,835)	(17,494)
Deposits received (accounted for as other non-current liabilities)	204	(204)	-	-	(204)
	$ 1,191,194	(1,194,966)	(1,174,433)	(2,835)	(17,698)

	Carrying amount	Contractual cash flows	Within 1 year	1 to 2 years	Over 2 years
December 31, 2023					
Non-derivative financial liabilities					
Short-term bank loans	$ 696,000	(697,625)	(697,625)	-	-
Notes and accounts payable	372,604	(372,604)	(372,604)	-	-
Other payables	135,539	(135,539)	(135,539)	-	-
Lease liabilities - current and non-current	44,863	(46,995)	(26,114)	(3,209)	(17,672)
Deposits received (accounted for as other non-current liabilities)	301	(301)	-	-	(301)
	$ 1,249,307	(1,253,064)	(1,231,882)	(3,209)	(17,973)

		Carrying amount	Contractual cash flows	Within 1 year	1 to 2 years	Over 2 years
March 31, 2023						
Non-derivative financial liabilities						
Short-term bank loans	$	691,000	(692,238)	(692,238)	-	-
Notes and accounts payable		337,266	(337,266)	(337,266)	-	-
Other payables		126,457	(126,457)	(126,457)	-	-
Dividends payables		67,123	(67,123)	(67,123)	-	-
Lease liabilities - current and non-current		67,191	(69,825)	(32,474)	(18,375)	(18,976)
Deposits received (accounted for as other non-current liabilities)		302	(302)	-	-	(302)
	$	1,289,339	(1,293,211)	(1,255,558)	(18,375)	(19,278)

The Group does not expect that the cash flows included in the maturity analysis could occur significantly earlier or in significantly different amounts.

3. Exchange rate risk

(1) Exposure to exchange rate risk

The financial assets and liabilities of the Group exposed to significant foreign currency exchange rate risk are as follows:

Foreign currency unit: $ thousand

		March 31, 2024			December 31, 2023			March 31, 2023		
		Foreign currency	Exchange rate	TWD	Foreign currency	Exchange rate	TWD	Foreign currency	Exchange rate	TWD
Financial assets										
Monetary items										
USD	$	3,735	USD/TWD =32.000	119,518	5,479	USD/TWD =30.705	168,222	2,048	USD/TWD =30.450	62,352
USD		19,550	USD/RMB =7.260	625,610	18,206	USD/RMB =7.096	559,003	22,013	USD/RMB =6.872	670,282
USD		18,413	USD/HKD =7.826	589,202	18,206	USD/HKD =7.815	559,007	20,916	USD/HKD =7.850	636,884
USD		6,912	USD/PHP =56.239	221,168	6,691	USD/PHP =55.324	205,443	6,477	USD/PHP =54.375	197,238

	March 31, 2024			December 31, 2023			March 31, 2023		
	Foreign currency	Exchange rate	TWD	Foreign currency	Exchange rate	TWD	Foreign currency	Exchange rate	TWD
USD	1,426	USD/THB =36.199	45,628	1,528	USD/THB =34.041	46,916	1,952	USD/THB =33.946	59,425
Financial liabilities									
Monetary items									
USD	476	USD/TWD =32.000	15,242	1,020	USD/TWD =30.705	31,326	326	USD/TWD =30.450	9,929
USD	3,859	USD/RMB =7.260	123,475	2,903	USD/RMB =7.096	89,144	6,264	USD/RMB =6.872	190,743
USD	7,985	USD/HKD =7.826	255,507	7,546	USD/HKD =7.815	231,708	10,919	USD/HKD =7.850	332,474
USD	4,059	USD/PHP =56.239	129,883	4,953	USD/PHP =55.324	152,083	5,690	USD/PHP =54.375	173,266
USD	5,763	USD/THB =36.199	184,411	5,979	USD/THB =34.041	183,584	5,831	USD/THB =33.946	177,564

(2) Sensitivity analysis

The exchange rate risk of the Group's monetary items mainly comes from cash and cash equivalents, accounts receivable, other receivables, loans, accounts payable, and other payables denominated in foreign currencies which generate foreign currency exchange gains and losses at the time of translation. If foreign currencies had depreciated or appreciated by 5% against the TWD, RMB, HKD, PHP, and THB as of March 31, 2024, and 2023, then with all other factors remaining constant the impact on income as for the three-month periods ended 31 March 2024 and 2023 would be as follows:

	March 31, 2024	March 31, 2023
USD (versus TWD)		
Appreciate 5%	$ 5,214	2,621
Depreciate 5%	(5,214)	(2,621)
USD (versus RMB)		
Appreciate 5%	25,107	23,977
Depreciate 5%	(25,107)	(23,977)
USD (versus HKD)		
Appreciate 5%	16,685	15,221
Depreciate 5%	(16,685)	(15,221)

	March 31, 2024	March 31, 2023
USD (versus PHP)		
Appreciate 5%	4,564	1,199
Depreciate 5%	(4,564)	(1,199)
USD (versus THB)		
Appreciate 5%	(6,939)	(5,907)
Depreciate 5%	6,939	5,907

(3) Exchange gains and losses on monetary items

Due to the wide variety of functional currencies of the Group, the exchange profit and loss information of monetary items is disclosed by means of consolidation. As for the three-months ended 31 March 2024, and 2023, the net exchange gains (loss) (including realized and unrealized) amounted to NT$2,753 thousand and NT$(10,533) thousand, respectively.

