Stock Code: 3533

Lotes Co., Ltd. and Subsidiaries

Consolidated Financial Statements for the Nine
Months Ended September 30, 2024 and 2023 and
Independent Auditors' Review Report

Notice to Readers

For the convenience of readers, the Consolidated Financial Statements and Accountant's Review Report have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and consolidated financial statements shall prevail.

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Table of Contents

Independent Auditor's Report

To the Board of Directors of Lotes Co., Ltd.:

Introduction

We have reviewed the consolidated balance sheets of Lotes Co., Ltd. and its subsidiaries as of September 30, 2024 and 2023, and the consolidated statements of comprehensive income for the three months ended September 30, 2024 and 2023, and the nine months ended September 30, 2024 and 2023, as well as the consolidated statements of changes in equity and consolidated statements of cash flows for the nine months ended September 30, 2024 and 2023, and the notes to the consolidated financial statements, including a summary of significant accounting policies. The preparation and fair presentation of these consolidated financial statements in accordance with IAS 34, "Interim Financial Reporting," endorsed and made effective by the Financial Supervisory Commission, and the Regulations Governing the Preparation of Financial Reports by Securities Issuers, are the responsibility of the management. Our responsibility is to express a conclusion based on our review.

Scope

We conducted our review in accordance with TWSRE 2410, "Review of Financial Information Performed by the Independent Auditor of the Entity." A review of consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. The scope of a review is substantially less than that of an audit conducted in accordance with auditing standards, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of Lotes Co., Ltd. and its subsidiaries as of September 30, 2024 and 2023, and their consolidated financial performance for the three months and nine months ended September 30, 2024 and 2023, and their consolidated cash flows for the nine months ended September 30, 2024 and 2023, in accordance with IAS 34, "Interim Financial Reporting," endorsed and made effective by the Financial Supervisory Commission and the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

KPMG Taiwan

CPAs:

Competent Authority of Securities Approval Certificate No.

CHIN-KUAN-CHENG-SHEN-TZU No. 1000011652
CHIN-KUAN-CHENG-SHEN-TZU No. 1110333933

November 11, 2024

Lotes Co., Ltd. And Subsidiaries

Consolidated Balance Sheet

As of September 30, 2024, December 31, 2023, and September 30, 2023

Unit: NT$ 1,000

Code	Assets	Sep. 30, 2024 Amount	%	Dec. 31, 2023 Amount	%	Sep. 30, 2023 Amount	%
	Current assets:						
1100	Cash and cash equivalents (Note VI (1) and (27))	$ 18,604,449	39	13,132,491	35	12,571,654	33
1110	Financial assets measured at FVTPL - current (Note VI (2), (14) and (27))	198,407	1	60,784	-	58,961	-
1150	Net notes receivable (Note VI (3) and (27))	529,365	1	305,564	1	353,273	1
1170	Net accounts receivable (Note VI (3) and (27))	11,017,354	23	9,305,409	25	9,491,397	25
1200	Other receivables (Note VI (3) and (27))	487,851	1	506,207	1	323,613	1
1220	Income tax assets for the period (Note VI (20))	610	-	599	-	636	-
130X	Net inventory (Note VI (4))	3,277,865	7	2,657,313	7	2,615,229	7
1410	Advance payment	183,040	-	102,555	-	193,319	1
1479	Other current assets - other	4,140	-	3,832	-	6,567	-
		34,303,081	72	26,074,754	69	25,614,649	68
	Non-current assets:						
1510	Financial assets measured at FVTPL - non-current (Note VI (2), (14) and (27))	215,087	1	26,916	-	25,605	-
1517	Financial assets measured at FVTOCI - non-current (Note VI (2) and (27))	173,590	-	79,979	-	80,325	-
1550	Investments accounted for using the equity method (Note VI (5))	152,048	-	81,730	-	123,618	-
1600	Property, plant and equipment (Note VI (8) and 8)	10,177,605	21	9,129,914	24	9,130,923	24
1755	Right-of-use assets (Note VI (9))	1,260,685	3	1,278,713	3	1,289,258	4
1760	Net investment property(Note VI (10) and (27))	353,783	1	344,997	1	356,826	1
1780	Intangible assets (Note VI (11))	180,897	-	150,113	1	164,145	1
1840	Deferred tax assets (Note VI (20))	328,986	1	412,071	1	363,644	1
1900	Other non-current assets	491,007	1	373,212	1	489,483	1
		13,333,688	28	11,877,645	31	12,023,827	32
	Total of assets	$ 47,636,769	100	37,952,399	100	37,638,476	100

Code	Liabilities and equity	Sep. 30, 2024 Amount	%	Dec. 31, 2023 Amount	%	Sep. 30, 2023 Amount	%
	Current liabilities:						
2100	Short-term loans (Note VI (12), (27), (30) VIII and IX)	$ 4,215,000	9	1,580,000	4	1,580,000	4
2130	Contract liabilities - current (Note VI (24))	19,499	-	30,617	-	66,293	-
2150	Notes payable (Note VI (27))	5,571	-	5,209	-	6,610	-
2170	Accounts payable (Note VI (27))	2,681,873	6	1,822,819	5	1,791,211	5
2200	Other payables (Note VI (27))	2,569,828	5	1,859,015	5	2,182,866	6
2230	Income tax liabilities for the period - current (Note VI (20))	1,289,933	3	969,358	3	1,077,897	3
2280	Lease liabilities - current (Note VI (15), (27), (30) and VII)	136,161	-	129,085	-	126,838	-
2365	Refund liabilities - current (Note VI (16))	498,133	1	420,182	1	345,085	1
2300	Other current liabilities	46,967	-	38,059	-	34,676	-
2320	Long-term loans - current portion (Note VI (13), (14), (27), (30), and VIII)	-	-	-	-	1,664	-
		11,462,965	24	6,854,344	18	7,213,140	19
	Non-current liabilities:						
2530	Bonds payable (Note VI (14), (27) and (30))	287,278	1	934,155	2	1,044,250	3
2540	Long-term loans (Note VI (13), (27), (30) and VIII)	-	-	-	-	22,449	-
2550	Provisions – non-current (Note VI (17) and (19))	77,519	-	43,534	-	41,294	-
2570	Deferred income tax liabilities (Note VI (20))	207,693	1	226,640	1	283,855	1
2580	Lease liabilities - non-current (Note VI (15), (27), (30) and VII)	437,887	1	487,452	1	453,207	1
2600	Other non-current liabilities	24,431	-	25,272	-	24,754	-
		1,034,808	3	1,717,053	4	1,869,809	5
	Total of liabilities	12,497,773	27	8,571,397	22	9,082,949	24
	Equity attributable to owners of parent:						
	Share capital:						
3110	Capital – common stock (Note VI (21))	1,125,347	2	1,113,298	3	1,113,298	3
3130	Certificates of bond-to-stock conversion (Note VI (21))	-	-	1,423	-	-	-
3200	Capital reserves (Note VI (21))	9,839,133	21	8,896,393	24	8,787,271	23
3300	Retained earnings (Note VI (21))	22,023,520	46	18,552,928	49	17,295,277	46
3400	Other equity (Note VI (21))	173,039	-	(790,983)	(2)	(228,994)	-
	Total equity attributable to owners of parent	33,161,039	69	27,773,059	74	26,966,852	72
36XX	Non-controlling interest (Note VI (7))	1,977,957	4	1,607,943	4	1,588,675	4
	Total of equity	35,138,996	73	29,381,002	78	28,555,527	76
	Total of liabilities and equity	$ 47,636,769	100	37,952,399	100	37,638,476	100

(Please read the Notes to the Consolidated Financial Statements)

Chairperson: CHU, TE-HSIANG **Manager: HO, TE-YU** **Accounting Manager: LIU, HSIN-HSIA**

Lotes Co., Ltd. and Subsidiaries

Consolidated Statement of Comprehensive Income

For the Three Months Ended September 30, 2024 and 2023, and For the Nine Months Ended September 30, 2024 and 2023

Unit: NT$ 1,000

		July to Sep. 2024		July to Sep. 2023		Jan. to Sep. 2024		Jan. to Sep. 2023	
		Amount	%	Amount	%	Amount	%	Amount	%
4000	**Operating revenue (Note VI (16), (24) and XIV)**	$ 8,066,738	100	6,463,557	100	21,788,856	100	17,912,303	100
5000	**Operating cost (Note VI (4) and XII)**	3,822,201	47	3,390,881	52	10,430,778	48	9,646,597	54
	Gross profit	4,244,537	53	3,072,676	48	11,358,078	52	8,265,706	46
	Operating expense (Note VI (15), (18), (19), (26), (27), VII and XII):								
6100	Promotion expense	250,992	3	189,915	3	649,335	3	578,352	3
6200	Administration expense	469,969	6	427,466	7	1,361,498	6	1,169,600	6
6300	R&D expense	736,535	9	538,739	8	1,955,856	9	1,574,033	9
6450	Expected credit loss (gain)	(3,009)	-	(7,228)	-	5,564	-	(10,772)	-
	Total operating expense	1,454,487	18	1,148,892	18	3,972,253	18	3,311,213	18
	Net operating profit	2,790,050	35	1,923,784	30	7,385,825	34	4,954,493	28
	Non-operating revenue/expense (Note VI (5), (18) and (25)):								
7100	Interest income	139,884	2	83,568	1	404,249	2	211,347	1
7010	Other income	73,723	1	71,639	1	241,289	1	231,739	1
7020	Other gains and losses	(355,784)	(4)	331,369	5	307,191	1	511,504	3
7050	Financial costs	(19,347)	-	(15,485)	-	(59,290)	-	(50,073)	-
7055	Expected credit loss (gain)	38	-	915	-	508	-	(1)	-
7070	Share of profit or loss of subsidiaries, associates, and joint ventures accounted for using the equity method	(7,898)	-	876	-	(21,460)	-	(231)	-
	Total non-operating revenue/expense	(169,384)	(1)	472,882	7	872,487	4	904,285	5
	Net profit before tax from continuing operations	2,620,666	34	2,396,666	37	8,258,312	38	5,858,778	33
7950	**Less: Income tax expense(Note VI (20))**	533,167	7	471,406	7	1,800,754	8	1,399,514	8
	Net profit for the period	2,087,499	27	1,925,260	30	6,457,558	30	4,459,264	25
8300	**Other comprehensive income:**								
8310	**Components of other comprehensive income that will not be reclassified to profit or loss**								
8316	Unrealized gains (losses) from investments in equity instruments measured at FVTOCI	(8,514)	-	(2,084)	-	(18,890)	-	1,694	-
8320	Share of other comprehensive income of subsidiaries, associates, and joint ventures accounted for using the equity method – not reclassified to profit or loss	-	-	-	-	33	-	-	-
8349	Less: Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	-	-	-	-	-	-	-	-
	Total components of other comprehensive income that will not be reclassified to profit or loss	(8,514)	-	(2,084)	-	(18,857)	-	1,694	-
8360	**Components of other comprehensive income that will be reclassified to profit or loss**								
8361	Exchange differences on translation	498,063	6	493,214	7	1,020,371	5	112,755	1
8370	Share of other comprehensive income of subsidiaries, associates, and joint ventures accounted for using the equity method – may be reclassified to profit or loss	-	-	-	-	3	-	-	-
8399	Less: Income tax related to components of other comprehensive income that will be reclassified to profit or loss	11,851	-	2,389	-	13,961	-	(1,137)	-
	Total components of other comprehensive income that will not be reclassified to profit or loss	486,212	6	490,825	7	1,006,413	5	113,892	1
8300	**Other comprehensive income for the period (net)**	477,698	6	488,741	7	987,556	5	115,586	1
	Total other comprehensive income for the period	$ 2,565,197	33	2,414,001	37	7,445,114	35	4,574,850	26
	Net profit for the period attributable to:								

(Please read the Notes to the Consolidated Financial Statements)

Chairperson: CHU, TE-HSIANG **Manager: HO, TE-YU** **Accounting Manager: LIU, HSIN-HSIA**

8610	Owners of parent	$	2,061,595	27	1,867,425	29	6,368,834	30	4,333,547	24
8620	Non-controlling interest		25,904	-	57,835	1	88,724	-	125,717	1
		$	**2,087,499**	**27**	**1,925,260**	**30**	**6,457,558**	**30**	**4,459,264**	**25**
	Total comprehensive income attributable to:									
8710	Owners of parent	$	2,516,218	32	2,352,349	36	7,329,492	34	4,451,819	25
8720	Non-controlling interest		48,979	1	61,652	1	115,622	1	123,031	1
		$	**2,565,197**	**33**	**2,414,001**	**37**	**7,445,114**	**35**	**4,574,850**	**26**
	Basic earnings per share (Unit: NT$) (Note VI (23))	**$**		**18.33**		**16.77**		**56.90**		**39.36**
	Diluted earnings per share (Unit: NT$) (Note VI (23))	**$**		**18.29**		**16.62**		**56.53**		**39.02**

(Please read the Notes to the Consolidated Financial Statements)

Chairperson: CHU, TE-HSIANG **Manager: HO, TE-YU** **Accounting Manager: LIU, HSIN-HSIA**

Lotes Co., Ltd. and Subsidiaries

Consolidated Statement of Changes in Equity

For the Nine Months Ended September 30, 2024 and 2023

Unit: NT$ 1,000

	Equity attributable to owners of parent											
	Share capital			Retained earnings			Other equity					
	Share capital for ordinary shares	Certificates of bond-to-stock conversion	Capital reserves	Legal reserve	Special reserve	Unappropriated retained earnings	Exchange differences on translation of foreign financial statements	Unrealized gains (losses) on financial assets measured at FVTOCI	Unearned Compensation	Total equity attributable to owners of parent	Non-controlling interests	Total equity
Balance on January 1, 2023	$ 1,068,762	9,536	6,307,022	1,918,686	682,333	13,164,286	(319,295)	(19,758)	-	22,811,572	1,701,304	24,512,876
Net profit for the period	-	-	-	-	-	4,333,547	-	-	-	4,333,547	125,717	4,459,264
Other comprehensive income for the period	-	-	-	-	-	-	116,132	2,140	-	118,272	(2,686)	115,586
Total other comprehensive income for the period	-	-	-	-	-	4,333,547	116,132	2,140	-	4,451,819	123,031	4,574,850
Legal reserve appropriated	-	-	-	625,649	-	(625,649)	-	-	-	-	-	-
Reversal on special reserve	-	-	-	-	(343,303)	343,303	-	-	-	-	-	-
Cash dividends of common stock	-	-	-	-	-	(2,803,575)	-	-	-	(2,803,575)	-	(2,803,575)
Other changes in capital reserves:												
Issuance of stock options for convertible bonds	-	-	129,897	-	-	-	-	-	-	129,897	-	129,897
Changes in equity of subsidiaries, associates and joint ventures accounted for using equity method	-	-	23,029	-	-	-	-	-	-	23,029	-	23,029
Compensation expense for employee stock options	-	-	56,350	-	-	-	-	-	-	56,350	-	56,350
Cash capital increase	35,000	-	2,270,973	-	-	-	-	-	-	2,305,973	-	2,305,973
Conversion of convertible bonds	9,536	(9,536)	-	-	-	-	-	-	-	-	-	-
Changes in ownership interests in subsidiaries	-	-	-	-	-	-	-	-	(8,213)	(8,213)	(8,341)	(16,554)
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	-	(82,940)	(82,940)
Cash dividends paid by subsidiaries to non-controlling interests	-	-	-	-	-	-	-	-	-	-	(144,379)	(144,379)
Balance on September 30, 2023	$ 1,113,298	-	8,787,271	2,544,335	339,030	14,411,912	(203,163)	(17,618)	(8,213)	26,966,852	1,588,675	28,555,527
Balance on January 1, 2024	$ 1,113,298	1,423	8,896,393	2,544,335	339,030	15,669,563	(769,007)	(15,814)	(6,162)	27,773,059	1,607,943	29,381,002
Net profit for the period	-	-	-	-	-	6,368,834	-	-	-	6,368,834	88,724	6,457,558
Other comprehensive income for the period	-	-	-	-	-	33	977,178	(16,553)	-	960,658	26,898	987,556
Total other comprehensive income for the period	-	-	-	-	-	6,368,867	977,178	(16,553)	-	7,329,492	115,622	7,445,114
Legal reserve appropriated	-	-	-	559,120	-	(559,120)	-	-	-	-	-	-
Reversal on special reserve	-	-	-	-	451,954	(451,954)	-	-	-	-	-	-
Cash dividends of common stock	-	-	-	-	-	(2,898,275)	-	-	-	(2,898,275)	-	(2,898,275)
Other changes in capital reserves:												
Changes in equity of subsidiaries, associates and joint ventures accounted for using equity method	-	-	99,177	-	-	-	-	-	-	99,177	-	99,177
Conversion of convertible bonds	12,049	(1,423)	843,563	-	-	-	-	-	-	854,189	-	854,189
Changes in ownership interests in subsidiaries	-	-	-	-	-	-	-	-	3,397	3,397	3,552	6,949
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	-	364,133	364,133
Cash dividends paid by subsidiaries to non-controlling interests	-	-	-	-	-	-	-	-	-	-	(113,293)	(113,293)
Balance on September 30, 2024	$ 1,125,347	-	9,839,133	3,103,455	790,984	18,129,081	208,171	(32,367)	(2,765)	33,161,039	1,977,957	35,138,996

(Please read the Notes to the Consolidated Financial Statements)

Chairperson: CHU, TE-HSIANG **Manager: HO, TE-YU** **Accounting Manager: LIU, HSIN-HSIA**

Lotes Co., Ltd. and Subsidiaries

Consolidated Statement of Cash Flows

From January 1 to September 30, 2024 and 2023

Unit: NT$ 1,000

	Jan. to Sep. 2024	Jan. to Sep. 2023
Cash flows from (used in) operating activities:		
Net profit before tax	$ 8,258,312	5,858,778
Adjustments:		
Adjustments to reconcile profit (loss)		
Depreciation expense	1,658,974	1,780,367
Amortization expense	46,636	43,710
Expected credit loss (gain)	5,056	(10,771)
Net loss (gain) on financial assets or liabilities at FVTPL	10,133	(5,919)
Interest expense	59,290	50,073
Interest income	(404,249)	(211,347)
Dividend income	(3,520)	(4,003)
Compensation expense for share-based payment	20,675	57,968
Share of loss of subsidiaries, associates, and joint ventures accounted for using the equity method	21,460	231
Loss (gain) on disposal of property, plant and equipment	12,084	29,225
Loss on disposal (gain from price recovery) of inventory	(162,114)	105,896
Other adjustments	(71)	(607)
Total adjustments to reconcile profit (loss)	1,264,354	1,834,823
Changes in operating assets and liabilities:		
Changes in operating assets:		
Increase in notes receivable	(223,801)	(149,772)
Decrease (increase) in accounts receivable	(1,717,509)	1,005,449
Decrease in other receivables	20,613	87,915
Decrease (increase) in inventory	(458,438)	821,751
Decrease (increase) in advance payment	(80,485)	65,130
Increase in other current assets	(308)	(1,917)
Total changes in operating assets	(2,459,928)	1,828,556
Changes in operating liabilities:		
Increase (decrease) in contract liabilities	(11,118)	11,866
Increase (decrease) in notes payable	362	(1,828)
Increase (decrease) in accounts payable	859,054	(559,894)
Increase in other payables	708,269	254,998
Increase (decrease) in provisions	31,939	(116)
Increase in other current liabilities	8,908	2,616
Increase (decrease) in refund liabilities	77,951	(38,959)
Total changes in operating liabilities	1,675,365	(331,317)
Total changes in operating assets and liabilities	(784,563)	1,497,239
Total adjustments	479,791	3,332,062
Cash inflow generated from operations	8,738,103	9,190,840
Interest received	402,500	181,800
Dividends received	3,520	4,003
Interest paid	(44,053)	(40,961)
Income taxes paid	(1,426,186)	(1,576,461)
Net cash flows from operating activities	7,673,884	7,759,221

