TXC Corporation and Subsidiaries

Consolidated Financial Statements for the Nine Months Ended September 30, 2023 and 2022

TXC CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
(In Thousands of New Taiwan Dollars)

	September 30, 2023		December 31, 2022		September 30, 2022	
ASSETS	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**
CURRENT ASSETS						
Cash and cash equivalents (Note 6)	$ 3,521,318	19	$ 4,222,610	21	$ 3,608,421	18
Financial assets at fair value through profit or loss - current (Note 7)	625,497	3	417,450	2	413,424	2
Financial assets at amortized cost - current (Note 9)	104,103	1	351,977	2	353,953	2
Notes receivable (Note 10)	74,918	-	32,125	-	30,817	-
Trade receivables (Note 10)	3,334,250	18	3,514,781	18	3,907,131	20
Trade receivables from related parties (Notes 10 and 31)	16,805	-	9,851	-	26,455	-
Finance lease receivables - current (Note 11)	4,123	-	-	-	-	-
Other receivables	30,030	-	65,288	-	52,848	-
Other receivables from related parties (Note 31)	1,402	-	643	-	1,016	-
Current tax assets (Note 26)	80,200	-	-	-	-	-
Inventories (Note 12)	2,382,000	13	2,699,721	14	3,052,127	15
Non-current assets held for sale (Note 14)	-	-	-	-	4,985	-
Other current assets	114,218	1	98,005	-	113,582	1
Total current assets	10,288,864	55	11,412,451	57	11,564,759	58
NON-CURRENT ASSETS						
Financial assets at fair value through other comprehensive income - non-current (Note 8)	566,831	3	662,533	4	658,948	3
Financial assets at amortized cost - non-current (Note 9)	137,240	1	-	-	-	-
Investments accounted for using equity method (Note 15)	449,055	3	458,607	2	459,444	2
Property, plant and equipment (Note 16)	5,970,121	32	6,319,742	32	6,312,502	32
Right-of-use assets (Note 17)	225,041	1	205,984	1	208,921	1
Investment properties (Note 18)	565,118	3	571,346	3	490,778	3
Other intangible assets	51,939	-	53,838	-	55,980	-
Deferred tax assets (Note 26)	47,215	-	61,271	-	53,715	-
Finance lease receivables - non-current (Note 11)	6,867	-	-	-	-	-
Prepayment for equipment	277,192	2	94,538	1	185,029	1
Other non-current assets	10,907	-	10,934	-	12,077	-
Total non-current assets	8,307,526	45	8,438,793	43	8,437,394	42
TOTAL	$ 18,596,390	100	$ 19,851,244	100	$ 20,002,153	100
LIABILITIES AND EQUITY						
CURRENT LIABILITIES						
Short-term borrowings (Note 19)	$ 250,243	1	$ 513,750	3	$ 488,350	3
Short-term bills payables (Note 19)	-	-	-	-	89,420	1
Financial liabilities at fair value through profit or loss - current (Note 7)	2,244	-	13,620	-	10,048	-
Contract liabilities - current (Notes 12 and 24)	2,263	-	40	-	41	-
Trade payables	1,209,748	7	1,208,497	6	1,870,284	9
Trade payables to related parties (Note 31)	966	-	622	-	112	-
Other payables (Note 21)	955,569	5	1,421,979	7	1,223,460	6
Other payables to related parties (Note 31)	314	-	1,250	-	7,520	-
Current tax liabilities (Note 26)	-	-	204,057	1	182,672	1
Lease liabilities - current (Note 17)	6,109	-	3,088	-	3,079	-
Deferred revenue - current (Notes 21 and 28)	40,901	-	38,817	-	23,827	-
Current portion of long-term liabilities (Note 19)	2,004,178	11	890,785	5	757,041	4
Other current liabilities	61,685	-	39,206	-	47,280	-
Total current liabilities	4,534,220	24	4,335,711	22	4,703,134	24
NON-CURRENT LIABILITIES						
Bonds payable (Note 20)	-	-	1,183,273	6	1,180,604	6
Long-term borrowings (Note 19)	1,988,037	11	1,522,600	8	1,743,192	9
Deferred tax liabilities (Note 26)	111,998	1	118,132	1	111,897	1
Lease liabilities - non-current (Note 17)	27,991	-	3,399	-	2,372	-
Deferred revenue - non-current (Notes 21 and 28)	92,257	1	108,191	-	66,010	-
Net defined benefit liabilities - non-current (Note 22)	26,604	-	35,203	-	52,727	-
Guarantee deposits received	78,819	-	71,527	-	81,631	-
Total non-current liabilities	2,325,706	13	3,042,325	15	3,238,433	16
Total liabilities	6,859,926	37	7,378,036	37	7,941,567	40
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Note 23)						
Share capital						
Ordinary shares	3,097,570	17	3,097,570	16	3,097,570	15
Capital surplus	1,718,495	9	1,709,979	9	1,709,982	8
Retained earnings						
Legal reserve	2,243,247	12	1,946,812	10	1,946,812	10
Special reserve	143,071	1	-	-	-	-
Unappropriated earnings	4,647,263	25	5,861,917	29	5,365,011	27
Total retained earnings	7,033,581	38	7,808,729	39	7,311,823	37
Other equity						
Exchange differences on translating the financial statements of foreign operations	(304,730)	(2)	(450,523)	(2)	(345,765)	(2)
Unrealized gain on financial assets at fair value through other comprehensive income	191,548	1	307,453	1	286,976	2
Total other equity	(113,182)	(1)	(143,070)	(1)	(58,789)	-
Total equity	11,736,464	63	12,473,208	63	12,060,586	60
TOTAL	$ 18,596,390	100	$ 19,851,244	100	$ 20,002,153	100

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

TXC CORPORATION AND SUBSIDIARIES

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

	For the Three Months Ended September 30				For the Nine Months Ended September 30			
	2023		2022		2023		2022	
	Amount	%	Amount	%	Amount	%	Amount	%
SALES (Note 24)	$ 3,085,915	100	$ 3,431,726	100	$ 7,809,988	100	$ 10,162,306	100
COST OF GOODS SOLD (Note 25)	(1,999,149)	(65)	(2,127,419)	(62)	(5,097,719)	(65)	(6,276,998)	(62)
GROSS PROFIT	1,086,766	35	1,304,307	38	2,712,269	35	3,885,308	38
OPERATING EXPENSES (Note 25)								
Selling and marketing expenses	119,166	4	130,083	4	328,133	4	403,736	4
General and administrative expenses	163,570	5	167,127	5	432,847	6	500,472	5
Research and development expenses	253,902	8	287,303	8	700,519	9	793,146	8
Expected credit gain reversal of trade receivables	-	-	(40)	-	-	-	(40)	-
Total operating expenses	536,638	17	584,473	17	1,461,499	19	1,697,314	17
PROFIT FROM OPERATIONS	550,128	18	719,834	21	1,250,770	16	2,187,994	21
NON-OPERATING INCOME AND EXPENSES								
Interest income (Note 25)	18,121	1	6,492	-	55,931	1	17,218	-
Other income (Note 25)	56,416	2	55,828	2	121,174	2	117,946	1
Other gains and losses (Note 25)	111,435	4	272,946	8	180,053	2	586,816	6
Finance costs (Note 25)	(16,047)	(1)	(12,048)	-	(43,300)	(1)	(35,046)	-
Share of profit of associates and joint ventures (Note 15)	1,099	-	4,190	-	3,942	-	14,831	-
Total non-operating income and expenses	171,024	6	327,408	10	317,800	4	701,765	7
PROFIT BEFORE INCOME TAX	721,152	24	1,047,242	31	1,568,570	20	2,889,759	28
INCOME TAX EXPENSE (Note 26)	(122,892)	(4)	(194,782)	(6)	(262,887)	(3)	(526,857)	(5)
NET PROFIT FOR THE PERIOD	598,260	20	852,460	25	1,305,683	17	2,362,902	23
OTHER COMPREHENSIVE LOSS								
Items that will not be reclassified subsequently to profit or loss:								
Unrealized loss on investments in equity instruments at fair value through other comprehensive income	(64,137)	(2)	(278,463)	(8)	(28,429)	(1)	(965,836)	(9)
Share of the other comprehensive loss of associates and joint ventures accounted for using the equity method	-	-	-	-	(8)	-	(8)	-
	(64,137)	(2)	(278,463)	(8)	(28,437)	(1)	(965,844)	(9)

(Continued)

TXC CORPORATION AND SUBSIDIARIES

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

	For the Three Months Ended September 30				For the Nine Months Ended September 30			
	2023		2022		2023		2022	
	Amount	%	Amount	%	Amount	%	Amount	%
Items that may be reclassified subsequently to profit or loss:								
Exchange differences on translating the financial statements of foreign operations	$ 317,434	10	$ 79,182	2	$ 148,306	2	$ 208,271	2
Share of the other comprehensive income (loss) of associates and joint ventures accounted for using the equity method	4,982	-	829	-	(2,513)	-	5,543	-
	322,416	10	80,011	2	145,793	2	213,814	2
Other comprehensive income (loss) for the period, net of income tax	258,279	8	(198,452)	(6)	117,356	1	(752,030)	(7)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	$ 856,539	28	$ 654,008	19	$ 1,423,039	18	$ 1,610,872	16
EARNINGS PER SHARE (Note 27)								
From continuing operations								
Basic	$ 1.94		$ 2.75		$ 4.22		$ 7.63	
Diluted	$ 1.87		$ 2.64		$ 4.07		$ 7.31	

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

TXC CORPORATION AND SUBSIDIARIES

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

	Equity Attributable to Owners of the Company								
				Retained Earnings			Other Equity		
	Shares (In Thousands)	Share Capital	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translating the Financial Statements of Foreign Operations	Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income	Total Equity
BALANCE AT JANUARY 1, 2022	309,757	$ 3,097,570	$ 1,696,784	$ 1,635,942	$ 346,761	$ 5,184,854	$ (559,579)	$ 1,357,362	$ 12,759,694
Appropriation of 2021 earnings (Note 23)									
Legal reserve appropriated	-	-	-	310,870	-	(310,870)	-	-	-
Special reserve	-	-	-	-	(346,761)	346,761	-	-	-
Cash dividends distributed by the Company	-	-	-	-	-	(2,323,178)	-	-	(2,323,178)
Net profit for the nine months ended September 30, 2022	-	-	-	-	-	2,362,902	-	-	2,362,902
Other comprehensive income (loss) for the nine months ended September 30, 2022, net of income tax	-	-	-	-	-	24	213,814	(965,868)	(752,030)
Total comprehensive income (loss) for the nine months ended September 30, 2022	-	-	-	-	-	2,362,926	213,814	(965,868)	1,610,872
Disposal of investments in equity instruments designated as at fair value through other comprehensive income	-	-	-	-	-	104,518	-	(104,518)	-
Surplus donated	-	-	283	-	-	-	-	-	283
Changes in capital surplus from investment in associates and joint ventures accounted for using the equity method	-	-	12,915	-	-	-	-	-	12,915
BALANCE AT SEPTEMBER 30, 2022	309,757	$ 3,097,570	$ 1,709,982	$ 1,946,812	$ -	$ 5,365,011	$ (345,765)	$ 286,976	$ 12,060,586
BALANCE AT JANUARY 1, 2023	309,757	$ 3,097,570	$ 1,709,979	$ 1,946,812	$ -	$ 5,861,917	$ (450,523)	$ 307,453	$ 12,473,208
Appropriation of 2022 earnings (Note 23)									
Legal reserve appropriated	-	-	-	296,435	-	(296,435)	-	-	-
Special reserve	-	-	-	-	143,071	(143,071)	-	-	-
Cash dividends distributed by the Company	-	-	-	-	-	(2,168,299)	-	-	(2,168,299)
Net profit for the nine months ended September 30, 2023	-	-	-	-	-	1,305,683	-	-	1,305,683
Other comprehensive income (loss) for the nine months ended September 30, 2023, net of income tax	-	-	-	-	-	64	145,793	(28,501)	117,356
Total comprehensive income (loss) for the nine months ended September 30, 2023	-	-	-	-	-	1,305,747	145,793	(28,501)	1,423,039
Equity component of convertible bonds issued by the Company	-	-	-	-	-	87,404	-	(87,404)	-
Donations from shareholders	-	-	162	-	-	-	-	-	162
Other changes in capital surplus	-	-	8,354	-	-	-	-	-	8,354
BALANCE AT SEPTEMBER 30, 2023	309,757	$ 3,097,570	$ 1,718,495	$ 2,243,247	$ 143,071	$ 4,647,263	$ (304,730)	$ 191,548	$ 11,736,464

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

TXC CORPORATION AND SUBSIDIARIES

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

	For the Nine Months Ended September 30	
	2023	**2022**
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	$ 1,568,570	$ 2,889,759
Adjustments for:		
Depreciation expenses	900,000	913,766
Amortization expenses	13,246	16,485
Expected credit loss (reversed) recognized on trade receivables	-	(40)
Net (gain) loss on fair value changes of financial assets and liabilities at fair value through profit or loss	(12,733)	2,351
Finance costs	43,300	35,046
Interest income	(55,931)	(17,218)
Dividend income	(12,442)	(11,486)
Share of profit of associates and joint ventures	(3,942)	(14,831)
Gain on disposal of property, plant and equipment	(739)	(5,971)
Impairment losses recognized on property, plant and equipment	4,170	1,789
Loss on disposal of non-current assets held for sale	-	249
Write-down of inventories	11,340	12,826
Gain on modifications of lease	(8)	-
Changes in operating assets and liabilities		
Notes receivable	(42,793)	(26,138)
Trade receivables	180,463	97,233
Trade receivables from related parties	(6,954)	4,439
Other receivables	35,369	18,393
Other receivables from related parties	(759)	163
Inventories	306,241	(425,812)
Other current assets	(16,213)	9,897
Contract liabilities - current	2,223	(10,773)
Trade payables	1,251	(219,187)
Trade payables to related parties	344	(2,028)
Other payables	(464,119)	(256,350)
Other payables to related parties	(936)	4,025
Other current liabilities	22,479	26,166
Net defined benefit liabilities	(8,599)	(9,062)
Deferred revenue	(17,553)	(4,652)
Cash generated from operations	2,445,275	3,029,039
Interest paid	(34,437)	(26,665)
Income tax paid	(540,898)	(661,048)
Net cash generated from operating activities	1,869,940	2,341,326
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets/liabilities at fair value through profit or loss	(194,646)	-
Proceeds from sale of financial assets at fair value through profit or loss	-	334,745

(Continued)

TXC CORPORATION AND SUBSIDIARIES

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

	For the Nine Months Ended September 30	
	2023	2022
Purchase of financial assets at fair value through other comprehensive income	$ (40,435)	$ (25,360)
Proceeds from sale of financial assets at fair value through other comprehensive income	111,322	117,447
Purchase of financial assets at amortized cost	-	(58,863)
Proceeds from sale of financial assets at amortized cost	113,851	-
Acquisition of investments accounted for using equity method	-	(11,203)
Proceeds from disposal of non-current assets held for sale	-	1,745
Payments for property, plant and equipment	(479,221)	(969,723)
Proceeds from disposal of property, plant and equipment	5,315	8,334
Payments for intangible assets	(8,597)	(18,923)
Decrease in finance lease receivables	4,281	-
Payments for investment properties	27	5,281
Increase in prepayments for equipment	(182,654)	-
Interest received	55,820	17,050
Dividend received	32,687	29,090
Net cash used in investing activities	(582,250)	(570,380)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayments of short-term borrowings	(255,405)	(28,778)
Proceeds from long-term borrowings	1,672,432	875,776
Repayments of long-term borrowings	(1,291,432)	(344,089)
Proceeds of guarantee deposits received	7,292	11,141
Repayment of the principal portion of lease liabilities	(5,479)	(2,285)
Dividends paid to owners of the company	(2,168,299)	(2,323,178)
Other changes in capital surplus	162	283
Net cash used in financing activities	(2,040,729)	(1,811,130)
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES	51,747	16,960
NET DECREASE IN CASH AND CASH EQUIVALENTS	(701,292)	(23,224)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	4,222,610	3,631,645
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	$ 3,521,318	$ 3,608,421

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

1. GENERAL INFORMATION

TXC Corporation (the “Company”) was incorporated in the Republic of China (ROC) on December 28, 1983.

