

MiTAC HOLDINGS CORPORATION
PARENT COMPANY ONLY FINANCIAL
STATEMENTS AND INDEPENDENT AUDITORS’
REPORT
DECEMBER 31, 2022 AND 2021

For the convenience of readers and for information purpose only, the auditors’ report and the accompanying financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. In the event of any discrepancy between the English version and the original Chinese version or any differences in the interpretation of the two versions, the Chinese-language auditors’ report and financial statements shall prevail.

INDEPENDENT AUDITORS' REPORT

PWCR22000619

To the Board of Directors and Shareholders of MiTAC HOLDINGS CORPORATION

Opinion

We have audited the accompanying parent company only balance sheets of MiTAC Holdings Corporation (the “Company”) as at December 31, 2022 and 2021, and the parent company only statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the parent company only financial statements, including a summary of significant accounting policies.

In our opinion, based on our audits and the reports of other auditors, as described in the *Other matter* section of our report, the accompanying parent company only financial statements present fairly, in all material respects, the parent company only financial position of MiTAC Holdings Corporation as at December 31, 2022 and 2021, and its parent company only financial performance and its parent company only cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for opinion

We conducted our audits in accordance with the “Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants” and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the *Auditor’s Responsibilities for the Audit of the Parent Company Only Financial Statements* section of our report. We are independent of the Company in accordance with the Norm of Professional Ethics for Certified Public Accountants in the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. Based on our audits and the reports of the other auditors, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

We draw attention to Note 6(3) to the parent company only financial statements, which describes that during 2022 and 2021, the MiTAC Holdings Corporation and its subsidiaries’ (the Group’s) ownership in the associates, Concentrix Corp. and TD Synnex Corp., were decreased and the Group lost significant

influence over them. As a result, the Company recognised the share of profit or loss of associates and joint ventures accounted for using equity method amounting to NT\$9,027,054 thousand and NT\$12,793,377 thousand, respectively. Our opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Company's 2022 parent company only financial statements. These matters were addressed in the context of our audit of the parent company only financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

As of December 31, 2022, the Company recognised MiTAC International Corporation and its subsidiaries, MiTAC Computing Technology Corporation and its subsidiaries and MiTAC Digital Technology Corporation and its subsidiaries, as investments accounted for using the equity method, please refer to Note 6(3) for the details. The aforementioned investments accounted for using equity method constitute 77% of the Company's total assets. Thus, we consider the following key audit matters of the Company's investees also as key audit matters of the Company.

Sales revenue recognition

Description

Given that revenues are material to the financial statements of the subsidiaries that are accounted for using the equity method, the various types of products and sales terms, the timing of revenue recognition can only be determined when the controls of ownership for products are transferred to the customers based on contract terms of each different customer. Thus, we identified the sales revenue recognition of investees as a key audit matter.

How our audit addressed the matter

We conducted audit procedures, including: discussed with management and evaluated the policy of revenue recognition; assessed the effectiveness of design and implementation of internal controls over recognition of revenue; test sampled the sales transactions including their terms, performance obligations, and prices and verified the supporting documents for deliveries to ensure the proper timing and amounts of recognition; selected sales transactions for a specific period prior to and after the balance sheet date and verified transaction documents to ensure sales revenue are recorded in the proper period.

Valuation of inventory

Description

Subsidiaries accounted for using equity method were mainly engaged in manufacturing and selling computers and their peripherals and communications products. Since the industry involved rapidly changing technology and were affected by market demand, there was higher risk of incurring inventory valuation losses or having obsolete inventory. Inventories of investees were measured at the lower of cost and net realisable value. Considering that these inventories were significant, items were voluminous and the valuation is associated with subjective judgement, we identified valuation of inventory of the subsidiaries as a key audit matter.

How our audit addressed the matter

We performed audit procedures, including: discussed with management and evaluated the policy of inventory valuation, validated inventory aging report through checking the logic of calculating aged inventories and confirming the appropriateness of categorization of aged inventories; and validated the basis in determining net realizable values of obsolete or slow-moving inventories in order to evaluate the reasonableness of allowance for inventory valuation losses.

Other matter- Reference to the reports of other auditors

In 2021, we did not audit certain investments accounted for under the indirect equity method that were included in the parent company only financial statements, whose financial statements were prepared under a different financial reporting framework. The Company converted the financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers. Share of profit of associates and joint ventures accounted for using equity method amounted to NT\$1,111,191 thousand for the year ended December 31, 2021. Investments accounted for using equity method amounted to NT\$6,848,718 thousand as at December 31, 2021. Those financial statements before adjustments were audited by other auditors whose reports thereon have been furnished to us, and our opinion expressed herein is based solely on the audit reports of the other auditors.

Responsibilities of management and those charged with governance for the parent company only financial statements

Management is responsible for the preparation and fair presentation of the parent company only financial

statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and for such internal control as management determines is necessary to enable the preparation of parent company only financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the parent company only financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including audit committee, are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the parent company only financial statements

Our objectives are to obtain reasonable assurance about whether the parent company only financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these parent company only financial statements.

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgement and professional skepticism. We also:

1. Identify and assess the risks of material misstatement of the parent company only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures

that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the disclosures, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the parent company only financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless

law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Liu, Chien-Yu

Cheng, Ya-Huei

For and on behalf of PricewaterhouseCoopers, Taiwan

February 24, 2023

The accompanying parent company only financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying parent company only financial statements and independent auditors' report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

MITAC HOLDINGS CORPORATION
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars)

Assets		Notes	December 31, 2022		December 31, 2021	
			AMOUNT	%	AMOUNT	%
Current assets						
1100	Cash and cash equivalents	6(1)	\$ 1,302,899	2	\$ 26,055	-
1200	Other receivables		220	-	-	-
1210	Other receivables - related parties	7	1,265,691	1	3,793,187	7
1220	Current income tax assets		7,907	-	7,907	-
1410	Prepayments		1,131	-	1,006	-
11XX	Total current assets		2,577,848	3	3,828,155	7
Non-current assets						
1517	Financial assets at fair value through other comprehensive income - non-current	6(2)	15,841,931	19	582,750	1
1550	Investments accounted for using equity method	6(3)	63,398,437	78	54,269,218	92
1600	Property, plant and equipment - net	6(4)	796	-	1,592	-
1920	Refundable deposits		106	-	106	-
15XX	Total non-current assets		79,241,270	97	54,853,666	93
1XXX	Total assets		\$ 81,819,118	100	\$ 58,681,821	100

(Continued)