Lotes Co., Ltd. and Subsidiaries
Consolidated Statement of Cash Flows
From January 1 to September 30, 2024 and 2023

Unit: NT$ 1,000

	Jan. to Sep. 2024	Jan. to Sep. 2023
Cash flows from (used in) investing activities :		
Disposal of financial assets measured at FVTOCI	$ -	4,889
Acquisition of financial assets measured at FVTOCI	(112,500)	-
Acquisition of financial assets measured at FVTPL	(345,860)	(25,000)
Disposal of financial assets measured at FVTPL	8,035	26,417
Acquisition of investments accounted for using the equity method	(88,400)	(94,000)
Cash outflow from loss of control of subsidiaries	-	(50,631)
Acquisition of property, plant and equipment	(2,138,302)	(1,855,289)
Disposal of property, plant and equipment	22,222	50,306
Acquisition of intangible assets	(69,632)	(27,530)
Acquisition of investment property	-	(256,406)
Decrease (increase) in other non-current assets	(159,024)	49,917
Net cash flows from (used in) investing activities	(2,883,461)	(2,177,327)
Cash flows from (used in) financing activities		
Increase (decrease) in short-term loans	2,635,000	(317,432)
Repayments of long-term loans	-	(141,517)
Payments of lease liabilities	(104,857)	(218,013)
Decrease in other non-current liabilities	(841)	(347)
Cash dividends paid	(2,898,275)	(2,803,575)
Cash dividends paid to non-controlling interests	(113,293)	(144,379)
Cash capital increase	-	2,305,973
Issuance of restricted stock units	-	16,620
Retrieval of restricted stock units	(343)	-
Issuance of corporate bonds	341,862	1,079,877
Changes in non-controlling interests	304,032	(3,437)
Changes in subsidiaries, associates and joint ventures accounted for using equity method	-	(171)
Net cash flows from (used in) financing activities	163,285	(226,401)
Effect of exchange rate changes on cash and cash equivalents	518,250	125,857
Net increase (decrease) in cash and cash equivalents	5,471,958	5,481,350
Cash and cash equivalents at beginning of period	13,132,491	7,090,304
Cash and cash equivalents at end of period	$ 18,604,449	12,571,654

(Please read the Notes to the Consolidated Financial Statements)

Chairperson: CHU, TE-HSIANG　　Manager: HO, TE-YU　　Accounting Manager: LIU, HSIN-HSIA

Lotes Co., Ltd. and Subsidiaries
Notes to the Consolidated Financial Statements
For the Nine Months Ended September 30, 2024 and 2023
(All amounts are in NT$ thousands unless otherwise stated)

I. Company History

Lotes Co., Ltd. (hereinafter referred to as the “Company”) was incorporated on August 23, 1986 in accordance with the provisions of the Company Act and was approved for registration with its registered office at No.15, Wuxun Street, Anle District, Keelung City. The Company and Subsidiaries (hereinafter referred to as the “Consolidated Company”) are principally engaged in the sale and purchase of various hardware parts and components, the manufacturing and processing of various terminals and their connectors, the import and export business in connection with the preceding item and the agency of the preceding item in connection with the tender quotation and distribution of products of domestic and foreign manufacturers. Please refer to Note XIV for further details.

II. Date and Procedures of Approval of Financial Statement

The Consolidated Financial Statement was approved and released by the Board of Directors on November 11, 2024.

III. Application of New and Revised Standards and Interpretations

(1) Influence of the Adoption of New and Revised Standards and Integrations Approved by the Financial Supervisory Commission

Since January 1, 2024, the Consolidated Company has adopted the amended International Financial Report Standards, and this did not cause material impact on the consolidated financial statements:

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

(2) Effects of new and revised standards and interpretation has been approved by FSC but not yet being adopted

The Consolidated Company assesses that the application of the following newly amended IFRSs, effective January 1, 2025, will not have a significant impact on consolidated financial statements.

- Amendments to IAS 21 "Lack of Exchangeability"

Investing company	Subsidiary	Location	Shareholding % Sep. 30, 2024	Dec. 31, 2023	Sep. 30, 2023	Note

(3) New and revised standards and interpretations not yet recognized by the FSC

The following standards and interpretations, issued and amended by the International Accounting Standards Board but not yet endorsed by the FSC, may be relevant to the consolidated company:

Newly Issued or Revised Standards	Major Revisions	Effective Date Announced by the Board
IFRS 18 "Presentation and Disclosure of Financial Statements"	The new standard introduces three types of income and expenses, two subtotals in the income statement, and a single note on management performance measures (MPM). These revisions and enhancements provide a foundation for better and more consistent information segmentation in financial statements, providing users with improved insights and comparability across companies. ·More structured income statement: Under current standards, companies use different formats to present their financial performance, making it difficult for investors to compare financial performance across companies. The new standard introduces a more structured income statement, including a newly defined subtotal for "operating profit," and requires all income and expenses to be classified into three new categories according to a company's primary business activities. ·Management Performance Measures (MPM): The new standard defines management performance measures and requires companies to explain, in a single note to the financial statements, why each measure provides useful information, how it is calculated, and how it reconciles with the amounts recognized in accordance with IFRS accounting standards. ·More granular information: The new standard includes guidance on how companies should enhance the grouping of information in financial statements, including whether information should be presented in the primary financial statements or further broken down in the notes.	January 1, 2027

The consolidated company is currently evaluating the potential impact of these standards and interpretations on its financial position and operating results. Any relevant impact will be disclosed once the evaluation is complete.

Investing company	Subsidiary	Location	Shareholding % Sep. 30, 2024	Dec. 31, 2023	Sep. 30, 2023	Note

The Consolidated Company does not expect the following newly issued and amended standards, which have not yet been endorsed, to have a material impact on the consolidated financial statements.

·Amendments to IFRS 10 and IAS 28, "Disposal of or Contribution to Assets between an Investor and its Affiliate or Joint Venture".

·Amendments to IFRS 17, "Insurance Contracts" and IFRS 17

·Amendments to IFRS 17, "First-time Application of IFRS 17 and IFRS 9 Comparative Information"

·IFRS 19 "Non-Publicly Accountable Subsidiaries: Disclosure"

·Amendments to IFRS 9 and IFRS 7 "Classification and Measurement of Financial Instruments"

·Annual Improvements to IFRS Accounting Standards

IV. Summary of Major Accounting Policies

(1) Compliance statement

These 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 made effective by the Financial Supervisory Commission. These consolidated financial statements do not include all the information required to be disclosed in a complete set of annual consolidated financial statements prepared in accordance with the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) (collectively, "IFRS Accounting Standards") endorsed and made effective by the Financial Supervisory Commission.

Except as described below, the major accounting policies adopted in these consolidated financial statements are the same as those in the consolidated financial statements for the year ended 2023. For related information, please refer to Note 4 of the 2023 consolidated financial statements.

(2) Consolidation basis

1. Subsidiaries included in the consolidated financial statements

The subsidiaries included in the consolidated financial statements are:

Investing company	Subsidiary	Location	Shareholding % Sep. 30, 2024	Dec. 31, 2023	Sep. 30, 2023	Note
The Company	Lotes Investments Limited	Samoa	100.00%	100.00%	100.00%	
〃	Good Hope Investments Limited	〃	100.00%	100.00%	100.00%	

Investing company	Subsidiary	Location	Shareholding % Sep. 30, 2024	Dec. 31, 2023	Sep. 30, 2023	Note
〃	Guansi Development Co., Ltd.	〃	100.00%	100.00%	100.00%	
〃	Zhaxi Investment Co., Ltd.	Anguilla	100.00%	100.00%	100.00%	
〃	Jia You Investment Co., Ltd.	Taiwan	100.00%	100.00%	100.00%	
〃	Lotes USA, Inc	America	100.00%	100.00%	100.00%	
〃	LOTES EU GmbH	Germany	100.00%	100.00%	100.00%	
〃	Lomites Co., Ltd.	Taiwan	99.04%	99.04%	99.92%	
〃	LOTES VIET NAM COMPANY LIMITED	Vietnam	100.00%	100.00%	100.00%	
Lotes Investments Limited	Loteson International Investments Limited	Hong Kong	100.00%	100.00%	100.00%	
Loteson International Investments Limited	Lotes Guangzhou Co., Ltd.	China	100.00%	100.00%	100.00%	
Lotes Guangzhou Co., Ltd.	Lotes Hengnan Co., Ltd.	〃	100.00%	100.00%	100.00%	
〃	Shenzhen DeYi Automation Equipment Co., Ltd.	〃	100.00%	100.00%	100.00%	
〃	Lotes Zhongshan Co., Ltd.	〃	50.00%	50.00%	50.00%	
Lotes Guangzhou Co., Ltd.	Zhongshan Dezhi Metal Surface Treatment Co., Ltd.	China	100.00%	100.00%	100.00%	
〃	Hengnan Deyi Property Development Co., Ltd.	〃	100.00%	100.00%	100.00%	
〃	Zhongshan Jinmeida Metal Surface Treatment Co., Ltd.	〃	- %	- %	- %	(Note 1)
〃	Guangzhou Leside Technology Co., Ltd.	〃	100.00%	100.00%	100.00%	
〃	Zhongshan Huixing Electronics Co., Ltd.	〃	30.06%	30.06%	- %	(Note 1)
〃	Guangzhou Dezhi Technology Co., Ltd.	〃	100.00%	100.00%	100.00%	
Lotes Zhongshan Co., Ltd.	Zhongshan DeZhi Real Estate Development Co., Ltd.	〃	100.00%	100.00%	100.00%	
Guangzhou Leside Technology Co., Ltd.	Chongqing Fuxinrui Electronic Technology Co., Ltd.	〃	51.00%	51.00%	51.00%	
Zhongshan Huixing	Huili Electronic Technology (Ningbo) Co., Ltd.	〃	51.00%	51.00%	- %	

Investing company	Subsidiary	Location	Shareholding % Sep. 30, 2024	Dec. 31, 2023	Sep. 30, 2023	Note
Electronics Co., Ltd.						
Good Hope Investments Limited	Xincheng Development Co., Ltd.	Samoa	100.00%	100.00%	100.00%	
〃	REKA Technology Co., Ltd.	Hong Kong	100.00%	100.00%	100.00%	
Guansi Development Co., Ltd.	Jae You Co., Ltd.	〃	100.00%	100.00%	100.00%	
Jae You Co., Ltd.	Lotes Suzhou Co., Ltd.	China	100.00%	100.00%	100.00%	
Lotes Suzhou Co., Ltd.	Lotes Zhongshan Co., Ltd.	〃	50.00%	50.00%	50.00%	
Zhaxi Investment Co., Ltd.	Wangden Investments Limited	Hong Kong	100.00%	100.00%	100.00%	
Wangden Investments Limited	Zongka Technology (Shenzhen) Co., Ltd.	China	100.00%	100.00%	100.00%	
Jia You Investment Co., Ltd.	Ememe Robot Co., Ltd.	Taiwan	94.37%	94.37%	94.37%	
〃	Compertum Microsystems Inc.	〃	30.48%	31.78%	31.78%	(Note 1)
〃	Good News Medical Co., Ltd.	〃	27.29%	25.44%	25.44%	(Note 1)
〃	Lintes Technology Co., Ltd.	〃	48.32%	49.61%	49.61%	(Note 1)
Good News Medical Co., Ltd.	FELICITY NEWS LIMITED	BV Islands	100.00%	100.00%	- %	

Investing company	Subsidiary	Location	Shareholding % Sep. 30, 2024	Dec. 31, 2023	Sep. 30, 2023	Note
FELICITY NEWS LIMITED	Jiasimei (Guangzhou) Trading Co., Ltd.	China	100.00%	100.00%	- %	
Lintes Technology Co., Ltd.	Genie Precision Machine Co., Ltd.	Taiwan	60.00%	60.00%	60.00%	
〃	Compertum Microsystems Inc.	〃	10.16%	10.59%	10.59%	(Note 1)
〃	Jilong Co., Ltd.	Samoa	100.00%	100.00%	100.00%	
〃	LINTES TECHNOLOGY (THAILAND) CO., LTD.	Thailand	100.00%	100.00%	100.00%	
Jilong Co., Ltd.	Rihui Co., Ltd.	Samoa	100.00%	100.00%	100.00%	
Rihui Co., Ltd.	Lintes Technology (Suzhou) Co., Ltd.	China	100.00%	100.00%	100.00%	

Note 1: Although the Consolidated Company does not hold more than half of the voting shares of this company, it is included as a subsidiary in the consolidated financial statements because the Consolidated Company has control over its major operating activities and other decisions.

2. Subsidiaries not included in the consolidated financial statements: None.

(3) Standards for classifying current and non-current assets and liabilities

The consolidated company classifies an asset as current if it meets any of the following criteria. All other assets are classified as non-current:

1. Those that are expected to be realized during the normal operating period or intended to be sold or consumed.
2. Those held mainly for the purpose of transaction.
3. The asset is expected to be realized within twelve months after the reporting period; or
4. The asset is cash or cash equivalents (as defined in IAS 7), unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

The consolidated company classifies any liability as current if it meets any of the following criteria. All other liabilities are classified as non-current:

1. Those expected to be paid off during the normal operating period.
2. Those held mainly for the purpose of transaction.
3. The liability is due to be settled within twelve months after the reporting period; or
4. The entity does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

(4) Employee Benefits

The defined benefit pension plan expense for the interim period is calculated on a pro-rata basis using the actuarially determined pension cost rate as of the prior year’s reporting date, adjusted for significant market fluctuations, curtailments, settlements, or other significant one-time events that occurred after the reporting date.

(5) Income Tax

The consolidated company measures and discloses interim period income tax expenses in accordance with paragraph B12 of IAS 34 "Interim Financial Reporting."

Income tax expenses directly recognized in equity or in other comprehensive income are measured based on the temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases, using the tax rates expected to apply when the temporary differences are realized or settled.

V. Primary Sources of Major Accounting Judgment, Estimate and Assumption Uncertainties

When preparing these consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34 "Interim Financial Reporting," as endorsed by the FSC, management must make judgments, estimates, and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

The primary sources of judgment and estimation uncertainty used in applying the consolidated company's accounting policies when preparing the consolidated financial statements are consistent with those described in Note 5 of the 2023 annual consolidated financial statements.

VI. Descriptions for Important Accounting Items

Except as noted below, there are no significant differences in the descriptions of important accounting items between these consolidated financial statements and the 2023 annual consolidated financial statements. For related information, please refer to Note 6 of the 2023 annual consolidated financial statements.

(1) Cash and cash equivalents

	Sep. 30, 2024	Dec. 31, 2023	Sep. 30, 2023
Petty cash	$ 2,160	3,585	2,926
Checks and demand deposits	5,669,663	4,035,836	4,241,200
Time deposits	12,932,626	9,093,070	8,327,528
Cash and cash equivalents listed on the Statement of Cash Flows	$ 18,604,449	13,132,491	12,571,654

Disclosures of interest rate risks and sensitivity analysis on financial assets and liabilities of the Consolidated Company are seen in Note VI (27).

(2) Financial assets

1. Financial assets measured at FVTPL

	Sep. 30, 2024	Dec. 31, 2023	Sep. 30, 2023
Financial assets mandatorily measured at FVTPL:			
Current:			
Non-hedging derivative			

financial assets			
Embedded derivative instruments - redemption right	$ 450	187	196
Non-derivative financial assets			
Shares of listed ("OTC") companies	17,991	18,364	50,378
Listed (OTC) company stocks	28,426	42,233	8,387
Fund beneficiary certificates	151,540	-	-
Subtotal	198,407	60,784	58,961

	Sep. 30, 2024	**Dec. 31, 2023**	**Sep. 30, 2023**
Non-current:			
Non-hedging derivatives			
Embedded derivatives—right of redemption	$ -	2,205	800
Non-derivative financial assets			
Private equity funds	34,226	24,711	24,805
Offshore bonds	180,861	-	-
Subtotal	215,087	26,916	25,605
Total	**$ 413,494**	**87,700**	**84,566**

Please refer to Note VI (14) for the disclosure of embedded derivatives of the convertible bonds issued by the Consolidated Company.

Please refer to Note VI (27) for the amount recognized in profit or loss based on fair value remeasurement.

2. Financial assets measured at FVTOCI

	Sep. 30, 2024	**Dec. 31, 2023**	**Sep. 30, 2023**
Equity instruments measured at FVTOCI:			
Non-current:			
Domestic listed stock - Chailease Finance Co., Ltd.	$ 48,845	50,125	49,613
Domestic listed stock - Hotai Finance Co., Ltd.	28,500	28,710	28,440
Domestic unlisted (or OTC) stock—SteadyBeat Technology Corporation	1,129	1,129	2,257

Domestic unlisted (or OTC) stock—G-sau Co., Ltd	15	15	15
Domestic unlisted (or OTC) stock - AICP Technology Corporation	-	-	-
Domestic Non-Listed (Non-OTC) Company Stocks – UPBEAT TECHNOLOGY Co., Ltd.	7,350	-	-
Domestic Non-Listed (Non-OTC) Company Stocks – FENG HUANG LU INNOVATION ENTREPRENEURSHIP INVESTMENT CO., LTD.	87,751	-	-
Total	**$ 173,590**	**79,979**	**80,325**

The Consolidated Company's investments in these equity instruments are not held for trading purposes and have been designated as measured at FVTOCI.

The Consolidated Company recognized dividend income of NT$3,206 thousand and NT$2,298 thousand for the nine months ended September 30, 2024 and 2023, respectively, from investments in equity instruments measured at fair value through other comprehensive income.

On February 20, 2023, the consolidated company adjusted its investment portfolio to diversify risk due to considerations of asset allocation and sold the designated equity instruments measured at fair value through other comprehensive income of SteadyBeat Technology Corporation. The fair value at the time of disposal was NT$4,889 thousand, with an accumulated disposal loss of NT$0 thousand.

For market risk information, please refer to Note VI (27).

As of September 30, 2024, December 31, 2023, and September 30, 2023, none of the consolidated company's financial assets were pledged as collateral.