TXC specializes in producing high quality crystals and crystal oscillator (CXO) as well as develops a variety of sensors by core technology to satisfy the market demand. Sensors are applied to various applications including mobile communication, information and storage device, internet of things, vehicle electronics, telecommunication equipment, smart home, AI, medical care, and 5G, etc.

TXC’s shares have been listed on the Taiwan Stock Exchange since August 26, 2002.

The consolidated financial statements are presented in the Company’s functional currency, the New Taiwan dollar.

To ensure the rights and interests of investors through full disclosure of operational governance, the Company applied for the Corporate Governance Assessment held by the Taiwan Corporate Governance Association (TCGA). For the “Corporate Governance Evaluation” jointly held by the Taiwan Stock Exchange Corporation (TWSE) and Taipei Exchange, under the category of listed companies, the company was awarded as the top 20 percent in 2014, top 5 percent from 2015 to 2017, and top 6 to 20 percent from 2018 to 2022. The Company will continue to strengthen corporate governance with the intention to achieve international standards for protection of public interest. Since 2009, the Company prepared Corporate Social Responsibility Report in accordance with GRI Standards every year, officially established ESG Committee on 2021. Meanwhile, The Company prepared ESG Report to acquire the-third-party (BSI) certification, initially introduced TCFD and SASB, comprehensively implemented sustainable development based on scientific methods which met international mainstream, and fulfilled the responsibilities as a global citizen. All of the above are the efforts that The Company made to replace Corporate Social Responsibility Report to reinforce its operation sustainable development, the implement of energy saving and emission reducing, developing gender-friendly workplace, and fulfilling responsibilities for social benefit.

2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were approved by the Company’s board of directors on November 6, 2023.

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

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

   The initial application of the IFRSs endorsed and issued into effect by the FSC did not have material impact on the Group’s accounting policies.

b. The IFRSs endorsed by the FSC for application starting from 2024

New, Amended and Revised Standards and Interpretations	Effective Date Announced by IASB (Note 1)
Amendments to IFRS 16 "Leases Liability in a Sale and Leaseback"	January 1, 2024 (Note 2)
Amendments to IAS 1 "Classification of Liabilities as Current or Non-current"	January 1, 2024
Amendments to IAS 1 "Non-current Liabilities with Covenants"	January 1, 2024
Amendments to IAS 7 and IFRS 7 "Supplier Finance Arrangements"	January 1, 2024 (Note 3)

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

Note 2: A seller-lessee shall apply the Amendments to IFRS 16 retrospectively to sale and leaseback transactions entered into after the date of initial application of IFRS 16.

Note 3: The amendments provide some transition relief regarding disclosure requirements.

1) Amendments to IFRS 16 "Leases Liability in a Sale and Leaseback"

The amendments clarify that the liability that arises from a sale and leaseback transaction - that satisfies the requirements in IFRS 15 to be accounted for as a sale - is a lease liability to which IFRS 16 applies. However, if the lease in a leaseback that includes variable lease payments that do not depend on an index or rate, the seller-lessee shall measure lease liabilities arising from a leaseback in a way that it does not recognize any amount of the gain or loss that relates to the right of use it retains. Seller-lessee subsequently recognizes in profit or loss the difference between the payments made for the lease and the lease payments that reduce the carrying amount of the lease liability.

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

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

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

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

3) Amendments to IAS 7 and IFRS 7 "Supplier Finance Arrangements"

Supplier finance arrangements are characterized by one or more finance providers offering to pay amounts an entity owes its suppliers and the entity agreeing to pay according to the terms and conditions of the arrangements at the same date as, or a date later than, the suppliers are paid. The amendments stipulate that the Group shall disclose the relevant information about its supplier finance arrangements that enables users of financial statements to assess the effects of those arrangements on the Group's liabilities and cash flows and on the Group's exposure to liquidity risk.

Except for the above impact, as of the date the consolidated financial statements were authorized for issue, the Group is continuously assessing the possible impact that the application of other standards and interpretations will have on the Group's financial position and financial performance and will disclose the relevant impact when the assessment is completed.

c. The IFRSs in issue but not yet endorsed and issued into effect by the FSC

New, Amended and Revised Standards and Interpretations	Effective Date Announced by IASB (Note 1)
Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture"	To be determined by IASB
IFRS 17 "Insurance Contracts"	January 1, 2023
Amendments to IFRS 17	January 1, 2023
Amendments to IFRS 17 "Initial Application of IFRS 9 and IFRS 17 - Comparative Information"	January 1, 2023
Amendments to IAS 21 "Lack of Exchangeability"	January 1, 2025 (Note 2)

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

Note 2: An entity shall apply those amendments for annual reporting periods beginning on or after January 1, 2025. Upon initial application of the amendments, the entity recognizes any effect as an adjustment to the opening balance of retained earnings. When the entity uses a presentation currency other than its functional currency, it shall, at the date of initial application, recognize any effect as an adjustment to the cumulative amount of translation differences in equity.

1) Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture"

The amendments stipulate that, when the Group sells or contributes assets that constitute a business (as defined in IFRS 3) to an associate or joint venture, the gain or loss resulting from the transaction is recognized in full. Also, when the Group loses control of a subsidiary that contains a business but retains significant influence or joint control, the gain or loss resulting from the transaction is recognized in full.

Conversely, when the Group sells or contributes assets that do not constitute a business to an associate or joint venture, the gain or loss resulting from the transaction is recognized only to the extent of the Group's interest as an unrelated investor in the associate or joint venture, i.e., the Group's share of the gain or loss is eliminated. Also, when the Group loses control of a subsidiary that does not contain a business but retains significant influence or joint control over an associate or a joint venture, the gain or loss resulting from the transaction is recognized only to the extent of the Group's interest as an unrelated investor in the associate or joint venture, i.e., the Group's share of the gain or loss is eliminated.

2) Amendments to IAS 21 "Lack of Exchangeability"

The amendments stipulate that a currency is exchangeable into another currency when an entity is able to obtain the other currency within a time frame that allows for a normal administrative delay and through a market or exchange mechanism in which an exchange transaction would create enforceable rights and obligations. An entity shall estimate the spot exchange rate at a measurement date when a currency is not exchangeable into another currency to reflect the rate at which an orderly exchange transaction would take place at the measurement date between market participants under prevailing economic conditions. In this situation, the Group shall disclose information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, its financial performance, financial position and cash flows.

Except for the above impact, as of the date the consolidated financial statements were authorized for issue, the Group is continuously assessing the possible impact that the application of other standards and interpretations will have on the Group's financial position and financial performance and will disclose the relevant impact when the assessment is completed.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Statement of compliance

These interim consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34 "Interim Financial Reporting" as endorsed and issued into effect by the FSC. Disclosure information included in these interim consolidated financial statements is less than the disclosure information required in a complete set of annual consolidated financial statements.

b. Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis except for financial instruments which are measured at fair value.

The fair value measurements, which are grouped into Levels 1 to 3 based on the degree to which the fair value measurement inputs are observable and based on the significance of the inputs to the fair value measurement in its entirety, are described as follows:

1) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities;

2) Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

3) Level 3 inputs are unobservable inputs for an asset or liability.

c. Basis of consolidation

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

Income and expenses of subsidiaries acquired or disposed of during the period are included in the consolidated statement of profit or loss and other comprehensive income from the effective dates of acquisitions up to the effective dates of disposals, as appropriate.

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

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

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions.

d. Other material accounting policies

Except for the following, please refer to the consolidated financial statements for the year ended December 31, 2022.

1) Retirement benefits

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

2) Other long-term employee benefits

Other long-term employee benefits are accounted for in the same way as the accounting required for defined benefit plans except that remeasurement is recognized in profit or loss.

3) Income tax expense

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

5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, management is required to make judgments, estimations, and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates.

The same critical accounting judgments and key sources of estimation uncertainty of consolidated financial statements have been followed in these consolidated financial statements as were applied in the preparation of the consolidated financial statements for the year ended December 31, 2022.

6. CASH AND CASH EQUIVALENTS

	September 30, 2023	December 31, 2022	September 30, 2022
Cash on hand	$ 1,007	$ 1,179	$ 1,254
Checking accounts and demand deposits	3,340,539	3,367,422	3,230,267
Cash equivalents (investments with original maturities of less than three months)			
Time deposits	179,772	274,009	376,900
Repurchase agreements collateralized by bonds	-	580,000	-
	$ 3,521,318	$ 4,222,610	$ 3,608,421

The market rate intervals of cash in bank at the end of the reporting period were as follows:

	September 30, 2023	December 31, 2022	September 30, 2022
Bank time deposits	1.25%-3.9875%	0.98%-4.13%	0.73%-3.31%
Repurchase agreements collateralized by bonds	-	1.02%	-

7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	September 30, 2023	December 31, 2022	September 30, 2022
Financial assets at FVTPL - current			
Financial assets mandatorily classified as at FVTPL			
Derivative financial instruments (not under hedge accounting)			
Foreign exchange forward contracts and exchange contracts (b)	$ 2,261	$ 3,662	$ 1,172
Non-derivative financial assets			
Listed shares	28,765	20,350	17,875
Mutual funds	297	287	7,153
Hybrid financial assets			
Structured deposits (a)	594,174	393,151	387,224
	623,236	413,788	412,252
	$ 625,497	$ 417,450	$ 413,424
Financial liabilities at FVTPL - current			
Financial liabilities mandatorily classified as at FVTPL			
Derivative financial instruments (not under hedge accounting)			
Foreign exchange forward contracts and exchange contracts (b)	$ 2,244	$ 13,620	$ 10,048

a. The Group entered into structured time deposit contract with Bank during the nine months ended September 30, 2023 and 2022. The structured time deposit contract includes an embedded derivative instrument which is not closely related to the host contract. The entire contract was assessed and mandatorily classified as at FVTPL since it contained a host that is an asset within the scope of IFRS 9.

b. At the end of the reporting period, outstanding foreign exchange contracts and exchange contracts not under hedge accounting were as follows:

	Currency	Maturity Date	Contract Amount (In Thousands)
September 30, 2023			
Knock-out forward	USD/RMB	2023.11.13	USD2,000/RMB14,720
Exchange contracts	USD/NTD	2023.10.16	USD2,000/NTD61,328
Foreign exchange forward contracts	USD/NTD	2023.11.14-2023.11.27	USD4,000/NTD129,400
Sell	USD/RMB	2023.10.30-2023.12.27	USD6,500/RMB46,929
December 31, 2022			
Sell	USD/RMB	2023.01.30-2023.04.26	USD10,000/RMB70,227
Sell	USD/JPY	2023.01.04-2023.01.10	USD2,500/JPY334,823
Exchange contracts	USD/NTD	2023.01.09-2023.03.29	USD29,000/NTD900,640
Foreign exchange forward contracts	USD/NTD	2023.01.10	USD3,000/NTD99,000
September 30, 2022			
Knock-out forward	USD/JPY	2022.10.18	USD2,000/JPY295,800
Exchange contracts	USD/NTD	2022.12.12-2023.01.09	USD9,000/NTD283,660
Sell	USD/RMB	2022.10.27-2023.01.30	USD7,500/RMB51,690

The Group entered into foreign exchange forward contracts during the nine months ended September 30, 2023 and 2022 to manage exposures due to exchange rate fluctuations of foreign currency denominated assets and liabilities. However, those contracts did not meet the criteria of hedge effectiveness and therefore were not accounted for using hedge accounting.

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	September 30, 2023	December 31, 2022	September 30, 2022
Non-current			
Domestic investments			
Listed shares			
UPI Semiconductor Corp.	$ 181,056	$ 262,122	$ 319,130
Emerging market shares			
Win Win Precision Technology Co., Ltd.	97,644	-	-
Unlisted shares	66,842	213,170	103,099
	345,542	475,292	422,229
Foreign investments			
Unlisted shares	221,289	187,241	236,719
	$ 566,831	$ 662,533	$ 658,948

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

On January 16, 2023, Win Win Precision Technology Co., Ltd.'s shares were listed on the emerging market of OTC. The transfer of fair value measurement level referred to Note 30.

In the third quarter of 2023 and 2022, the Group sold its shares in UPI Semiconductor Corp. in order to manage credit concentration risk. The shares sold had a fair value of $111,322 thousand and $117,447 thousand and its related unrealized gain of $87,404 thousand and $104,518 thousand was transferred from other equity to retained earnings.