MiTAC HOLDINGS CORPORATION
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity		Notes	December 31, 2022		December 31, 2021	
			AMOUNT	%	AMOUNT	%
Current liabilities						
2200	Other payables		\$ 33,538	-	\$ 24,439	-
2220	Other payables - related parties	7	6,304,498	8	5,889,657	10
2230	Current income tax liabilities		718,910	1	209,354	-
2300	Other current liabilities		4	-	60	-
21XX	Total current liabilities		7,056,950	9	6,123,510	10
Non-current liabilities						
2570	Deferred income tax liabilities	6(13)	258,745	-	-	-
2620	Long-term payable to related parties	7	13,861,810	17	-	-
25XX	Total non-current liabilities		14,120,555	17	-	-
2XXX	Total Liabilities		21,177,505	26	6,123,510	10
Equity						
	Share capital	6(6)				
3110	Common stock		12,065,568	15	12,065,568	21
	Capital surplus	6(7)				
3200	Capital surplus		22,610,906	28	22,590,282	38
	Retained earnings	6(8)				
3310	Legal reserve		2,938,598	3	1,744,713	3
3350	Unappropriated retained earnings		20,434,720	25	14,549,186	25
	Other equity interest	6(9)				
3400	Other equity interest		2,754,695	3	1,848,438	3
3500	Treasury stocks	6(6)	(162,874)	-	(239,876)	-
3XXX	Total equity		60,641,613	74	52,558,311	90
3X2X	Total liabilities and equity		\$ 81,819,118	100	\$ 58,681,821	100

The accompanying notes are an integral part of these parent company only financial statements.

MiTAC HOLDINGS CORPORATION
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars, except earnings per share)

		Year ended December 31			
Items	Notes	2022		2021	
		AMOUNT	%	AMOUNT	%
4000 Operating revenue	6(2)(3)	\$ 9,919,393	100	\$ 12,077,658	100
Operating expenses					
6200 General and administrative expenses	6(11)(12) and 7	(43,795)	-	(46,208)	-
6900 Operating profit		9,875,598	100	12,031,450	100
Non-operating income and expenses					
7100 Interest income	6(10) and 7	56,713	-	8,851	-
7010 Other income		-	-	4,491	-
7020 Other gains and losses		95,664	1	2	-
7050 Finance costs	6(5)	(19,706)	-	(11,375)	-
7000 Total non-operating income and expenses		132,671	1	1,969	-
7900 Profit before income tax		10,008,269	101	12,033,419	100
7950 Income tax expense	6(13)	(714,055)	(7)	(72,482)	(1)
8200 Profit for the year		\$ 9,294,214	94	\$ 11,960,937	99
Other comprehensive income (loss)-net					
Components of other comprehensive income (loss) that will not be reclassified to profit or loss					
8316 Unrealised gains from investments in equity instruments measured at fair value through other comprehensive income	6(2)(9)	\$ 820,291	8	\$ 134,692	1
8330 Share of other comprehensive (loss) income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss	6(3)(9)	(1,722,691)	(17)	471,952	4
8310 Components of other comprehensive (loss) income that will not be reclassified to profit or loss		(902,400)	(9)	606,644	5
Components of other comprehensive income (loss) that will be reclassified to profit or loss					
8380 Share of other comprehensive income (loss) of associates and joint ventures accounted for using equity method, components of other comprehensive income that will be reclassified to profit or loss	6(3)(9)	2,019,189	20	(464,955)	(4)
8360 Components of other comprehensive income (loss) that will be reclassified to profit or loss		2,019,189	20	(464,955)	(4)
8300 Other comprehensive income for the year		\$ 1,116,789	11	\$ 141,689	1
8500 Total comprehensive income for the year		\$ 10,411,003	105	\$ 12,102,626	100
9750 Basic earnings per share	6(14)	\$ 7.76		\$ 10.01	
9850 Diluted earnings per share	6(14)	\$ 7.75		\$ 9.96	

The accompanying notes are an integral part of these parent company only financial statements.

MITAC HOLDINGS CORPORATION
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars)

	Notes	Share capital - common stock	Capital surplus, additional paid-in capital	Retained Earnings		Other equity interest		Treasury stocks	Total equity
				Legal reserve	Unappropriated retained earnings	Financial statements translation differences of foreign operations	Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income		
<u>Year 2021</u>									
Balance at January 1, 2021		\$ 12,065,568	\$ 23,582,411	\$ 1,451,388	\$ 4,110,220	(\$ 1,803,450)	\$ 3,546,733	(\$ 239,876)	\$ 42,712,994
Profit for 2021		-	-	-	11,960,937	-	-	-	11,960,937
Other comprehensive income (loss) for 2021		-	-	-	1,320	(464,955)	605,324	-	141,689
Total comprehensive income (loss)		-	-	-	11,962,257	(464,955)	605,324	-	12,102,626
Distribution of 2020 earnings:	6(8)								
Legal reserve		-	-	293,325	(293,325)	-	-	-	-
Cash dividends		-	-	-	(1,206,557)	-	-	-	(1,206,557)
Subsidiaries change of associates accounted for using equity method	6(7)(9)	-	12,150	-	(17,911)	-	(40,712)	-	(46,473)
Subsidiaries received cash dividends paid by the parent company	6(7)	-	11,379	-	-	-	-	-	11,379
Proceeds from disposal of investments by subsidiaries accounted for using equity method	6(7)(9)	-	(1,016,018)	-	(5,498)	-	5,498	-	(1,016,018)
Capital surplus - dividends unclaimed by the shareholders	6(7)	-	372	-	-	-	-	-	372
Capital surplus - dividends unclaimed by the subsidiaries' shareholders	6(7)	-	(12)	-	-	-	-	-	(12)
Balance at December 31, 2021		\$ 12,065,568	\$ 22,590,282	\$ 1,744,713	\$ 14,549,186	(\$ 2,268,405)	\$ 4,116,843	(\$ 239,876)	\$ 52,558,311
<u>Year 2022</u>									
Balance at January 1, 2022		\$ 12,065,568	\$ 22,590,282	\$ 1,744,713	\$ 14,549,186	(\$ 2,268,405)	\$ 4,116,843	(\$ 239,876)	\$ 52,558,311
Profit for 2022		-	-	-	9,294,214	-	-	-	9,294,214
Other comprehensive income (loss) for 2022		-	-	-	13,527	2,019,189	(915,927)	-	1,116,789
Total comprehensive income		-	-	-	9,307,741	2,019,189	(915,927)	-	10,411,003
Distribution of 2021 earnings	6(8)								
Legal reserve		-	-	1,193,885	(1,193,885)	-	-	-	-
Cash dividends		-	-	-	(2,413,114)	-	-	-	(2,413,114)
Subsidiaries change of associates accounted for using equity method	6(7)(9)	-	58,881	-	19,366	-	(19,366)	-	58,881
Disposal of company's share by subsidiaries recognised as treasury share transactions	6(6)(7)	-	(6,300)	-	-	-	-	77,002	70,702
Subsidiaries received cash dividends paid by the parent company	6(7)	-	18,501	-	-	-	-	-	18,501
Proceeds from disposal of investments by subsidiaries accounted for using equity method	6(7)	-	(50,927)	-	717	-	(717)	-	(50,927)
Subsidiaries disposal of equity instruments measured at fair value through other comprehensive income	6(7)	-	-	-	164,709	-	(176,922)	-	(12,213)
Capital surplus - dividends unclaimed by the shareholders	6(7)	-	469	-	-	-	-	-	469
Balance at December 31, 2022		\$ 12,065,568	\$ 22,610,906	\$ 2,938,598	\$ 20,434,720	(\$ 249,216)	\$ 3,003,911	(\$ 162,874)	\$ 60,641,613

The accompanying notes are an integral part of these parent company only financial statements.