4. Interest rate analysis

The Group's financial asset and financial liability interest rate risk exposure is listed in the following table:

	March 31, 2024	December 31, 2023	March 31, 2023
Variable rate instruments (book amounts):			
Financial assets	$ 656,497	618,423	574,120
Financial liabilities	480,000	361,000	511,000

The following sensitivity analysis is based on the exposure to interest rate risk of the derivative and non-derivative financial instruments on the reporting date. For variable rate instruments, the sensitivity analysis assumes the variable rate liabilities on the reporting date have been outstanding for the whole year. The Group’s internal key management reports increases and decreases in interest rates, and changes in interest rates of 25 basis points are considered by management to be reasonably possible.

If interest rates had increased or decreased by 25 basis points, and with all other variables held constant, the Group’s pre-tax profit and loss as for the three-month periods ended 31 March 2024 and 2023 would be as follows, mainly due to the Group’s variable interest rate demand deposits and borrowings:

	For the three-month periods ended 31 March	
	2024	2023
Interest rates increase by 25 bps	$ 110	39
Interest rates decrease by 25 bps	(110)	(39)

5. Fair value information

(1) Type and fair value of financial instruments

The carrying amounts and fair values of the Group's financial assets and financial liabilities are listed below (including fair value rating information; however, provided that the carrying number of financial instruments other than fair value is a reasonable approximation of fair value, and in the case of lease liabilities, there is no requirement to disclose fair value information):

	March 31, 2024				
		Fair value			
	Carrying amount	Level 1	Level 2	Level 3	Total
Financial assets measured at amortized cost					
Cash and cash equivalents	$ 832,644	-	-	-	-
Net notes and accounts receivable	846,884	-	-	-	-
Other financial assets - current	47,932	-	-	-	-
Deposits made (current and non-current assets)	52,017	-	-	-	-
	$ 1,779,477				
Financial liabilities measured at amortized cost					
Bank loans	$ 710,000	-	-	-	-
Notes and accounts payable	296,735	-	-	-	-
Other payables	117,910	-	-	-	-
Dividends payable	28,767	-	-	-	-
Lease liabilities - current	18,943	-	-	-	-
Lease liabilities - non-current	18,635	-	-	-	-
Deposits received (accounted for as other non-current liabilities)	204	-	-	-	-
	$ 1,191,194				

	December 31, 2023				
		Fair value			
	Carrying amount	Level 1	Carrying amount	Level 1	Carrying amount
Financial assets measured at amortized cost					
Cash and cash equivalents	$ 827,360	-	-	-	-
Net notes and accounts receivable	841,117	-	-	-	-
Other financial assets - current	36,849	-	-	-	-
Deposits made (current and non-current assets)	56,487	-	-	-	-
	$ 1,761,813				
Financial liabilities measured at amortized cost					
Bank loans	$ 696,000	-	-	-	-
Notes and accounts payable	372,604	-	-	-	-
Other payables	135,539	-	-	-	-
Lease liabilities - current	25,699	-	-	-	-
Lease liabilities - non-current	19,164	-	-	-	-
Deposits received (accounted for as other non-current liabilities)	301	-	-	-	-
	$ 1,249,307				

	March 31, 2023				
		Fair value			
	Carrying amount	Level 1	Carrying amount	Level 1	Carrying amount
Financial assets measured at amortized cost					
Cash and cash equivalents	$ 557,895	-	-	-	-
Net notes and accounts receivable	852,240	-	-	-	-
Other financial assets - current	37,212	-	-	-	-
Deposits made (accounted for as other non-current assets)	57,436	-	-	-	-
	$ 1,504,783				
Financial liabilities measured at amortized cost					
Bank loans	$ 691,000	-	-	-	-
Notes and accounts payable	337,266	-	-	-	-
Other payables	126,457	-	-	-	-
Dividends payable	67,123	-	-	-	-
Lease liabilities - current	31,828	-	-	-	-
Lease liabilities - non-current	35,363	-	-	-	-

	March 31, 2023				
		Fair value			
	Carrying amount	Level 1	Carrying amount	Level 1	Carrying amount
Deposits received (accounted for as other non-current liabilities)	302	-	-	-	-
	$ 1,289,339				

(2) Valuation techniques for financial instruments not measured at fair value

The management of the Group believes that the carrying amounts of the Group's financial assets and financial liabilities measured at amortized cost in the consolidated financial statements are close to their fair values.