9. FINANCIAL ASSETS AT AMORTIZED COST

	September 30, 2023	December 31, 2022	September 30, 2022
Current			
Domestic investments			
Pledge deposits (a)	$ 104,103	$ 70,259	$ 67,034
Time deposits with original maturity of more than three months (b)	-	281,718	286,919
	$ 104,103	$ 351,977	$ 353,953
Non-current			
Domestic investment			
Time deposits with original maturities of more than one year (b)	$ 137,240	$ -	$ -

a. Refer to Note 32 for information relating to investments in financial assets at amortized cost pledged as security.

b. The ranges of interest rates for time deposits with original maturities of more than three months were approximately 3.25%-4.94%, 1.68%-4.125% and 1.68%-4.125% per annum as of September 30, 2023, December 31, 2022 and September 30, 2022, respectively.

10. NOTES RECEIVABLE, TRADE RECEIVABLES AND OTHER RECEIVABLES

	September 30, 2023	December 31, 2022	September 30, 2022
Notes receivable			
Notes receivable - operating	$ 74,924	$ 32,131	$ 30,823
Less: Allowance for impairment loss	(6)	(6)	(6)
	$ 74,918	$ 32,125	$ 30,817

(Continued)

	September 30, 2023	December 31, 2022	September 30, 2022
Trade receivables			
At amortized cost			
Gross carrying amount	$ 3,364,618	$ 3,538,129	$ 3,947,131
Less: Allowance for impairment loss	(13,563)	(13,497)	(13,545)
	$ 3,351,055	$ 3,524,632	$ 3,933,586

(Concluded)

In order to minimize credit risk, the management of the Company has delegated a team responsible for determining credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade debt at the end of the reporting period to ensure that adequate allowance is made for possible irrecoverable amounts. In this regard, the management believes the Group's credit risk was significantly reduced.

The Group measures the loss allowance for trade receivables at an amount equal to lifetime ECLs. The expected credit losses on trade receivables are estimated using a provision matrix prepared by reference to the past default experience of the customer, the customer's current financial position, economic condition of the industry in which the customer operates, as well as the GDP forecasts and industry outlook. As the Group's historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision for loss allowance based on past due status is not further distinguished according to the Group's different customer base. The Group recognizes 100% loss allowance for trade receivables of greater than 120 days past due and unsecured.

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

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

September 30, 2023

	Not Past Due	1 to 60 Days	61 to 120 Days	121 to 180 Days	Over 180 Days	Total
Expected credit loss rate	0.40%	0.10%-0.87%	13.22%-19.83%	100%	100%	
Gross carrying amount	$ 3,305,547	$ 133,125	$ 870	$ -	$ -	$ 3,439,542
Loss allowance (Lifetime ECL)	(13,244)	(205)	(120)	-	-	(13,569)
Amortized cost	$ 3,292,303	$ 132,920	$ 750	$ -	$ -	$ 3,425,973

December 31, 2022

	Not Past Due	1 to 60 Days	61 to 120 Days	121 to 180 Days	Over 180 Days	Total
Expected credit loss rate	0.30%	0.27%-2.84%	22.93%-34.39%	100%	100%	
Gross carrying amount	$ 3,332,503	$ 230,679	$ 7,078	$ -	$ -	$ 3,570,260
Loss allowance (Lifetime ECL)	(10,032)	(1,037)	(2,434)	-	-	(13,503)
Amortized cost	$ 3,322,471	$ 229,642	$ 4,644	$ -	$ -	$ 3,556,757

September 30, 2022

	Not Past Due	1 to 60 Days	61 to 120 Days	121 to 180 Days	Over 180 Days	Total
Expected credit loss rate	0.35%	0.04%-0.45%	7.51%-15.03%	100%	100%	-
Gross carrying amount	$ 3,728,386	$ 246,861	$ 2,707	$ -	$ -	$ 3,977,954
Loss allowance (Lifetime ECL)	(13,191)	(157)	(203)	-	-	(13,551)
Amortized cost	$ 3,715,195	$ 246,704	$ 2,504	$ -	$ -	$ 3,964,403

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

	September 30	
	2023	2022
Balance at January 1	$ 13,503	$ 13,494
Less: Impairment losses reversed	-	(40)
Foreign exchange gains and losses	66	97
Balance at September 30	$ 13,569	$ 13,551

11. FINANCE LEASE RECEIVABLES

	September 30, 2023	December 31, 2022	September 30, 2022
Undiscounted lease payments			
Year 1	$ 4,468	$ -	$ -
Year 2	4,697	-	-
Year 3	2,411	-	-
Year 4	-	-	-
Year 5	-	-	-
Year 6 onwards	-	-	-
	11,576	-	-
Less: Unearned financing income	(586)	-	-
Net investment in leases presented as finance lease receivable	$ 10,990	$ -	$ -

12. INVENTORIES

	September 30, 2023	December 31, 2022	September 30, 2022
Finished goods	$ 375,236	$ 620,212	$ 487,583
Work in process	477,525	446,386	486,165
Raw materials	627,185	769,022	893,680
Supplies and spare parts	137,834	137,716	128,100
Merchandise	522,318	475,972	608,107
Buildings and land held for sale	241,902	250,413	448,492
	$ 2,382,000	$ 2,699,721	$ 3,052,127

The cost of crystal inventories recognized as cost of goods sold for the three and the nine months ended September 30, 2023 and 2022 included $1,988,648 thousand, $2,111,369 thousand, $5,084,687 thousand and $6,246,185 thousand, respectively. The cost of goods sold for the three and the nine months ended September 30, 2023 and 2022 included inventory write-downs of $4,737 thousand, $2,975 thousand, $11,340 thousand and $12,826 thousand, respectively.

The cost of real estate inventories recognized as cost of goods sold for the three and the nine months ended September 30, 2023 and 2022 included $10,501 thousand, $16,050 thousand, $13,032 thousand and $30,813 thousand, respectively.

The construction in progress is the payment made by Chongqing Zhongyang Properties Co., Ltd. to acquire the land use right in Chongqing Gao-Shing District to develop and sell real estate in 2012. Chongqing Zhongyang Properties Co., Ltd. has acquired real estate certificate issued by Chongqing Association of land and real estate resources during 2013. The construction began in 2018 and continued to recognize revenue after completion in April 2021.

The details of the building and land held for sale are as follows:

	September 30, 2023	
Area	**Buildings and Land Held for Sale**	**Contract Liabilities - Current**
Jing Yuan	$ 241,902	$ 2,263

	December 31, 2022	
Area	**Buildings and Land Held for Sale**	**Contract Liabilities - Current**
Jing Yuan	$ 250,413	$ 40

	September 30, 2022	
Area	**Buildings and Land Held for Sale**	**Contract Liabilities - Current**
Jing Yuan	$ 448,492	$ 41

13. SUBSIDIARIES

Subsidiaries Included in the Consolidated Financial Statements

The detail information of the subsidiaries at the end of reporting period was as follows:

			Proportion of Ownership			
Investor	**Investee**	**Nature of Activities**	**September 30, 2023**	**December 31, 2022**	**September 30, 2022**	**Remark**
TXC Corporation	Taiwan Crystal Technology International Limited (TCTI)	Investment management	100	100	100	a
	TXC Technology, Inc.	Marketing activities	100	100	100	b
	TXC Japan Corporation	Marketing activities	100	100	100	c
	Taiwan Crystal Technology (HK) Limited	International trading	100	100	100	e
	TXC Europe GmbH	Marketing activities	100	100	100	j

(Continued)

Investor	Investee	Nature of Activities	Proportion of Ownership September 30, 2023	December 31, 2022	September 30, 2022	Remark
Taiwan Crystal Technology International Limited	TXC (Ningbo) Corporation.	Research and development, manufacture, and sale of quartz elements and related electronic products	100	100	100	d
TXC (Ningbo) Corporation	TXC (Chongqing) Corporation	Research and development, manufacture, and sale of quartz elements and related electronic products	100	100	100	f
	Chongqing Zhongyang Properties Co., Ltd.	Properties development	100	100	100	g
	Ningbo Beilun Jingyu Trading Corporation	International trading	100	100	100	h
	Ningbo Meishan Free Trade Port Area Ding Kai Investment Management Company Limited	Investment management	100	100	100	i
	TETC CORP. NINGBO	Research and development, manufacture, and sale of quartz elements and related electronic products	100	100	100	l
Chongqing Zhongyang Properties Co., Ltd.	ChongQing Dingsen Commercial Management Co., Ltd	Property management	100	100	100	k
TETC CORP. NINGBO	Shanghai JCH Co., Ltd. (JCH)	Marketing activities and technical services	100	100	-	m

(Concluded)

a. Taiwan Crystal Technology International Limited was incorporated on December 23, 1998 in Samoa.

b. TXC Technology, Inc. was incorporated on December 1, 2000 in California, U.S.A.

c. TXC Japan Corporation was incorporated on September 13, 2005 in Yokohama, Japan.

d. TXC (Ningbo) Corporation was incorporated on March 12, 1999 in Ningbo, China.

e. Taiwan Crystal Technology (HK) Limited was incorporated on July 6, 2010 in Hong Kong Special Administrative Region, China.

f. TXC (Chongqing) Corporation was incorporated on October 11, 2010 in Chongqing, China.

g. Chongqing Zhongyang Properties Co., Ltd. was incorporated on February 14, 2011 in Chongqing, China.

h. Ningbo Beilun Jingyu Trading Corporation was incorporated on September 7, 2011 in Ningbo, China.

i. Ningbo Meishan Free Trade Port Area Ding Kai Investment Management Company Limited was incorporated on May 12, 2017 in Beilun District, Ningbo, China.

j. TXC Europe GmbH was founded in Germany on August 17, 2018.

k. ChongQing Dingsen Commercial Management Co., Ltd. was incorporated on February 21, 2021 in Chongqing, China.

l. TETC CORP. NINGBO was incorporated on December 30, 2020 in Ningbo, China.

m. Shanghai JCH Co., Ltd. was registed on October 13, 2022 in Shanghai, China.

n. Except for the financial statements for the nine months ended September 30, 2023 and 2022 of Taiwan Crystal Technology International Limited, TXC (Ningbo) Corporation, TXC (Chongqing) Corporation, and Chongqing Zhongyang Properties Co., Ltd., all company are immaterial subsidiaries, and their financial statements have not been reviewed.

14. NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE

	September 30, 2023	December 31 2022	September 30, 2022
Domestic investments			
Unlisted shares			
Godsmith Sensor Inc.	$ -	$ -	$ 4,985

In November 2020, the Company's board of directors approved to dispose of 24% shares of Godsmith Sensor Inc. held with the expectation to complete the sale within twelve months. Accordingly, the Company has reclassified Godsmith Sensor Inc. as non-current assets held for sale, and were presented separately in the accompanying balance sheets.

For the year ended December 31, 2022, the Group had sold 100 thousand shares in Godsmith Sensor Inc. at fair value of $1,745 thousand and were recognized as loss on disposal $249 thousand.

As of December 31, 2022, the Group still held 250 thousand shares. The financial assets were assessed to no longer meet the definition of non-current assets held for sale and therefore reclassified as financial assets at FVTOCI on the consolidated balance sheet.

15. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	September 30, 2023	December 31, 2022	September 30, 2022
Investments in associates and joint venture	$ 449,055	$ 458,607	$ 459,444

a. Investment in associates

	September 30, 2023	December 31, 2022	September 30, 2022
Associates that are not individually material	$ 394,283	$ 401,707	$ 399,518

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2023	2022	2023	2022
The Group's share of:				
Profit from continuing operations	$ 5,483	$ 6,537	$ 15,341	$ 20,373
Other comprehensive income (loss)	(15,262)	829	(22,765)	5,535
Total comprehensive income for the period	$ (9,779)	$ 7,366	$ (7,424)	$ 25,908

Refer to Table 4 "name, locations, and related information of investees on which the Company exercises significant influence" for the nature of activities, principal place of business and country of incorporation of the associates.

b. Investment joint venture

	September 30, 2023	December 31, 2022	September 30, 2022
Joint ventures that are not individually material	$ 54,772	$ 56,900	$ 59,926

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2023	2022	2023	2022
The Group's share of:				
Profit from continuing operations	$ (4,384)	$ (2,347)	$ (11,399)	$ (5,542)
Total comprehensive income for the period	$ (4,384)	$ (2,347)	$ (11,399)	$ (5,542)

Refer to Table 4 "name, locations, and related information of investees on which the Company exercises significant influence" and Table 5 "information on investment in mainland China" for the nature of activities, principal place of business and country of incorporation of the joint venture.

Except for investments of Ningbo Longying Semiconductor Co., Ltd., which were accounted for using the equity method and the share of profit or loss and other comprehensive income of those investments were calculated based on financial statements which have been reviewed. Management believes there is no material impact on the equity method of accounting or the calculation of the share of profit or loss and other comprehensive income from the financial statements of Ningbo Longying Semiconductor Co., Ltd. which have not been reviewed.