MiTAC HOLDINGS CORPORATION
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars)

		Year ended December 31	
	Notes	2022	2021
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Profit before tax		\$ 10,008,269	\$ 12,033,419
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation	6(4)(11)	796	796
Share of profit of associates accounted for using equity method	6(3)	(9,863,427)	(12,067,416)
Interest income	6(10)	(56,713)	(8,851)
Dividend income	6(2)	(55,966)	(10,242)
Interest expense	6(5)	19,706	11,375
Changes in operating assets and liabilities			
Changes in operating assets			
Increase in prepayments		(125)	(50)
Decrease in other receivables		-	9,034
Decrease in other receivables - related parties		68,293	105,411
Changes in operating liabilities			
Increase in other payables		9,099	13,990
Decrease in other payables - related parties		(26,642)	(10,871)
(Decrease) increase in other current liabilities		(56)	46
Cash inflow generated from operations		103,234	76,641
Receipt of interest		55,859	7,833
Cash dividend received		1,171,617	984,054
Payment of interest		(20,619)	(11,409)
Payment of income tax		(69,610)	(118,000)
Net cash flows from operating activities		1,240,481	939,119
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Loans lent to related parties	7	(15,992,705)	(7,244,835)
Loans repaid from related parties	7	18,606,882	4,996,843
Acquisition of financial assets at fair value through other comprehensive income	6(2)	(14,438,890)	(55,400)
Proceeds from capital reduction of financial assets at fair value through other comprehensive income		-	180
Net cash flows used in investing activities		(11,824,713)	(2,303,212)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Decrease in short-term borrowings	6(5)	-	(100,000)
Increase in loans from related parties	7	24,096,530	6,771,906
Repayment of loans to related parties	7	(9,822,809)	(4,103,914)
Cash dividends paid	6(8)	(2,413,114)	(1,206,557)
Capital surplus - dividends unclaimed by the shareholders	6(7)	469	372
Net cash flows from financing activities		11,861,076	1,361,807
Net increase (decrease) in cash and cash equivalents		1,276,844	(2,286)
Cash and cash equivalents at beginning of year	6(1)	26,055	28,341
Cash and cash equivalents at end of year	6(1)	\$ 1,302,899	\$ 26,055

The accompanying notes are an integral part of these parent company only financial statements.

MiTAC HOLDINGS CORPORATION
NOTES TO THE PARENT COMPANY ONLY FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

1. HISTORY AND ORGANISATION

- (1) MiTAC Holdings Corporation (the “Company”) was established by MiTAC International Corp. (“MiTAC International”) through a share conversion on September 12, 2013, and on the same date, the competent authority has approved for the Company’s shares to be listed on the Taiwan Stock Exchange (TWSE). MiTAC International became the Company’s wholly-owned subsidiary after conversion. The main business of the Company is investment holding.
- (2) The Company in order to promote specialization of work for transforming and improving overall competitiveness, the Board of Directors of its subsidiary, MiTAC International, has resolved to divest its cloud computing products group to the newly established company, MiTAC Computing Technology Corporation (referred herein as the “MiTAC Computing Technology”), as the consideration for the acquisition of 220,000 thousand newly issued ordinary shares of MiTAC Technology on the spin-off day, September 1, 2014. In addition, in 2017, the Board of Directors of MiTAC International has resolved to divest its mobile communication products group to the newly established company, MiTAC Digital Technology Corporation (referred herein as the “MiTAC Digital Technology”), as the consideration for the acquisition of 100,000 thousand newly issued ordinary shares of MiTAC Digital Technology on the spin-off day, January 1, 2018. As a result, MiTAC International, MiTAC Computing Technology and MiTAC Digital Technology are the wholly-owned subsidiaries of the Company after the spin-off.

2. THE DATE OF AUTHORISATION FOR ISSUANCE OF THE PARENT COMPANY ONLY FINANCIAL STATEMENTS AND PROCEDURES FOR AUTHORISATION

These parent company only financial statements were authorised for issuance by the Board of Directors on February 24, 2023.

3. APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATION

- (1) Effect of the adoption of new issuances of or amendments to International Financial Reporting Standards (“IFRS”) that came into effect as endorsed by the Financial Supervisory Commission (“FSC”)

New standards, interpretations and amendments endorsed by FSC and became effective from 2022 are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IFRS 3, 'Reference to the conceptual framework'	January 1, 2022
Amendments to IAS 16, 'Property, plant and equipment: proceeds before intended use'	January 1, 2022
Amendments to IAS 37, 'Onerous contracts—cost of fulfilling a contract'	January 1, 2022
Annual improvements to IFRS Standards 2018–2020	January 1, 2022

The above standards and interpretations have no significant impact to the Company's financial condition and financial performance based on the Company's assessment.

(2) Effect of new issuances of or amendments to IFRSs as endorsed by the FSC but not yet adopted by the Company

New standards, interpretations and amendments endorsed by the FSC effective from 2023 are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IAS 1, 'Disclosure of accounting policies'	January 1, 2023
Amendments to IAS 8, 'Definition of accounting estimates'	January 1, 2023
Amendments to IAS 12, 'Deferred tax related to assets and liabilities arising from a single transaction'	January 1, 2023

The above standards and interpretations have no significant impact to the Company's financial condition and financial performance based on the Company's assessment.

(3) IFRSs issued by IASB but not yet endorsed by the FSC

New standards, interpretations and amendments issued by IASB but not yet included in the IFRSs as endorsed by the FSC are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IFRS 10 and IAS 28, 'Sale or contribution of assets between an investor and its associate or joint venture'	To be determined by International Accounting Standards Board
Amendments to IFRS 16, 'Lease liability in a sale and leaseback'	January 1, 2024
IFRS 17, 'Insurance contracts'	January 1, 2023
Amendments to IFRS 17, 'Insurance contracts'	January 1, 2023
Amendment to IFRS 17, 'Initial application of IFRS 17 and IFRS 9 – comparative information'	January 1, 2023
Amendments to IAS 1, 'Classification of liabilities as current or non-current'	January 1, 2024
Amendments to IAS 1, 'Non-current liabilities with covenants'	January 1, 2024

The above standards and interpretations have no significant impact to the Company's financial condition and financial performance based on the Company's assessment.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these parent company only financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(1) Compliance statement

The parent company only financial statements have been prepared in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers".

(2) Basis of preparation

A. Except for the following items, this parent company only financial statements have been prepared under the historical cost convention:

Financial assets at fair value through other comprehensive income.

B. The preparation of financial statements in compliance with IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the parent company only financial statements are disclosed in Note 5.

(3) Foreign currency translation

Items included in the financial statements of each of the Company's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The parent company only financial statements are presented in New Taiwan Dollars, which is the Company's functional currency.