(XVII) Financial risk management

The Group’s objectives, policies and processes of capital management are the same as those disclosed in the note VI (XVII) of the consolidated financial statements for the year ended December 31, 2023.

(XVIII) Capital management

The Group’s objectives, policies and processes of capital management are the same as those disclosed in the consolidated financial statements for the year ended December 31, 2023. There were no significant changes of quantitative data of capital management compared to the consolidated financial statements for the year ended December 31, 2023. Please refer to note VI (XVIII) of the consolidated financial statements for the year ended December 31, 2023.

(XIX) Investing and financing activities not affecting current cash flows

The Group's non-cash transaction investment and financing activities as for the three-month periods ended 31 March 2024, and 2023 were undertaken to obtain right-of-use assets via leasing; please refer to Note VI (VI) for details.

Reconciliation of liabilities from financing activities is as follows:

	January 1, 2024	Cash flows	Non-cash changes: Others	Non-cash changes: Exchange rate changes	March 31, 2024
Short-term loans	$ 696,000	14,000	-	-	710,000
Deposits received	301	(98)	-	1	204
Lease liabilities	44,863	(8,128)	-	843	37,578
Total liabilities from financing activities	$ 741,164	5,774	-	844	747,782

	January 1, 2023	Cash flows	Non-cash changes: Others	Non-cash changes: Exchange rate changes	March 31, 2023
Short-term loans	$ 691,000	-	-	-	691,000
Deposits received	434	(132)	-	-	302
Lease liabilities	74,301	(7,888)	-	778	67,191
Total liabilities from financing activities	$ 765,735	(8,020)	-	778	758,493

VII. Related party transactions

(I) Names and relationship with related parties

Parties involved in transactions with the Group during the periods covered by these consolidated financial statements were as follows:

Name of related party	Relationship with the Group
Mr. Yun-Teng Chang	Chairman of the Company
Ms. Kui-Yu Chang	Director of the Company
Kunshan Mingmao Electronics Co., Ltd. (Kunshan Mingmao)	The responsible person is a relative within one degree of kinship of the chairman of the Company
Year Jan Industrial Co., Ltd.	The responsible person is a relative within one degree of kinship of the chairman of the Company
ILOFA REALTY INC. (ILOFA)	The responsible person is a director of the Company

(II) Significant transactions with related parties

1. Payables to related parties

Details of payables to related parties for the Group’s leasing of real estate to related parties are as follows:

Accounts	Related party category	March 31, 2024	December 31, 2023	March 31, 2023
Other payables	Key management personnel of the Group	$ 3,060	2,736	2,365
〃	Other related parties	9,969	4,892	5,009
		$ 13,029	7,628	7,374

2. Leases

(1) In January and April of 2022, the Group leased offices and parking spaces from other related parties, Year Jan Industrial Co., Ltd. with the rent determined by market conditions and signing 1 year lease agreement. The expected renewal period is 3 years. The total contract values were NT$5,825 thousand and NT$1,097 thousand, respectively.

(2) The Group leased a plant from another related party, Kunshan Mingmao, with the rent determined by market conditions and signing 1 year lease agreement. The expected lease term is 3 years, and the total contract value is NT$58,236 thousand.

(3) In January of 2019, the lease of the plant was renewed with other related parties, ILOFA The rent determined by market conditions and signing 2 years lease agreement. The expected lease term is 20 years, and the total contract value is NT$27,701 thousand.

(4) In May of 2020, the Group leased offices from Key management personnel of the Group, and the rent was determined according to market conditions. The expected lease term is 3 years, and the total contract value is NT$2,417 thousand. In May of 2023, the lease of the office was renewed with Key management personnel of the Group and signing 3 years lease agreement. The expected lease term is 3 years, and the total contract value is NT$2,819 thousand.

Details of its lease liabilities and interest expenses are as follows：

	Lease liability balance			Interest expense	
				For the three-months ended 31 March	
	March 31, 2024	December 31, 2023	March 31, 2023	2024	2023
YEAR JAN	$ 2,024	2,595	4,294	7	13
Kunshan Mingmao	14,175	18,521	33,050	49	103
ILOFA	18,215	18,038	19,016	63	65
Senior management	2,014	2,163	70	8	1
	$ 36,428	41,317	56,430	127	182

(III) Key management personnel transactions

1. Compensation of key management personnel includes:

	For the three-month periods ended 31 March	
	2024	2023
Short-term employee benefits	$ 8,664	5,823

2. Guarantees provided

The total amounts of the Group's loan contracts for March 31, 2024, December 31, and March 31, 2023, were NT$1,153,000 thousand, NT$1,099,763 thousand and NT$1,311,125 thousand, respectively, with Mr. Yun-Teng Chang serving as joint guarantor.