(3) Notes receivable, accounts receivable and other receivables

	Sep. 30, 2024	Dec. 31, 2023	Sep. 30, 2023
Notes receivable	$ 529,365	305,564	353,273
Accounts receivable	11,027,439	9,312,888	9,505,137
Other receivables	490,369	509,221	326,636
Provisions	(12,603)	(10,493)	(16,763)
	$ 12,034,570	10,117,180	10,168,283

For details of changes in allowance for doubtful notes receivable and accounts receivable as of September 30, 2024, December 31, 2023, and September 30, 2023, please refer to Note VI (27) 1. (3) for impairment loss explanations.

(4) Inventory

	Sep. 30, 2024	Dec. 31, 2023	Sep. 30, 2023
Merchandises	$ 721,356	602,757	585,203
Finished goods	744,466	829,978	635,008
Work in process	1,060,599	770,644	895,906
Raw materials	652,437	453,934	499,112
Goods in transit	99,007	-	-
	$ 3,277,865	2,657,313	2,615,229

As of September 30, 2024, December 31, 2023, and September 30, 2023, the consolidated company's inventory included provisions for inventory write-downs of NT$292,972 thousand, NT$445,445 thousand, and NT$483,077 thousand, respectively.

The Consolidated Company recognized inventory-related expenses (gain) as follows:

	July to Sep. 2024	July to Sep. 2023	Jan. to Sep. 2024	Jan. to Sep. 2023
Cost of goods sold	$ 3,854,753	3,388,872	10,592,892	9,540,701
Loss on disposal (gain from price recovery) of inventory	(32,552)	2,009	(162,114)	105,896
Total	**$ 3,822,201**	**3,390,881**	**10,430,778**	**9,646,597**

As of September 30, 2024, December 31, 2023, and September 30, 2023, none of the consolidated company's inventories were pledged as collateral.

(5) Investments accounted for using the equity method

The consolidated company's investments accounted for using the equity method as of the reporting date are as follows:

	Sep. 30, 2024	Dec. 31, 2023	Sep. 30, 2023
Associates	**$ 152,048**	**81,730**	**123,618**

1. Associates

On April 25, 2024, the consolidated company acquired 24.83% of the shares of AionChip Technologies Co., Ltd. for NT$88,400 thousand in cash, thereby obtaining significant influence over the company.

On July 24, 2023, the consolidated company acquired 21.01% of the shares of I-See Vision Technology, Inc. for NT$94,000 thousand in cash, thereby obtaining significant influence over the company.

The financial information of the individually immaterial associates accounted for using the equity method is summarized below. This information reflects the amounts included in the consolidated financial statements of the consolidated company:

	Sep. 30, 2024	Dec. 31, 2023	Sep. 30, 2023
Summarized carrying amount of equity in individually immaterial associates at the end of the period	**$ 152,048**	**81,730**	**123,618**

	July to Sep. 2024	July to Sep. 2023	Jan. to Sep. 2024	Jan. to Sep. 2023
Share attributable to the consolidated company:				
Net income (net loss)	$ (7,898)	876	(21,460)	(231)
Other comprehensive income	-	-	36	-
Total comprehensive income	**$ (7,898)**	**876**	**(21,424)**	**(231)**

The share of profit or loss and other comprehensive income from investments accounted for using the equity method, with the exception of I-See Vision Technology, Inc., which is based on financial statements reviewed by an auditor for the same period, are calculated based on financial statements not reviewed by an auditor.

2. Guarantee

None of the consolidated company’s investments accounted for using the equity method were pledged as collateral.

(6) Changes in ownership interests in subsidiaries

1. Disposal of part of a subsidiary's shares without losing control

In March 2023, the consolidated company disposed of 0.01% of its shares in Lintes Technology Co., Ltd. for a disposal price of NT$900 thousand.

The effect of the change in the Consolidated Company's ownership interest in the subsidiaries listed above on the equity attributable to the owners of parent is as follows:

	Jan. to Sep. 2024	Jan. to Sep. 2023
Carrying amount of the disposed shares of the subsidiary	$ -	(268)
Consideration received from non-controlling interests	-	900
Capital reserves - the difference between the actual acquisition or disposal price and the carrying amount of the subsidiary	**$ -**	**632**

2. The Consolidated Company did not subscribe to the subsidiary's cash capital increase in proportion to its shareholding, which did not result in a loss of control.

On July 31, 2024, Compertum Microsystems Inc. issued 5,690 thousand new shares in a capital increase, raising a total of NT$56,900 thousand. The consolidated company subscribed to 2,264 thousand shares, with a subscription amount of NT$22,645 thousand. As a result, the consolidated company's stake in Compertum Microsystems Inc. decreased by 0.30% because it did not subscribe in proportion to its shareholding.

On April 30, 2024, Good News Medical Co., Ltd. issued 1,000 thousand new shares in a capital increase, raising a total of NT$10,000 thousand. The consolidated company subscribed to 319 thousand shares, with a subscription amount of NT$3,192 thousand. As a result, the consolidated company increased its stake in Good News Medical Co., Ltd. by 1.85% because it did not subscribe in proportion to its shareholding.

On March 19, 2024, Lintes Technology Co., Ltd. issued 3,000 thousand new shares in a capital increase, raising a total of NT$390,000 thousand. The consolidated company subscribed to 996 thousand shares, with a subscription amount of NT$129,502 thousand. As a result, the consolidated company's stake in Lintes Technology Co., Ltd. decreased by 0.75% because it did not subscribe in proportion to its shareholding.

On January 18, 2024, Compertum Microsystems Inc. issued 460 thousand new shares in a capital increase, raising a total of NT$4,600 thousand. Because the consolidated company did not subscribe, its stake in Compertum Microsystems Inc. decreased by 1.21%.

The effect of changes in the Consolidated Company's ownership interest in the subsidiaries listed above on the equity attributable to owners of parent was as follows:

		Jan. to Sep. 2024	Jan. to Sep. 2023
Increase (decrease) in equity after issuance of new shares by subsidiaries	$	199,956	-
Amount not subscribed in proportion to shareholding		(155,339)	-
Capital reserves - recognition of changes in ownership interests in subsidiaries	$	**44,617**	-

3. The exercise of the conversion right of the unsecured convertible corporate bonds of the subsidiary did not result in a loss of control.

During the period from January 1 to September 30, 2024, Lintes Technology Co., Ltd. issued 737 thousand new shares as bondholders exercised their conversion rights, reducing the consolidated company's equity in Lintes Technology Co., Ltd. by 0.54%.

During the period from January 1 to September 30, 2023, Lintes Technology Co., Ltd. issued 418 thousand new shares as bondholders exercised their conversion rights, reducing the consolidated company's equity in Lintes Technology Co., Ltd. by 0.33%.

The changes in ownership interests in the above subsidiary resulted in an increase in equity attributable to the parent company owners by NT$51,218 thousand and NT$15,120 thousand for the nine months ended September 30, 2024 and 2023, respectively.

4. Issuance of Restricted Employee Shares by Subsidiaries Without Loss of Control

The subsidiary, Lintes Technology Co., Ltd., issued 358 thousand restricted employee shares on August 25, 2023, resulting in a 0.29% decrease in the Consolidated Company's equity in Lintes Technology Co., Ltd.

For the period from January 1 to September 30, 2023, the change in ownership interests in the above subsidiary increased equity attributable to the Parent Company's shareholders by NT$7,277 thousand.

(7) Subsidiaries with significant non-controlling interests

The non-controlling interests of subsidiaries that are material to the Consolidated Company are as follows:

Name of subsidiary	Principal place of business/country of incorporation	The percentage of ownership interests and voting interests in all non-controlling interests		
		Sep. 30, 2024	Dec. 31, 2023	Sep. 30, 2023
Lintes Technology Co., Ltd.	Taiwan	51.68%	50.39%	50.39%

The aggregate financial information of the above subsidiaries is as follows. The financial information has been prepared in accordance with International Financial Reporting

Standards (IFRSs) approved by the Financial Supervisory Commission (FSC), and the financial information represents amounts before the elimination of intercompany transactions:

1. Comprehensive financial information of Lintes Technology Co., Ltd.:

	Sep. 30, 2024	Dec. 31, 2023	Sep. 30, 2023
Current assets	$ 3,246,851	2,528,937	2,495,182
Non-current assets	1,379,047	1,246,610	1,206,393
Current liabilities	(547,514)	(584,325)	(561,513)
Non-current liabilities	(425,734)	(179,677)	(184,772)
Less: Non-controlling interests	85,611	119,813	133,562
Equity attributable to owners of Lintes Technology Co., Ltd.	**$ 3,567,039**	**2,891,732**	**2,821,728**
Closing balance of non-controlling interests attributable to the Consolidated Company	**$ 1,843,403**	**1,457,195**	**1,421,946**

	July to Sep. 2024	July to Sep. 2023	Jan. to Sep. 2024	Jan. to Sep. 2023
Operating revenue	$ 580,566	622,387	1,695,168	1,875,377
Net profit (loss)				
Attributable to owners of Lintes Technology Co., Ltd.	$ 89,316	140,937	291,736	329,509
Attributable to non-controlling interests of Lintes Technology Co., Ltd.	$ (16,073)	(6,784)	(34,202)	(7,401)
Other comprehensive income				
Attributable to owners of Lintes Technology Co., Ltd.	$ 44,249	7,469	51,325	(5,421)
Total of comprehensive income				
Attributable to owners of Lintes Technology Co., Ltd.	$ 133,565	148,406	343,061	324,088
Attributable to non-controlling interests of Lintes Technology Co., Ltd.	$ (16,073)	(6,784)	(34,202)	(7,401)
Net income of the Consolidated Company for the period attributable to non-controlling interests	$ 46,158	70,874	149,138	165,104
Comprehensive income of the Consolidated Company for the period attributable to non-controlling interests	$ 69,027	74,616	175,876	162,409

	Jan. to Sep. 2024	Jan. to Sep. 2023
Cash flows from operating activities	$ 433,223	692,394
Cash flows from investing activities	(329,369)	(218,787)
Cash flows from financing activities	528,636	(398,710)
Effect of exchange rate changes	32,033	(2,448)
Increase (decrease) in cash and cash equivalents	$ 664,523	72,449
Dividends paid to non-controlling interests	$ 113,293	139,489

(8) Property, plant and equipment

The changes in the costs of the property, plant and equipment, losses on depreciation and impairment of the Consolidated Company are as follows:

	Land	Buildings	Machinery equipment	Other	Outstanding work and equipment to be inspected	Total
Cost or deemed cost:						
Balance on January 1, 2024	$ 836,910	3,515,936	4,748,536	7,044,242	884,390	17,030,014
Addition	-	50,707	82,337	224,323	1,780,935	2,138,302
Prepayment for equipment transferred in	-	-	49,209	(4,184)	(4,543)	40,482
Completion of construction in progress and acceptance of equipment to be examined	-	36,106	403,597	1,032,090	(1,471,793)	-
Disposal	-	(3,811)	(45,496)	(191,680)	(56)	(241,043)
Transferred to intangible assets	-	-	-	-	(747)	(747)
Others	-	-	(65,958)	65,958	-	-
Effect of change in exchange rate	11,011	172,493	216,183	300,147	59,166	759,000
Balance on September 30, 2024	**$ 847,921**	**3,771,431**	**5,388,408**	**8,470,896**	**1,247,352**	**19,726,008**

	Land	Buildings	Machinery equipment	Other	Outstanding work and equipment to be inspected	Total
Balance on January 1, 2023	$ 767,108	2,523,944	4,086,610	6,264,473	1,375,401	15,017,536
Addition	-	191,030	578,809	161,784	923,666	1,855,289
Prepayment for equipment transferred in	-	-	14,524	8,013	213,233	235,770
Completion of construction in progress and acceptance of equipment to be examined	109,463	748,207	74,019	641,287	(1,572,976)	-
Reclassification to investment property	(1,276)	(4,121)	-	-	-	(5,397)
Disposal	-	-	(118,532)	(216,066)	-	(334,598)
Loss of control of subsidiary	(38,442)	(15,770)	(27,679)	(19,597)	-	(101,488)
Effect of change in exchange rate	(1,193)	8,055	12,268	10,110	(3,282)	25,958
Balance on September 30, 2023	$ 835,660	3,451,345	4,620,019	6,850,004	936,042	16,693,070
Losses on depreciation and impairment:						
Balance on January 1, 2024	$ -	592,886	2,196,502	5,110,712	-	7,900,100
Depreciation in the year	-	120,711	320,485	1,089,016	-	1,530,212
Disposal	-	(70)	(44,773)	(161,894)	-	(206,737)
Others	-	-	(5,286)	5,286	-	-
Effect of change in exchange rate	-	27,124	85,767	211,937	-	324,828
Balance on September 30, 2024	$ -	740,651	2,552,695	6,255,057	-	9,548,403
Balance on January 1, 2023	$ -	459,743	1,953,192	3,732,721	-	6,145,656
Depreciation in the year	-	106,528	264,647	1,283,799	-	1,654,974
Reclassification to investment property	-	(593)	-	-	-	(593)
Disposal	-	-	(80,899)	(174,168)	-	(255,067)
Loss of control of	-	(387)	(1,203)	(6,846)	-	(8,436)

	Land	Buildings	Machinery equipment	Other	Outstanding work and equipment to be inspected	Total
subsidiary						
Effect of change in exchange rate	-	1,320	14,874	9,419	-	25,613
Balance on September 30, 2023	$ -	566,611	2,150,611	4,844,925	-	7,562,147
Book value:						
January 1, 2024	$ 836,910	2,923,050	2,552,034	1,933,530	884,390	9,129,914
September 30, 2024	$ 847,921	3,030,780	2,835,713	2,215,839	1,247,352	10,177,605
January 1, 2023	$ 767,108	2,064,201	2,133,418	2,531,752	1,375,401	8,871,880
September 30, 2023	$ 835,660	2,884,734	2,469,408	2,005,079	936,042	9,130,923

For details of property, plant, and equipment pledged as collateral for borrowings and credit facilities as of September 30, 2024, December 31, 2023, and September 30, 2023, please refer to Note VIII.

(9) Right-of-use assets

The changes in the cost and depreciation of the right-of-use assets recognized by the consolidated company for leasing land, buildings, and other equipment are as follows:

		Land	Buildings	Other equipment	Total
Cost of right-of-use assets:					
Balance on January 1, 2024	$	739,775	840,110	13,566	1,593,451
Addition		-	33,474	6,209	39,683
Decrease		-	(45,280)	(5,288)	(50,568)
Effect of change in exchange rate		49,987	36,438	317	86,742
Balance on September 30, 2024	**$**	**789,762**	**864,742**	**14,804**	**1,669,308**
Balance on January 1, 2023	$	666,442	604,356	12,816	1,283,614
Addition		114,611	315,438	3,582	433,631
Decrease		-	(139,936)	(2,741)	(142,677)
Effect of change in exchange rate		434	1,662	12	2,108
Balance on September 30, 2023	**$**	**781,487**	**781,520**	**13,669**	**1,576,676**
Depreciation of right-of-use assets:					
Balance on January 1, 2024	$	50,299	260,194	4,245	314,738
Depreciation for the period		13,420	108,130	3,425	124,975
Decrease		-	(44,165)	(3,353)	(47,518)
Effect of change in exchange rate		4,110	12,173	145	16,428
Balance on September 30, 2024	**$**	**67,829**	**336,332**	**4,462**	**408,623**
Balance on January 1, 2023	$	37,066	260,333	3,344	300,743
Depreciation for the period		10,764	108,101	3,064	121,929
Decrease		-	(132,803)	(2,741)	(135,544)
Effect of change in exchange rate		65	219	6	290
Balance on September 30, 2023	**$**	**47,895**	**235,850**	**3,673**	**287,418**
Book value:					
September 30, 2024	**$**	**721,933**	**528,410**	**10,342**	**1,260,685**
September 30, 2023	**$**	**733,592**	**545,670**	**9,996**	**1,289,258**

(10) Investment property

The changes in the investment property of the Consolidated Company are as follows:

	Self-owned assets		Right-of-use assets	
	Land	Buildings	Land	Total
Cost or deemed cost:				
Balance on January 1, 2024	$ 43,622	26,831	289,528	359,981
Effect of change in exchange rate	-	-	13,115	13,115
Balance on September 30, 2024	**$ 43,622**	**26,831**	**302,643**	**373,096**
Balance on January 1, 2023	$ 42,346	22,710	37,731	102,787
Acquisition and addition	-	-	256,406	256,406
Transferred from property, plant, and equipment	1,276	4,121	-	5,397
Effect of change in exchange rate	-	-	1,279	1,279
Balance on September 30, 2023	**$ 43,622**	**26,831**	**295,416**	**365,869**
Losses on depreciation and impairment:				
Balance on January 1, 2024	$ -	4,272	10,712	14,984
Depreciation	-	663	3,124	3,787
Effect of change in exchange rate	-	-	542	542
Balance on September 30, 2024	**$ -**	**4,935**	**14,378**	**19,313**
Balance on January 1, 2023	$ -	2,832	2,138	4,970
Depreciation	-	627	2,837	3,464
Reclassified to property, plant, and equipment	-	593	-	593
Effect of change in exchange rate	-	-	16	16
Balance on September 30, 2023	**$ -**	**4,052**	**4,991**	**9,043**
Book value:				
January 1, 2024	**$ 43,622**	**22,559**	**278,816**	**344,997**
September 30, 2024	**$ 43,622**	**21,896**	**288,265**	**353,783**
January 1, 2023	**$ 42,346**	**19,878**	**35,593**	**97,817**
September 30, 2023	**$ 43,622**	**22,779**	**290,425**	**356,826**
Fair value:				
January 1, 2024				**$ 410,733**
September 30, 2024				**$ 426,077**
January 1, 2023				**$ 162,684**
September 30, 2023				**$ 425,882**

As of September 30, 2024, December 31, 2023, and September 30, 2023, none of the consolidated company's investment properties were pledged as collateral.