Foreign currency transactions and balances

A. Foreign currency transactions are translated into the functional currency using the exchange

rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions are recognized in profit or loss in the period in which they arise.

- B. Monetary assets and liabilities denominated in foreign currencies at the period end are re-translated at the exchange rates prevailing at the balance sheet date. Exchange differences arising upon re-translation at the balance sheet date are recognized in profit or loss.
- C. Non-monetary assets and liabilities denominated in foreign currencies held at fair value through profit or loss are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognized in profit or loss. Non-monetary assets and liabilities denominated in foreign currencies held at fair value through other comprehensive income are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognized in other comprehensive income. However, non-monetary assets and liabilities denominated in foreign currencies that are not measured at fair value are translated using the historical exchange rates at the dates of the initial transactions.

(4) Classification of current and non-current items

- A. Assets that meet one of the following criteria are classified as current assets; otherwise they are classified as non-current assets:
 - (a) Assets arising from operating activities that are expected to be realized, or are intended to be sold or consumed within the normal operating cycle;
 - (b) Assets held mainly for trading purposes;
 - (c) Assets that are expected to be realized within twelve months from the balance sheet date;
 - (d) Cash and cash equivalents, excluding restricted cash and cash equivalents and those that are to be exchanged or used to settle liabilities more than twelve months after the balance sheet date.
- B. Liabilities that meet one of the following criteria are classified as current liabilities; otherwise they are classified as non-current liabilities:
 - (a) Liabilities that are expected to be settled within the normal operating cycle;
 - (b) Liabilities arising mainly from trading activities;
 - (c) Liabilities that are to be settled within twelve months from the balance sheet date;
 - (d) Liabilities for which the repayment date cannot be extended unconditionally to more than twelve months after the balance sheet date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

(5) Cash equivalents

Cash equivalents refer to short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Time deposits that meet the definition above and are held for the purpose of meeting short-term cash commitments in operations are classified as cash equivalents.

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

A. Financial assets at fair value through other comprehensive income comprise equity securities which are not held for trading, and for which the Company has made an irrevocable election at initial recognition to recognise changes in fair value in other comprehensive income and debt instruments which meet all of the following criteria:

(a) The objective of the Company's business model is achieved both by collecting contractual cash flows and selling financial assets; and

(b) The assets' contractual cash flows represent solely payments of principal and interest.

B. On a regular way purchase or sale basis, financial assets at fair value through other comprehensive income are recognised and derecognised using trade date accounting.

C. At initial recognition, the Company measures the financial assets at fair value plus transaction costs. The Company subsequently measures the financial assets at fair value:

The changes in fair value of equity investments that were recognised in other comprehensive income are reclassified to retained earnings and are not reclassified to profit or loss following the derecognition of the investment. Dividends are recognised as revenue when the right to receive payment is established, future economic benefits associated with the dividend will flow to the Company and the amount of the dividend can be measured reliably.

(7) Impairment of financial assets

For debt instruments measured at fair value through other comprehensive income and financial assets at amortised cost (including accounts receivable or contract assets that have a significant financing component, lease receivables, loan commitments and financial guarantee contracts), at each reporting date, the Company recognises the impairment provision for 12 months expected credit losses if there has not been a significant increase in credit risk since initial recognition or recognises the impairment provision for the lifetime expected credit losses (ECLs) if such credit risk has increased since initial recognition after taking into consideration all reasonable and verifiable information that includes forecasts. On the other hand, for accounts receivable or contract assets that do not contain a significant financing component, the Company recognises the impairment provision for lifetime ECLs.

(8) Derecognition of financial assets

The Company derecognizes a financial asset when the contractual rights to receive the cash flows from the financial asset expire.

The Company derecognizes a financial asset when one of the following conditions is met:

A. The contractual rights of the cash flows from the financial asset expire.

- B. The contractual rights to receive cash flows of the financial asset have been transferred and the Company has transferred substantially all risks and rewards of ownership of the financial asset.
- C. The contractual rights to receive cash flows of the financial asset have been transferred; however, the Company has not retained control of the financial asset.

(9) Investments accounted for using equity method / subsidiary/ associates

- A. A subsidiary is an entity where the Company has the right to dominate its finance and operating policies (including special purpose entities), normally the Company owns more than 50% of the voting rights directly or indirectly in that entity. Subsidiaries are accounted for under the equity method in the Company's parent company only financial statements.
- B. Unrealized gains or losses resulting from inter-company transactions with subsidiaries are eliminated. Necessary adjustments are made to the accounting policies of subsidiaries, to be consistent with the accounting policies of the Company.
- C. After acquisition of subsidiaries, the Company recognizes proportionately the share of profit and loss and other comprehensive income in the statement of comprehensive income as part of the Company's profit and loss and other comprehensive income, respectively. When the share of loss from a subsidiary exceeds the carrying amount of Company's interest in that subsidiary, the Company continues to recognize its share in the subsidiary's loss proportionately.
- D. According to "Regulations Governing the Preparation of Financial Statements by Securities Issuers", "Profit for the year" and "Other comprehensive income for the year" reported in an entity's parent company only statement of comprehensive income, shall be equal to "profit for the year" and "Other comprehensive income" attributable to owners of the parent reported in that entity's consolidated statement of comprehensive income. Total equity reported in an entity's parent company only financial statements, shall be equal to equity attributable to owners of parent reported in that entity's consolidated financial statements.
- E. Associates are all entities over which the Company has significant influence but not control. In general, it is presumed that the investor has significant influence, if an investor holds, directly or indirectly 20 percent or more of the voting power of the investee. Investments in associates are accounted for using the equity method and are initially recognized at cost.
- F. The Company's share of its associates' post-acquisition profits or losses is recognized in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognized in other comprehensive income. When the Company's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Company does not recognize further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.
- G. When changes in an associate's equity do not arise from profit or loss or other comprehensive income of the associate and such changes do not affect the Company's ownership percentage

of the associate, the Company recognizes change in ownership interests in the associate in 'capital surplus' in proportion to its ownership.

- H. Unrealized gains on transactions between the Company and its associates are eliminated to the extent of the Company's interest in the associates. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been adjusted where necessary to ensure consistency with the policies adopted by the Company.
- I. In the case that an associate issues new shares and the Company does not subscribe or acquire new shares proportionately, which results in a change in the Company's ownership percentage of the associate but maintains significant influence on the associate, then 'capital surplus' and 'investments accounted for under the equity method' shall be adjusted for the increase or decrease. If the above condition causes a decrease in the Company's ownership percentage of the associate, in addition to the above adjustment, the amounts previously recognized in other comprehensive income in relation to the associate are reclassified to profit or loss proportionately on the same basis as would be required if the relevant assets or liabilities were disposed of.
- J. When the Company disposes its investment in an associate and loses significant influence over this associate, the amounts previously recognized in other comprehensive income in relation to the associate, are reclassified to profit or loss, on the same basis as would be required if the relevant assets or liabilities were disposed of. If it retains significant influence over this associate, the amounts previously recognized in other comprehensive income in relation to the associate are reclassified to profit or loss proportionately in accordance with the aforementioned approach.
- K. When the Company disposes its investment in an associate and loses significant influence over this associate, the amounts previously recognized as capital surplus in relation to the associate are transferred to profit or loss. If it retains significant influence over this associate, the amounts previously recognized as capital surplus in relation to the associate are transferred to profit or loss proportionately.