VIII. Pledged assets

Details of book values of assets provided by the Group as collateral against pledges are as follows:

Asset name	Purpose of pledge	March 31, 2024	December 31, 2023	March 31, 2023
Property, plant, and equipment - land	short-term loans	$ 140,142	140,142	140,142
Property, plant, and equipment - buildings	short-term loans	35,840	36,295	43,996
Restricted bank deposits (accounted for as other financial assets - current)	short-term loans	45,000	34,800	34,800
Deposits made (accounted for as other financial assets - current)	Performance guarantees and bid deposits	965	-	-
Deposits made (accounted for as other non-current assets)	Performance guarantees and bid deposits	51,052	56,487	57,436
		$ 272,999	267,724	276,374

IX. Significant commitments and contingencies: None

X. Losses due to major disasters: None.

XI. Significant subsequent events:

In response to the need to expand its business, the merged company established KING HONG CO., LTD. with unrelated parties on May 9, 2024, approved by the board of directors. The company's main business projects are electronic equipment and electronic equipment wholesale, with a total investment of NT$5,100 thousand, holding 51% of the shares, and the relevant establishment and registration procedures have been completed.

XII. Other

(I) The summary of current period employee benefits, depreciation, and amortization, by function, is as follows:

Function / Nature	For the three-month periods ended 31 March, 2024			For the three-month periods ended 31 March, 2023		
	Under operating costs	Under operating expenses	Total	Under operating costs	Under operating expenses	Total
Employee benefit expense						
Salary expense	88,560	48,938	137,498	77,190	57,160	134,350
Health and labor insurance expense	5,947	3,633	9,580	4,181	5,043	9,224
Pension expense	4,108	1,992	6,100	3,059	2,589	5,648
Other employee benefit expense	3,821	3,125	6,946	3,084	3,690	6,774
Depreciation expense	15,320	5,467	20,787	14,574	5,835	20,409
Amortization expense	-	749	749	-	499	499

(II) The Group's operations were not affected by seasonality or cyclicality factors.

XIII. Other disclosures

(I) Information on significant transactions

The following is the information on significant transactions required by the Regulations Governing the Preparation of Financial Reports by Securities Issuers for the Group for the three-month periods ended 31 March 2024:

Notes to the Consolidated Financial Statements of Welltend Technology Corporation and Subsidiaries (continued)

1. Loans to other parties:

Number	The company lending funds	Name of borrower	Current account	Whether a related party	Highest amount during the period	Balance at end of period	Actual usage amount	Interest rate	Purposes of fund financing for the borrower	Transaction amount for business between two parties	Reasons for short term financing	Allowance for bad debt	Collateral		Loan limit for individual counterparties	Total loan limit
													Name	Value		
1	Jiun Tai	THAILAND	Other receivables	Y	31,290	22,400	22,400	4.0%	Short-term financing	-	Operating turnover	-	None	-	100,800	252,020
1	Jiun Tai	Yield Profit International	Other receivables	Y	24,160	24,160	24,160	1.5%	Short-term financing	-	Operating turnover	-	None	-	252,020	252,020
2	Shanghai Zhansheng	Huizhou Zhanmao	Other receivables	Y	26,937	-	-	1.5%	Short-term financing	-	Operating turnover	-	None	-	104,637	104,637
3	Shenzhen Zhansheng	Huizhou Zhanmao	Other receivables	Y	30,856	30,856	30,856	1.5%	Short-term financing	-	Operating turnover	-	None	-	197,435	197,435
4	Celeraise Hong Kong	THAILAND	Other receivables	Y	51,200	51,200	51,200	4.0%	Short-term financing	-	Operating turnover	-	None	-	461,186	1,152,965
4	Celeraise Hong Kong	CELERAISE	Other receivables	Y	15,645	-	-	2.0%	Short-term financing	-	Operating turnover	-	None	-	461,186	1,152,965

Note 1: In accordance with Jiun Tai's Operational "Procedures for Loaning Funds to Others", the total amount of funds loaned may not exceed 100% of Jiun Tai's net value. If there is a need for short-term financing with Jiun Tai, the loan amount may not exceed 100% of Jiun Tai's net value. Further, the total amount of foreign intercompany loans where Jiun Tai does not directly or indirectly hold 100% of the voting shares may not exceed 40% of the net value.

Note 2: In accordance with Jet Success's "Operational Procedures for Loaning Funds to Others", the total amount of funds loaned may not exceed 100% of Jet Success's net value. If there is a need for short-term financing with Jet Success, the loan amount may not exceed 100% of Jet Success's net value. Separately, the total amount of intercompany loans to foreign companies where Jet Success does not directly or indirectly hold 100% of the voting shares may not exceed 40% of the net value.

Note 3: In accordance with Shanghai Zhansheng's "Operational Procedures for Loaning Funds to Others", the total amount of funds loaned may not exceed 100% of Shanghai Zhansheng's net value. If there is a need for short-term financing with Shanghai Zhansheng, the loan amount may not exceed 100% of Shanghai Zhansheng's net value. Separately, the total amount of intercompany loans where Shanghai Zhansheng does not directly or indirectly hold 100% of the voting shares may not exceed 40% of the net value.