(11) Intangible assets

The changes in the cost and amortization of the intangible assets of the Consolidated Company are as follows:

	Computer Software	Other	Total
Cost:			
Balance on January 1, 2024	$ 329,274	8,222	337,496
Acquired separately	69,632	-	69,632
Transferred from equipment pending inspection	747	-	747
Derecognition	(9,047)	-	(9,047)
Effect of change in exchange rate	10,941	222	11,163
Balance on September 30, 2024	$ 401,547	8,444	409,991
Balance on January 1, 2023	$ 322,973	600	323,573
Acquired separately	27,530	-	27,530
Derecognition	(15,354)	-	(15,354)
Loss of control over a subsidiary	(3,421)	-	(3,421)
Effect of change in exchange rate	318	-	318
Balance on September 30, 2023	$ 332,046	600	332,646
Losses on amortization and impairment:			
Balance on January 1, 2024	$ 179,783	7,600	187,383
Amortization for the period	46,634	2	46,636
Derecognition	(9,047)	-	(9,047)
Effect of change in exchange rate	3,901	221	4,122
Balance on September 30, 2024	$ 221,271	7,823	229,094
Balance on January 1, 2023	$ 141,504	-	141,504
Amortization for the period	43,710	-	43,710
Derecognition	(15,354)	-	(15,354)
Loss of control over a subsidiary	(1,485)	-	(1,485)
Effect of change in exchange rate	126	-	126
Balance on September 30, 2023	$ 168,501	-	168,501
Book value:			
January 1, 2024	$ 149,491	622	150,113
September 30, 2024	$ 180,276	621	180,897
January 1, 2023	$ 181,469	600	182,069
September 30, 2023	$ 163,545	600	164,145

(12) Short-term loans

The details, conditions and terms of the short-term loans of the Consolidated Company are as follows:

	Sep. 30, 2024			
	Currency	**Interest rate range**	**Maturity**	**Amount**
Bank loans - credit loans	NTD	1.85%~2.22%	2025	$ 4,215,000
Remaining credit				$ 3,623,903

	Dec. 31, 2023			
	Currency	**Interest rate range**	**Maturity**	**Amount**
Bank loans - credit loans	NTD	1.80%~1.90%	2024	$ 1,580,000
Remaining credit				$ 3,403,056

	Sep. 30, 2023			
	Currency	**Interest rate range**	**Maturity**	**Amount**
Bank loans - credit loans	NTD	1.88%~1.90%	2023-2024	$ 1,580,000
Remaining credit				$ 3,670,716

For information on the Consolidated Company’s exposure to interest rate and foreign currency risks, please refer to Note VI(27). Additionally, details regarding pledged assets as collateral for bank borrowings are provided in Note VIII, and information on the issuance of promissory notes due to bank loans and financing facilities is disclosed in Note IX.

(13) Long-term loans

The breakdown of the Consolidated Company's long-term loans is as follows:

	Sep. 30, 2024	**Dec. 31, 2023**	**Sep. 30, 2023**
Bank loans—guaranteed loans (The expiry date is May 2037)	$ -	-	24,113
Less: portion due within one year	-	-	1,664
Total	$ -	-	22,449
Remaining credit	$ -	-	-
Interest rate range	-	-	1.91%~2.04%

For details of the guarantees provided by the Consolidated Company for bank loans using assets pledged as collateral, please refer to Note VIII.

(14) Bonds payable

Information on the issuance of unsecured convertible bonds by the Consolidated Company is as follows:

	Sep. 30, 2024	Dec. 31, 2023	Sep. 30, 2023
Total amount of convertible bonds issued	$ 1,600,000	1,300,000	1,300,000
Accumulated converted amount	(1,300,000)	(333,200)	(214,600)
Unamortized balance of discount on bonds payable	(12,722)	(32,645)	(41,150)
Bonds payable at the end of the period	**$ 287,278**	**934,155**	**1,044,250**
Embedded derivative - right of redemption(reported as financial assets measured at FVTPL)	**$ 450**	**2,392**	**996**
Equity components - conversion rights (reported in capital reserves - stock options)	**$ -**	**114,556**	**129,897**
Equity component - Conversion rights (listed under the changes in the net value of the subsidiary's equity recognized using the equity method and non-controlling interests)	**$ 59,063**	**16,078**	**16,173**

	July to Sep. 2024	July to Sep. 2023	Jan. to Sep. 2024	Jan. to Sep. 2023
Right of redemption valuation benefit (loss) (reported in other gains and losses)	**$ (322)**	**(331)**	**(44)**	**(224)**
Interest expense	**$ 1,515**	**4,246**	**10,647**	**9,825**

1. The Company's second domestic unsecured convertible corporate bonds.

(1) Issuance details

On March 9, 2023, the Company issued 10,000 domestic second three-year unsecured convertible bonds with a coupon rate of 0%, which are repayable in cash at par on maturity.

The conversion price was set at NT$862.1 per share at the time of issuance. In the event of an adjustment to the conversion price due to changes in the company’s ordinary shares in accordance with the issuance terms, the conversion price is adjusted based on the formula specified in the issuance terms. The conversion prices as of September 30, 2024, December 31, 2023, and September 30, 2023, were NT$829.9, NT$829.9, and NT$829.9, respectively. This bond does not have a reset clause.

The Company redeems the outstanding bonds at par value in cash if one of the following conditions is met:

A. The closing price of the Company's common stock on the Taiwan Stock Exchange exceeds the conversion price of the bonds by 30% or more for 30 consecutive business days from the day after the third month of the issuance of the bonds to the 40th day prior to the expiration of the issuance period.

B. If the closing price of the Company's common stock on the Taiwan Stock Exchange exceeds the conversion price of the bonds by 30% or more for 30 consecutive business days from the day after the third month of the issuance of the bonds to the 40th day prior to the expiration of the issuance period.

(2) Conversion details

During the periods from January 1 to September 30, 2024, and 2023, bondholders requested the conversion of 8,819 bonds and 0 bonds, respectively, from the company's second domestic issuance of three-year unsecured convertible corporate bonds, with a total book value of NT$856,386 thousand and NT$0 thousand at the time of conversion. The net change in capital surplus due to bond conversion amounted to NT$843,563 thousand and NT$0 thousand for the respective periods, while the increase in share capital due to bond conversion was NT$10,626 thousand and NT$0 thousand, respectively. For details of the share capital conversion, please refer to Note VI (21).

The Company's second domestic three-year unsecured corporate bonds were fully converted into common shares as of July 23, 2024.

2. The first domestic unsecured convertible corporate bonds of the subsidiary, Lintes Technology Co., Ltd.

(1) Issuance details

The subsidiary, Lintes Technology Co., Ltd., issued 3,000 domestic first unsecured convertible corporate bonds with a coupon rate of 0% on January 19, 2022. These bonds are due for a one-time cash repayment at maturity according to the bond par value.

The conversion price was set at NT$123.4 per share at the time of issuance. In the event of an adjustment to the conversion price due to changes in Lintes Technology Co., Ltd.'s ordinary shares in accordance with the issuance terms, the conversion price is adjusted based on the formula specified in the issuance terms. The conversion prices as of September 30, 2024, December 31, 2023, and September 30, 2023, were NT$114.8, NT$116.4, and NT$116.4, respectively. This bond does not have a reset clause.

If any of the following conditions regarding the redemption rights are met, the subsidiary, Lintes Technology Co., Ltd., will recover the outstanding bonds in cash at face value:

A. >From the day after three months after the issuance of the bond until forty days before the end of the issuance period, if the closing price of the common shares of the subsidiary, Lintes Technology Co., Ltd., on the Taiwan Stock Exchange, exceeds the current conversion price of the bond by 30% (inclusive) or more for thirty consecutive business days.

B. >From the day after three months after the issuance of the bond until forty days before the end of the issuance period, if the outstanding balance of the bond is less than 10% of the original total issuance amount.

(2) Conversion details

As of September 30, 2024, December 31, 2023, and September 30, 2023, bondholders of Lintes Technology Co., Ltd.'s first domestic issuance of three-year unsecured convertible corporate bonds had exercised their conversion rights, converting into 2,526 thousand shares, 422 thousand shares, and 418 thousand shares of ordinary stock, respectively.

The subsidiary, Lintes Technology Co., Ltd., fully converted its convertible bonds into common shares as of July 12, 2024.

3. The second domestic unsecured convertible corporate bonds of the subsidiary, Lintes Technology Co., Ltd.

(1) Issuance details

The subsidiary, Lintes Technology Co., Ltd., issued 3,000 domestic second unsecured convertible corporate bonds with a coupon rate of 0% on January 18, 2024. These bonds are due for a one-time cash repayment at maturity according to the bond par value.

The conversion price was set at NT$168 per share at the time of issuance. In the event of an adjustment to the conversion price due to changes in Lintes Technology Co., Ltd.'s ordinary shares in accordance with the issuance terms, the conversion price is adjusted based on the formula specified in the issuance terms. The conversion price as of June 30, 2024, was NT$162.9.

If any of the following conditions regarding the redemption rights are met, the subsidiary, Lintes Technology Co., Ltd., will recover the outstanding bonds in cash at face value:

A. >From the day after three months after the issuance of the bond until forty days before the end of the issuance period, if the closing price of the common shares of the subsidiary, Lintes Technology Co., Ltd., on the Taiwan Stock Exchange, exceeds the current conversion price of the bond by 30% (inclusive) or more for thirty consecutive business days.

B. >From the day after three months after the issuance of the bond until forty days before the end of the issuance period, if the outstanding balance of the bond is less than 10% of the original total issuance amount.

(15) Lease liabilities

The book values of the lease liabilities of the Consolidated Company are as follows:

	Sep. 30, 2024	Dec. 31, 2023	Sep. 30, 2023
Current	$ 136,161	129,085	126,838
Non-current	$ 437,887	487,452	453,207

For the maturity analysis, please refer to Note VI (27).

The amounts recognized in profit or loss are as follows:

	July to Sep. 2024	July to Sep. 2023	Jan. to Sep. 2024	Jan. to Sep. 023
Interest expense for lease liabilities	$ 8,473	8,354	25,722	25,068
Changes in lease payments not included in the measurement of lease	$ 2,201	2,807	5,843	8,472

liabilities					
Income from the sublease of right-of-use assets	**$**	**11,211**	**9,231**	**28,210**	**23,312**
Expenses for short-term leases	**$**	**1,084**	**1,209**	**4,425**	**5,862**
Cost of low-value leased assets (excluding low-value leases under short-term leases)	**$**	**94**	**109**	**306**	**245**

The amounts recognized in the Statement of Cash Flows are as follows:

		Jan. to Sep. 2024	Jan. to Sep. 2023
Total cash outflow from leases	$	141,153	257,660

1. Lease of land, premises and buildings

The Consolidated Company leases land, premises and buildings for plant, office space and staff quarters. The lease term of the plant and office space is usually one to ten years, and the lease term of the staff quarters is three to eight years. Part of the lease includes an option to extend the lease at the end of the lease term. In cases where it is not reasonably determined to exercise an optional extension of lease term, the relevant benefits for the period covered by the option are not included in the lease liabilities.

The Consolidated Company is a sublease of right-of-use assets by business lease.

2. Other leases

The leasing period of machines and other equipment leased by the Consolidated Company shall be two to six years. In addition, the lease term of some lease contracts of the Consolidated Company is one year, and these leases are short-term subject leases. The Consolidated Company chooses to apply for the exemption of relevant right-of-use assets and lease liabilities.

(16) Refund liabilities - current

		Sep. 30, 2024	Dec. 31, 2023	Sep. 30, 2023
Refund liabilities - current	$	498,133	420,182	345,085

The refund liabilities are mainly the prepayments to customers for the sales discount and defects of electronic components.

(17) Provision for liabilities

		Sep. 30, 2024	Dec. 31, 2023	Sep. 30, 2023
Provision for liabilities - non-current				
Employee benefits	$	43,234	43,534	41,294
Decommissioning restoration		34,285	-	-
Total	$	77,519	43,534	41,294

Employee benefits are estimated under the Consolidated Company’s defined benefit plan. Please refer to Note VI (19).

(18) Operating lease

The Consolidated Company leases its investment real estate, which is classified as an operating lease because almost all risks and rewards belonging to the ownership of the underlying asset have not been transferred. Please refer to Note VI (10) for details of the investment in real estate.

The maturity analysis of lease payments is presented in the following table for the total undiscounted lease payments to be received after the reporting date:

	Sep. 30, 2024	Dec. 31, 2023	Sep. 30, 2023
Not more than 1 year	$ 1,689	484	548
1-2 years	900	130	-
2-3 years	300	-	-
Total undiscounted lease payment	**$ 2,889**	**614**	**548**

For the three months ended September 30, 2024 and 2023, and for the nine months ended September 30, 2024 and 2023, the rental income generated from investment properties amounted to NT$299 thousand, NT$152 thousand, NT$825 thousand, and NT$394 thousand, respectively. The direct operating expenses (including repairs) incurred by the investment properties that generated rental income during these periods were NT$188 thousand, NT$254 thousand, NT$566 thousand, and NT$435 thousand, respectively.

(19) Employee benefits

1. Defined benefit plans

Since there were no significant market fluctuations, curtailments, settlements, or other significant one-time events after the reporting date of the previous financial year, the consolidated company used the pension cost determined by actuarial valuation as of December 31, 2023, and 2022, to measure and disclose pension costs for the interim period.

The consolidated company recognized expenses in profit or loss for the periods from July 1 to September 30, 2024 and 2023, and from January 1 to September 30, 2024 and 2023, of NT$203 thousand, NT$250 thousand, NT$608 thousand, and NT$749 thousand, respectively.

2. Defined contribution plan

As to the defined contribution plan, the Consolidated Company shall contribute the retirement funds of employees to the individual accounts for labor retirement funds of the Bureau of Labor Insurance according to 6% of the monthly salaries of labors under the provisions of Labor Pension Act. Under this plan, after contributing fixed amount to the Bureau of Labor Insurance, the Consolidated Company will not assume the legal or constructive obligations of paying extra amount.

For the periods from July 1 to September 30, 2024 and 2023, and from January 1 to September 30, 2024 and 2023, the pension expenses under the defined contribution plan were NT$4,337 thousand, NT$4,236 thousand, NT$13,025 thousand, and NT$13,160 thousand, respectively, and were contributed to the Bureau of Labor Insurance.

In accordance with the pension insurance system established by the government of the People’s Republic of China, the subsidiaries in Mainland China make monthly contributions to employees’ pension insurance based on a certain percentage of their salaries and wages. The monthly pension plan is administered and arranged by the government, and the above-mentioned company has no further obligation other than to make monthly contributions. For the periods from July 1 to September 30, 2024 and 2023, and from January 1 to September 30, 2024 and 2023, the related pension expenses were NT$108,809 thousand, NT$86,759 thousand, NT$304,077 thousand, and NT$247,715 thousand, respectively.

(20) Income tax

1. The details of the income tax expense of the Consolidated Company are as follows:

	July to Sep. 2024	July to Sep. 2023	Jan. to Sep. 2024	Jan. to Sep. 2023
Income tax expense for the period				
Current income tax	$ 606,074	474,703	1,683,790	1,164,469
Tax on unappropriated retained earnings	-	-	90,621	174,485
Prior period current income tax adjustment	(6,406)	66	(27,661)	11,614
	599,668	474,769	1,746,750	1,350,568
Deferred income tax expense				
Other deferred income tax expense (benefit)	$ (66,501)	(3,363)	54,004	48,946
Income tax expense	**$ 533,167**	**471,406**	**1,800,754**	**1,399,514**

A breakdown of the Consolidated Company's income tax expense (benefit) recognized under other comprehensive income is as follows:

	July to Sep. 2024	July to Sep. 2023	Jan. to Sep. 2024	Jan. to Sep. 2023
Components of other comprehensive income that will be reclassified to profit or loss:				
Exchange differences on translation	**$ 11,851**	**2,389**	**13,961**	**(1,137)**

2. Income tax assessment

The profit-seeking enterprise income tax returns for the company and its domestic subsidiaries, Jiayou Investment Co., Ltd., Ememe Robot Co., Ltd., Compertum Microsystems Inc., Good News Medical Co., Ltd., Lomites Co., Ltd., Lintes Technology Co., Ltd., and Genie Precision Machine Co., Ltd., have been assessed and approved by the tax authorities up to the 2022 fiscal year.

3. Global minimum tax

The consolidated company recognizes supplementary taxes as current income taxes when incurred, while deferred income taxes related to supplementary taxes are subject to a temporary mandatory exemption.

Germany and Vietnam, where the consolidated company operates, have enacted new tax laws implementing the global minimum tax. Under the Pillar Two Global Minimum Tax regime, the consolidated company assessed that its subsidiary operating in Hong Kong, with a local effective tax rate of 0%, is expected to be subject to supplementary taxes under the global minimum tax regime. A preliminary assessment indicates that other tax jurisdictions, aside from Hong Kong, are expected to pass the global minimum tax safe harbor test and will not be subject to supplementary taxes. However, as of September 30, 2024, the consolidated company has not obtained sufficient information to quantify the impact of the global minimum tax and identify the taxpayers affected.

(21) Capital and other equity

As of September 30, 2024, December 31, 2023, and September 30, 2023, the Company's authorized capital was NT$1,550,000 thousand, with a par value of NT$10 per share. The actual issued capital was NT$1,125,347 thousand, NT$1,113,298 thousand, and NT$1,113,298 thousand, respectively.

The Company issued 1,063 thousand new shares upon the exercise of conversion rights by holders of convertible bonds during the period from January 1 to September 30, 2024. The new shares were issued based on the record date of August 9, 2024, as approved by the Board of Directors on August 9, 2024, and the statutory registration process was completed on August 30, 2024.

In 2023, the Company issued 142 thousand new shares due to the conversion of convertible bonds by bondholders. As the statutory registration procedures for the issuance of these shares had not been completed, NT$1,423 thousand was recorded as bond conversion entitlement certificates, and the statutory registration procedures were completed in April 2024.

On November 10 and December 15, 2022, the board of directors resolved to issue 3,500 thousand new shares through a cash capital increase, with a par value of NT$10 per share and an issue price of NT$660 per share. The record date for the capital increase was set for April 7, 2023. This capital increase was approved by the Financial Supervisory Commission and the statutory registration procedures were completed on April 25, 2023.

1. Capital reserves

The components of the Company's capital reserve are as follows:

	Sep. 30, 2024	Dec. 31, 2023	Sep. 30, 2023
Premium of issued shares	$ 6,951,216	6,951,216	6,954,879
Convertible bond conversion premium	2,225,010	1,266,891	1,139,407

Treasury stock transactions	423	423	423
Change in the net value of the stock of subsidiaries and associates accounted for using the equity method	621,349	522,172	521,152
Employee stock options	40,330	40,330	40,330
Convertible bond stock options	-	114,556	129,897
Expired stock options	805	805	1,183
	$ 9,839,133	**8,896,393**	**8,787,271**

In accordance with the Companies Act, capital reserves are required to cover losses first before new shares or cash can be issued in proportion to the shareholders' original shares. Realized capital reserves referred to in the preceding paragraph include premiums from the issuance of shares in excess of par value and proceeds from gifts received. In accordance with the Regulations Governing the Issuer's Offerings and Issuance of Marketable Securities, the aggregate amount of capital reserves that may be capitalized each year shall not exceed 10% of the paid-in capital.

2. Retained earnings

In accordance with the Company's Articles of Incorporation, the Company shall, after the final settlement of each year's earnings, first complete tax contributions, make up for prior years' deficits and set aside 10% as legal reserve, except when the legal reserve has reached the level of total capital; the Company is required by law to set aside or reverse special reserve. In the case of unappropriated retained earnings for the same period, the Board of Directors shall propose a proposal for the distribution of earnings to the shareholders for resolution, and the dividend to be distributed shall not be less than 20% of the net profit for the year after taxation, after deducting the net income provided for by law.