(10) Property, plant and equipment

- A. Property, plant and equipment are initially recorded at cost. Borrowing costs incurred during the construction period are capitalized.
- B. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of discarded assets is derecognized when critical repairs are incurred, and other repair expenses are charged to profit or loss for the period when they incur.
- C. Property, plant and equipment apply cost model and are depreciated using the straight-line method to allocate their cost over their estimated useful lives. Each part of an item of property,

plant, and equipment with a cost that is significant in relation to the total cost of the item must be depreciated separately.

- D. The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each financial year-end. If expectations for the assets' residual values and useful lives differ from previous estimates or the patterns of consumption of the assets' future economic benefits embodied in the assets have changed significantly, any change is accounted for as a change in estimate under IAS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors', from the date of the change. The estimated useful lives of transportation equipment are 5 years.

(11) Impairment of non-financial assets

The Company assesses at each balance sheet date the recoverable amounts of those assets where there is an indication that they are impaired. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell or value in use. When the circumstances or reasons for recognizing impairment loss for an asset in prior years no longer exist or diminish, the impairment loss is reversed. The increased carrying amount due to reversal should not be more than what the depreciated or amortized historical cost would have been if the impairment had not been recognized.

(12) Derecognition of financial liabilities

A financial liability is derecognized when the obligation under the liability specified in the contract is discharged or cancelled or expires.

(13) Borrowings

Borrowings comprise long-term and short-term bank borrowings and other long-term and short-term loans. Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

(14) Offsetting financial instruments

Financial assets and liabilities are offset and reported in the net amount in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

(15) Employee benefits

A. Short-term employee benefits

Short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in respect of service rendered by employees in a period and should be recognized as expense in that period when the employees render service.

B. Employees' compensation and directors' remuneration

Employees' compensation and directors' remuneration are recognized as expenses and

liabilities, provided that such recognition is required under legal or constructive obligation and those amounts can be reliably estimated. Any difference between the resolved amounts and the subsequently actual distributed amounts is accounted for as changes in estimates. If employee compensation is distributed by shares, the Company calculates the numbers of shares based on the closing price at the previous day of the board meeting resolution.

(16) Income tax

- A. The tax expense for the period comprises current and deferred tax. Tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or items recognized directly in equity.
- B. The current income tax expense is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in accordance with applicable tax regulations. It establishes provisions where appropriate based on the amounts expected to be paid to the tax authorities. An additional tax is levied on the unappropriated retained earnings and is recorded as income tax expense in the year the stockholders resolve to retain the earnings.
- C. Deferred tax is recognized, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the parent company only balance sheet. However, the deferred tax is not accounted for if it arises from initial recognition of goodwill or of an asset or liability in a transaction other than a business entity that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred tax is provided on temporary differences arising on investments in subsidiaries, except where the timing of the reversal of the temporary difference is controlled by the Company and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.
- D. Deferred tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized. At each balance sheet date, unrecognized and recognized deferred tax assets are reassessed.
- E. Current income tax assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. Deferred income tax assets and liabilities are offset on the balance sheet when the entity has the legally enforceable right to offset current tax assets against current tax liabilities and they are levied by the same taxation authority on either the same entity or different entities that intend to settle on a net basis or realize the asset and settle the liability simultaneously.

(17) Share capital

- A. Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or stock options are shown in equity as a deduction, net of tax, from the proceeds.
- B. Where the Company repurchases the Company's equity share capital that has been issued, the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the Company's equity holders. Where such shares are subsequently reissued, the difference between their book value and any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the Company's equity holders.

(18) Dividends

Dividends are recorded in the Company's financial statements in the period in which they are resolved by the Company's shareholders. Cash dividends are recorded as liabilities; stock dividends are recorded as stock dividends to be distributed and are reclassified to ordinary shares on the effective date of new shares issuance.

(19) Business combinations and organization restructuring

- A. The Company uses the acquisition method to account for business combinations. The consideration transferred for an acquisition is measured as the fair value of the assets transferred, liabilities incurred or assumed and equity instruments issued at the acquisition date, plus the fair value of any assets and liabilities resulting from a contingent consideration arrangement. All acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. There is a choice on an acquisition-by-acquisition basis to measure the non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.
- B. If the total of the fair values of the consideration of acquisition and any non-controlling interest in the acquiree as well as the previous equity interest in the acquiree is higher than the fair value of the Company's identifiable assets acquired and obligations borne, goodwill is recognized at the acquisition-date. If the fair value of the Company's identifiable assets acquired and obligations borne is higher than the total of the fair values of the consideration of acquisition, non-controlling interest in the acquiree, as well as previous equity interest in the acquiree, the difference is recognized in profit or loss for the period at the acquisition date.
- C. The newly established investment holding company through share swap is jointly controlled under business combination. Under regulations of competent authority, the investment holding company is recorded at the carrying value and is included in the consolidated financial statements at the date of establishment.

5. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND KEY SOURCES OF ASSUMPTION UNCERTAINTY

The Company has considered the economic implications of COVID-19 pandemic on critical accounting estimates, reflected the impact caused by the pandemic and will continue evaluating the impact on its financial position and financial performance.

The preparation of these financial statements requires management to make critical judgements in applying the Company's accounting policies and make critical assumptions and estimates concerning future events. Assumptions and estimates may differ from the actual results and are continually evaluated and adjusted based on historical experience and other factors. The judgment and assumptions made by the Company in applying its accounting policies and concerning future events do not involve significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year. The Company has no uncertainty on critical judgements, estimates and assumptions of accounting policies.

6. DETAILS OF SIGNIFICANT ACCOUNTS

(1) Cash and cash equivalents

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Cash and cash equivalents:		
Checking accounts and demand deposits	\$ 42,899	\$ 26,055
Cash equivalents:		
Time deposits	1,180,000	-
Repurchased bonds	80,000	-
Total	<u>\$ 1,302,899</u>	<u>\$ 26,055</u>

A. The Company transacts with a variety of financial institutions all with high credit quality to disperse credit risk, so it expects that the probability of counterparty default is remote.

B. The Company has no cash and cash equivalents pledged to others.

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

<u>Items</u>	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Non-current items:		
Listed stocks	\$ 14,410,537	\$ 134,657
Unlisted stocks	600,522	437,512
Subtotal	15,011,059	572,169
Valuation adjustment	830,872	10,581
Total	<u>\$ 15,841,931</u>	<u>\$ 582,750</u>

A. The Company recognised \$820,291 and \$134,692 in other comprehensive income for fair value change for the years ended December 31, 2022 and 2021, respectively.