Note 4: In accordance with Celeraise Hong Kong's "Operational Procedures for Loaning Funds to Others", the total amount of funds loaned may not exceed 100% of Celeraise Hong Kong's net value. If there is a need for short-term financing with Celeraise Hong Kong, the loan amount may not exceed 100% of Celeraise Hong Kong's net value. Separately, the total amount of intercompany loans where Celeraise Hong Kong does not directly or indirectly hold 100% of the voting shares may not exceed 40% of the net value.

Note 5: In accordance with Shenzhen Zhansheng's "Operational Procedures for Loaning Funds to Others", the total amount of funds loaned may not exceed 500% of Celeraise Hong Kong's net value. If there is a need for short-term financing with Shenzhen Zhansheng, the loan amount may not exceed 500% of Shenzhen Zhansheng's net value. Separately, the total amount of intercompany loans where Shenzhen Zhansheng does not directly or indirectly hold 100% of the voting shares may not exceed 40% of the net value.

Note 6: The above transactions have been eliminated in the preparation of the consolidated financial statements.

2. Guarantees and endorsements for other parties:

Number	Name of endorsement/ guarantee company	Counterparty of guarantee and endorsement		Endorsement/ guarantee limit for single enterprise	Maximum endorsement/ guarantee balance for the current period	Balance of endorsement/ guarantee at end of period	Actual usage amount	Guarantee amount by endorsement of property guarantees	Ratio of cumulative endorsement/ guarantee amount to net value of the most recent financial statements	Endorsement/ guarantee maximum	Endorsement/ guarantee of parent company for subsidiaries	Endorsement/ guarantee of subsidiaries for parent company	Endorsements/ guarantees to the mainland China region
		Company name	Relationship										
0	The Company	Celeraise Hong Kong/Jiun Tai	Subsidiary of the Company	1,573,709	80,000	80,000	-	-	5.08%	1,573,709	Y	N	N
0	〃	Celeraise Technology	Subsidiary of the Company	1,573,709	50,000	50,000	-	-	3.18%	1,573,709	Y	N	N
1	Celeraise Technology	The Company	Parent company	227,278	72,024	72,024	72,024	-	158.45%	227,278	N	Y	N

Note 1: The total amount of the Company's external endorsements/guarantees may not exceed 100% of the Company's net value. The amount of endorsements/guarantees for a single enterprise may not exceed 100% of the Company's net value.

Note 2: A shared quota guarantee is provided for Celeraise Hong Kong and Jiun Tai of NT$80,000 thousand (US$2,500 thousand).

Note 3: Endorsements/guarantees made by Celeraise Technology are made in accordance with that company's Management Measures for Loans and Endorsements/Guarantees. The total amount of external endorsements/guarantees may not exceed 500% of the company's net value, and the amount of endorsements/guarantees for a single enterprise may not exceed 500% of the company's net value.

Note 4: The counterparty of the above endorsement/guarantee is the entity preparing the consolidated financial statements.

3. Securities held at the end of the period (excluding investment in subsidiaries, associates, and joint ventures): None.

4. Individual securities acquired or disposed of with accumulated amount exceeding NT$300 million or 20% of the paid-in capital: None.

5. Acquisition of individual real property with amount exceeding NT$300 million or 20% of the paid-in capital: None.
6. Disposal of individual real property with amount exceeding NT$300 million or 20% of the paid-in capital: None.
7. Related party transactions for purchases and sales with amounts exceeding NT$100 million or 20% of the paid-in capital: None.
8. Receivables from related parties with amounts exceeding NT$100 million or 20% of the paid-in capital:

Unit: NT$ thousand

Company with accounts receivable	Transaction counterparty	Relationship	Balance of receivables from related parties	Turnover rate	Receivables overdue from related parties		Receivables amount from related parties recovered after the period	Amount of allowance for doubtful accounts
					Amount	Action taken		
Celeraise Hong Kong	Huizhou Zhanmao	Ultimate parent company is the same	103,204	1.18	-		-	-
Huizhou Zhanmao	Celeraise Hong Kong	Ultimate parent company is the same	200,502	1.71	-		-	-

Note 1: Information up to April 30, 2024.
Note 2: The transactions listed on the left have been eliminated in the preparation of the consolidated financial statements.