The Company will take into account the environment and growth of the Company and the distribution of earnings should take into account the Company's future capital expenditure budget and capital requirements and pay cash dividends of not less than 10% of the dividends distributed in the current year.

(1) Legal reserve

If the Company has no deficit, it may, by resolution of the shareholders in general meeting, issue new shares or cash out of the legal reserve to the extent that such reserve exceeds 25% of the paid-in capital.

(2) Special reserve

When the Company distributes the distributable profit, the net decrease in other equity items occurring in the year is added to the undistributed profit of the current period along with other items beyond the net profit after tax. A special reserve is set aside from the undistributed profit of the previous period. For accumulated decrease in other equity items of previous periods, an equal amount of special reserve shall be set aside from the undistributed profit of previous periods and cannot be distributed. When there is a reversal of other decreases in equity, profits can be distributed for the reversed part.

(3) Earnings distribution

At the shareholders' meetings held on June 13, 2024, and June 16, 2023, the distribution of earnings for 2023 and 2022 was resolved, with dividends distributed to the owners as follows:

	2023		2022	
	Payout ratio (NT$)	**Amount**	**Payout ratio (NT$)**	**Amount**
Distributed to the holders of ordinary shares:				
Cash	$ 26.00	**2,898,275**	25.18	**2,803,575**

Information on the distribution of earnings as proposed by the Board of Directors and resolved by the Shareholders’ Meeting is available on the “Market Observation Post System (MOPS)”.

3. Other equity

		Exchange differences on translation of foreign operations	Unrealized gain (loss) on financial assets measured at FVTOCI	Unearned compensation	Total
Balance on January 1, 2024	$	(769,007)	(15,814)	(6,162)	(790,983)
Exchange differences arising from the translation of the net assets of foreign operations		977,178	-	-	977,178
Unrealized losses from financial assets measured at FVTOCI		-	(16,553)	-	(16,553)
Changes in ownership interests in subsidiaries		-	-	3,397	3,397
Balance on September 30, 2024	**$**	**208,171**	**(32,367)**	**(2,765)**	**173,039**
Balance on January 1, 2023	$	(319,295)	(19,758)	-	(339,053)
Exchange differences arising from the translation of the net assets of foreign operations		116,132	-	-	116,132
Unrealized gains from financial assets measured at FVTOCI		-	2,140	-	2,140
Changes in ownership interests in subsidiaries		-	-	(8,213)	(8,213)
Balance on September 30, 2023	**$**	**(203,163)**	**(17,618)**	**(8,213)**	**(228,994)**

(22) Share-based payment

The Consolidated Company has the following share-based payment transactions:

	Cash capital increase reserved for employee stock options		Restricted stock units
	Lintes Technology	**The Company**	**Lintes Technology**
Date of grant	2024.03.19	2023.03.08	2023.08.25
Number of grants	263 thousand shares	350 thousand shares	358 thousand shares
Granted to	Current employees of the subsidiary	Current employees of the Consolidated Company	
Vesting conditions	Immediate vesting	Immediate vesting	Employees must remain employed and meet the company's individual performance evaluation criteria or company operating goals for 6, 18, or 30 months from the grant date.
Fair value at the date of grant	$181.34	$161.00	$69.61

1. Employee subscription reserved for cash capital increase

The Company recognized NT$56,350 thousand in employee compensation costs related to share-based payments for shares reserved for employee subscription in the cash capital increase for the period from January 1 to September 30, 2023.

The subsidiary Lintes Technology Co., Ltd. recognized NT$13,508 thousand in employee compensation costs related to share-based payments for shares reserved for employee subscription in the cash capital increase for the period from January 1 to September 30, 2024.

2. Restricted stock units

At the shareholders' meeting on June 15, 2023, the subsidiary Lintes Technology Co., Ltd. resolved to issue 358 thousand restricted stock units with a record date of August 25, 2023 (grant date). The shares granted to employees are subject to certain restrictions until vesting, including prohibitions on the sale, pledge, transfer, donation, or any other disposal of the restricted stock units. Other rights, such as the right to receive dividends, legal reserves, capital surplus, and subscription rights in a cash capital increase, are the same as those of ordinary shares issued by the Company.

If the employee does not meet the vesting conditions, the subsidiary Lintes Technology Co., Ltd. will fully recover or repurchase the restricted stock units and cancel them.

For the periods from July 1 to September 30, 2024, and January 1 to September 30, 2024, the compensation costs recognized due to the recovery and cancellation of restricted stock units amounted to NT$1,870 thousand, NT$1,618 thousand, NT$7,167 thousand, and NT$1,618 thousand, respectively.

(23) Earnings per share

The calculation of basic earnings per share and diluted earnings per share of the Consolidated Company is as follows:

	July to Sep. 2024	July to Sep. 2023	Jan. to Sep. 2024	Jan. to Sep. 2023
Basic earnings per share:				
Net profit attributable to the Company in the year	$ 2,061,595	1,867,425	6,368,834	4,333,547
Weighted average shares outstanding (1,000 shares)	112,497	111,330	111,930	110,099
Basic earnings per share	$ 18.33	16.77	56.90	39.36
Diluted earnings per share:				
Net profit attributable to the Company in the year	$ 2,061,595	1,867,425	6,368,834	4,333,547
Dilutive potential ordinary shares:				
Convertible bond	74	3,517	4,917	7,452
Net income attributable to equity holders of the Company's common stock (adjusted for the effect of dilutive potential common stock)	$ 2,061,669	1,870,942	6,373,751	4,340,999

Weighted average shares outstanding (1,000 shares)	112,497	111,330	111,930	110,099
Dilutive potential ordinary shares:				
Employees compensation	109	79	154	269
Convertible bond	139	1,188	670	887
Weighted average common shares outstanding (adjusted for the effect of dilutive potential common stock)	**112,745**	**112,597**	**112,754**	**111,255**
Diluted earnings per share	**$ 18.29**	**16.62**	**56.53**	**39.02**

(24) Revenue from contracts with customers

1. Please refer to Note XIV (3) and (4) for the disclosure of disaggregation of revenue for the major products and major regional markets.
2. Balance of contract

	Sep. 30, 2024	Dec. 31, 2023	Sep. 30, 2023
Contract liabilities	**$ 19,499**	**30,617**	**66,293**

The contract liabilities at the beginning of the periods as of January 1, 2024 and 2023, were recognized as revenue in the amounts of NT$8,686 thousand, NT$1,446 thousand, NT$20,323 thousand, and NT$12,109 thousand for the periods from July 1 to September 30, 2024 and 2023, and January 1 to September 30, 2024 and 2023, respectively.

(25) Non-operating revenue/expense

1. Interest income

The breakdown of interest income of the Consolidated Company is as follows:

	July to Sep. 2024	July to Sep. 2023	Jan. to Sep. 2024	Jan. to Sep. 2023
Bank deposits	$ 139,111	83,568	403,476	211,347
Others	773	-	773	-
	$ 139,884	**83,568**	**404,249**	**211,347**

2. Other income

The details of other income of the Consolidated Company are as follows:

	July to Sep. 2024	July to Sep. 2023	Jan. to Sep. 2024	Jan. to Sep. 2023
Dividend income	$ 3,520	4,003	3,520	4,003
Income from molding	18,627	20,997	103,076	100,976
Income from compensation	1,020	247	3,463	1,179
Income from rentals	12,231	10,782	31,276	25,706
Income from subsidies	3,297	23,262	7,395	36,628
Others	35,028	12,348	92,559	63,247
	$ 73,723	**71,639**	**241,289**	**231,739**

3. Other gains and losses

The details of other gains and losses of the Consolidated Company are as follows:

	July to Sep. 2024	July to Sep. 2023	Jan. to Sep. 2024	Jan. to Sep. 2023
Foreign exchange (gain) loss	$ (349,156)	371,118	340,252	563,834
Net profit (loss) from financial assets measured at FVTPL:				
Derivatives:				
Embedded derivative	(322)	(331)	(44)	(224)
Non-derivatives				
Stocks	2,611	(5,575)	(6,145)	6,338
Private equity funds	(13)	(195)	(485)	(195)
Fund beneficiary certificates	2,723	-	3,681	-
Offshore bonds	(7,140)	-	(7,140)	-
Loss from the disposal of property, plant and equipment	584	(10,673)	(12,084)	(29,225)
Lease modification interest	-	607	71	607
Other	(5,071)	(23,582)	(10,915)	(29,631)
Total	**$ (355,784)**	**331,369**	**307,191**	**511,504**

4. Financial costs

The details of the financial costs of the Consolidated Company are as follows:

	July to Sep. 2024	July to Sep. 2023	Jan. to Sep. 2024	Jan. to Sep. 2023
Bank loans	$ 8,918	2,885	20,875	15,180
Lease liabilities	8,473	8,354	25,722	25,068
Conversion of corporate bonds	1,515	4,246	10,647	9,825
Others	441	-	2,046	-
	$ 19,347	15,485	59,290	50,073

(26) Compensation to employees and directors

In accordance with the Company's Articles of Incorporation, no less than 2% of the Company's annual profits shall be appropriated to the Compensation of Employees and no more than 3% to the Compensation of Directors; however, if the Company has accumulated losses, it shall retain the amount of compensation in advance and appropriate the Compensation of Employees and Directors in proportion to the aforementioned. The former Compensation of employees to whom stock or cash is issued may include employees of a subordinate company who meet certain criteria.

The estimated employee compensation for the periods from July 1 to September 30, 2024 and 2023, and January 1 to September 30, 2024 and 2023, was NT$47,500 thousand, NT$64,675 thousand, NT$151,500 thousand, and NT$161,025 thousand, respectively. The estimated compensation for directors was NT$1,120 thousand, NT$1,120 thousand, NT$3,360 thousand, and NT$3,360 thousand, respectively. These amounts were estimated based on the company's pre-tax net profit for the periods, before deducting employee and director compensation, and applying the percentages specified in the company's Articles of Incorporation. These amounts were reported as operating costs or operating expenses for the periods. If the actual amount distributed in the following year differs from the estimates, the difference is accounted for as a change in accounting estimates and recognized in the following year's profit or loss. If the board of directors resolves to issue employee compensation in the form of stock, the number of shares will be calculated based on the closing price of the common stock on the day before the board resolution.

The amount of employee and director compensation resolved by the board of directors for the 2023 fiscal year was consistent with the estimated amount in the 2023 consolidated financial report. The actual distribution of employee and director compensation in the 2022 fiscal year was consistent with the estimated amount in the 2022 consolidated financial report. Related information can be found on the MOPS.

The amount of employee and director compensation resolved by the board of directors for the 2023 fiscal year was consistent with the estimated amount in the 2023 consolidated financial report. The actual distribution of employee and director’s compensation in the 2022 fiscal year was consistent with the estimated amount in the 2022 consolidated financial report. Related information can be found on the MOPS.

(27) Information on financial instruments and fair value

1. Credit risk

(1) Credit risk exposure

The carrying amount of financial assets represents the maximum credit risk exposure. The maximum credit risk exposure as of September 30, 2024, December 31, 2023, and September 30, 2023, was NT$30,817,719 thousand, NT$23,246,086 thousand, and NT$22,737,011 thousand, respectively.

(2) Credit risk concentration risk

In order to reduce the credit risk of accounts receivable, the Consolidated Company continually evaluates the financial position of its customers and adjusts the terms of transactions between them if necessary. As of September 30, 2024, December 31, 2023, and September 30, 2023, the balances of accounts receivable from six, seven, and four individual customers, respectively, each exceeded 5% of the total accounts receivable balance. The Consolidated Company periodically evaluates the probability of recovery of accounts receivable and presents Provisions, and the total loss is always within management's expectations.

(3) Impairment loss

The consolidated company applies a simplified approach to estimate expected credit losses (ECLs) for all notes receivable and accounts receivable, measuring ECLs over the lifetime of the receivables. For this measurement, the receivables are grouped based on common credit risk characteristics that reflect the customers' ability to pay all amounts due under the contract terms. Forward-looking information, including macroeconomic and relevant industry data, has been incorporated into this analysis. The analysis of expected credit losses for notes receivable and accounts receivable is as follows:

	Sep. 30, 2024		
	Book value of notes and accounts receivable	**Weighted average expected credit loss rate**	**Expected credit loss in the duration of provision**
Not past due	$ 11,175,317	0.00%	-
1-60 days past due	335,763	0.00%	-
61-120 days past due	26,766	14.89%	3,986
121-180 days past due	17,343	30.00%	5,203
181-270 days past due	1,208	40.48%	489
More than 271 days past due	407	100.00%	407
	$ 11,556,804		10,085

	Dec. 31, 2023		
	Book value of notes and accounts receivable	**Weighted average expected credit loss rate**	**Expected credit loss in the duration of provision**
Not past due	$ 9,310,187	0.00%	77
1-60 days past due	279,125	0.00%	267

61-120 days past due	24,870	13.17%	3,275
121-180 days past due	236	22.03%	52
181-270 days past due	392	50.00%	196
More than 271 days past due	3,642	99.18%	3,612
	$ 9,618,452		7,479

	Sep. 30, 2023		
	Book value of notes and accounts receivable	**Weighted average expected credit loss rate**	**Expected credit loss in the duration of provision**
Not past due	$ 9,579,226	0.00%	78
1-60 days past due	249,610	0.10%	269
61-120 days past due	16,085	13.58%	2,185
121-180 days past due	1,780	26.57%	473
181-270 days past due	1,811	46.19%	837
More than 271 days past due	9,898	100.00%	9,898
	$ 9,858,410		13,740

The changes in the provisions for notes and accounts receivable of the Consolidated Company are as follows:

	Jan. to Sep. 2024	**Jan. to Sep. 2023**
Opening balance	$ 7,479	25,245
Impairment loss recognized (gain on reversal)	5,564	(10,772)
Write-offs for the period	(3,151)	(836)
Foreign currency translation (gains) losses	193	103
Closing balance	$ 10,085	13,740

2. Liquidity risk

The contracts of financial liabilities are sorted by their maturity dates as follows. The estimated interests are included, but the effect of net value agreement is excluded.

	Book value	Cash flow from the contract	Within 6 months	6 12 months	1-2 years	2-5 years	More than 5 years
September 30, 2024							
Non-derivative financial liabilities							
Short-term loans	$ 4,215,000	4,269,604	1,444,097	2,825,507	-	-	-
Bonds payable (including corporate bonds due within one year)	287,278	300,000	-	-	-	300,000	-
Notes payable	5,571	5,571	5,571	-	-	-	-
Accounts payable	2,681,873	2,681,873	2,681,873	-	-	-	-
Other payables	2,569,828	2,569,828	2,569,828	-	-	-	-
Lease liabilities	574,048	699,013	85,232	79,886	133,273	194,803	205,819
	$ 10,333,598	10,525,889	6,786,601	2,905,393	133,273	494,803	205,819
December 31, 2023							
Non-derivative financial liabilities							
Short-term loans	$ 1,580,000	1,594,090	591,019	1,003,071	-	-	-
Bonds payable	934,155	966,800	-	-	84,900	881,900	-
Notes payable	5,209	5,209	5,209	-	-	-	-
Accounts payable	1,822,819	1,822,819	1,822,819	-	-	-	-
Other payables	1,859,015	1,859,015	1,859,015	-	-	-	-
Lease liabilities	616,537	758,012	82,043	78,590	138,985	227,871	230,523
	$ 6,817,735	7,005,945	4,360,105	1,081,661	223,885	1,109,771	230,523
September 30, 2023							
Non-derivative financial liabilities							
Short-term loans	$ 1,580,000	1,598,141	590,333	1,007,808	-	-	-
Bonds payable	1,044,250	1,085,400	-	-	85,400	1,000,000	-
Long-term loans(including long-term loans – current portion)	24,113	27,674	1,174	1,006	2,013	6,038	17,443
Notes payable	6,610	6,610	6,610	-	-	-	-
Accounts payable	1,791,211	1,791,211	1,791,211	-	-	-	-
Other payables	2,182,866	2,182,866	2,182,866	-	-	-	-
Lease liabilities	580,045	693,571	79,814	76,288	136,710	231,499	169,260
	$ 7,209,095	7,385,473	4,652,008	1,085,102	224,123	1,237,537	186,703

The Consolidated Company does not anticipate that the cash flows analyzed at maturity date will alter significantly or that the actual amounts will vary significantly.

3. Market risk—exchange rate risk

(1) Exposure to exchange rate risk

The Consolidated Company’s financial assets and liabilities exposed to significant foreign currency exchange rate risk are as follows:

	Sep. 30, 2024		
	Foreign currency (Note)	Exchange rate	NTD
Financial assets			
Currency			
USD	$ 1,045,864	31.6500	33,101,603
RMB	418,719	4.5230	1,893,867
HKD	33	4.0750	135
JPY	18,351	0.2017	3,701
EUR	6,471	35.3800	228,944
INR	4	0.4791	2

VND		1,300	0.0013	2
Financial liabilities				
Currency				
USD	$	474,745	31.6500	15,025,686
RMB		212,734	4.5230	962,196
JPY		57,475	0.2017	11,593
EUR		1,292	35.3800	45,720
INR		33	0.4791	16

		Dec. 31, 2023		
		Foreign currency (Note)	**Exchange rate**	**NTD**
Financial assets				
Currency				
USD	$	693,919	30.7050	21,306,782
RMB		324,774	4.3270	1,405,297
HKD		42	3.9290	167
JPY		178,348	0.2172	38,737
EUR		3,572	33.9800	121,384
INR		4	0.4791	2
VND		1,630	0.0012	2
Financial liabilities				
Currency				
USD	$	357,513	30.7050	10,977,422
RMB		75,251	4.3270	325,611
JPY		908	0.2172	197
EUR		1,344	33.9800	45,313

		Sep. 30, 2023		
		Foreign currency (Note)	**Exchange rate**	**NTD**
Financial assets				
Currency				
USD	$	731,525	32.2700	23,606,326
RMB		271,548	4.4150	1,198,885
HKD		42	4.1230	174
JPY		184,088	0.2162	39,800
EUR		4,303	33.9100	145,912
INR		4	0.4791	2
Financial liabilities				
Currency				
USD	$	310,078	32.2700	10,006,230
RMB		1,196	4.4150	5,278
JPY		97,395	0.2162	21,057
EUR		1,367	33.9100	46,346

Note: The foreign currencies denominated in the non-functional currencies of the consolidated entities include items that have been eliminated in the consolidated financial statements for inter-group transactions.

Since the consolidated company uses multiple functional currencies, it discloses the foreign exchange gains and losses on monetary items in an aggregated manner. The foreign exchange gains and losses (including realized and unrealized) for the periods from July 1 to September 30, 2024 and 2023, and from January 1 to September 30, 2024 and 2023, were gains of NT$349,156 thousand, NT$371,118 thousand, NT$340,252 thousand, and NT$563,834 thousand, respectively.