B. The Company has elected to designate the above investments, which were held mainly for medium to long-term trading purposes, as investments in equity instruments measured at fair

value through other comprehensive income. As of December 31, 2022 and 2021, the fair value of investments were \$15,841,931 and \$582,750, respectively.

C. The Company received dividend income of \$55,966 and \$10,242 for the years ended December 31, 2022 and 2021, respectively.

(3) Investments accounted for under the equity method

A.

<u>Investee company</u>	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Subsidiaries		
Mitac International Corporation	\$ 58,759,093	\$ 48,760,743
Mitac Computing Technology Corporation	2,839,880	3,812,095
Mitac Digital Technology Corporation	1,732,976	1,628,117
Associates		
Infopower Technologies Ltd.	66,488	68,263
	<u>\$ 63,398,437</u>	<u>\$ 54,269,218</u>

B. The Company's recognized share of profit from associates accounted for under the equity method for the years ended December 31, 2022 and 2021 were \$9,863,427 and \$12,067,416, respectively, and recognized share of other comprehensive income from associates accounted for under the equity method were \$296,498 and \$6,997, respectively.

C. The subsidiary of the Company -Silver Star Developments Ltd. originally held 10.21% ownership in TD Synnex Corp. but has significant influence over TD Synnex Corp. as the subsidiary of the company is the major shareholder of TD Synnex Corp. and the Company's chairman Feng Chiang Miao serves as this company's honorary chairman. On September 1, 2021, this company issued shares for acquisitions resulting in a decrease in the ownership held by the subsidiary of the Company down to 5.52% and the Company lost significant influence over it. On the same day, the subsidiary of the Company reclassified it from investments accounted for using equity method at book value to financial assets at fair value through other comprehensive income based on the remeasurement at fair value, and recognised the difference as gains on disposal of investments amounting to \$ 12,793,377. The Company also recognised the share of profit of associates accounted for using equity amounting to \$ 12,793,377.

D. The subsidiary of the Company -Silver Star Developments Ltd. originally held 9.49% ownership in Concentrix Corp. but has significant influence over Concentrix Corp. as the subsidiary of the company is the major shareholder of Concentrix Corp.. On July 20, 2022, this company sold part of its ownership in Concentrix Corp. and resulting in a decrease in the ownership held by the subsidiary of the Company and the subsidiary of the Company lost significant influence over it. On the same day, the subsidiary of the Company reclassified it from investments accounted for using equity method at book value to financial assets at fair value through other comprehensive income based on the remeasurement at fair value, and

recognised the difference as gains on disposal of investments amounting to \$ 9,027,054. The Company also recognised the share of profit of associates accounted for using equity amounting to \$ 9,027,054.

- E. The Company received the cash dividends from MiTAC International Corp. for the years ended December 31, 2022 and 2021 amounting to \$900,000 and \$840,000, respectively. The Company received the stock dividends from MiTAC International Corp. for the years ended December 31, 2022 and 2021 amounting to \$9,735,691 and \$1,710,073, respectively.
- F. The Company received the cash dividends from MiTAC Computing Technology Corp. for the years ended December 31, 2022 and 2021 amounting to \$198,712 and \$105,260, respectively.
- G. The Company received the cash dividends from MiTAC Digital Technology Corp. for the years ended December 31, 2022 and 2021 amounting to \$16,939 and \$ 28,552, respectively.
- H. For the information on subsidiaries of the Company, please refer to Note 4(3) in the consolidated financial statements for the year ended December 31, 2022.
- I. The carrying amount of the Company's interests in all individually immaterial associates and the Company's share of the operating results are summarized below:
As of December 31, 2022 and 2021, the carrying amount of the Company's individually immaterial associates amounted to \$66,488 and \$68,263, respectively.

	For the year ended December 31,	
	2022	2021
Loss for the period from continuing operations	(\$ 4,911)	(\$ 1,328)
Total comprehensive loss	(\$ 4,911)	(\$ 1,328)

- J. The financial year-end date of Infopower Technologies Ltd. is March 31. However, the preparation of the Company's parent company only financial statements is based the financial information of Infopower Technologies Ltd. during the period from January 1 to December 31.

(4) Property, plant and equipment

	For the year ended December 31,	
	2022	2021
Transportation equipment		
Opening net book amount as at January 1	\$ 1,592	\$ 2,388
Depreciation	(796)	(796)
Closing net book amount as at December 31	<u>\$ 796</u>	<u>\$ 1,592</u>
At December 31		
Cost	\$ 3,980	\$ 3,980
Accumulated depreciation	(3,184)	(2,388)
Total	<u>\$ 796</u>	<u>\$ 1,592</u>

(5) Short-term borrowings

As of December 31, 2022 and 2021: None.

Interest expense recognised in profit or loss amounted to \$10,478 and \$961 for the years ended December 31, 2022 and 2021, respectively.

(6) Share capital

- A. As of December 31, 2022, the Company's authorized capital was \$15,000,000, consisting of 1.5 billion shares, and the paid-in capital was \$12,065,568 with a par value of \$10 per share. Movements in the number of the Company's ordinary shares outstanding are as follows:

Unit: in thousands of shares

	2022	2021
Outstanding shares as of January 1	1,195,178	1,195,178
Disposal of the Company's treasury shares by subsidiaries	2,128	-
Outstanding shares as of December 31	1,197,306	1,195,178

B. Treasury shares

- (a) Reason for share reacquisition and movements in the number of the Company's treasury shares are as follows:

Name of company holding the shares	Reason for reacquisition	December 31, 2022	
		Number of shares (shares in thousands)	Carrying amount
Subsidiary - Tsu Fung Investment Corp.	Stock conversion	9,250	\$ 162,874

Name of company holding the shares	Reason for reacquisition	December 31, 2021	
		Number of shares (shares in thousands)	Carrying amount
Subsidiary - Tsu Fung Investment Corp.	Stock conversion	9,250	\$ 162,874
Subsidiary - SSDL	"	2,128	77,002

- (b) Pursuant to the R.O.C. Securities and Exchange Act, the number of shares bought back as treasury shares should not exceed 10% of the number of the Company's issued and outstanding shares and the amount bought back should not exceed the sum of retained earnings, paid-in capital in excess of par value and realized capital surplus.
- (c) Pursuant to the R.O.C. Securities and Exchange Act, treasury stock should not be pledged as collateral and is not entitled to dividends before it is reissued to the employees.
- (d) Pursuant to the R.O.C. Securities and Exchange Act, treasury shares should be reissued to the employees within five years from the reacquisition date and shares not reissued

within the five-year period are to be retired. Treasury shares to enhance the Company's credit rating and the stockholders' equity should be retired within six months of acquisition.

- (e) In accordance with the Financial Supervisory Commission, Securities and Futures Bureau, No.1010047490, the Company shall not appropriate special reserve proportionately to the shareholding ratio for the difference of ending market price below the carrying amount of the parent's stock held by the subsidiaries. If the market price reverses subsequently, the reversal amount shall be appropriated as special reserve proportionately to the shareholding ratio.
- (f) In 2022, the subsidiary, SSDL disposed 2,128 thousand shares of the Company amounting to \$70,702.