16. PROPERTY, PLANT AND EQUIPMENT

	Freehold Land	Land Improvements	Buildings	Machinery and Equipment	Transportation Equipment	Office Equipment	Property under Construction	Total
Cost								
Balance at January 1, 2022	$ 621,855	$ 2,279	$ 2,728,943	$ 9,699,052	$ 21,149	$ 387,266	$ 13,137	$ 13,473,681
Additions	-	745	45,220	803,702	-	82,514	37,542	969,723
Disposals	-	-	(1,076)	(45,885)	(1,118)	(10,756)	-	(58,835)
Transfer from investment properties	-	-	5,940	-	-	-	-	5,940
Transfer from prepayment for equipment	-	-	-	303,505	-	-	-	303,505
Effect of foreign currency exchange differences	-	-	32,820	164,497	544	8,306	642	206,809
Balance at September 30, 2022	$ 621,855	$ 3,024	$ 2,811,847	$ 10,924,871	$ 20,575	$ 467,330	$ 51,321	$ 14,900,823
Accumulated depreciation and impairment								
Balance at January 1, 2022	$ -	$ 1,209	$ 1,211,106	$ 6,157,842	$ 15,109	$ 244,587	$ -	$ 7,629,853
Disposals	-	-	(1,076)	(44,125)	(598)	(10,673)	-	(56,472)
Depreciation expenses	-	282	114,589	742,715	1,901	33,931	-	893,418
Impairment losses	-	-	-	1,789	-	-	-	1,789
Transfer from investment properties	-	-	3,674	-	-	-	-	3,674
Effect of foreign currency exchange differences	-	-	15,228	95,214	397	5,220	-	116,059
Balance at September 30, 2022	$ -	$ 1,491	$ 1,343,521	$ 6,953,435	$ 16,809	$ 273,065	$ -	$ 8,588,321
Carrying value at September 30, 2022	$ 621,855	$ 1,533	$ 1,468,326	$ 3,971,436	$ 3,766	$ 194,265	$ 51,321	$ 6,312,502

(Continued)

	Freehold Land	Land Improvements	Buildings	Machinery and Equipment	Transportation Equipment	Office Equipment	Property under Construction	Total
Cost								
Balance at January 1, 2023	$ 621,855	$ 3,024	$ 2,781,991	$ 11,127,318	$ 24,354	$ 427,331	$ 97,580	$ 15,083,453
Additions	-	-	42,488	174,410	-	27,733	234,590	479,221
Disposals	-	-	(920)	(83,173)	(11)	(3,526)	-	(87,630)
Reclassified as intangible assets	-	-	-	-	-	-	(1,843)	(1,843)
Reclassified	-	-	88,192	(4,070)	-	1,060	(88,382)	(3,200)
Effect of foreign currency exchange differences	-	-	25,261	155,681	440	(22,146)	5,336	164,572
Balance at September 30, 2023	$ 621,855	$ 3,024	$ 2,937,012	$ 11,370,166	$ 24,783	$ 430,452	$ 247,281	$ 15,634,573
Accumulated depreciation and impairment								
Balance at January 1, 2023	$ -	$ 1,581	$ 1,353,707	$ 7,111,880	$ 17,137	$ 279,406	$ -	$ 8,763,711
Disposals	-	-	(920)	(78,657)	(11)	(3,466)	-	(83,054)
Depreciation expenses	-	238	101,617	738,059	2,135	35,626	-	877,675
Impairment losses	-	-	-	4,170	-	-	-	4,170
Reclassified	-	-	-	(80)	-	80	-	-
Effect of foreign currency exchange differences	-	-	13,058	84,341	352	4,199	-	101,950
Balance at September 30, 2023	$ -	$ 1,819	$ 1,467,462	$ 7,859,713	$ 19,613	$ 315,845	$ -	$ 9,664,452
Carrying value at December 31, 2022 and January 1, 2023	$ 621,855	$ 1,443	$ 1,428,284	$ 4,015,438	$ 7,217	$ 147,925	$ 97,580	$ 6,319,742
Carrying value at September 30, 2023	$ 621,855	$ 1,205	$ 1,469,550	$ 3,510,453	$ 5,170	$ 114,607	$ 247,281	$ 5,970,121

(Concluded)

The above items of property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives as follows:

Land improvements	5-7 years
Buildings	
Industrial building	3-51 years
Electrical power systems	3-51 years
Engineering systems	3-51 years
Equipment	
Major production equipments	3-15 years
Temperature control systems	4-7 years
Transportation equipments	4-7 years
Transportation equipments	4-5 years
Office equipment	3-5 years

Property, plant and equipment pledged as collateral for bank borrowings is set out in Note 32.

17. LEASE ARRANGEMENTS

a. Right-of-use assets

	September 30, 2023	December 31, 2022	September 30, 2022
Carrying amounts			
Land use right	$ 199,858	$ 199,547	$ 203,517
Buildings	22,384	5,727	4,581
Transportation equipment	2,799	710	823
	$ 225,041	$ 205,984	$ 208,921

	For the Nine Months Ended September 30	
	2023	2022
Additions to right-of-use assets	$ 32,410	$ -

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2023	2022	2023	2022
Depreciation charge for right-of-use assets				
Land use right	$ 1,143	$ 1,165	$ 3,457	$ 3,496
Buildings	654	654	1,963	1,963
Transportation equipment	155	112	379	337
	$ 1,952	$ 1,931	$ 5,799	$ 5,796
Income from the subleasing of right-of-use assets (presented in other income)	$ (761)	$ -	$ (761)	$ -

Right-of-use assets pledged as collateral for bank borrowings are set out in Note 32.

b. Lease liabilities

	September 30, 2023	December 31, 2022	September 30, 2022
Carrying amounts			
Current	$ 6,109	$ 3,088	$ 3,079
Non-current	27,991	3,399	2,372
	$ 34,100	$ 6,487	$ 5,451

Range of discount rate for lease liabilities was as follows:

	September 30, 2023	December 31, 2022	September 30, 2022
Buildings	1.27%-3.85%	0.86%-1.27%	0.86%-1.27%
Transportation equipment	3.00%	0.86%	0.86%

c. Material lease-in activities and terms

The Group purchased the land use right for the construction of plants, offices and retail stores with use term of 50 years in mainland China and its payments was paid fully at the time of contract signed and can be renewed upon the expiration of the period. The Group does not have purchase options to acquire the land and buildings at the end of the contract.

d. Other lease information

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2023	2022	2023	2022
Expenses relating to short-term leases	$ 65	$ 41	$ 176	$ 150
Total cash outflow for leases	$ (4,004)	$ (805)	$ (5,655)	$ (2,435)

The Group leases certain building which qualify as short-term leases. The Group has elected to apply the recognition exemption and thus, did not recognize right-of-use assets and lease liabilities for these leases.

18. INVESTMENT PROPERTIES

	Completed Investment Properties
Cost	
Balance at January 1, 2022	$ 544,232
Disposals	(300)
Transfer to property, plant and equipment	(5,940)
Effect of foreign currency exchange differences	14,450
Balance at September 30, 2022	$ 552,442
Accumulated depreciation and impairment	
Balance at January 1, 2022	$ (49,864)
Depreciation expenses	(14,552)
Disposals	300
Transfer to property, plant and equipment	3,674
Effect of foreign currency exchange differences	(1,222)
Balance at September 30, 2022	$ (61,664)
Carrying amounts at September 30, 2022	$ 490,778
Cost	
Balance at January 1, 2023	$ 637,330
Effect of foreign currency exchange differences	11,749
Balance at September 30, 2023	$ 649,079

(Continued)

	Completed Investment Properties
Accumulated depreciation and impairment	
Balance at January 1, 2023	$ (65,984)
Depreciation expenses	(16,526)
Effect of foreign currency exchange differences	(1,451)
Balance at September 30, 2023	$ (83,961)
Carrying amounts at September 30, 2023	$ 565,118

(Concluded)

The investment real estate held by the combined company is mainly located in Pingzhen District of Taoyuan City and Ningbo City, Mainland China, and some of the factories and offices are leased to collect rents. The other part of the investment real estate is located in Chongqing City, mainland China, and is mainly self-built shopping malls to collect rents.

The investment properties held by the Group are depreciated using the straight-line method over their useful lives of 3-60 years.

The fair value of the Group's investment properties as of September 30, 2023, December 31, 2022 and September 30, 2022 was $1,108,751 thousand, $1,085,198 thousand and $1,125,644 thousand, respectively. The determination of fair value was not performed by independent qualified professional valuers; however, the management of the Group used the valuation model that market participants would use in determining the fair value. The valuation was arrived at by reference to market evidence of transaction prices for similar properties.

All of the Group's investment properties were freehold properties. The investment properties pledged as collateral for bank borrowing are set out in Note 32.

19. BORROWINGS

a. Short-term borrowings

	September 30, 2023	December 31, 2022	September 30, 2022
Secured borrowings (Note 33)			
Bank loans	$ -	$ 43,651	$ 44,263
Unsecured borrowings			
Bank loans	197,300	359,869	332,312
Letters of credit	52,943	110,230	111,775
	250,243	470,099	444,087
Short-term borrowings	$ 250,243	$ 513,750	$ 488,350

The interest rate on the bank loans and letters of credit were 2.83%-3.5%, 1.2%-3.65% and 1.2%-3.85% per annum as of September 30, 2023, December 31, 2022 and September 30, 2022, respectively.

b. Short-term bills payable

	September 30, 2023	December 31, 2022	September 30, 2022
Bank acceptances	$ -	$ -	$ 89,420

Outstanding short-term bills payable were as follows:

September 30, 2022

Promissory Institution	Nominal Amount	Discount Amount	Carrying Amount	Interest Rate	Collateral	Carrying Amount of Collateral
Bank acceptances						
Bank of Ningbo	RMB 20,000	$ -	$ 89,420	3.6%	-	$ -

c. Long-term borrowings

	September 30, 2023	December 31, 2022	September 30, 2022
Secured borrowings (Note 33)			
Bank loans	$ 192,555	$ 39,180	$ -
Less: Current portions	(22,472)	-	-
	170,083	39,180	-
Unsecured borrowings			
Bank loans	2,608,433	2,374,205	2,500,233
Less: Current portions	(790,479)	(890,785)	(757,041)
	1,817,954	1,483,420	1,743,192
Long-term borrowings	$ 1,988,037	$ 1,522,600	$ 1,743,192

The borrowings of the Group were as follows:

	Detail of Borrowing	September 30, 2023	December 31, 2022	September 30, 2022
Unsecured bank borrowing denominated in NT$	Maturity date: 2025.01.03 Principle is paid monthly since March 15, 2021	$ 32,609	$ 52,174	58,696
Unsecured bank borrowing denominated in NT$	Maturity date: 2025.01.03 Principle is paid monthly since January 15, 2021	46,875	75,000	84,375
Unsecured bank borrowing denominated in NT$	Maturity date: 2025.01.03 Principle is paid monthly since January 15, 2021	31,250	50,000	56,250
Unsecured bank borrowing denominated in NT$	Maturity date: 2025.01.03 Principle is paid monthly since January 15, 2021	46,875	75,000	84,375
Unsecured bank borrowing denominated in NT$	Maturity date: 2026.08.17 Principle is paid monthly since September 15, 2022	145,833	183,333	200,000
Unsecured bank borrowing denominated in NT$	Maturity date: 2024.09.15 Principle is paid monthly since September 15, 2022	144,000	252,000	288,000
Unsecured bank borrowing denominated in NT$	Maturity date: 2024.09.15 Principle is paid monthly since September 15, 2022	48,000	84,000	96,000
Unsecured bank borrowing denominated in NT$	Maturity date: 2024.09.15 Principle is paid monthly since September 15, 2022	96,000	168,000	192,000
Unsecured bank borrowing denominated in NT$	Maturity date: 2025.04.01 Principle is paid monthly since March 15, 2023	216,000	300,000	300,000
Unsecured bank borrowing denominated in NT$	Maturity date: 2025.04.15 Principle is paid monthly since May 15, 2023	158,333	200,000	200,000
Unsecured bank borrowing denominated in NT$	Maturity date: 2025.07.04 Principle is repaid at maturity	100,000	-	-

(Continued)

	Detail of Borrowing	September 30, 2023	December 31, 2022	September 30, 2022
Unsecured bank borrowing denominated in NT$	Maturity date: 2025.07.04 Principle is repaid at maturity	$ 200,000	$ -	$ -
Unsecured bank borrowing denominated in NT$	Maturity date: 2025.07.04 Principle is repaid at maturity	300,000	-	-
Unsecured bank borrowing denominated in NT$	Maturity date: 2025.08.03 Principle is repaid at maturity	300,000	100,000	300,000
Unsecured bank borrowing denominated in NT$	Maturity date: 2025.08.03 Principle is repaid at maturity	300,000	300,000	300,000
Unsecured bank borrowing denominated in NT$	Maturity date: 2024.08.03 Principle is repaid at maturity	-	300,000	-
Unsecured bank borrowing denominated in NT$	Maturity date: 2025.07.10 Principle is repaid at maturity	300,000	-	-
Unsecured bank borrowing denominated in NT$	Maturity date: 2024.09.15 Principle is repaid at maturity	-	-	100,000
Secured bank borrowing denominated in RMB	Maturity date: 2027.11.01 Principle is repaid semi-annually per agreement of RMB2,500 thousand, from April 19, 2024 to April 19, 2026; per agreement of RMB5,000 thousand, from April 19, 2026 to the maturity date.	125,895	39,180	-
Secured bank borrowing denominated in RMB	Maturity date: 2027.10.19 Principle is repaid semi-annually per agreement of RMB2,500 thousand, from April 19, 2024 to April 19, 2026; per agreement of RMB5,000 thousand, from April 19, 2026 to the maturity date.	66,660	-	-
Unsecured bank borrowing denominated in RMB	Maturity date: 2023.08.31 Principle is repaid semi-annually per agreement of RMB100 thousand, from November 30, 2022 to the maturity date.	-	43,210	44,263
Unsecured bank borrowing denominated in RMB	Maturity date: 2023.09.08 Principle is repaid semi-annually per agreement of RMB100 thousand, from December 8, 2022 to the maturity date.	-	43,210	44,263
Unsecured bank borrowing denominated in RMB	Maturity date: 2023.11.01 Principle is repaid semi-annually per agreement of RMB500 thousand, from February 1, 2023 to the maturity date.	40,000	43,651	44,263
Unsecured bank borrowing denominated in RMB	Maturity date: 2023.11.08 Principle is repaid semi-annually per agreement of RMB500 thousand, from February 8, 2023 to the maturity date.	40,000	43,210	44,263
Unsecured bank borrowing denominated in RMB	Maturity date: 2025.04.02 Principle is repaid semi-annually per agreement of RMB266 thousand, from October 3, 2023 to the maturity date.	23,936	-	-
Unsecured bank borrowing denominated in US$	Maturity date: 2025.09.24 Principle is repaid at maturity	38,722	61,417	63,485
Less: Current portions		(812,951)	(890,785)	(757,041)
		$ 1,988,037	$ 1,522,600	$ 1,743,192

(Concluded)

The range of interest rate on the bank loans was 0.85%-6.44%, 0.725%-5.49% and 0.60%-3.54% per annum as of September 30, 2023, December 31, 2022 and September 30, 2022, respectively.