(2) Sensitivity analysis

The Consolidated Company's exchange rate risk arises mainly from cash and cash equivalents denominated in foreign currencies, financial assets at FVTPL, accounts receivable and other receivables, short-term loans, accounts payable and other payables, which generate foreign currency exchange gains or losses upon translation. As of September 30, 2024 and 2023, when NTD depreciates or appreciates by 1% against the foreign currencies held by the Consolidated Company, with all other factors held constant, net income after tax would increase or decrease by $153,464 thousand and $119,298 thousand from January 1 to September 30, 2024 and 2023, respectively. The same basis was used for the analysis of both periods.

4. Market risk—changes in interest rates

The interest rate risk of the Consolidated Company mainly comes from the bank deposit and loan of floating rate, so the interest rate change will cause the effective interest rate of bank deposit and loan to change accordingly, and the future cash flow will fluctuate.

The following sensitivity analysis is based on the risk of interest rate shocks reported by financial instruments on the date of coverage. For floating rate liabilities, the analysis is based on the assumption that the reported amount of daily outstanding liabilities is current throughout the year. The rate of change used by the Consolidated Company in reporting interest rates to the main management is 1% up or down, which represents the management's assessment of the reasonable range of possible interest rate changes.

As of September 30, 2024, December 31, 2023, and September 30, 2023, the consolidated company held financial assets with variable interest rates of NT$5,775,681 thousand, NT$4,086,086 thousand, and NT$4,282,106 thousand, respectively, and financial liabilities of NT$35,000 thousand, NT$0 thousand, and NT$24,113 thousand, respectively. If interest rates increased or decreased by 1%, with all other variables remaining constant, the consolidated company's net profit after tax for the nine months ended September 30, 2024, and 2023, would have increased or decreased by NT$34,444 thousand and NT$25,548 thousand, respectively.

5. Market risk—fair value

(1) Fair value and carrying amount

The management of the Consolidated Company believes that non-derivative short-term financial instruments should be estimated at their fair value based on their book value on the balance sheet, and that their book value should be a reasonable basis for the estimated fair value because of the near expiry date of such commodities. This method is applied to cash and equivalent cash, notes receivable and payable, accounts receivable and payable, other receivables and payables, deposit margin and borrowings.

In addition to the above financial instruments, the fair value and book value information of the remaining financial instruments, investment properties and corporate bonds payable of the Consolidated Company on the financial reporting date are as follows:

	Sep. 30, 2024		Dec. 31, 2023		Sep. 30, 2023	
	Book value	**Fair value**	**Book value**	**Fair value**	**Book value**	**Fair value**
Measured at fair value:						
Financial assets:						
Financial assets measured at FVTPL	$ 413,494	413,494	87,700	87,700	84,566	84,566
Financial assets measured at FVTOCI	173,590	173,590	79,979	79,979	80,325	80,325
Not measured at fair value						
Non-financial assets:						
Investment property	$ 353,783	426,077	344,997	410,733	356,826	425,882
Financial liabilities						
Bonds payable	287,278	287,040	934,155	934,870	1,044,250	1,046,423

(2) The evaluation techniques used to determine fair value are as follows

A. When financial assets are quoted publicly in an active market, this market price is the fair value. When market prices are not available, estimates are made by reference to quoted counterparties or using valuation techniques. The estimates and assumptions used are consistent with the information used by market participants as estimates and assumptions in pricing financial instruments.

B. The fair value of investment properties is based on the evaluations of independent evaluators with recognized professional qualifications and recent experience in the area and type of investment properties evaluated.

(3) Fair value hierarchy

The following table analyzes the fair value hierarchy of financial instruments, investment properties and corporate bonds payable by valuation. Each fair value hierarchy is defined as follows:

A. Level 1: Publicly quoted prices (unadjusted) in an active market for identical assets or liabilities.

B. Level 2: Input parameters for an asset or liability are observable either directly (i.e., prices) or indirectly (i.e., derived from prices), except for publicly quoted prices included in Level 1.

C. Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable parameters).

		Level 1	Level 2	Level 3	Total
September 30, 2024					
Measured at fair value:					
Financial assets measured at FVTPL	$	197,957	-	215,537	413,494
Financial assets measured at FVTOCI		77,345	-	96,245	173,590
	$	**275,302**	**-**	**311,782**	**587,084**
Not measured at fair value:					
Investment property	**$**	**-**	**-**	**426,077**	**426,077**
Bonds payable	**$**	**-**	**-**	**287,040**	**287,040**
December 31, 2023					
Measured at fair value:					
Financial assets measured at FVTPL	$	53,290	7,307	27,103	87,700
Financial assets measured at FVTOCI		78,835	-	1,144	79,979
	$	**132,125**	**7,307**	**28,247**	**167,679**
Not measured at fair value:					
Investment property	**$**	**-**	**-**	**410,733**	**410,733**
Bonds payable	**$**	**-**	**-**	**934,870**	**934,870**
September 30, 2023					
Measured at fair value:					
Financial assets measured at FVTPL	$	50,378	8,387	25,801	84,566
Financial assets measured at FVTOCI		78,053	-	2,272	80,325
	$	**128,431**	**8,387**	**28,073**	**164,891**
Not measured at fair value:					
Investment property	**$**	**-**	**-**	**425,882**	**425,882**
Bonds payable	**$**	**-**	**-**	**1,046,423**	**1,046,423**

(4) Transfer between the Level 1 and the Level 2

The Consolidated Company does not have any transfers from January 1 to September 30, 2024 and 2023.

(5) Statement of changes in financial assets (liabilities) classified as Level 3 at fair value

Unit: NT$1,000

	From January to September , 2024						
		Total profit or loss		Increase		Decrease	
Name	Opening balance	Recognized in profit or loss	Recognized in other comprehensive income	Issuance or purchase	Transferred to level 3	Sales, disposal or settlement	Closing balance
Financial assets measured at FVTPL	$ 27,103	(7,669)	-	198,361	-	(2,258)	215,537
Financial assets measured at FVTOCI	1,144	-	(17,399)	112,500	-	-	96,245
	$ 28,247	(7,669)	(17,399)	310,861	-	(2,258)	311,782

	From January to September , 2023						
		Total profit or loss		Increase		Decrease	
Name	Opening balance	Recognized in profit or loss	Recognized in other comprehensive income	Issuance or purchase	Transferred to level 3	Sales, disposal or settlement	Closing balance
Financial assets measured at FVTPL	$ 163	(419)	-	26,200	-	(143)	25,801
Financial assets measured at FVTOCI	4,595	-	2,566	-	-	(4,889)	2,272
	$ 4,758	(419)	2,566	26,200	-	(5,032)	28,073

The above included gains and losses are reported in “other gains and losses” and “unrealized valuation gains (losses) on financial assets at FVTOCI”, which relate to assets still held as of September 30, 2024 and 2023 as follows:

	Jan. to Sep. 2024	Jan. to Sep. 2023
Total gain or loss		
Recognized in profit (losses) (reported in “other gains and losses”)	$ (7,661)	(419)
Recognized in other comprehensive income (reported in “unrealized valuation gains (losses) on financial assets at FVTOCI”)	(17,399)	(154)

(6) Quantitative information on fair value measurements of significant unobservable inputs (Level 3)

The Consolidated Company’s financial assets measured at fair value and classified as Level 3 primarily include financial assets measured at fair value through profit or loss—derivative financial instruments, private equity fund investments, offshore bonds, and financial assets measured at fair value through other comprehensive income—equity securities investments. The Consolidated Company's Level 3 financial assets measured at fair value through profit or loss—offshore bonds—are valued based on counterparty quotations due to the absence of active market quotations. Since the relationship between significant unobservable inputs and fair value cannot be adequately captured in practice, quantitative information is not disclosed. Quantitative information for significant unobservable inputs for other Level 3 fair value measurements is listed as follows:

Item	Valuation techniques	Significant unobservable inputs	Relationship between significant unobservable inputs and fair value
Financial assets measured at FVTPL - Embedded derivatives - right of redemption	Binary tree method for pricing convertible bond	·Volatility: As of September 30, 2024, December 31, 2023, and September 30, 2023, it was 43.58%, 36.41-41.78%, and 36.93%~43.89%, respectively.	·The higher the volatility, the higher the fair value
Private equity fund Investments measured at FVTPL	Net asset value approach	·Net asset value	·The higher the net asset value, the higher the fair value.
Financial assets measured at FVTOCI - investment in equity instruments with no active market	Comparable company method	·Price-to-book ratio (P/B multiple): As of September 30, 2024, December 31, 2023, and September 30, 2023, it was 1.63-2.28, 1.63, and 1.63, respectively. ·Discount for lack of marketability: As of September 30, 2024, December 31, 2023, and September 30, 2023, it was 15.70%.	·The higher the multiplier, the higher the fair value ·The higher the discount for lack of marketability, the lower the fair value
Financial assets measured at FVTOCI - investment in equity instruments with no active market	Net asset value approach	·Net asset value	·The fair value is positively correlated

(7) Valuation process for fair value classified in Level 3

The Company uses unobservable inputs for its fair value measurements and classifies its fair value in Level 3. The source of the input value for this level is the price provided by reference to counterparty quotations or market comparable companies' net market value multipliers, etc., and the relevant quotations and valuation information are appropriately maintained. The results are subsequently reviewed to ensure consistency with the valuation sources and the reasonableness of the valuation results.

(8) Sensitivity analysis of fair value to reasonably possible alternative assumptions for Level 3 fair value measurements

The Company's fair value measurements of financial instruments are reasonable, but the use of different valuation models or valuation parameters may result in different valuation results. For financial instruments classified in Level 3, if the valuation parameters are changed, the impact on the profit or loss or other comprehensive income for the period is as follows:

			Fair value changes reflected in profit or loss for the period		Fair value changes reflected in other comprehensive income	
	Input value	**Upward or downward changes**	**Favorable changes**	**Unfavorable changes**	**Favorable changes**	**Unfavorable changes**
September 30, 2024						
Financial assets measured at FVTPL						
Embedded derivatives - right of redemption	Volatility	5%	$ 150	(510)	-	-
	Stock price	10%	150	(90)	-	-
Financial assets measured at FVTOCI						
Investments in equity instruments with no active market	Net market value multiplier	1%	-	-	56	(56)
	Lack of marketability discount	1%	-	-	75	(75)
December 31, 2023						
Financial assets measured at FVTPL						
Embedded derivatives - right of redemption	Volatility	5%	385	(1,013)	-	-
	Stock price	10%	1,664	(1,055)	-	-
Financial assets measured at FVTOCI						
Investments in equity instruments with no active market	Net market value multiplier	7%	-	-	1	(2)
	Lack of marketability discount	7%	-	-	1	(2)
September 30, 2023						
Financial assets measured at FVTPL						
Embedded derivatives - right of redemption	Volatility	5%	320	(443)	-	-
	Stock price	10%	777	(385)	-	-
Financial assets measured at FVTOCI						
Investments in equity instruments with no active market	Net market value multiplier	7%	-	-	1	(2)
	Lack of marketability discount	7%	-	-	1	(2)

Favorable and unfavorable changes in fair value represent fluctuations in fair value, which are calculated using valuation techniques based on various degrees of unobservable input parameters. If the fair value of a financial instrument is affected by more than one input, the above table reflects only the effect of changes in a single input and does not take into account the correlation and variability among the inputs.

(28) Financial risk management

The financial risk management objectives and policies of the consolidated company are consistent with those disclosed in the 2023 annual consolidated financial statements. For related information, please refer to Note VI (27) of the 2023 annual consolidated financial statements.

(29) Capital management

There were no significant changes in the capital management objectives, policies, and procedures of the consolidated company compared to those disclosed in the 2023 annual consolidated financial statements. For related information, please refer to Note VI (28) of the 2023 annual consolidated financial statements.

(30) Investment and fund-raising activities for non-cash transactions

The information on non-cash transaction investment and fund-raising activities of the consolidated company for the periods from January 1 to September 30, 2024, and 2023, is as follows:

1. For details on the conversion of convertible corporate bonds into common shares, please refer to Note VI (14).
2. For details on obtaining right-of-use assets through leasing, please refer to Note VI (9) and (15).

The reconciliation of liabilities from financing activities for the periods from January 1 to September 30, 2024, and 2023, is as follows:

			Non-cash changes			
	Jan. 1, 2024	**Cash flow**	**Other**	**Changes in exchange rate**	**Changes in fair value**	**Sep. 30, 2024**
Short-term loans	$ 1,580,000	2,635,000	-	-	-	4,215,000
Bonds payable (including corporate bonds due within one year)	934,155	283,159	(930,036)	-	-	287,278
Lease liabilities	616,537	(130,579)	62,284	25,806	-	574,048
Total liabilities from financing activities	$ 3,130,692	2,787,580	(867,752)	25,806	-	5,076,326

			Non-cash changes			
	Jan. 1, 2023	**Cash flow**	**Other**	**Changes in exchange rate**	**Changes in fair value**	**Sep. 30, 2023**
Short-term loans	$ 1,906,775	(317,432)	(10,000)	657	-	1,580,000
Bonds payable (including corporate bonds due within one year)	132,449	1,079,877	(168,076)	-	-	1,044,250
Long-term loans (including long-term loans – current portion)	165,630	(141,517)	-	-	-	24,113
Lease liabilities	370,661	(243,081)	450,959	1,506	-	580,045
Total liabilities from financing activities	$ 2,575,515	377,847	272,883	2,163	-	3,228,408

VII. Related Party Transactions

(1) Parent company and ultimate controller: The Company is the ultimate controller of the Consolidated Company and the Consolidated Company's subsidiaries.

(2) Names and relationships of related parties

The related parties that had transactions with the Company during the period covered by these consolidated financial statements are as follows:

Name of related parties	Relationship with the Company
LeRain Technology Co., Ltd.	Associates of the Consolidated Company
I-See Vision Technology, Inc.	Associates of the Consolidated Company
AionChip Technologies Co., Ltd.	Associates of the Consolidated Company
Key management personnel	Including the directors, managers and their families and spouses

Note: Transactions with related parties are disclosed only for the periods when they were considered related parties.

(3) Material transactions with the related parties

1. Payables to related parties

The details of payables to related parties are as follows:

Accounting Item	Related Party Category	Sep. 30, 2024	Dec. 31, 2023	Sep. 30, 2023
Advances paid	Associates	$ 6,636	-	-

2. Accounts payable to related parties

Details of the Consolidated Company's accounts payable to related parties are as follows:

Accounting Item	Related Party Category	Sep. 30, 2024	Dec. 31, 2023	Sep. 30, 2023
Accounts payable	Associates	$ 977	49	76

3. Purchases

The amounts of purchases from related parties by the Consolidated Company are as follows:

	July to Sep. 2024	July to Sep. 2023	Jan. to Sep. 2024	Jan. to Sep. 2023
Associates	$ 1,534	74	1,550	74

The purchase prices from the aforementioned companies are not significantly different from those of general suppliers. The payment terms are three months, which are also consistent with those of general suppliers.

4. Non-operating income

	July to Sep. 2024	July to Sep. 2023	Jan. to Sep. 2024	Jan. to Sep. 2023
Associates	$ 32	24	88	32

Primarily consists of rental income from parking spaces and office premises, as well as other sources.

5. Operating expenses

	July to Sep. 2024	July to Sep. 2023	Jan. to Sep. 2024	Jan. to Sep. 2023
Associates	$ -	-	111	-

Primarily consists of design service fees and material costs.

6. Leasing

The Consolidated Company leases a warehouse from key management personnel under a one-year lease agreement based on prevailing market rates for warehouses in neighboring areas. The total contract value is NT$60 thousand. Interest expenses recognized for the periods from July 1 to September 30, 2024, and 2023, as well as from January 1 to September 30, 2024, and 2023, were NT$0 thousand, NT$0 thousand, NT$0 thousand, and NT$1 thousand, respectively. Lease liabilities as of September 30, 2024, December 31, 2023, and September 30, 2023, were NT$15 thousand, NT$59 thousand, and NT$74 thousand, respectively.

(4) Major management personnel transactions

Related compensation includes:

	July to Sep. 2024	July to Sep. 2023	Jan. to Sep. 2024	Jan. to Sep. 2023
Short-term employee benefits	$ 46,861	21,195	105,410	66,262
Post-employment benefits	368	324	1,020	978
Share-based payment	325	166	1,099	8,136
	$ 47,554	21,685	107,529	75,376

For further details regarding share-based payment arrangements, please refer to Note VI(22).

VIII. Pledged Assets

The carrying value of the assets pledged as collateral by the Consolidated Company was as follows:

Name of asset	Sep. 30, 2024	Dec. 31, 2023	Sep. 30, 2023
Property, plant and equipment	$ 200,608	204,260	205,477

IX. Significant Contingent Liabilities and Unrecognized Contractual Commitments

(1) Significant unrecognised contract commitments:

Unrecognized Significant Contractual Commitments of the Consolidated Company as of September 30, 2024:

Unit: In thousands of foreign currencies

	Sep. 30, 2024
Major Construction Contracts	
RMB	$ 60,621
VND	209,862,755
TWD	5,475
Private Equity Funds Commitments	
TWD	10,000

(2) The issuance of guarantee notes for bank loans, financing lines and derivative financial commodity transactions:

	Sep. 30, 2024	Dec. 31, 2023	Sep. 30, 2023
Guaranteed notes	$ 3,408,247	2,887,704	3,381,965

(3) Contingent liabilities:

On March 19, 2024, the Company received a civil lawsuit from the Intellectual Property and Commercial Court filed by Taiwan Ansys Technologies Co., alleging copyright infringement and seeking damages of NT$26,250 thousand. The Company has retained legal counsel to handle the lawsuit, which has no significant impact on the Company's financial or business operations. As of September 30, 2024, the court has notified that the plaintiff, Taiwan Ansys Technologies Co., has withdrawn the civil lawsuit.

X. Significant Disaster Loss: None.

XI. Significant Post-Period Events:

On November 11, 2024, the Company's Board of Directors resolved to acquire buildings to meet the needs of long-term operational expansion. The specific property is still under negotiation and search. The resolution authorized the Chairman to handle all matters related to the acquisition of real estate within a limit of NT$1,000,000 thousand.

On November 7, 2024, the Board of Directors of the subsidiary, Lintes Technology Co., Ltd. (Lintes Technology), resolved to purchase land, buildings, and ancillary equipment in Zhongli District, Taoyuan City, to support future business development. The resolution authorized the Chairman to negotiate prices within a limit of NT$600,000 thousand, referencing prevailing market rates and expert appraisal reports, and to handle all matters related to the real estate acquisition on behalf of Lintes Technology.