(7) Capital surplus

	Share premium	Treasury stock transactions	Net equity of associates and joint ventures accounted for under the equity method	Changes in ownership interests in subsidiaries	Employee stock options	Others	Total
At January 1, 2022	\$ 21,571,329	\$ 468,577	\$ 201,493	\$ 609	\$ 346,814	\$ 1,460	\$ 22,590,282
Subsidiaries received cash dividends paid by the parent company	-	18,501	-	-	-	-	18,501
Changes from associates and joint ventures accounted for using the equity method	-	-	58,881	-	-	-	58,881
Disposal of company's share by subsidiaries recognised as treasury share transactions	- (6,300)		-	-	-	- (6,300)	
Capital surplus dividends unclaimed by the shareholders	-	-	-	-	-	469	469
Investment adjustment for disposal of subsidiaries using the Equity method	-	-	(50,927)	-	-	-	(50,927)
At December 31, 2022	<u>\$ 21,571,329</u>	<u>\$ 480,778</u>	<u>\$ 209,447</u>	<u>\$ 609</u>	<u>\$ 346,814</u>	<u>\$ 1,929</u>	<u>\$ 22,610,906</u>

	Share premium	Treasury stock transactions	Net equity of associates and joint ventures accounted for under the equity method	Changes in ownership interests in subsidiaries	Employee stock options	Others	Total
At January 1, 2021	\$ 21,571,329	\$ 457,198	\$ 1,205,361	\$ 609	\$ 346,814	\$ 1,100	\$ 23,582,411
Subsidiaries received cash dividends paid by the parent company	-	11,379	-	-	-	-	11,379
Changes from associates and joint ventures accounted for using the equity method	-	-	12,150	-	-	-	12,150
Capital surplus - dividends unclaimed by the subsidiaries' shareholders	-	-	-	-	-	(12)	(12)
Capital surplus - dividends unclaimed by the shareholders	-	-	-	-	-	372	372
Investment adjustment for disposal of subsidiaries using the Equity method	-	-	(1,016,018)	-	-	-	(1,016,018)
At December 31, 2021	<u>\$ 21,571,329</u>	<u>\$ 468,577</u>	<u>\$ 201,493</u>	<u>\$ 609</u>	<u>\$ 346,814</u>	<u>\$ 1,460</u>	<u>\$ 22,590,282</u>

Pursuant to the R.O.C. Company Act, capital surplus arising from paid-in capital in excess of par value on issuance of common stocks and donations can be used to cover accumulated deficit or to issue new stocks or cash to shareholders in proportion to their share ownership, provided that the Company has no accumulated deficit. Further, the R.O.C. Securities and Exchange Act requires that the amount of capital surplus to be capitalized mentioned above should not exceed 10% of the paid-in capital each year. Capital surplus should not be used to cover accumulated deficit unless the legal reserve is insufficient.

(8) Retained earnings

- A. Under the Company's Articles of Incorporation, the current year's earnings, if any, shall first be used to pay all taxes and offset prior years' accumulated deficit and then 10% of the remaining amount shall be set aside as legal reserve. Special reserve shall also be set aside or reversed pursuant to the regulations. Appropriation of the remainder along with prior year's accumulated unappropriated retained earnings shall be proposed by the Board of Directors, and shall be resolved by the stockholders when they are appropriated by issuing new shares. If the appropriation of retained earnings was appropriated in the form of cash, the appropriation should be in line with Article 240-5 of the Company Act, as resolved by a majority vote at a meeting of Board of Directors attended by two-thirds of the total number of directors, and reported to the shareholders' meeting.
- B. Earnings appropriation ratio and cash dividends ratio are decided by the Board of Directors, taking into account the Company's financial structure, future capital requirements and profitability, and cash dividends shall account for at least 10% of the total dividends appropriated. Earnings appropriation ratio and cash dividends ratio are subject to adjustments.

- C. Except for covering accumulated deficit or issuing new stocks or cash to shareholders in proportion to their share ownership, the legal reserve shall not be used for any other purpose. The use of legal reserve for the issuance of stocks or cash to shareholders in proportion to their share ownership is permitted, provided that the distribution of the reserve is limited to the portion in excess of 25% of the Company's paid-in capital.

In line with Article 241 of the Company Act, all or part of the legal reserve and capital reserve could be appropriated as cash dividends as resolved by a majority vote at a meeting of Board of Directors attended by two-thirds of the total number of directors, and reported to the shareholders' meeting.

- D. In accordance with the regulations, the Company shall set aside special reserve from the debit balance on other equity items at the balance sheet date before distributing earnings. When debit balance on other equity items is reversed subsequently, the reversed amount could be included in the distributable earnings.
- E. The appropriation of 2021 earnings had been resolved all the shareholders' meeting on May 31, 2022. Details are summarized below:

	For the year ended December 31, 2021	
	Amount	Dividend per share (in dollars)
Legal reserve	\$ 1,193,885	
Cash dividend	2,413,114	\$ 2.00
Total	<u>\$ 3,606,999</u>	<u>\$ 2.00</u>

- F. On February 24, 2023, the appropriation of earnings for the year ended December 31, 2022 proposed by the Board of Directors and to be approved by the shareholders is as follows:

	For the year ended December 31, 2022	
	Amount	Dividend per share (in dollars)
Legal reserve	\$ 949,253	
Cash dividend	1,568,524	\$ 1.30
Total	<u>\$ 2,517,777</u>	<u>\$ 1.30</u>

(9) Other equity items

2022			
	Unrealised gains (losses) on valuation	Currency translation	Total
At January 1	\$ 4,116,843	(\$ 2,268,405)	\$ 1,848,438
Reclassified to retained earnings upon disposal			
- Subsidiaries and Associates	-	414,667	414,667
Reclassified to retained earnings upon disposal			
- Subsidiaries and Associates	(197,005)	-	(197,005)
Revaluation			
- The Company	820,291	-	820,291
- Subsidiaries and Associates	(1,736,218)	-	(1,736,218)
Currency translation differences			
-Subsidiaries and Associates	-	1,604,522	1,604,522
At December 31	<u>\$ 3,003,911</u>	<u>(\$ 249,216)</u>	<u>\$ 2,754,695</u>

2021			
	Unrealised gains (losses) on valuation	Currency translation	Total
At January 1	\$ 3,546,733	(\$ 1,803,450)	\$ 1,743,283
Reclassified to retained earnings upon disposal			
- Subsidiaries and Associates	(35,214)	347,348	312,134
Revaluation			
- The Company	134,692	-	134,692
- Subsidiaries and Associates	470,632	-	470,632
Currency translation differences			
-Subsidiaries and Associates	-	(812,303)	(812,303)
At December 31	<u>\$ 4,116,843</u>	<u>(\$ 2,268,405)</u>	<u>\$ 1,848,438</u>

(10) Interest income

For the year ended December 31,		
	2022	2021
Interest income from bank deposits	\$ 1,017	\$ 6
Other interest income	67	-
Interest income from loan to related parties	55,629	8,845
Total	<u>\$ 56,713</u>	<u>\$ 8,851</u>