20. BONDS PAYABLE

	September 30, 2023	December 31, 2022	September 30, 2022
Unsecured domestic convertible bonds	$ 1,200,000	$ 1,200,000	$ 1,200,000
Less: Discount on bonds payable	(8,773)	(16,727)	(19,396)
	1,191,227	1,183,273	1,180,604
Less: Corporate bonds due within one year or one operating cycle	(1,191,227)	-	-
Unsecured domestic convertible bonds	$ -	$ 1,183,273	$ 1,180,604

On July 26, 2021, the Company issued the 5th domestic unsecured convertible bonds with an aggregate principal amount of $1,200,000 thousand at 0% interest rate, and the issuance period is for three years from July 26, 2021 to July 26, 2024. The repayment will be made at face value in full by cash upon maturity. Bondholders are entitled to convert bonds into the Company’s ordinary shares from October 27, 2021 to July 26, 2024. The conversion price was set initially at $138 per share. According to the regulations on issuance and conversion of bonds, the conversion price should be adjusted to $113.6 per share ex-dividend date starting from July 10, 2023.

The convertible bonds contain both liability and equity components. The equity component was presented in equity under the heading of capital surplus. The effective interest rate of the liability component was 0.8961% per annum on initial recognition.

Proceeds from issuance (less transaction costs of $5,427 thousand)	$ 1,194,573
Equity component (less transaction costs allocated to the equity component of $129 thousand)	(28,431)
Assets component	2,040
Liability component at the date of issue (less transaction costs allocated to the liability component of $5,298 thousand)	$ 1,168,182
Liability component at December 31, 2021	$ 1,172,721
Interest charged at an effective interest rate	7,883
Liability component at September 30, 2022	$ 1,180,604
Liability component at December 31, 2022	$ 1,183,273
Interest charged at an effective interest rate	7,954
Liability component at September 30, 2023	1,191,227
Less: Corporate bonds due within one year or one operating cycle	(1,191,227)
Unsecured domestic convertible bonds	$ -

21. OTHER LIABILITIES

	September 30, 2023	December 31, 2022	September 30, 2022
Current			
Other payables			
Payables for bonuses to employees and directors	$ 244,936	$ 393,658	$ 338,866
Payables for commissions	19,940	25,232	27,598
Payables for salaries	144,455	147,661	153,063
Payables for bonuses	317,042	506,933	390,175
Payables for annual leave	44,446	47,364	43,394
Payables for purchases of equipment	39,144	138,135	86,820
Others	145,606	162,996	183,544
	$ 955,569	$ 1,421,979	$ 1,223,460
Deferred revenue			
Arising from government grants (Note 28)	$ 40,901	$ 38,817	$ 23,827
Non-current			
Deferred revenue			
Arising from government grants (Note 28)	$ 92,257	$ 108,191	$ 66,010

22. RETIREMENT BENEFIT PLANS

a. Defined contribution plans

The Company adopted a pension plan under the Labor Pension Act (LPA), which is a state-managed defined contribution plan. Under the LPA, an entity makes monthly contributions to employees' individual pension accounts at 6% of monthly salaries and wages.

The employees of the Group's subsidiaries in mainland China are members of a state-managed retirement benefit plan operated by the government of China. The subsidiaries are required to contribute a specified percentage of payroll costs to the retirement benefit scheme to fund the benefits. The only obligation of the Group with respect to the retirement benefit plan is to make the specified contributions.

b. Defined benefit plans

Employee benefit expense for the three and the nine months ended September 30, 2023 and 2022 were $342 thousand, $420 thousand, $1,028 thousand and $1,262 thousand, respectively. Employee benefit expense was calculated on the basis of the actuarial valuations in December 31, 2022 and 2021.

23. EQUITY

a. Share capital

Ordinary shares

	September 30, 2023	**December 31, 2022**	**September 30, 2022**
Number of shares authorized (in thousands)	500,000	500,000	500,000
Shares authorized	$ 5,000,000	$ 5,000,000	$ 5,000,000
Number of shares issued and fully paid (in thousands)	309,757	309,757	309,757
Shares issued	$ 3,097,570	$ 3,097,570	$ 3,097,570

Fully paid ordinary shares, which have a par value of $10, carry one vote per share and carry a right to dividends.

The Company's 30,000 thousand shares authorized were reserved for the issuance of convertible bonds and employee share options.

b. Capital surplus

	September 30, 2023	**December 31, 2022**	**September 30, 2022**
May be used to offset a deficit, distributed as cash dividends, or transferred to share capital*			
Issuance of ordinary shares	$ 611,776	$ 611,776	$ 611,776
Conversion of bonds	977,028	977,028	977,028

(Continued)

	September 30, 2023	December 31, 2022	September 30, 2022
Overdue options	$ 73,377	$ 73,377	$ 73,377
The difference between consideration received or paid and the carrying amount of the subsidiaries' net assets during actual disposal or acquisition	331	331	331
May only be used to offset a deficit			
Share of changes in capital surplus of associates or joint venture	23,981	15,627	15,627
Other	3,571	3,409	3,412
May not be used for any purpose			
Employee share options	28,431	28,431	28,431
	$ 1,718,495	$ 1,709,979	$ 1,709,982

(Concluded)

* Such capital surplus may be used to offset a deficit; in addition, when the Company has no deficit, such capital surplus may be distributed as cash dividends or transferred to share capital (limited to a certain percentage of the Company's capital surplus and once a year).

c. Retained earnings and dividend policy

Under the dividends policy as set forth in the amended Articles, where the Company made profit in a fiscal year, the profit shall be first utilized for paying taxes, offsetting losses of previous years, setting aside as legal reserve 10% of the remaining profit, setting aside or reversing a special reserve in accordance with the laws and regulations, and then any remaining profit together with any undistributed retained earnings shall be used by the Company's board of directors as the basis for proposing a distribution plan, which should be resolved in the shareholders' meeting for distribution of dividends and bonuses to shareholders. For the policies on distribution of employees' compensation and remuneration of directors and supervisors before and after amendment, refer to employee benefits expense in Note 25(g).

Dividends are recommended by the board of directors in accordance with the Corporation's dividend policy. Under this policy, industry trends and growth should be evaluated, investment opportunities should be fully understood, and proper capital adequacy ratios should be considered in determining the dividends to be distributed. In addition, cash dividends should not be less than 20% of the total dividends to be appropriated.

Appropriation of earnings to the legal reserve shall be made until the legal reserve equals the Company's paid-in capital. The legal reserve may be used to offset deficits. If the Company has no deficit and the legal reserve has exceeded 25% of the Company's paid-in capital, the excess may be transferred to capital or distributed in cash.

Items referred to under Rule No. 1010012865, Rule No. 1010047490 and Rule No. 1030006415 issued by the FSC and in the directive titled "Questions and Answers for Special Reserves Appropriated Following Adoption of IFRSs" should be appropriated to or reversed from a special reserve by the Company.

The appropriations of earnings for 2022 and 2021 that were approved in the shareholders' meetings on May 30, 2023 and May 31, 2022, respectively. The appropriations and dividends per share were as follows:

	Appropriation of Earnings For the Year Ended December 31		Dividends Per Share (NT$) For the Year Ended December 31	
	2022	2022	2022	2022
Legal reserve	$ 296,435	$ 310,870	$ -	$ -
Recognition (reversal) of special reserve	143,071	(346,761)	-	-
Cash dividends	2,168,299	2,323,178	7.0	7.5

d. Others equity items

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

	For the Nine Months Ended September 30	
	2023	2022
Balance at January 1	$ (450,523)	$ (559,579)
Exchange differences on translating the financial statements of foreign operations	148,306	208,271
Share from associates accounted for using the equity method	(2,513)	5,543
Balance at September 30	$ (304,730)	$ (345,765)

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

	For the Nine Months Ended September 30	
	2023	2022
Balance at January 1	$ 307,453	$ 1,357,362
Recognized during the period		
Unrealized loss - equity instruments	(28,429)	(965,836)
Share from associates accounted for using the equity method	(72)	(32)
Other comprehensive income recognized in the period	(28,501)	(965,868)
Cumulative unrealized gain of equity instruments transferred to retained earnings due to disposal	(87,404)	(104,518)
Balance at September 30	$ 191,548	$ 286,976

24. REVENUE

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2023	2022	2023	2022
Revenue from contracts with customers				
Revenue from sale of goods	$ 3,072,372	$ 3,429,924	$ 7,790,398	$ 10,136,056
Construction contract revenue	13,543	1,802	19,590	26,250
	$ 3,085,915	$ 3,431,726	$ 7,809,988	$ 10,162,306

Contract Balances

	September 30, 2023	December 31, 2022	September 30, 2022	January 1, 2022
Trade receivables (Note 10)	$ 3,351,055	$ 3,524,632	$ 3,933,586	$ 4,035,315
Contract liabilities				
Construction of properties	$ 2,263	$ 40	$ 41	$ 10,814
Sale of goods	18,872	12,116	9,862	15,654
Contract liabilities - current	$ 21,135	$ 12,156	$ 9,903	$ 26,468

The contract liabilities were unearned sales revenue and accounted for other current liabilities.

25. NET PROFIT FROM CONTINUING OPERATIONS

Net profit from continuing operations was attributable to:

a. Interest income

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2023	2022	2023	2022
Bank deposits	$ 11,968	$ 3,240	$ 40,535	$ 7,285
Financial assets at amortized cost	2,411	1,864	6,582	7,035
Others	3,742	1,388	8,814	2,898
	$ 18,121	$ 6,492	$ 55,931	$ 17,218

b. Other income

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2023	2022	2023	2022
Income from government grants	$ 34,675	$ 29,368	$ 82,698	$ 70,640
Dividends	12,442	9,986	12,442	11,486
Others	9,299	16,474	26,034	35,820
	$ 56,416	$ 55,828	$ 121,174	$ 117,946

c. Other gains and losses

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2023	2022	2023	2022
Gain on disposal of property, plant and equipment	$ 820	$ 6,732	$ 739	$ 5,971
Loss on disposal of subsidiaries	-	-	-	(249)
Fair value changes of financial assets and financial liabilities				
Financial assets mandatorily at FVTPL	1,331	2,074	12,733	(2,351)
Net foreign exchange gains	127,539	281,854	204,105	620,946
Property, plant and equipment impairment (losses) reversed	86	159	(4,170)	(1,789)
Depreciation of investment properties	(6,237)	(4,847)	(16,526)	(14,552)
Gain on modifications of lease	8	-	8	-
Others	(12,112)	(13,026)	(16,836)	(21,160)
	$ 111,435	$ 272,946	$ 180,053	$ 586,816

d. Finance costs

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2023	2022	2023	2022
Interest on bank loans	$ 13,178	$ 9,368	$ 35,141	$ 27,104
Interest on convertible bonds	2,687	2,662	7,954	7,883
Interest on lease liabilities	182	18	205	59
	$ 16,047	$ 12,048	$ 43,300	$ 35,046

e. Depreciation and amortization

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2023	2022	2023	2022
Property, plant and equipment	$ 281,794	$ 306,931	$ 877,675	$ 893,418
Investment properties	6,237	4,847	16,526	14,552
Right-of-use assets	1,952	1,931	5,799	5,796
Intangible assets	5,520	5,934	13,246	16,485
	$ 295,503	$ 319,643	$ 913,246	$ 930,251
An analysis of deprecation by function				
Operating costs	$ 212,664	$ 239,914	$ 664,761	$ 709,486
Operating expenses	71,082	68,948	218,713	189,728
Other expenses	6,237	4,847	16,526	14,552
	$ 289,983	$ 313,709	$ 900,000	$ 913,766
An analysis of amortization by function				
Operating costs	$ 35	$ 36	$ 105	$ 85
Operating expenses	5,485	5,898	13,141	16,400
	$ 5,520	$ 5,934	$ 13,246	$ 16,485

f. Employee benefits expense

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2023	2022	2023	2022
Post-employment benefits (Note 22)				
Defined contribution plans	$ 27,873	$ 30,491	$ 84,153	$ 86,860
Defined benefit plans	342	420	1,028	1,262
	28,215	30,911	85,181	88,122
Other employee benefits				
Payroll expense	605,662	658,572	1,655,986	1,971,768
Labor and health insurance	34,899	36,278	104,802	105,585
Others	24,091	15,655	69,487	44,524
	664,652	710,505	1,830,275	2,121,877
	$ 692,867	$ 741,416	$ 1,915,456	$ 2,209,999
An analysis of employee benefits expense by function				
Operating costs	$ 390,030	$ 419,016	$ 1,108,419	$ 1,254,735
Operating expenses	302,837	322,400	807,037	955,264
	$ 692,867	$ 741,416	$ 1,915,456	$ 2,209,999

g. Employees' compensation and remuneration of directors

The Company accrued employees' compensation and remuneration of directors at the rates no less than 3% and no higher than 2%, respectively, of net profit before income tax, employees' compensation, and remuneration of directors. The employees' compensation and remuneration of directors for the three and nine months ended September 30, 2023 and 2022, respectively, were as follows:

Accrual rate

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2023	**2022**	**2023**	**2022**
Employees' compensation	9.0%	9.0%	9.0%	9.0%
Remuneration of directors	1.5%	1.5%	1.5%	1.5%

Amount

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2023	**2022**	**2023**	**2022**
Employees' compensation	$ 68,233	$ 100,853	$ 149,731	$ 277,379
Remuneration to directors	$ 11,372	$ 16,809	$ 24,955	$ 46,230

If there is a change in the amounts after the annual consolidated financial statements are authorized for issue, the differences are recorded as a change in the accounting estimate.

The employees' compensation and remuneration of directors for the years ended December 31, 2022 and 2021 which were approved by the Company's board of directors on March 6, 2023 and March 7, 2022, respectively, were as follows:

	For the Year Ended December 31			
	2022		**2021**	
	Cash	**Share**	**Cash**	**Share**
Employees' compensation	$ 330,344	$ -	$ 354,226	$ -
Remuneration of directors	55,057	-	59,038	-

There was no difference between the actual amounts of employees' compensation and remuneration of directors paid and the amounts recognized in the consolidated financial statements for the years ended December 31, 2022 and 2021.

Information on the employees' compensation and remuneration of directors resolved by the Company's board of directors is available at the Market Observation Post System website of the Taiwan Stock Exchange.

26. INCOME TAXES RELATING TO CONTINUING OPERATIONS

a. Income tax recognized in profit or loss

Major components of tax expense were as follows:

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2023	2022	2023	2022
Current tax				
In respect of the current period	$ 99,052	$ 236,844	$ 263,925	$ 517,058
Income tax on unappropriated earnings	(1,508)	(3,132)	6,839	25,685
Adjustments for prior periods	7	(1,995)	(10,251)	(30,498)
Deferred tax				
In respect of the current period	25,341	(36,935)	2,374	14,612
Income tax expense recognized in profit or loss	$ 122,892	$ 194,782	$ 262,887	$ 526,857

b. Income tax assessments

The income tax returns through 2020 had been assessed by the tax authorities.