9. Trading in derivative instruments: None.
10. Business relationships and significant intercompany transactions:

Number (Note 1)	Name of transaction person	Name of counterparty	Relationship with transaction person (Note 2)	Intercompany transactions			
				Account name	Amount	Trading terms	Ratio to consolidated total revenue or total assets
1	Celeraise Hong Kong	Huizhou Zhanmao	3	Sales revenue	25,980	Prices are not significantly different from those of ordinary customers, monthly settlement is 270 days, and payments are received according to funding needs	3.41%
1	Celeraise Hong Kong	Huizhou Zhanmao	3	Accounts receivable	103,204	Prices are not significantly different from those of ordinary customers, monthly settlement is 270 days, and payments are received according to funding needs	3.54%
1	Celeraise Hong Kong	THAILAND	3	Other receivables (Note 3.)	52,387	Rate 4.0%	1.80%
2	Kunshan Yiguan	Shanghai Zhansheng	3	Sales revenue	16,060	Prices are not significantly different from those of ordinary customers, monthly settlement is 270 days, and payments are received according to funding needs	2.10%

Notes to the Consolidated Financial Statements of Welltend Technology Corporation and Subsidiaries (continued)

Number (Note 1)	Name of transaction person	Name of counterparty	Relationship with transaction person (Note 2)	Intercompany transactions			
				Account name	Amount	Trading terms	Ratio to consolidated total revenue or total assets
2	Kunshan Yiguan	Shanghai Zhansheng	3	Accounts receivable	27,569	Prices are not significantly different from those of ordinary customers, monthly settlement is 270 days, and payments are received according to funding needs	0.95%
2	Kunshan Yiguan	THAILAND	3	Sales revenue	386	Prices are not significantly different from those of ordinary customers, monthly settlement is 270 days, and payments are received according to funding needs	0.05%
2	Kunshan Yiguan	THAILAND	3	Accounts receivable	16,716	Prices are not significantly different from those of ordinary customers, monthly settlement is 270 days, and payments are received according to funding needs	0.57%
3	Huizhou Zhanmao	Celeraise Hong Kong	3	Sales revenue	83,221	Prices are not significantly different from those of ordinary customers, monthly settlement is 270 days, and payments are received according to funding needs	10.91%
3	Huizhou Zhanmao	Celeraise Hong Kong	3	Accounts receivable	200,502	Prices are not significantly different from those of ordinary customers, monthly settlement is 270 days, and payments are received according to funding needs	6.88%
3	Huizhou Zhanmao	CELERAISE ELECTRONIC CORPORATION	3	Sales revenue	7,799	Prices are not significantly different from those of ordinary customers, monthly settlement is 270 days, and payments are received according to funding needs	1.02%
3	Huizhou Zhanmao	CELERAISE ELECTRONIC CORPORATION	3	Accounts receivable	88,117	Prices are not significantly different from those of ordinary customers, monthly settlement is 270 days, and payments are received according to funding needs	3.03%

Number (Note 1)	Name of transaction person	Name of counterparty	Relationship with transaction person (Note 2)	Intercompany transactions			
				Account name	Amount	Trading terms	Ratio to consolidated total revenue or total assets
3	Huizhou Zhanmao	THAILAND	3	Sales revenue	2,902	Prices are not significantly different from those of ordinary customers, monthly settlement is 270 days, and payments are received according to funding needs	0.38%
3	Huizhou Zhanmao	THAILAND	3	Accounts receivable	87,969	Prices are not significantly different from those of ordinary customers, monthly settlement is 270 days, and payments are received according to funding needs	3.02%
4	Leadpak Industrial	CELERAISE ELECTRONIC CORPORATION	3	Sales revenue	35,802	Prices are not significantly different from those of ordinary customers, monthly settlement is 270 days, and payments are received according to funding needs	4.69%
4	Leadpak Industrial	CELERAISE ELECTRONIC CORPORATION	3	Accounts receivable	11,581	Prices are not significantly different from those of ordinary customers, monthly settlement is 270 days, and payments are received according to funding needs	0.40%
6	Jiun Tai	THAILAND	3	Other receivables (Note 3.)	23,148	Rate 4.0%	0.79%
6	Jiun Tai	Yield Profit International	3	Other receivables (Note 3.)	24,575	Rate 1.5%	0.84%
7	Shenzhen Zhansheng	Huizhou Zhanmao	3	Other receivables (Note 3.)	38,847	Rate 1.5%	1.33%

Note 1: Numbers are filled in according to the following:
1. The parent company is 0.
2. Subsidiaries are numbered in sequence starting from 1.

Note 2: Relationship is classified into three types:
1. Parent company to subsidiary.
2. Subsidiary to parent company.
3. Subsidiary to subsidiary.

Note 3: Lending funds (including interests).