XII. Others

(1) Employee benefits, depreciation, depletion, and amortization functions are summarized below:

Function / Nature	From Jul. to Sep. 2024			From Jul. to Sep. 2023		
	Operation cost	Operation expense	Total	Operation cost	Operation expense	Total
Employee benefit expense						
Salary expenses	1,207,610	613,400	1,821,010	979,132	483,078	1,462,210
Labor insurance and health insurance expenses	163,443	53,564	217,007	141,703	46,075	187,778
Pension expenses	763	3,778	4,541	792	3,697	4,489
Compensation of directors	-	2,458	2,458	-	1,947	1,947
Other employee benefit expenses	55,757	39,179	94,936	42,014	15,728	57,742
Depreciation expense	409,821	145,259	555,080	414,692	165,112	579,804
Amortization expense	949	15,818	16,767	587	13,955	14,542

Function / Nature	From Jan. to Sep. 2024			From Jan. to Sep. 2023		
	Operation cost	Operation expense	Total	Operation cost	Operation expense	Total
Employee benefit expense						
Salary expenses	3,345,246	1,686,330	5,031,576	2,777,087	1,409,865	4,186,952
Labor insurance and health insurance expenses	460,008	149,207	609,215	420,059	130,066	550,125
Pension expenses	2,238	11,851	14,089	2,433	11,726	14,159
Compensation of directors	-	6,637	6,637	-	5,034	5,034
Other employee benefit expenses	149,461	132,951	282,412	143,540	88,400	231,940
Depreciation expense	1,161,246	497,728	1,658,974	1,336,552	443,815	1,780,367
Amortization expense	2,135	44,501	46,636	1,719	41,991	43,710

(2) Seasonality of operations:

The Company’s operations are subject to seasonal fluctuations due to the downstream computer industry.

XIII. Disclosing Information

(1) Major transaction details

For the period from January 1 to September 30, 2024, the Consolidated Company disclosed major transaction information in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" as follows:

1. Capital lending to others:

Unit: NT$ 1,000

No.	Lender	Borrower	Item	Related party	Max amount for the period	Closing balance	Actual amount	Interest rate	Nature of the lending (Note 1)	Transaction amount	Purpose for lending	Allowance for bad debt	Collateral		Lending limit for single party (Note 2)	Overall lending limit (Note 2)
													Name	Value		
0	The Company	Lotes Guangzhou Co., Ltd.	Other receivables	Yes	15,970	15,825	15,825	5.5%	2	-	Working capital	-	None	-	6,632,208	13,264,416
1	Lintes Technology Co., Ltd.	Genie Precision Machine Co., Ltd.	Other receivables	Yes	60,000	60,000	10,000	1.88%	2	-	Repayment of loans	-	None	-	356,704	1,426,816

Note 1: The following are the descriptions of the funds lending.
(1) Those who have business dealings.
(2) When there is a need for short-term financing.

Note 2: (1) The amount of the Company's financing to a single party shall not exceed 20% of the Company's net worth.
The total amount of funds lent by the Company to others shall not exceed 40% of the Company's net worth.
(2) The financing amount to a single entity shall not exceed 10% of Lintes Technology Co., Ltd.'s net worth.
The total amount of funds lent to others shall not exceed 50% of Lintes Technology Co., Ltd.'s net worth.
a. For parties with business transactions, the total amount of funds lent shall not exceed 10% of the company's net worth.
b. For entities with short-term funding needs, the total amount of funds lent shall not exceed 40% of the company's net worth.

2. Endorsement:

Unit: NT$1,000/1,000 in foreign currency

No.	Endorsement provider	Endorsee		Ceiling on amount of endorsement for an enterprise (Note 2)	Balance of the ceiling endorsement fee in the period	Ending balance of the endorsement fee	Amount actually used	Amount of endorsement backed by assets	Percentage of the accumulated amount of endorsement in the net value of current financial statement (%)	Ceiling on amount of endorsement (Note 2)	Endorsement made by parent company to subsidiary	Endorsement made by subsidiary to parent company	Endorsement made to any party in Mainland China
		Company Name	Relationship (Note 1)										
0	The Company	Lotes Guangzhou Co., Ltd.	2	6,632,208	164,175 (USD5,000)	158,250 (USD5,000)	-	-	0.48%	16,580,520	Y	N	Y
0	"	LOTES VIET NAM COMPANY LIMITED	2	6,632,208	159,700 (USD5,000)	158,250 (USD5,000)	-	-	0.48%	16,580,520	"	"	N
1	Lotes Guangzhou Co., Ltd.	REKA Technology Co., Ltd.	1	2,529,987	98,505 (USD3,000)	94,950 (USD3,000)	-	-	0.75%	6,324,969	N	"	"
2	Lintes Technology Co., Ltd.	Genie Precision Machine Co., Ltd.	2	1,783,520	130,000	130,000	35,000	-	3.64%	3,567,039	Y	"	"

Note 1: There are seven types of relationship between the Endorser and Endorsee, which can be marked:
(1) Companies with business dealings.
(2) Companies in which the company directly and indirectly holds more than 50% of the voting rights.
(3) Companies that hold more than 50% of the voting rights in the company, both directly and indirectly.
(4) The Company owns, directly and indirectly, more than 90 percent of the voting shares.

(5) Company that is mutually insured under a contract between its peers or co-manufacturers based on the need to perform the work.

(6) Company in which all of the contributory shareholders have given their endorsement in proportion to their shareholding in the joint venture.

(7) Intercompany performance guarantees and guarantees for pre-sale contracts in accordance with the Consumer Protection Act.

Note 2: (1) The amount of the Company's guarantee for a single corporate endorsement shall not exceed 20% of the net worth of the Company.

The aggregate amount of the Company's guarantees under external endorsement shall not exceed 50% of the net worth of the Company.

(2) The amount of Lotes Guanghou Co., Ltd's guarantee for a single corporate endorsement is limited to not more than 20% of the net worth of the company.

The aggregate amount of Lotes Guanghou Co., Ltd's external endorsement guarantees is limited to an amount not exceeding 50% of the Company's net worth.

(3) The amount of Lintes Technology Co., Ltd.'s guarantee for a single corporate endorsement is limited to not more than 50% of the net worth of the company.

The aggregate amount of Lintes Technology Co., Ltd.'s external endorsement guarantees is limited to an amount not exceeding 100% of the Company's net worth.

3. Securities held at the end of fiscal period (excluding the equity of controlled by subsidiaries, affiliated companies, or joint company):

Unit: NT$ 1,000

Holding company	Category and name of security	Relationship with the issuer of the security	Accounting item	End of the period				Remark
				Shares	Book value	Shareholding ratio	Fair value	
Lotes Co., Ltd.	NEXUS CVC Partners private equity funds	None	Financial assets measured at FVTPL – non-current	-	24,226	- %	24,226	
"	KAIWEI VENTURE CAPITAL LIMITED PARTNERSHIP	"	"	-	10,000	- %	10,000	
"	A661 Saudi Arabia Kingdom Government Bonds V	"	"	3,100,000	90,168	- %	90,168	
"	A715 UnitedHealth Group Corporate Bonds IX	"	"	2,000,000	59,983	- %	59,983	
"	Verizon Communications Inc. Corporate Bonds	"	"	1,000,000	30,710	- %	30,710	
"	SteadyBeat Technology Corporation	"	Financial assets measured at FVTOCI - non-current	212,020	1,129	2.12 %	1,129	
"	G-sau Co., Ltd.	"	"	300,000	15	8.36 %	15	
"	FENG HUANG LU INNOVATION ENTREPRENEURSHIP INVESTMENT CO., LTD.	"	"	9,000,000	87,751	4.57 %	87,751	
"	UPBEAT TECHNOLOGY Co., Ltd.	"	"	900,000	5,881	1.88 %	5,881	
Jia You Investment Co., Ltd.	Grand-Tek Technology Co., Ltd.	"	Financial assets measured at FVTPL - current	392,815	17,991	1.31 %	17,991	
"	LIAN HONG ART CO., LTD.	"	"	1,088,719	28,426	2.87 %	28,426	
"	OTO PHOTONICS, INC.	"	"	1,368,800	-	3.77 %	-	Note
"	LUCEMITEK CO., LTD.	"	"	1,169,977	-	17.33 %	-	Note
"	AICP Technology Corporation	"	Financial assets measured at FVTOCI - non-current	400,000	-	5.33 %	-	
Lintes Technology Co., Ltd.	Yuanta U.S. Treasury 20+ Year Bond ETF	"	Financial assets measured at FVTPL - current	1,965,000	60,463	- %	60,463	
"	Yuanta US 20+ Year BBB Corporate Bond ETF	"	"	1,665,000	61,122	- %	61,122	
"	Capital BofA Merrill Lynch 10+ Year US Banking Index ETF	"	"	820,000	29,955	- %	29,955	
"	Chailease Holding Company Limited Class A Preferred Shares	"	Financial assets measured at FVTOCI - non-current	512,000	48,845	0.34 %	48,845	
Lintes Technology Co., Ltd.	Hotai Finance Co., Ltd. Class A Preferred Shares	None	Financial assets measured at FVTOCI - non-current	300,000	28,500	0.60 %	28,500	
"	UPBEAT TECHNOLOGY Co., Ltd.	"	"	225,000	1,469	0.47 %	1,469	

Note: All of them were recognized in losses.

4. The cumulative purchase or sale of the same securities amounted to at least NT$300 million or 20% of the paid-in capital:

Unit: NT$ 1,000/1,000 in foreign currency

Company Name	Marketable Securities Type and Name	Financial Statement Account	Counterparty	Nature of Relationship	Beginning Balance (Note 1)		Acquisition (Note 1)		Disposal (Note 1)				Ending Balance (Note 1)	
					Shares/ Units	Amount	Shares/ Units	Amount	Shares/ Units	Amount	Carrying Value	Gain/Loss on Disposal	Shares/ Units	Amount
Lotes Co., Ltd.	LOTES VIET NAM COMPANY LIMITED	Investments accounted for using the equity method	LOTES VIET NAM COMPANY LIMITED	Note 2	74,629,000	2,362,008 (USD74,629)	17,100,000	541,215 (USD17,100)	-	-	-	-	91,729,000	2,903,223 (USD91,729)

Note 1: Translated into New Taiwan Dollars at the exchange rate as of the balance sheet date.

Note 2: Refers to securities issued by the subsidiary obtained through its capital increase in cash.

5. Acquisition of real property amounting to NT$300 million or 20% or more of the paid-in capital: None.

6. Disposal of real property amounting to NT$300 million or 20% or more of paid-in capital: None.

7. The amount of sales to or from related parties is at least $100 million or 20% of the paid-in capital:

Unit: NT$ 1,000

The company which purchases (sells) products	Name of transaction counterparty	Relationship	Transaction status				Situation and reason for the conditions of transaction to be different from the ordinary ones		Notes and accounts receivable (payable)		Remark
			Purchases (sales)	Amount	Percentage in total goods purchased (sold)	Credit period	Unit price	Credit period	Balance	Percentage in the notes and accounts receivable (payable)	
Xincheng Development Co., Ltd.	The Company	Subsidiary	Net sales	1,041,965	93.68 %	EOM 90 days	-	No significant difference	140,293	83.56%	
"	Lotes Suzhou Co., Ltd.	The surrogate parent company are the same parent company	Net purchases	1,094,976	98.45 %	"	-	"	(178,988)	(99.91)%	
REKA Technology Co., Ltd.	The Company	Subsidiary	Net sales	7,924,358	65.64 %	"	-	"	4,751,716	60.41%	
"	Lotes Guangzhou Co., Ltd.	The surrogate parent company are the same parent company	Net purchases	5,183,491	43.72 %	"	-	"	(3,544,668)	(46.05)%	
"	Lotes Hengnan Co., Ltd.	"	"	883,783	7.45 %	"	-	"	(147,712)	(1.92)%	
"	"	"	Net sales	158,038	1.31 %	"	-	"	53,941	0.69%	
"	Lotes Zhongshan Co., Ltd.	"	Net purchases	5,425,731	45.76 %	"	-	"	(2,337,625)	(30.37)%	
"	Guangzhou Leside Technology Co., Ltd.	"	Net sales	1,567,117	12.98 %	"	-	"	866,107	11.01%	
"	Zhongshan Huixing Electronics Co., Ltd.	"	"	196,408	1.63 %	"	-	"	218,894	2.78%	
Lotes Guangzhou Co., Ltd.	Lotes Zhongshan Co., Ltd.	The surrogate parent company are the same parent company	Net purchases	645,228	17.36 %	EOM 90 days	-	No significant difference	(368,428)	(28.30)%	
"	REKA Technology Co., Ltd.	"	"	655,191	17.63 %	"	-	"	(312,155)	(23.98)%	
"	Lotes Hengnan Co., Ltd.	"	"	205,613	5.53 %	"	-	"	(105,913)	(8.14)%	
"	Zhongshan Dezhi Metal Surface Treatment Co., Ltd.	"	"	313,070	8.42 %	"	-	"	(45,292)	(3.50)%	
Lotes Zhongshan Co., Ltd.	The Company	Subsidiary	Net sales	119,774	1.71 %	"	-	"	121,936	3.46%	
"	Zhongshan Huixing Electronics Co., Ltd.	The surrogate parent company are the same parent company	"	144,728	2.06 %	"	-	"	167,852	4.76%	
Lintes Technology (Suzhou) Co., Ltd.	Lintes Technology Co., Ltd.	"	"	996,166	92.76 %	"	-	"	641,791	89.72%	
Lotes Hengnan Co., Ltd.	Lotes Zhongshan Co., Ltd.	"	"	344,394	25.02 %	"	-	"	132,045	19.45%	
"	Shenzhen DeYi Automation Equipment Co., Ltd.	"	"	183,545	13.34 %	"	-	"	124,581	18.35%	
"	Zongka Technology (Shenzhen) Co., Ltd.	"	"	200,166	14.54 %	"	-	"	122,803	18.09%	
Guangzhou Leside Technology Co., Ltd.	Lotes Zhongshan Co., Ltd.	"	Net purchases	515,348	21.39 %	"	-	"	(388,411)	(25.02)%	
"	The Company	Subsidiary	"	247,734	10.28 %		-		(248,111)	(15.98)%	
"	Zongka Technology (Shenzhen) Co., Ltd.	The surrogate parent company are the same parent company	Net sales	899,730	35.70 %	"	-	"	523,969	31.70%	
"	Shenzhen DeYi Automation Equipment Co., Ltd.	"	"	973,435	38.63 %	"	-	"	573,586	34.70%	
"	REKA Technology Co., Ltd.	"	"	144,632	5.74 %	"	-	"	96,678	5.85%	
LOTES VIET NAM COMPANY LIMITED	The Company	Subsidiary	"	371,885	86.55 %	"	-	"	349,115	92.33%	

8. Amounts due from related parties amounting to at least NT$100 million or 20% of paid-in capital:

Unit: NT$ 1,000

Related party with accounts receivable by the Company	Name of transaction counterparty	Relationship	Balance of receivables from the related party	Turnover ratio	Past due receivables from the related party		Amounts due from related parties recovered after the period	Allowance for losses
					Amount	Handling		
The Company	Guangzhou Leside Technology Co., Ltd.	Parent company	248,111	1.44	-		-	-
Xincheng Development Co., Ltd.	The Company	Subsidiary	140,293	7.89	-		-	-
REKA Technology Co., Ltd.	"	"	4,751,716	2.56	-		571,112	-
"	Lotes Guangzhou Co., Ltd.	The surrogate parent company are the same parent company	312,155	2.98	-		-	-
"	Lotes Zhongshan Co., Ltd.	"	635,722	-	-		-	-
"	Guangzhou Leside Technology Co., Ltd.	"	866,107	2.61	-		-	-
"	LOTES VIET NAM COMPANY LIMITED	"	275,276	-	-		-	-
"	Zhongshan Huixing Electronics Co., Ltd.	"	218,894	1.39	-		-	-
Lotes Suzhou Co., Ltd.	Xincheng Development Co., Ltd.	The surrogate parent company are the same parent company	178,988	7.04	-		-	-
Good Hope Investments Limited	REKA Technology Co., Ltd.	"	978,651	-	-		-	-
Lotes Guangzhou Co., Ltd.	"	"	3,544,668	2.39	-		484,841	-
"	Lotes Zhongshan Co., Ltd.	"	489,614	-	-		-	-
Lotes Zhongshan Co., Ltd.	REKA Technology Co., Ltd.	"	2,337,625	3.67	-		319,817	-
"	Lotes Guangzhou Co., Ltd.	"	368,428	2.55	-		-	-
"	Guangzhou Leside Technology Co., Ltd.	"	388,411	2.20	-		-	-
"	Zhongshan Huixing Electronics Co., Ltd.	"	167,852	1.23	-		1,891	-
"	The Company	Subsidiary	121,936	1.19	-		-	-
Lotes Hengnan Co., Ltd.	REKA Technology Co., Ltd.	The surrogate parent company are the same parent company	147,712	7.59	-		-	-
"	Lotes Zhongshan Co., Ltd.	"	132,045	3.89	-		-	-
"	Lotes Guangzhou Co., Ltd.	"	105,913	2.82	-		-	-
"	Shenzhen DeYi Automation Equipment Co., Ltd.	"	124,581	2.82	-		-	-
"	Zongka Technology (Shenzhen) Co., Ltd.	"	122,803	2.89	-		-	-
Guangzhou Leside Technology Co., Ltd.	Zongka Technology (Shenzhen) Co., Ltd.	"	523,969	2.96	-		44,460	-
"	Shenzhen DeYi Automation Equipment Co., Ltd.	"	573,586	2.64	-		67,845	-
Lintes Technology (Suzhou) Co., Ltd.	Lintes Technology Co., Ltd.	"	641,791	2.28	-		101,507	-
LOTES VIET NAM COMPANY LIMITED	The Company	Subsidiary	349,115	2.75	-		15,901	-

9. Engagement in derivative transactions: None.

10. Business relationships and material transactions between parent and subsidiaries:

Business relationships and significant intercompany transactions from January 1 to September 30, 2024:

Unit: NT$ 1,000

No.	Name	Transaction with	Relationship	Transaction in 2024			
				Subject	Amount	Term	Operating revenue Accounting for total assets
0	The Company	Xincheng Development Co., Ltd.	1	Net purchases	1,041,965	Same as general transactions	4.78%
0	"	"	1	Accounts payable	140,293	"	0.29%
0	"	REKA Technology Co., Ltd.	1	Net purchases	7,924,358	"	36.37%
0	"	"	1	Accounts payable	4,751,716	"	9.97%
0	"	LOTES VIET NAM COMPANY LIMITED	1	Accounts payable	349,115	"	0.73%
0	"	"	1	Purchases for the period	371,885	"	1.71%
0	"	Guangzhou Leside Technology Co., Ltd.	1	Accounts receivable	248,111	"	0.52%
0	"	"	1	Sales revenue	247,734	"	1.14%
0	"	Lotes Zhongshan Co., Ltd.	1	Accounts payable	121,936	"	0.26%
0	"	"	1	Purchases for the period	119,774	"	0.55%
1	Lotes Guangzhou Co., Ltd.	REKA Technology Co., Ltd.	3	Sales revenue	5,183,491	Same as general transactions	23.79%
1	"	"	3	Purchases for the period	655,191	"	3.01%
1	"	"	3	Accounts receivable	3,544,668	"	7.44%
1	"	"	3	Accounts payable	312,155	"	0.66%
1	"	Lotes Zhongshan Co., Ltd.	3	Accounts payable	368,428	"	0.77%
1	"	"	3	Other receivables	489,614	'	1.03%
1	"	"	3	Purchases for the period	645,228	"	2.96%
1	"	Lotes Hengnan Co., Ltd.	3	Accounts payable	105,913	"	0.22%
1	"	"	3	Purchases for the period	205,613	"	0.94%
1	"	Zhongshan De Zhi Metal Surface Treatment Co., Ltd.	3	Purchases for the period	313,070	"	1.44%
2	Lotes Suzhou Co., Ltd.	Xincheng Development Co., Ltd.	3	Sales revenue	1,094,976	"	5.03%
2	"	"	3	Accounts receivable	178,988	"	0.38%
3	REKA Technology Co., Ltd.	Lotes Hengnan Co., Ltd.	3	Purchases for the period	883,783	"	4.06%
3	"	"	3	Sales revenue	158,038	"	0.73%
3	"	"	3	Accounts payable	147,712	"	0.31%
3	"	Lotes Zhongshan Co., Ltd.	3	Purchases for the period	5,425,731	"	24.90%
3	"	"	3	Accounts payable	2,337,625	"	4.91%
3	"	"	3	Other receivables	635,722	"	1.33%
3	"	Guangzhou Leside Technology Co., Ltd.	3	Sales revenue	1,567,117	"	7.19%
3	"	"	3	Accounts receivable	866,107	"	1.82%
3	"	"	3	Purchases for the period	144,632	"	0.66%
3	"	Good Hope Investments Limited	3	Other payables	978,651	"	2.05%
3	"	Zhongshan Huixing Electronics Co., Ltd.	3	Accounts receivable	218,894	"	0.46%
3	"	"	3	Sales revenue	196,408	"	0.90%
3	"	LOTES VIET NAM COMPANY LIMITED	3	Other receivables	275,276	"	0.58%
3	"	"	3	Sales of fixed asset	146,536	"	0.31%
4	Lintes Technology (Suzhou) Co., Ltd.	Lintes Technology Co., Ltd.	3	Sales revenue	996,166	"	4.57%
4	"	"	3	Accounts receivable	641,791	"	1.35%
5	Lotes Zhongshan Co., Ltd.	Lotes Hengnan Co., Ltd.	3	Purchases for the period	344,394	"	1.58%
5	"	"	3	Accounts payable	132,045	"	0.28%
5	"	Guangzhou Leside Technology Co., Ltd.	3	Sales revenue	515,348	"	2.37%
5	"	"	3	Accounts receivable	388,411	"	0.82%
5	"	Zhongshan Huixing Electronics Co., Ltd.	3	Accounts receivable	167,852	"	0.35%
5	"	"	3	Sales revenue	144,728	"	0.66%
6	Guangzhou Leside Technology Co., Ltd.	Shenzhen DeYi Automation Equipment Co., Ltd.	3	Sales revenue	973,435	"	4.47%
6	"	"	3	Accounts receivable	573,586	"	1.20%
6	"	Zongka Technology (Shenzhen) Co., Ltd.	3	Sales revenue	899,730	"	4.13%
6	"	"	3	Accounts receivable	523,969	"	1.10%
7	Lotes Hengnan Co., Ltd.	Zongka Technology (Shenzhen) Co., Ltd.	3	Sales revenue	200,166	"	0.92%
7	"	"	3	Accounts receivable	122,803	"	0.26%
7	"	Shenzhen DeYi Automation Equipment Co., Ltd.	3	Sales revenue	183,545	"	0.84%
7	"	"	3	Accounts receivable	124,581	"	0.26%

Note 1: The number should be filled in as follows:
1. 0 refer to parent company
2. Subsidiaries are numbered by company, starting with the Arabic numeral 1.

Note 2: The type of relationship with the counterparty is indicated below:
1. Parent company to subsidiaries
2. Subsidiaries to parent company
3. Subsidiaries to subsidiaries

(2) Information on Reinvestment Business:

Investment information of the Consolidated Company for the period from January 1 to September 30, 2024 (excluding investments in Mainland China):

Unit: NT$ 1,000

Name of the company investing	Name of investee company	Location	Main business	Initial investment amount (Note 1)		Shares held at the end of the fiscal period			Gain/loss of investee company in the fiscal period	Gain/loss in the investment recognized in the fiscal period	Remarks
				End of this period	End of the previous year	Shares	Percentage	Book value			
The Company	Lotes Investment Ltd.	Samoa	Holding and investment	824,483	824,483	26,050,000	100.00%	12,303,500	1,843,681	1,853,424	Note 2
"	Good Hope Investments Limited	"	"	12,701	12,701	401,281	100.00%	2,145,910	47,964	47,964	
"	Guansi Development Co., Ltd.	"	"	633,520	633,520	20,016,426	100.00%	5,346,758	785,580	782,237	Note 2
"	Zhaxi Investment Co., Ltd.	Anguilla	"	15,825	15,825	500,000	100.00%	250,889	39,358	39,358	
"	Jiayu Investment Co., Ltd.	Taiwan	General investment	865,000	690,000	94,300,000	100.00%	1,792,648	130,173	129,255	
"	Lotes USA, Inc.	America	Market development	79,125	79,125	2,500,000	100.00%	93,499	2,302	2,302	
"	LOTES EU GmbH	Germany	Market development	3,538	3,538	100,000	100.00%	1,435	(3,448)	(3,448)	
"	Lerain Technology Co., Ltd.	Taiwan	Design, test and sale of chips	47,321	47,321	4,732,059	15.74%	31,967	8,508	1,339	
"	Lomites Co., Ltd.	"	Manufacturing and trading of mechanical equipment and electronic parts	123,800	123,800	12,380,000	99.04%	67,133	(16,231)	(16,232)	
"	I-See Vision Technology, Inc.	"	Provision of design, R&D, and manufacturing services for contact lenses	94,000	94,000	9,400,000	21.01%	31,423	(74,775)	(16,279)	
"	AionChip Technologies Co., Ltd.	"	Engaged in IC design, testing, and sales	78,400	-	4,312,000	21.56%	75,718	(39,763)	(5,920)	
"	LOTES VIET NAM COMPANY LIMITED	Vietnam	Manufacturing of connectors for the information industry, communications industry, and consumer electronics industry	2,903,223	2,362,008	91,729,000	100.00%	2,669,296	127,452	60,857	Note 2
Lotes Investment Ltd.	Loteson International Investments Limited	Hong Kong	Holding and investment	824,483	824,483	26,050,000	100.00%	12,649,955	1,843,681	1,843,681	
Good Hope Investments Limited	Xincheng Development Co., Ltd.	Samoa	Sales of connectors for the information industry, communications industry, and consumer electronics industry	3,165	3,165	100,000	100.00%	1,446	49	49	
"	REKA Technology Co., Ltd.	Hong Kong	Sales of connectors for the information industry, communications industry, and consumer electronics industry	3,206	3,206	101,281	100.00%	1,165,785	47,915	47,915	
Guansi Development Co., Ltd.	Jae You Co., Ltd.	"	Holding and investment	633,530	633,530	20,016,756	100.00%	5,385,677	785,580	785,580	
Zhaxi Investment Co., Ltd.	Wangden Investments Limited	"	Holding and reinvestment	15,825	15,825	500,000	100.00%	250,890	39,358	39,358	
Jiayu Investment Co., Ltd.	Ememe Robot Co., Ltd.	Taiwan	Manufacturing of electrical and audio-visual electronic products	69,600	69,600	6,960,000	94.37%	(295)	8,360	7,889	
"	Compertum Microsystems Inc.	"	Manufacturing of electronic components	77,852	60,866	6,029,960	30.48%	15,702	(40,378)	(12,400)	
"	Good News Medical Co., Ltd.	"	Manufacturing and sales of machinery and equipment,	9,552	6,360	955,200	27.29%	3,609	(4,453)	(1,193)	

			electronic components, and optical instruments								
"	Lintes Technology Co., Ltd.	"	Manufacturing of electronic parts and components, other electrical and electronic machinery and equipment	746,361	616,859	32,071,309	48.32%	1,723,636	291,736	142,598	Note 2
Good News Medical Co., Ltd.	FELICITY NEWS LIMITED	BV Islands	Holding and reinvestment	1,044	1,044	33,000	100.00%	1,033	(50)	(50)	
Lintes Technology Co., Ltd.	Genie Precision Machine Co., Ltd.	Taiwan	Manufacturing and sales of optical molds	164,833	164,833	14,671,000	60.00%	128,761	(85,072)	(51,361)	
"	Compertum Microsystems Inc.	"	Manufacturing of electronic components	25,938	20,279	2,009,070	10.16%	5,232	(40,378)	(4,131)	
"	Lerain Technology Co., Ltd.	"	Design, test and sale of chips	5,471	5,471	547,059	1.82%	3,695	8,508	155	
"	AionChip Technologies Co., Ltd.	"	Design, test and sale of chips	10,000	-	550,000	2.75%	9,245	(39,763)	(755)	
"	Jilong Co., Ltd.	Samoa	Holding and reinvestment	156,668	156,668	4,950,000	100.00%	738,826	129,679	161,338	Note 2
"	LINTES TECHNOLOGY (THAILAND) CO., LTD.	Thailand	Manufacturing, processing, and trading of wires, cables, and electronic components	488,417	377,505	50,225,000	100.00%	455,594	(33,158)	(33,158)	
Jilong Co., Ltd.	Rihui Co., Ltd.	Samoa	Holding and reinvestment	156,668	156,668	4,950,000	100.00%	738,826	129,679	161,338	Note 2

Note 1: The original investment amount was translated into New Taiwan Dollars at the exchange rate as of the balance sheet date.

Note 2: The investment income or loss recognized in the current period includes adjustments for unrealized gains or losses from intercompany transactions.

(3) Investment in China:

1. Names of investee companies in Mainland China, major business activities, and other related information:

Unit: NT$ 1,000

Name of investee company in Mainland China	Main business	Paid-in capital (Note 3)	Investment method (Note 1)	Accumulated investment amount remitted from Taiwan at the beginning of the fiscal period (Note 3)	Amount remitted or recovered		Accumulated investment amount remitted from Taiwan at the end of the fiscal period (Note 3)	Gain/loss of investee company in the fiscal period	Shareholding ratio	Carrying amount of investment at the end of the fiscal period	Investment income remitted back to Taiwan by the end of the fiscal period	Amount remitted or recovered
					Remitted	Recovered						
Lotes Guangzhou Co., Ltd.	Manufacturing of connectors for the information industry, communications industry, and consumer electronics industry	845,055	(2)	807,075	-	-	807,075	1,843,681	100.00%	1,853,401B	12,303,446	-
Lotes Suzhou Co., Ltd.	Manufacturing of connectors for the information industry, communications industry, and consumer electronics industry	632,659	(2)	632,659	-	-	632,659	785,580	100.00%	782,237B	5,346,716	-
Zongka Technology (Shenzhen) Co., Ltd.	R&D of electronics, import and export of raw materials of plastic products and plastic products	15,825	(2)	15,825	-	-	15,825	39,358	100.00%	39,358B	250,889	-
Lotes Hengnan Co., Ltd.	Manufacturing of connectors for the information industry, communications industry, and consumer electronics industry	1,182,765	(3)	-	-	-	-	336,172	100.00%	306,198B	2,075,037	-
Lintes Technology (Suzhou) Co., Ltd.	Development and production of the measurement instruments for optical communication, optical transceivers of 10GB/s or above and relevant technical support	156,668	(2)	156,668	-	-	156,668	136,406	48.32%	81,211C	396,624	-
Shenzhen DeYi Automation Equipment Co., Ltd.	Manufacturing of robotic arms, automation equipment and relevant components	113,075	(3)	-	-	-	-	23,540	100.00%	23,540B	200,395	-
Lotes Zhongshan Co., Ltd.	Manufacturing connectors for telecommunication industry and for consumer electronics industry, and manufacturing of robotic arms, automation equipment and relevant components	3,166,100	(3)	-	-	-	-	922,455	100.00%	922,455B	6,481,189	-
Zhongshan Dezhi Metal Surface Treatment Co., Ltd.	Surface treatment of metal products and plastic products	275,903	(3)	-	-	-	-	29,288	100.00%	29,288B	344,136	-
Hengnan Deyi Property Development Co., Ltd.	Development of real estate, lease of premises, landscape design and interior decorating	104,029	(3)	-	-	-	-	398	100.00%	(2)B	103,108	-
Zhongshan Jinmeida Metal Surface Treatment Co., Ltd.	Surface treatment of metal products and plastic products	53,281	(3)	-	-	-	-	(606)	100.00%	(2,726)B	107,471	-
Guangzhou Dezhi Technology Co., Ltd.	Manufacturing of computers, communication, and other electronic equipment	2,262	(3)	-	-	-	-	(46)	100.00%	(46)B	2,173	-
Zhongshan DeZhi Real Estate Development Co., Ltd.	Real estate development, house rental, landscape design, and interior decoration	264,596	(3)	-	-	-	-	(45)	100.00%	(2,769)B	253,227	-
Guangzhou Leside Technology Co., Ltd.	Research, testing and development	21,258	(3)	-	-	-	-	85,334	100.00%	85,334B	286,143	-
Chongqing Fuxinrui Electronic Technology Co., Ltd.	R&D and sales of electronic components, automobile components and accessories, computers and accessories, development of molds and the import and export of goods and technologies	7,237	(3)	-	-	-	-	8,140	51.00%	4,152B	10,612	-
Zhongshan Huixing Electronics Co., Ltd.	Manufacturing of connectors for the IT, communication, and consumer electronics industries	34,827	(3)	-	-	-	-	(4,294)	30.06%	(1,291)B	(1,077)	-
Huili Electronic Technology (Ningbo) Co., Ltd.	Manufacturing of connectors for the IT, communication, and consumer electronics industries	4,523	(3)	-	-	-	-	(1,271)	51.00%	(648)B	445	-
Jiasimei (Guangzhou) Trading Co., Ltd.	Manufacturing and trading of audio equipment, Class II medical devices, machinery, electronic components, and optical instruments	1,044	(2)	1,044	-	-	1,044	(50)	100.00%	(50)B	1,033	-

Note 1: There are six types of investments:

(1) Investment in Chinese Corporation via Third Region Remittance.

(2) Establishment of a company to reinvest in a continental company through a third regional investment.

(3) Reinvest in Chinese companies by re-investing in existing companies in third regions.

(4) Direct Investment

(5) Others.

(6) N/A.

Note 2: (1) The investment gain or loss recognized in the current period has been reconciled with the unrealized gain or loss from intercompany transactions.

(2) Basis for recognizing investment gains and losses includes the following four types, which should be noted:

A. Financial statements reviewed by an international accounting firm in partnership with a CPA firm in Taiwan

B. Financial statements reviewed by a CPA certified in Taiwan for the Parent Company

C. Financial statements reviewed by a CPA certified in Taiwan for the Subsidiary

D. Others

Note 3: Paid-in capital and cumulative investment amounts remitted abroad are translated into New Taiwan Dollars at the exchange rate as of the balance sheet date.

2. Investment ceiling in Mainland China:

Company name	**Accumulated amount remitted from Taiwan at the end of the fiscal period for investment in Mainland China (Note 1)**	**Investment amount approved by Investment Commission, MoEA (Note 1)**	**Investment ceiling in Mainland China according to the regulations made by Investment Commission, MoEA**
Lotes Co., Ltd.	1,455,559 thousand	1,609,009 thousand	19,896,623 thousand
Lintes Technology Co., Ltd.	156,668 thousand	156,668 thousand	2,140,223 thousand
Good News Medical Co., Ltd.	1,044 thousand	1,044 thousand	7,935 thousand

Note 1: The conversions to NTD were made at the exchange rates prevailing on the balance sheet date.

3. Significant transactions with the investee companies in China:

For major transactions directly or indirectly involving the Consolidated Company and its invested companies in Mainland China during the period from January 1 to September 30, 2024 (already eliminated during the preparation of the consolidated report), please refer to the sections "Major Transaction Details" and "Business Relationships and Material Transactions Between Parent and Subsidiaries" for details.

(4) Information on Major Shareholders:

Shares **Name of Major Shareholder**	**Shares held**	**Shareholding %**
Chin-Ling Investment Co., Ltd.	10,956,237	9.73%
Jiaming Investment Co., Ltd.	9,797,037	8.70%

Note:

(1) The information on major shareholders in this table is based on the last business day of each quarter and is calculated based on the total number of common shares and preferred shares held by shareholders who have completed the delivery of unregistered shares (including treasury shares) of the Company of at least 5%. The number of shares recorded in the Company’s financial statements and the actual number of shares delivered without physical registration may differ depending on the basis of computation.

(2) The above information is revealed by the trustee's opening of a trust account with individual subaccounts of the principal if the shareholder has delivered his or her shares to the trust. As for any shareholder holding more than 10% of the shares of the Company in accordance with the Securities and Exchange Act, the shareholdings include its own shares plus the shares it has delivered to the trust and has the right to decide on the use of the trust property, etc. Please refer to the Market Observation Post System for information on insider shareholdings.

XIV. Segmental Information

(1) General information

The Company's main business is the trading of various hardware and tool parts, the manufacturing, processing and trading of various terminals and their finished connectors, the import and export trade of the preceding items, and the agency of the preceding items related to domestic and foreign manufacturers' products in the tender quotation and distribution business.

(2) Information on reportable segment profit or loss, assets, liabilities and their measurement basis and reconciliation

The Consolidated Company's major decisions are based on the performance appraisal and resource allocation by the production regions. After analysis, the two regions meet the conditions of consolidation into a single operating segment, therefore the Consolidated Company as a whole is a single operating segment, and the information of segment profit or loss, segment assets and segment liabilities are consistent with the financial statements.

(3) Product and labor provision information

The Consolidated Company's revenue information from external customers is as follows:

Product and labor	**July to Sep. 2024**	**July to Sep. 2023**	**Jan. to Sep. 2024**	**Jan. to Sep. 2023**
Server	$ 2,549,531	1,499,114	7,373,237	4,437,948
DT	2,294,878	1,809,088	5,908,662	5,429,705
NB	956,303	856,076	2,640,458	2,480,396
Strategic Projects	933,202	949,399	2,272,774	2,432,725
LINTES(High Speed Cable)	532,045	791,353	1,587,375	1,747,905
Automotive	561,755	402,601	1,363,931	862,870
Other	239,024	155,926	642,419	520,754
Total	**$ 8,066,738**	**6,463,557**	**21,788,856**	**17,912,303**

(4) Geographical information

The geographical information of the consolidated company is as follows, categorized based on the geographic location of the customers.

Area		**July to Sep. 2024**	**July to Sep. 2023**	**Jan. to Sep. 2024**	**Jan. to Sep. 2023**
Revenue from external customers:					
Taiwan	$	884,132	744,815	2,515,410	2,174,813
Mainland China		6,354,766	3,621,499	17,236,779	13,175,898
Other		827,840	2,097,243	2,036,667	2,561,592
Total	**$**	**8,066,738**	**6,463,557**	**21,788,856**	**17,912,303**