27. EARNINGS PER SHARE

The earnings and weighted average number of ordinary shares outstanding used in the computation of earnings per share from continuing operations were as follows:

Net Profit for the Period

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2023	2022	2023	2022
Profit for the period attributable to owners of the Company	$ 598,260	$ 852,460	$ 1,305,683	$ 2,362,902
Interest on convertible bonds after tax	2,149	2,130	6,363	6,307
Earnings used in the computation of diluted earnings per share	$ 600,409	$ 854,590	$ 1,312,046	$ 2,369,209

Weighted average number of ordinary shares outstanding (in thousand shares):

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2023	2022	2023	2022
Weighted average number of ordinary shares in the computation of basic earnings per share	309,757	309,757	309,757	309,757
Effect of potentially dilutive ordinary shares:				
Convertible bonds	10,563	9,764	10,563	9,764
Employees' compensation	1,547	3,858	2,427	4,728
Weighted average number of ordinary shares used in the computation of diluted earnings per share	321,867	323,379	322,747	324,249

The Group may settle the compensation paid to employees by cash or shares; therefore, the Group presumes that the entire amount of the compensation will be settled in shares and the resulting potential shares will be included in the weighted average number of shares outstanding used in the computation of diluted earnings per share, if the shares had a dilutive effect. Such dilutive effect of the potential shares was included in the computation of diluted earnings per share until the shareholders resolve the number of shares to be distributed to employees at their meeting in the following year.

28. GOVERNMENT GRANTS

In 2022, the Group received a government grant of $92,084 thousand for its investment of equipment. The amount was recognized as deferred revenue and subsequently transferred to profit or loss over the useful life of the related asset.

29. CAPITAL MANAGEMENT

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

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

The Group is not subject to any externally imposed capital requirements.

30. FINANCIAL INSTRUMENTS

a. Fair value of financial instruments

Fair value of financial instruments not measured at fair value

The management believes the carrying amounts of financial assets and financial liabilities recognized in the consolidated financial statements approximate their fair values.

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

1) Fair value hierarchy

September 30, 2023

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Domestic listed shares	$ 28,765	$ -	$ -	$ 28,765
Foreign exchange forward contracts and exchange contracts	-	2,261	-	2,261
Beneficiary certificate	297	-	-	297
Structured deposits	-	594,174	-	594,174
	$ 29,062	$ 596,435	$ -	$ 625,497
Financial assets at FVTOCI				
Investments in equity instruments				
Domestic listed shares	$ 181,056	$ -	$ -	$ 181,056
Domestic emerging shares	97,644	-	-	97,644
Domestic unlisted shares	-	-	66,842	66,842
Foreign unlisted shares	-	-	221,289	221,289
	$ 278,700	$ -	$ 288,131	$ 566,831
Financial liabilities at FVTPL				
Foreign exchange forward contracts and exchange contracts	$ -	$ 2,244	$ -	$ 2,244

December 31, 2022

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Redemption options on convertible bonds	$ 20,350	$ -	$ -	$ 20,350
Foreign exchange forward contracts and exchange contracts	-	3,662	-	3,662
Beneficiary certificate	287	-	-	287
Structured deposits	-	393,151	-	393,151
	$ 20,637	$ 396,813	$ -	$ 417,450

(Continued)

	Level 1	Level 2	Level 3	Total
Financial liabilities at FVTPL				
Foreign exchange forward contracts and exchange contracts	$ -	$ 13,620	$ -	$ 13,620
Financial assets at FVTOCI				
Investments in equity instruments				
Domestic emerging shares	$ 262,122	$ -	$ -	$ 262,122
Domestic unlisted shares	-	-	213,170	213,170
Foreign unlisted shares	-	-	187,241	187,241
	$ 262,122	$ -	$ 400,411	$ 662,533

(Concluded)

September 30, 2022

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Domestic listed shares	$ 17,875	$ -	$ -	$ 17,875
Foreign exchange forward contracts and exchange contracts	-	1,172	-	1,172
Beneficiary certificate	7,153	-	-	7,153
Structured deposits	-	387,224	-	387,224
	$ 25,028	$ 388,396	$ -	$ 413,424
Financial assets at FVTOCI				
Investments in equity instruments				
Domestic emerging shares	$ 319,130	$ -	$ -	$ 319,130
Domestic unlisted shares	-	-	103,099	103,099
Foreign unlisted shares	-	-	236,719	236,719
	$ 319,130	$ -	$ 339,818	$ 658,948
Financial liabilities at FVTPL				
Foreign exchange forward contracts and exchange contracts	$ -	$ 10,048	$ -	$ 10,048

There were no transfers between Levels 1 and 2 for the nine months ended September 30, 2023 and 2022.

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

September 30, 2023

Financial Assets	Financial Assets at FVTPL Equity Instruments	Financial Assets at FVTOCI Equity Instruments
Balance at January 1, 2023	$ -	$ 400,411
Purchases	-	40,435
Transfer to Level 1	-	(190,880)
Recognized in other comprehensive income (included in unrealized valuation gain (loss) on financial assets at FVTOCI)	-	34,551
Effect of foreign currency exchange differences	-	3,614
Balance at September 30, 2023	$ -	$ 288,131

The fair value of these shares issued by Win Win Precision Technology Co., Ltd. was transferred from Level 3 to Level 1 since the shares were listed on the Taipei Exchange on January 16, 2023.

September 30, 2022

Financial Assets	Financial Assets at FVTPL Equity Instruments	Financial Assets at FVTOCI Equity Instruments
Balance at January 1, 2022	$ -	$ 310,824
Purchases	-	25,360
Recognized in other comprehensive income (included in unrealized valuation gain (loss) on financial assets at FVTOCI)	-	(3,145)
Effect of foreign currency exchange differences	-	6,779
Balance at September 30, 2022	$ -	$ 339,818

3) Valuation techniques and inputs applied for Level 2 fair value measurement

Financial Instruments	Valuation Techniques and Inputs
Derivatives - foreign exchange forward contracts and exchange contracts	Discounted cash flow. Future cash flows are estimated based on observable forward exchange rates at the end of the reporting period and contract forward rates, discounted at a rate that reflects the credit risk of various counterparties.
Structured deposits	Discounted cash flow. Future cash flows are discounted at a rate that reflects current borrowing interest rates of the bond issuers at the end of the reporting period.

(Continued)

Financial Instruments	Valuation Techniques and Inputs
Redemption options on convertible bonds	Binomial tree valuation model. Binomial tree valuation model were evaluated by the observable closing price of the stocks, volatility, risk-free interest rate, risk discount rate, and liquidity risk at the balance sheet date.

(Concluded)

4) Valuation techniques and inputs applied for the purpose of measuring Level 3 fair value measurement

The Group uses price-book ratio approach, comparing the net value per share with other public companies among similar industries or evaluating share price based on average price-book ratio of other competitors, to capture the present value of the expected future economic benefits to be derived from the ownership of these investees.

The fair values of unlisted equity securities - ROC were determined using income approach. In this approach, the discounted cash flow method was used to capture the present value of the expected future economic benefits to derived from the ownership of these investees. The significant unobservable inputs used are listed in the table below. An increase in long-term revenue growth rates or long-term pre-tax operating margin or a decrease in the WACC or discount for lack of marketability used in isolation would result in increase in the fair value.

c. Categories of financial instruments

	September 30, 2023	December 31, 2022	September 30, 2022
Financial assets			
FVTPL			
Mandatorily at FVTPL (1)	$ 625,497	$ 417,450	$ 413,424
Financial assets at amortized cost (2)	7,349,970	8,223,316	7,985,622
Financial assets at FVTOCI			
Equity instruments	566,831	662,533	658,948
Financial liabilities			
FVTPL			
Mandatorily at FVTPL (3)	2,244	13,620	10,048
Amortized cost (4)	6,487,874	6,814,283	7,441,614

1) The balances included the carrying amount of beneficiary certificate, foreign exchange forward contracts and exchange contracts, structured deposits, redemption options on convertible bonds and investment of equity instruments.

2) The balances included financial assets measured at amortized cost, which comprise cash and cash equivalents, notes receivable, trade receivables, other receivables and refundable deposits.

3) The balances included the carrying amount of foreign exchange forward contract and exchange contracts.

4) The balances included financial liabilities measured at amortized cost, which comprise short-term and long-term loans, short-term bills payable, bonds payable, notes payable, trade payables, other payables and guarantee deposits received.

d. Financial risk management objectives and policies

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

The Group sought to minimize the effects of these risks by using derivative financial instruments to hedge risk exposures. The use of financial derivatives was governed by the Group's policies approved by the board of directors, which provided written principles on foreign currency risk, interest rate risk, credit risk, the use of financial derivatives and non-derivative financial instruments, and the investment of excess liquidity. Compliance with policies and exposure limits was reviewed by the internal auditors on a continuous basis. The Group did not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

The corporate treasury function reports quarterly to the Group's risk management committee, an independent body that monitors risks and policies implemented to mitigate risk exposures.

1) Market risk

The Group's activities exposed it primarily to the financial risks of changes in foreign currency exchange rates (see (a) below) and interest rates (see (b) below). The Group entered into a variety of derivative financial instruments to manage its exposure to foreign currency risk and interest rate risk, including: Foreign exchange forward contracts to hedge the exchange rate risk arising on the Group's foreign currency monetary.

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

a) Foreign currency risk

Several subsidiaries of the Company have foreign currency sales and purchases, which exposes the Group to foreign currency risk.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities (including those eliminated on consolidation) at the end of the reporting period (see Note 34).

<u>Sensitivity analysis</u>

The Group is mainly exposed to the USD and JPY.

The following table details the Group's sensitivity to a 1% increase and decrease in the New Taiwan dollar (the functional currency) against the relevant foreign currencies. The sensitivity rate used when reporting foreign currency risk internally to key management personnel and representing management's assessment of the reasonably possible change in foreign exchange rates is 1%. The sensitivity analysis included only outstanding foreign currency denominated monetary items and foreign exchange forward contracts designated as cash flow hedges, and adjusts their translation at the end of the reporting period for a 1% change in foreign currency rates. The sensitivity analysis included external loans/borrowings as well as loans/borrowings to foreign operations within the Group where the denomination of the loan is in a currency other than the functional currency of the lender or the borrower. A positive number below indicates an increase in post-tax profit and other equity associated with the New Taiwan dollar strengthening 1% against the relevant currency. For a 1% weakening of the New Taiwan dollar against the relevant currency, there would be an equal and opposite impact on post-tax profit and other equity and the balances below would be negative.

	USD Impact		**JPY Impact**	
	For the Nine Months Ended September 30		**For the Nine Months Ended September 30**	
	2023	**2022**	**2023**	**2022**
Profit or loss	$ 33,860	$ 39,819	$ (1,838)	$ (3,765)

i. This was mainly attributable to the exposure on outstanding on USD monetary items, which were not hedged, at the end of the reporting period.

ii. This was mainly attributable to the exposure on outstanding JPY monetary items, which were not hedged at the end of the reporting period.

b) Interest rate risk

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

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

	September 30, 2023	**December 31, 2022**	**September 30, 2022**
Fair value interest rate risk			
Financial assets	$ 361,419	$ 1,164,521	$ 684,191
Financial liabilities	2,280,683	3,474,901	3,574,912
Cash flow interest rate risk			
Financial assets	3,400,235	3,408,887	3,276,929
Financial liabilities	1,961,775	635,507	683,696

Sensitivity analysis

The sensitivity analysis below was determined based on the Group's exposure to interest rates for both derivative and non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis was prepared assuming the amount of each liability outstanding at the end of the reporting period was outstanding for the whole year. A 25 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 25 basis points higher/lower and all other variables were held constant, the Group's pre-tax profit for the nine months ended September 30, 2023 and 2022 would increase/(decrease) by $2,697 thousand and $4,862 thousand, respectively, which was mainly attributable to the Group's exposure to interest rates on its floating rate bank deposits and bank borrowings.

2) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. As at the end of the reporting period, the Group's maximum exposure to credit risk, which would cause a financial loss to the Group due to the failure of the counterparty to discharge its obligation and due to the financial guarantees provided by the Group, could be equal to the total of the following:

a) The carrying amount of the respective recognized financial assets as stated in the balance sheets; and

b) The maximum amount the entity would have to pay if the financial guarantee is called upon, irrespective of the likelihood of the guarantee being exercised.

3) Liquidity risk

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

The Group relies on bank borrowings as a significant source of liability. As of September 30, 2023, December 31, 2022 and September 30, 2022, the Group had available unutilized short-term and long-term bank loan facilities of $8,446,902 thousand, $6,774,251 thousand and $6,476,216 thousand, respectively.

Liquidity and interest rate risk tables for non-derivative financial liabilities

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

To the extent that interest flows are floating rate, the undiscounted amount was derived from the interest rate curve at the end of the reporting period.