(II) Information on investees

1. The Group's reinvestment business information is as follows (excluding investment in mainland China companies):

Unit: Foreign currency thousands / thousand shares

Investing company name	Investee company name	Region	Main business items	Original investment amount		Held at end of period			Profit or loss of the investee company for the current period (Note 2)	Investment gains and losses recognized in the current period (Note 2)	Notes
				End of current period (Note 1)	End of prior period (Note 1)	Number of shares	Ratio	Carrying amount (Note 1)			
The Company	A Team	British Virgin Islands	Investment, trading, and holding company	16,538	16,538	500	100%	974	-	-	Subsidiary
The Company	Jiun Tai	Hong Kong	Holding company	241,922	241,922	59,920	100%	257,612	4,306	4,306	〃

Notes to the Consolidated Financial Statements of Welltend Technology Corporation and Subsidiaries (continued)

Unit: Foreign currency thousands / thousand shares

Investing company name	Investee company name	Region	Main business items	Original investment amount		Held at end of period			Profit or loss of the investee company for the current period (Note 2)	Investment gains and losses recognized in the current period (Note 2)	Notes
				End of current period (Note 1)	End of prior period (Note 1)	Number of shares	Ratio	Carrying amount (Note 1)			
The Company	Celeraise Technology	Taiwan	Information service industry	30,000	30,000	3,000	100%	45,460	8,343	8,343	〃
The Company	Leadpak Industrial	Taiwan	International trade and other wholesale and retail trade	29,810	29,810	2,981	99.36%	33,688	3,765	3,741	〃
The Company	Celeraise Hong Kong	Hong Kong	Manufacture and sale of wire and cable connectors and connectors	191,996	191,996	50,300	99.99%	1,179,257	21,700	21,700	〃
The Company	CELERAISE ELECTRONIC CORPORATION	Philippines	Manufacture and sale of wire and cable connectors and connectors	25,532	25,532	400	100%	255,419	6,338	6,338	〃
The Company	THAILAND	Thailand	Manufacture and sale of wire and cable connectors and connectors	182,136	182,136	18,275	100%	155,301	(10,997)	(10,997)	〃
Jiun Tai	Celeraise Hong Kong	Hong Kong	Manufacture and sale of wire and cable connectors and connectors	1 (HKD0.16)	1 (HK D0.16)	-	0.01%	1 (HKD 0.16)	-	Recognized by Jiun Tai	〃
Celeraise Hong Kong	Yield Profit International	Hong Kong	Investment, trading, and holding company	63,788 (HKD 15,600)	63,788 (HKD 15,600)	15,600	100%	398,718 (HKD 97,510)	14,354 (HKD 3,571)	Recognized by Celeraise Hong Kong	Sub-subsidiary
Celeraise Hong Kong	Jet Success	Hong Kong	Investment, trading, and holding company	31,894 (HKD 7,800)	31,894 (HKD 7,800)	7,800	100%	308,540 (HKD 75,456)	2,086 (HKD 519)	〃	〃

Note 1: Converted to New Taiwan dollar at the period-end exchange rate on the financial reporting end date.
Note 2: Converted to New Taiwan dollar at the average exchange rate during the financial reporting period.
Note 3: The above transactions have been eliminated in the preparation of the consolidated financial statements.

(III) Information on investment in mainland China

1. Relevant information such as the name and main business items of the investee company in mainland China:

Unit: Foreign currency thousands / thousand shares

Mainland China investee company name	Main business items	Paid-in capital amount (Note 3)	Investment method	Accumulated investment amount remitted from Taiwan at the beginning of the current period (Note 3)	Investment amount remitted or recovered in the current period		Accumulated investment amount remitted from Taiwan at the end of the current period (Note 3)	Profit or loss of the investee company for the current period (Note 4)	Shareholding ratio of the Company's direct or indirect investment	Investment gains and losses recognized in the current period (Notes 4 and 5)	Book value of investments at the end of the period (Note 3)	Investment income repatriated up to the current period
					Outflow	Inflow						
Shanghai Minshi	R&D and production of industrial automation control, product quality control, communication, and electronic network computing software	16,000 (US 500)	Note 1	16,000 (US 500)	-	-	16,000 (US 500)	-	100%	-	-	-
Shanghai Zhansheng	Production of electronics, cable connectors, telephone spare parts and small household appliances; sales of the company's own products	53,600 (US 1,675)	Note 2	233,600 (US 7,300)	-	-	233,600 (US 7,300)	1,126 (RMB 258)	100%	1,000 (RMB 229)	110,927 (RMB 25,165)	31,080 (RMB 7,000)
Shenzhen Zhansheng	Manufacture and sale of wire and cable connectors and connectors	47,027 (US 515 RMB 6,930) (Note 6)	Note 2	-	-	-	-	(481) (RMB (110))	100%	(481) (HKD (120))	39,487 (HKD 9,657)	-
Celeraise Chenzhou	Production and sale of wire connectors, electronic wire products, etc.	-	Note 2	32,000 (US 1,000)	-	-	32,000 (US 1,000)	(Note 8)	-	-	(Note 8)	-
Kunshan Yiguan	Manufacture and sale of wire and cable connectors and connectors, etc.	32,000 (US 1,000)	Note 2	32,000 (US 1,000)	-	-	32,000 (US 1,000)	2,003 (RMB 459)	100%	2,003 (RMB 498)	301,756 (HKD 73,797)	68,595 (RMB 15,818)

Notes to the Consolidated Financial Statements of Welltend Technology Corporation and Subsidiaries (continued)