September 30, 2023

	Weighted Average Effective Interest Rate (%)	Less than 1 Year	2-3 Years	4-5 Years	5+ Years	Total
Non-derivative financial liabilities						
Trade payables	-	$ 1,210,714	$ -	$ -	$ -	$ 1,210,714
Other payables	-	955,883	-	-	-	955,883

(Continued)

	Weighted Average Effective Interest Rate (%)	Less than 1 Year	2-3 Years	4-5 Years	5+ Years	Total
Lease liabilities	1.27%-3.85%	$ 6,109	$ 27,991	$ -	$ -	$ 34,100
Fixed interest rate liabilities	1.1%-6.445%	1,978,335	244,622	57,726	-	2,280,683
Variable interest rate liabilities	0.85%-1.55%	276,087	1,685,688	-	-	1,961,775

(Concluded)

December 31, 2022

	Weighted Interest Average Effective Rate (%)	Less Than 1 Year	2-3 Years	4-5 Years	5+ Years	Total
Non-derivative financial liabilities						
Trade payables	-	$ 1,209,119	$ -	$ -	$ -	$ 1,209,119
Other payables	-	1,423,229	-	-	-	1,423,229
Lease liabilities	0.86%-1.27%	3,088	3,399	-	-	6,487
Variable interest rate liabilities	0.725%-0.975%	248,087	354,087	33,333	-	635,507
Fixed interest rate liabilities	0.9%-5.49%	1,156,448	2,279,272	39,181	-	3,474,901

September 30, 2022

	Weighted Average Effective Interest Rate (%)	Less than 1 Year	2-3 Years	4-5 Years	5+ Years	Total
Non-derivative financial liabilities						
Trade payables	-	$ 1,870,396	$ -	$ -	$ -	$ 1,870,396
Other payables	-	1,230,980	-	-	-	1,230,980
Lease liabilities	0.86-1.27	3,079	2,372	-	-	5,451
Fixed interest rate liabilities	0.80-3.85	1,110,724	2,464,188	-	-	3,574,912
Variable interest rate liabilities	0.60-0.73	224,087	409,608	50,000	-	683,695

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

Liquidity and interest rate risk tables for derivative financial liabilities

The following table details the Group's liquidity analysis of its derivative financial instruments. The table is based on the undiscounted contractual net cash inflows and outflows on derivative instruments that settle on a net basis, and the undiscounted gross inflows and outflows on those derivatives that require gross settlement.

September 30, 2023

	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years	5+ Years
Net settled					
Foreign exchange forward contracts and exchange contracts	$ 1,397	$ (1,380)	$ -	$ -	$ -

December 31, 2022

	On Demand or Less Than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years	5+ Years
Net settled					
Foreign exchange forward contracts and exchange contracts	$ (1,549)	$ (9,097)	$ 688	$ -	$ -

September 30, 2022

	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years	5+ Years
Net settled					
Foreign exchange forward contracts and exchange contracts	$ (5,624)	$ (2,136)	$ (1,116)	$ -	$ -

31. TRANSACTIONS WITH RELATED PARTY

Balances and transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not disclosed in this note. Details of transactions between the Group and other related parties are disclosed below.

a. Related Party Name and Category

Related Party Name	Related Party Category
Tai-shing Electronics Components Corp.	Associates
TSE Technology (Ningbo) Co., Ltd.	Associates
EcLife Co., Ltd.	Other associates
Ningbo Longying Semiconductor Co., Ltd.	Other associates
PETER LIN	Chairman of the Company

b. Sales of goods

Line Items	Related Party Categories	For the Three Months Ended September 30 2023	For the Three Months Ended September 30 2022	For the Nine Months Ended September 30 2023	For the Nine Months Ended September 30 2022
Sales	Associates	$ 10,744	$ 13,558	$ 25,871	$ 65,977
	Other associates	1,479	3,512	4,926	10,781
	Chairman of the Company	4,503	-	5,148	-
		$ 16,726	$ 17,070	$ 35,945	$ 76,758

Selling prices and payment terms offered to related parties were similar with those offered to third parties.

c. Purchases of goods

Related Party Categories	For the Three Months Ended September 30 2023	For the Three Months Ended September 30 2022	For the Nine Months Ended September 30 2023	For the Nine Months Ended September 30 2022
Other associates	$ 863	$ 106	$ 1,095	$ 2,327

Purchase prices and payment terms offered by related parties were similar with those offered by third parties.

d. Operating expenses

Related Party Categories	For the Three Months Ended September 30 2023	For the Three Months Ended September 30 2022	For the Nine Months Ended September 30 2023	For the Nine Months Ended September 30 2022
Other associates	$ 102	$ 381	$ 359	$ 1,607

e. Commission revenue

Related Party Categories	For the Three Months Ended September 30 2023	For the Three Months Ended September 30 2022	For the Nine Months Ended September 30 2023	For the Nine Months Ended September 30 2022
Associates	$ 370	$ 377	$ 1,118	$ 1,131

f. Rental revenue

Related Party	Location	Rent Collection	For the Three Months Ended September 30 2023 Amount	% to Total Account Balance	2022 Amount	% to Total Account Balance	For the Nine Months Ended September 30 2023 Amount	% to Total Account Balance	2022 Amount	% to Total Account Balance
Ningbo Xingmao Electron Technology Co., Ltd.	Building P5, 1F., No. 189, Huangshan W. Rd., Beilun Dist., Ningbo City	Based on contract, and paid on a monthly basis	$ 1,120	-	$ 1,140	-	$ 3,386	-	$ 3,424	-
Ningbo Longying Semiconductor Co., Ltd.	Building D4, No. 189, Huangshan W. Rd., Beilun Dist., Ningbo City	Based on contract, and paid on a monthly basis	44	-	44	-	132	-	133	-
Tai-Shing Electronics Components Corporation	6F., No. 4, Gongye 6th Rd., Pingzhen Dist., Taoyuan City 324, Taiwan	Based on contract, and paid on a monthly basis	894	-	880	-	2,685	-	2,644	-
			$ 2,058	-	$ 2,064	-	$ 6,203	-	$ 6,201	-

There is no significant difference in transaction terms between related parties and unrelated parties.

g. Receivables from related parties (excluding loans to related parties)

Related Party Categories	September 30, 2023	December 31, 2022	September 30, 2022
Associates	$ 15,144	$ 8,171	$ 22,602
Other associates	1,729	1,748	3,921
Less: Allowance for impairment loss	(68)	(68)	(68)
	$ 16,805	$ 9,851	$ 26,455

The outstanding trade receivables from related parties are unsecured.

h. Payables to related parties (excluding loans from related parties)

Related Party Categories	September 30, 2023	December 31, 2022	September 30, 2022
Other associates	$ 966	$ 622	$ 112

The outstanding trade payables from related parties are unsecured.

Payment term of the transactions to related parties were similar to those for third parties.

i. Other receivables from related parties

Related Party Categories	September 30, 2023	December 31, 2022	September 30, 2022
Associates	$ 1,398	$ 635	$ 1,007
Other associates	4	8	9
	$ 1,402	$ 643	$ 1,016

j. Other payables to related parties

Related Party Categories	September 30, 2023	December 31, 2022	September 30, 2022
Other associates	$ 314	$ 1,250	$ 7,520

k. Prepayments

Related Party Categories	September 30, 2023	December 31, 2022	September 30, 2022
Other associates	$ 4,450	$ 4,357	$ 3,588

l. Acquisitions of property, plant and equipment

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
Related Party Categories	**2023**	**2022**	**2023**	**2022**
Others associates	$ 111	$ 7,479	$ 423	$ 15,681

m. Lease arrangements - Group is lessee

	For the Nine Months Ended September 30	
Related Party Categories	**2023**	**2022**
Acquisitions of right-of-use assets		
Chairman of the Company	$ 5,716	$ -

Line Items	Related Party Categories	September 30, 2023	December 31, 2022	September 30, 2022
Lease liabilities - current	Chairman of the Company PETER LIN	$ 1,592	$ -	$ -
Lease liabilities - non-current	Chairman of the Company PETER LIN	$ 2,632	$ -	$ -

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
Related Party Categories/Name	**2023**	**2022**	**2023**	**2022**
Interest expense				
Chairman of the Company	$ 84	$ -	$ 84	$ -
Lease expense				
Chairman of the Company	$ 1,648	$ -	$ 1,648	$ -

n. Compensation of key management personnel

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2023	2022	2023	2022
Short-term employee benefits	$ 38,936	$ 54,238	$ 95,844	$ 156,362
Post-employment benefits	926	954	2,648	2,872
	$ 39,862	$ 55,192	$ 98,492	$ 159,234

The remuneration of directors and key executives was determined by the remuneration committee based on the performance of individuals and market trends.

32. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

The following assets were provided as collateral for bank borrowings:

	September 30, 2023	December 31, 2022	September 30, 2022
Building and equipment, net	$ 221,157	$ 247,376	$ 261,785
Investment property	12,170	13,147	13,740
Pledged deposits	104,103	70,259	67,034
Right-of-use assets	10,632	10,710	10,955
	$ 348,062	$ 341,492	$ 353,514

33. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

In addition to those disclosed in other notes, significant commitments and contingencies of the Group were as follows:

a. Unused letters of credit amounted to approximately JPY38,400 thousand as of September 30, 2023.

b. On November 8, 2021, the board of directors of the Company approved its subsidiary TETC CORP. NINGBO to construct a plant project, with an estimated investment of RMB145,000 thousand. On April 19, 2022, the Company signed a construction contract. The total contract amount divided into paid and unpaid is as follows:

Unit: In Thousands of Foreign Currencies

	Contract Amount (Tax Included)	Paid Amount (Tax Included)	Unpaid Amount (Tax Included)
Property, plant and equipment	RMB 101,880	RMB 59,221	RMB 42,659

c. As of September 30, 2023, the Group unrecognized commitments were as follows:

	Contract Amount (Tax Excluded)	Paid Amount (Tax Excluded)	Unpaid Amount (Tax Excluded)
Acquisition of machinery and equipment	$ 258,626	$ 140,492	$ 118,134
Acquisition of machinery and equipment	RMB 40,232	RMB 19,040	RMB 21,192
Acquisition of machinery and equipment	JPY 422,390	JPY 172,570	JPY 249,820
Acquisition of machinery and equipment	USD 890	USD 680	USD 210

34. EXCHANGE RATE OF FINANCIAL ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

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

September 30, 2023

	Foreign Currencies	Exchange Rate	Carrying Amount
Financial assets			
Monetary items			
USD	$ 106,376	32.2680 (USD:NTD)	$ 3,432,541
USD	6,013	7.1798 (USD:RMB)	194,027
JPY	1,537,560	0.2161 (JPY:NTD)	332,267
JPY	353,735	0.0481 (JPY:RMB)	76,442
JPY	45,149	0.0067 (JPY:USD)	9,757
Financial liabilities			
Monetary items			
USD	5,316	32.2680 (USD:NTD)	171,537
USD	2,138	7.1798 (USD:RMB)	68,989
JPY	1,435,272	0.2161 (JPY:NTD)	310,162
JPY	1,301,175	0.0481 (JPY:RMB)	281,184
JPY	50,557	0.0067 (JPY:USD)	10,925

December 31, 2022

	Foreign Currencies	Exchange Rate	Carrying Amount
Financial assets			
Monetary items			
USD	$ 139,256	30.7080 (USD:NTD)	$ 4,276,273
USD	4,148	6.9646 (USD:RMB)	127,377
JPY	533,718	0.2324 (JPY:NTD)	124,036
JPY	306,521	0.0527 (JPY:RMB)	71,245
JPY	110,132	0.0076 (JPY:USD)	25,595
Financial liabilities			
Monetary items			
USD	25,887	30.7080 (USD:NTD)	794,938
USD	8,133	6.9646 (USD:RMB)	249,748
JPY	1,338,747	0.2324 (JPY:NTD)	311,125
JPY	974,054	0.0527 (JPY:RMB)	226,370
JPY	97,085	0.0076 (JPY:USD)	22,563

September 30, 2022

	Foreign Currencies	Exchange Rate	Carrying Amount
Financial assets			
Monetary items			
USD	$ 134,542	31.7430 (USD:NTD)	$ 4,270,767
USD	6,065	7.0998 (USD:RMB)	192,521
JPY	981,011	0.2199 (JPY:NTD)	215,724
JPY	571,701	0.0492 (JPY:RMB)	125,717
JPY	107,951	0.0069 (JPY:USD)	23,738
Financial liabilities			
Monetary items			
USD	7,241	31.7430 (USD:NTD)	229,851
USD	7,924	7.0998 (USD:RMB)	251,532
JPY	1,773,242	0.2199 (JPY:NTD)	389,936
JPY	1,373,420	0.0492 (JPY:RMB)	302,015
JPY	226,013	0.0069 (JPY:USD)	49,700

For the three and the nine months ended September 30, 2023 and 2022, realized and unrealized net foreign exchange gains (losses) were $127,539 thousand, $281,854 thousand, $204,105 thousand and $620,946 thousand, respectively. It is impractical to disclose net foreign exchange gains (losses) by each significant foreign currency due to the variety of the foreign currency transactions and functional currencies of the group entities.

35. SEPARATELY DISCLOSED ITEMS

a. Information about significant transactions and investees:

1) Lending funds to others. (None)

2) Providing endorsements or guarantees for others. (None)

3) Holding of securities at the end of the period. (Table 1)

4) Aggregate purchases or sales of the same securities reaching NT$300 million or 20% of paid-in capital or more. (None)

5) Acquisition of individual real estate at costs of at least NT$300 million or 20% of the paid-in capital. (None)

6) Disposal of real estate at prices of at least NT$300 million or 20% of the paid-in capital. (None)

7) Purchases or sales of goods or to related parties reaching least NT$100 million or 20% of the paid-in capital. (Table 2)

8) Trade receivables from related parties amounting to at least NT$100 million or 20% of the paid-in capital. (Table 3)

9) Trading in derivative instruments. (Note 7)

10) Others: Intercompany relationships and significant intercompany transactions. (Table 7)

b. Information on investees. (Table 4)

c. Information on investments in mainland China

1) Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, net income of investees, investment income or loss, carrying amount of the investment at the end of the period, repatriations of investment income, and limit on the amount of investment in the mainland China area. (Table 5)

2) Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third party, and their prices, payment terms, and unrealized gains or losses: (Table 6)

a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period.

b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period.

c) The amount of property transactions and the amount of the resultant gains or losses.

d) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes.

e) The highest balance, the end of period balance, the interest rate range, and total current period interest with respect to financing of funds.

f) Other transactions that have a material effect on the profit or loss for the period or on the financial position, such as the rendering or receipt of services.

d. Information of major shareholders: List all shareholders with ownership of 5% or greater showing the name of the shareholder, the number of shares owned, and percentage of ownership of each shareholder (None)

36. SEGMENT INFORMATION

Information reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance focuses on the types of goods or services delivered or provided. Specifically, the Group's reportable segments under IFRS 8 "Operating Segments" were as follows:

a. Crystal segment

The chief operating decision maker see every crystal selling unit in Taiwan and China as an operating segment. While preparing the financial report, the Group considers the following reasons:

1) The similar gross profit between the selling units.

2) The similar product's nature and manufacturing process.

3) The same product's delivery type.

b. Real estate development segment

The department and sales of real estate, along with mall space leasing in Chongqing is considered a separate operating segment by the chief operating decision maker (CODM).

Segment Revenue and Results

	Segment Revenue		**Segment Profit**	
	For the Nine Months Ended September 30		**For the Nine Months Ended September 30**	
	2023	**2022**	**2023**	**2022**
Crystal segment	$ 7,790,398	$ 10,136,056	$ 1,258,419	$ 2,191,498
Real estate development segment	19,590	26,250	(7,649)	(3,504)
Continuing operations	$ 7,809,988	$ 10,162,306	1,250,770	2,187,994
Interest income			55,931	17,218
Other income			121,174	117,946
Other gains and losses			180,053	586,816
Finance costs			(43,300)	(35,046)
Share of profit of associates accounted for using the equity method			3,942	14,831
Profit before tax (continuing operations)			$ 1,568,570	$ 2,889,759

Segment revenue reported above represents revenue generated from external customers. There were no inter-segment sales for the nine months ended September 30, 2023 and 2022.

Segment profit represents the profit before tax earned by each segment without allocation of central administration costs and directors’ salaries, share of profit of associates, gains recognized on disposal of interests in former associates, rental revenue, interest income, gains or losses on disposal of property, plant and equipment, gains or losses on disposal of financial instruments, exchange gains or losses, valuation gains or losses on financial instruments, finance costs and income tax expense. This was the measure reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance.

TABLE 1

TXC CORPORATION AND SUBSIDIARIES

MARKETABLE SECURITIES HELD
SEPTEMBER 30, 2023
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	September 30, 2023				Note
				Shares	Carrying Amount	Percentage of Ownership	Fair Value	
TXC Corporation	Stock - unlisted company							
	Godsmith Sensor Inc.	None	Financial assets at FVTOCI - non-current	800	$ 4,833	4	$ 4,833	
	RFIC Technology Corporation	TXC Corporation is a director of the Company	〃	3,334	12,009	12	12,009	
	Gallopwave Inc.	〃	〃	6,250	50,000	8	50,000	
	Stock - emerging shares							
	Win Win Precision Technology Co., Ltd.	None	〃	1,788	97,644	3	97,644	
	Stock - listed company							
	UPI Semiconductor Corp.	〃	〃	736	181,056	1	181,056	
					$ 345,542		$ 345,542	
	Taiwan Semiconductor Manufacturing Company Limited	〃	Financial assets at FVTPL - current	55	$ 28,765	-	$ 28,765	
	Shares overseas - unlisted company							
	Stathera IP Holdings Inc.	〃	Financial assets at FVTOCI - non-current	65	$ 30,435	1	$ 30,435	
TXC (Ningbo) Corporation	Shares overseas - unlisted company							
	Ningbo SJ Electronics Co., Ltd.	None	Financial assets at FVTOCI - non-current	567	$ 56,728	5	$ 56,728	
TXC (Chongqing) Limited	Structured deposits							
	China Construction Bank	None	Financial assets at FVTPL - current	RMB 34,572	$ 155,378	-	$ 155,378	
	China Merchants Bank	〃	〃	RMB 26,317	118,277	-	118,277	
	China CITIC Bank	〃	〃	RMB 42,739	192,083	-	192,083	
	China Minsheng Bank	〃	〃	RMB 3,073	13,811	-	13,811	
	China Everbright Bank	〃	〃	RMB 5,000	22,473	-	22,473	
					$ 502,002		$ 502,002	
Ningbo Beilun Jingyu Trading Corporation	Beneficiary certificate							
	Southern Cash Fund	None	Financial assets at fair value through profit or loss - current	RMB 65	$ 297	-	$ 297	

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	September 30, 2023				Note
				Shares	Carrying Amount	Percentage of Ownership	Fair Value	
Ningbo Meishan Free Trade Port Area Ding Kai Investment Management Company Limited	Shares overseas - unlisted company							
	Zhejiang Bright Semiconductor Technology Co., Ltd.	None	Financial assets at fair value through other comprehensive income - non current	7,004	$ 134,126	3	$ 134,126	
Chongqing Zhongyang Properties Co., Ltd.	Structured deposits							
	Chongqing Rural Commercial Bank	None	Financial assets at fair value through profit or loss - current	RMB 18,700	$ 84,044	-	$ 84,044	
	China Construction Bank Corporation	None	〃	RMB 1,051	4,722	-	4,722	
					$ 88,766	-	$ 88,766	
ChongQing Dingsen Commercial Management Co., Ltd.	Structured deposits							
	China Construction Bank Corporation	None	Financial assets at fair value through profit or loss - current	RMB 753	$ 3,386	-	$ 3,386	

(Concluded)

TABLE 2

TXC CORPORATION AND SUBSIDIARIES

TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES AMOUNTING TO AT LEAST $100 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023
(In Thousands of New Taiwan Dollars)

Buyer	Related Party	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Note
			Purchase/ Sale	Amount	% to Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% to Total	
TXC Corporation	TXC (Ningbo) Corporation	Subsidiary	Purchase	$ 1,451,143	34	Payment term of the transactions to related parties were similar to those for third parties	Its trading price depends on its function within the Group	Payment term of the transactions to related parties were similar to those for third parties	$ (587,080)	(34)	
	〃	〃	Sales	484,574	8	〃	〃	〃	223,718	8	
	TXC (Chongqing) Corporation	〃	Purchase	1,182,224	27	〃	〃	〃	(547,919)	(32)	
	TETC CORP. NINGBO	〃	Purchase	291,534	7	〃	〃	〃	(110,938)	(6)	
TXC (Ningbo) Corporation	TXC (Chongqing) Corporation	〃	Purchase	157,234	12	〃	〃	〃	(84,173)	(13)	
	〃	〃	Sales	283,081	10	〃	〃	〃	188,496	16	

TXC CORPORATION AND SUBSIDIARIES

RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT$100 MILLION OR 20% OF THE PAID-IN CAPITAL
SEPTEMBER 30, 2023
(In Thousands of New Taiwan Dollars)

Company Name	Related Party	Relationship	Ending Balance	Turnover Rate	Overdue		Amount Received in Subsequent Period	Allowance for Impairment Loss
					Amount	Action Taken		
TXC Corporation	TXC (Ningbo) Corporation	Subsidiary	$ 223,718	3.23	$ -	-	$ 77,080	$ -
TXC (Ningbo) Corporation	TXC (Chongqing) Corporation	Subsidiary	188,496	3.64	-	-	40,342	-
	TXC Corporation	Parent entity	587,080	3.34	-	-	192,724	-
TXC (Chongqing) Corporation	TXC Corporation	Parent entity	547,919	3.83	-	-	119,129	-
TETC CORP. NINGBO	TXC Corporation	Parent entity	110,938	4.15	-	-	21,972	-

TXC CORPORATION AND SUBSIDIARIES

NAMES, LOCATIONS, AND RELATED INFORMATION OF INVESTEES ON WHICH THE COMPANY EXERCISES SIGNIFICANT INFLUENCE
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of September 30, 2023			Net Income (Losses) of the Investee	Share of Profits (Loss)	Note
				September 30, 2023	December 31, 2022	Shares (In Thousands)	Percentage of Ownership	Carrying Value			
TXC Corporation	Taiwan Crystal Technology International Ltd.	Western Samoa	Investment management	$ 1,390,461	$ 1,390,461	42,835	100.00	$ 7,480,384	$ 639,893	$ 627,315	
	Taiwan Crystal Technology International (HK) Limited	Hong Kong	International trading	2,371	2,371	80	100.00	205,060	2,957	2,957	
	TXC Japan Corporation	Japan	Marketing activities	6,172	6,172	2	100.00	33,636	4,294	4,294	
	TXC Technology Inc.	U.S.A.	Marketing activities	9,879	9,879	300	100.00	24,522	1,514	1,514	
	Tai-Shing Electronics Components Corporation	Taiwan	Manufacture and sales of electronics products	373,432	373,432	8,802	33.34	394,283	46,014	15,341	
	TXC Europe GmbH	Germany	Marketing activities	1,746	1,746	50	100.00	11,839	2,435	2,435	

TXC CORPORATION AND SUBSIDIARIES

INFORMATION ON INVESTMENT IN MAINLAND CHINA
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023
(In Thousands of New Taiwan Dollars)

1. Name of the investees in mainland China, main businesses and products, paid-in capital, method of investment, information on inflow or outflow of capital, percentage of ownership, investment income or loss, ending balance of investment, dividends remitted by the investee, and the limit of investment in mainland China:

Investee Company	Main Businesses and Products	Paid-in Capital	Method of Investment	Accumulated Outflow of Investments from Taiwan as of January 1, 2023	Investment Flows		Accumulated Outflow of Investments from Taiwan as of September 30, 2023	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Loss)	Carrying Amount as of September 30, 2023	Accumulated Repatriation of Investment Income as of September 30, 2023
					Outflow	Inflow						
TXC (Ningbo) Corporation	Research and development, manufacture, and sale of quartz elements and related electronic products	$ 2,350,052	Indirect investment of the Corporation in mainland China through the Corporation's subsidiary in a third region	$ 1,427,630	$ -	$ -	$ 1,427,630	$ 639,886	100.00	$ 639,886	$ 7,546,321	$ 1,390,136
TXC (Chongqing) Corporation	Research and development, manufacture, and sale of quartz elements and related electronic products	1,162,074	Other investment of the Corporation in mainland China	-	-	-	-	129,443	100.00	129,443	1,812,034	306,500
TETC CORP. NINGBO	Research and development, manufacture, and sale of quartz elements and related electronic products	433,440	Other investment of the Corporation in mainland China	-	-	-	-	194,603	100.00	194,603	1,115,988	-
Chongqing Zhongyang Properties Co., Ltd.	Properties development	684,908	Other investment of the Corporation in mainland China	-	-	-	-	(20,233)	100.00	(20,233)	808,419	-
Ningbo Beilun Jingyu Trading Corporation	International trading	7,090	Other investment of the Corporation in mainland China	-	-	-	-	(19)	100.00	(19)	6,311	-
Ningbo Longying Semiconductor Co., Ltd.	Research and development in integrated circuit	246,257	Other investment of the Corporation in mainland China	-	-	-	-	(38,115)	29.37	(11,399)	54,772	-
Ningbo Meishan Free Trade Port Area Ding Kai Investment Management Company Limited	Investment management	160,043	Other investment of the Corporation in mainland China	-	-	-	-	-	100.00	-	134,402	-
ChongQing Dingsen Commercial Management Co., Ltd.	Property management	4,390	Other investment of the Corporation in mainland China	-	-	-	-	(265)	100.00	(265)	(1,516)	-
Shanghai JCH Co., Ltd.	Marketing activities and Technical Services	2,238	Other investment of the Corporation in mainland China	-	-	-	-	2,868	100.00	2,868	5,176	-

(Continued)

2.

Accumulated Outward Remittance for Investments in mainland China as of September 30, 2023	Investment Amounts Authorized by the Investments Commission, MOEA	Upper Limit on the Amount of Investments Stipulated by Investment Commission, MOEA
$1,427,630	$2,350,052	$ -

Note: The investment in mainland China has no maximum limit since the Company has acquired the approval from the Industrial Development Bureau for the establishment of the Company's operating headquarters in Taiwan.

(Concluded)

TXC CORPORATION AND SUBSIDIARIES

SIGNIFICANT TRANSACTIONS WITH INVESTEE COMPANIES IN MAINLAND CHINA, EITHER DIRECTLY OR INDIRECTLY THROUGH A THIRD PARTY, AND THEIR PRICES, PAYMENT TERMS, AND UNREALIZED GAINS OR LOSSES
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023
(In Thousands of New Taiwan Dollars)

1. Significant direct or indirect transactions with the investees, prices and terms of payment, unrealized gain or loss:

Company Name	Investee Company	Transaction Type	Purchase/Sale		Price	Transaction Details		Notes/Accounts Receivable (Payable)		Unrealized (Gain) Loss	Note
			Amount	%		Payment Term	Comparison with Normal Transaction	Ending Balance	%		
TXC Corporation	TXC (Ningbo) Corporation	Purchase	$ 1,451,143	34	Its trading price depends on its function within the Group	Similar with third parties	Its trading price depends on its function within the Group	$ (587,080)	(34)	$ 28,198	
	TXC (Ningbo) Corporation	Sales	484,574	8	〃	〃	〃	223,718	8	7,005	
	TXC (Chongqing) Corporation	Purchase	1,182,224	27	〃	〃	〃	(547,919)	(32)	27,584	
	TETC CORP. NINGBO	Purchase	291,534	7	〃	〃	〃	(110,938)	(6)	6,069	

2. The transactions of properties and the profit or loss: None.

3. Endorsements guarantees or collateral directly or indirectly provided to the investees: None.

4. Financing directly or indirectly provided to the investees: None.

5. Other transactions that significantly impacted the current year’s profit or loss or financial position: None.

TXC CORPORATION AND SUBSIDIARIES

INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT INTERCOMPANY TRANSACTIONS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023
(In Thousands of New Taiwan Dollars)

For the nine months ended September 30, 2022

No.	Company Name	Counterparty	Nature of Relationship (Note 1)	Intercompany Transactions			
				Accounts	Amount	Terms (Notes 1 and 2)	Percentage of Consolidated Total Gross Sales or Total Assets (%)
0	TXC Corporation	TXC (Ningbo) Corporation	a	Sales	$ 484,574	a	6
				Purchase	1,451,143	a	19
				Trade receivables	223,718	a	1
				Trade payables	587,080	a	3
		TXC (Chongqing) Limited	a	Purchase	1,182,224	a	15
				Trade payables	547,919	a	3
		TETC CORP. NINGBO	a	Purchase	291,534	a	4
				Trade payables	110,938	a	1
1	TXC (Ningbo) Corporation	TXC (Chongqing) Limited	c	Purchase	157,234	c	2
				Sales	283,081	c	4
				Trade payables	84,173	c	-
				Trade receivables	188,496	c	1
		TETC CORP. NINGBO	c	Sales	27,432	c	-

Note 1: a. Represent the transactions from parent company to subsidiary.
c. Represent the transactions between subsidiaries.

Note 2: For the nine months ended September 30, 2023, the selling price and purchasing price were not significantly different from those of third parties, except those for TXC (Ningbo) Corporation, TXC (Chongqing) Corporation, TETC CORP. NINGBO and Taiwan Crystal Technology (HK) Limited, which is depending on its function within the Group.

Note 3: The Company may decide whether to list the material transactions in this table according to the principle of materiality.