Unit: Foreign currency thousands / thousand shares

Mainland China investee company name	Main business items	Paid-in capital amount (Note 3)	Investment method	Accumulated investment amount remitted from Taiwan at the beginning of the current period (Note 3)	Investment amount remitted or recovered in the current period		Accumulated investment amount remitted from Taiwan at the end of the current period (Note 3)	Profit or loss of the investee company for the current period (Note 4)	Shareholding ratio of the Company's direct or indirect investment	Investment gains and losses recognized in the current period (Notes 4 and 5)	Book value of investments at the end of the period (Note 3)	Investment income repatriated up to the current period
					Outflow	Inflow						
Huizhou Zhanmao	Production and sale of wire connectors, electronic wire products and packaging materials, etc.	53,760 (US$,680) (Note 7)	Note 2	-	-	-	-	14,478 (RMB 3,316)	100%	14,478 (RMB 3,608)	423,633 (RMB 103,603)	-

2. Limitations on investment in mainland China:

Company name	Accumulated investment amount remitted from Taiwan to mainland China at the end of the current period (Note 3)	Investment amount approved by the Investment Commission of the Ministry of Economic Affairs (Note 3)	Investment limit for the mainland China area in accordance with the regulations of the Investment Commission of the Ministry of Economic Affairs
The Company	313,600 (USD 9,800)	386,880 (USD 12,090)	944,225

Note 1: Reinvestment in mainland China through investment and establishment of companies in a third region.

Note 2: Reinvestment in mainland China companies by reinvesting in existing companies in a third region.

Note 3: Converted to New Taiwan dollar at the period-end exchange rate on the financial reporting end date.

Note 4: Converted to New Taiwan dollar at the average exchange rate during the financial reporting period.

Note 5: The current period's investment gains and losses are recognized based on the investee company's self-settled financial report for the same period that has not been reviewed by an accountant, except that Shanghai Minshi is recognized based on the investee company's financial statement that has been reviewed by an accountant certified by the parent company in Taiwan.

Note 6: Constitutes reinvestment undertaken by Celeraise Hong Kong through investment of US$515 thousand of its own funds and use of fixed assets.

Note 7: The difference between the remitted investment amount and the Company's remittance is the reinvestment of US$1,680 thousand made by Celeraise Hong Kong, Yield Profit International, and Jet Success using their own funds.

Note 8: Celeraise Chenzhou Industry completed the liquidation process in June 2018 and the investment amount was reimbursed in July 2018.

Note 9: The above transactions have been eliminated in the preparation of the consolidated financial statements.

Note 10: Shanghai Zhansheng passed resolutions of the Board of Directors on the amount of cash dividends under appropriation of earnings on September, 2023.Distribute cash dividend of RMB$ 7,000 thousand.

Note 11: Kunshan Yiguan passed resolutions of the Board of Directors on the amount of cash dividends under appropriation of earnings on September, 2023.Distribute cash dividend of RMB$ 15,818 thousand.

3. Material transactions with mainland China investee companies:

For direct or indirect material transactions between the Group and mainland China investee companies as for the three-month periods ended 31 March 2024 (eliminated in the preparation of the consolidated statements), please see the description detailed under the "Information on Material Transactions" as well as "Business relationships and significant intercompany transactions".

(IV) Information on principal shareholders:

Unit: Shares

Shares Principal shareholder name	Number of shares held	Shareholding percentage
Year Jan Industrial Co., Ltd.	11,152,634	11.63%
Jiayu Investment Co., Ltd.	9,485,167	9.89%
Jusheng Investment Co., Ltd.	8,842,241	9.22%
Wei Yi Investment Co., Ltd.	7,792,774	8.12%
Shih Chieh Wei Co., Ltd.	7,768,421	8.10%

XIV. Segment information

The Group's operating segment information and reconciliation are as follows:

	For the three-months ended 31 March, 2024				
	Information services	Wire and connectors	Other segments	Adjustments and eliminations	Total
Revenue:					
Revenue from external customers	$ 312,096	450,885	-	-	762,981
Interdepartmental revenue	1,016	194,507	-	(195,523)	-
Total revenue	$ 313,112	645,392	-	(195,523)	762,981
Segment (loss) profit	$ 22,764	22,259	-	(185)	44,838
Segment total assets					$ 2,912,890

Notes to the Consolidated Financial Statements of Welltend Technology Corporation and Subsidiaries (continued)

	For the three-months ended 31 March, 2023				
	Informatio n services	Wire and connectors	Other segments	Adjustments and eliminations	Total
Revenue:					
Revenue from external customers	$ 275,263	470,723	-	-	745,986
Interdepartmental revenue	4,210	181,985	-	(186,195)	-
Total revenue	**$ 279,473**	**652,708**	**-**	**(186,195)**	**745,986**
Segment (loss) profit	**$ 23,553**	**13,274**	**-**	**(2,092)**	**34,735**
Segment total assets					**$ 2,912,645**