(11) Expenses by nature

	For the year ended December 31,	
	2022	2021
Employee benefit expense	\$ 18,773	\$ 21,256
Depreciation	796	796
Total	<u>\$ 19,569</u>	<u>\$ 22,052</u>

(12) Employee benefit expense

	For the year ended December 31,	
	2022	2021
Wage and salaries	\$ 11,225	\$ 13,252
Directors' remuneration	7,548	8,004
Total	<u>\$ 18,773</u>	<u>\$ 21,256</u>

- A. According to the amended Articles of Incorporation, the profit (pre-tax profit before deduction of employees' compensation and directors' remuneration) of the current year shall be distributed as employees' compensation and directors' remuneration, which will be resolved by the Board of Directors. The ratio shall not be lower than 0.1% for employees and not be higher than 1% for directors. If a company has an accumulated deficit, earnings should be reserved to cover losses. Employees' compensation can be distributed in cash or shares and shall be distributed to the employees of subsidiaries of the Company who meet certain specific requirements. The Chairman of the Board is authorized to set the qualification requirements.
- B. For the years ended December 31, 2022 and 2021, employees' compensation was accrued at 0.1% of gain on pre-tax profit before deduction of employees' compensation and directors' remuneration. Directors' remuneration were accrued under 1% of gain on pre-tax profit before deduction of employees' compensation and directors' remuneration.
- C. For the years ended December 31, 2022 and 2021, employees' compensation was accrued at \$10,025 and \$12,052, respectively; and directors' remuneration was accrued at \$6,500 and \$7,000, respectively. The aforementioned amounts were recognized in salary expenses. Employees' cash bonus and directors' remuneration of 2022 and 2021 as resolved at the Board of Directors of the Company were in agreement with those amounts recognized in the 2022 and 2021 parent company only financial statements.
- D. Information about employees' compensation and directors' remuneration of the Company as resolved by the Board of Directors and the shareholders at the shareholders' meeting will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

(13) Income tax

A. Components of income tax expense:

	For the year ended December 31,	
	2022	2021
Current tax:		
Current tax on profits for the year	\$ 38,530	\$ 856
Tax on undistributed surplus earnings	416,592	71,668
Prior year income tax underestimation (overestimation)	188	(42)
Total current income tax	455,310	72,482
Deferred tax:		
Origination and reversal of temporary differences	258,745	-
Income tax expense	\$ 714,055	\$ 72,482

B. Reconciliation between income tax expense and accounting profit

	For the year ended December 31,	
	2022	2021
Tax calculated based on profit before tax and statutory tax rate	\$ 2,001,653	\$ 2,406,684
Tax effects from expense disallowed by tax regulation	59	59
Tax exempt income by tax regulation	(1,967,241)	(2,405,887)
Changes in valuation of deferred income tax liabilities	258,745	-
Prior year income tax underestimation (overestimation)	188	(42)
Effects from foreign income	4,059	-
Tax on undistributed earnings	416,592	71,668
Income tax expense	\$ 714,055	\$ 72,482

C. Amounts of deferred tax assets or liabilities as a result of temporary differences are as follows:

	2022				
	January 1	Recognised in profit or loss	Recognised in other comprehensive income	Recognised in equity	December 31
Temporary differences:					
-Deferred tax liabilities:					
Equity Investment	\$ -	\$ 258,745	\$ -	\$ -	\$ 258,745

D. The Company's income tax returns through 2017 have been assessed and approved by the Tax Authority.

(14) Earnings per share

For the year ended December 31, 2022			
	Amount	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
	after tax		
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders	\$ 9,294,214	1,197,306	\$ 7.76
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders	\$ 9,294,214		
Less: Effect of dilutive potential common stocks issued by investee companies	(11,811)		
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	394	
Net income attributable to common stockholders plus dilutive effect of common stock equivalents	\$ 9,282,403	1,197,700	\$ 7.75
For the year ended December 31, 2021			
	Amount	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
	after tax		
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders	\$ 11,960,937	1,195,178	\$ 10.01
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders	\$ 11,960,937		
Less: Effect of dilutive potential common stocks issued by investee companies	(52,426)		
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	360	
Net income attributable to common stockholders plus dilutive effect of common stock equivalents	\$ 11,908,511	1,195,538	\$ 9.96

Basic earnings per share is calculated with the gain or loss attributable to the shareholders of the ordinary shares issued by the Company, divided with outstanding weighted average ordinary shares during the period, and deducted with weighted average treasury shares.

(15) Changes in liabilities from financing activities

	Loan from related parties	Liabilities from financing activities-gross
At January 1, 2022	\$ 5,814,178	\$ 5,814,178
Changes in cash flow	14,273,721	14,273,721
At December 31, 2022	<u>\$ 20,087,899</u>	<u>\$ 20,087,899</u>

	Current borrowings	Loan from related parties	Liabilities from financing activities-gross
At January 1, 2021	\$ 100,000	\$ 3,146,186	\$ 3,246,186
Changes in cash flow	(100,000)	2,667,992	2,567,992
At December 31, 2021	<u>\$ -</u>	<u>\$ 5,814,178</u>	<u>\$ 5,814,178</u>

7. RELATED PARTY TRANSACTIONS

(1) Names of related parties and relationship

Names of related parties	Relationship with the Company
Mitac International Corporation	Subsidiary
Mitac Computing Technology Corporation	Subsidiary
Mitac Digital Technology Corporation	Subsidiary
Tsu Fung Investment Corporation	Subsidiary
Silver Star Development Ltd. and subsidiaries	Subsidiary
Mitac Technology UK, Ltd. and subsidiary	Subsidiary
Lien Hwa Industrial Corp. and subsidiaries	Common Chairman
Harbinger VIII Venture Capital Corp	The Company was this company's director
Whetron Electronics Co., Ltd.	The Company was this company's director

(2) Significant related party transactions and balances

A. Receivables from related parties:

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Other receivables (excluding loans to subsidiaries):		
Subsidiaries	<u>\$ 265,691</u>	<u>\$ 179,009</u>

Other receivables are mainly about tax paid on behalf of subsidiaries under consolidated tax return.

B. Payables to related parties:

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Other payables (excluding loans from subsidiaries):		
Subsidiaries	\$ <u>78,410</u>	\$ <u>75,479</u>

Other payables are mainly about tax refund received on behalf of subsidiaries under consolidated tax return.

C. Property transactions

Acquisition of financial assets

			For the year ended December 31, 2022
	Number of shares traded	Subject of the transaction	Acquisition amount
Subsidiaries- Sliver Star Developments Ltd.	2,403 thousand shares	TD Synnex Crop.	\$ <u>6,660,787</u>
Subsidiaries- Sliver Star Developments Ltd.	1,978 thousand shares	Concentrix Crop.	\$ <u>7,615,093</u>
Other related parties- Harbinger VIII Venture Capital Corp.	Cash capital increase and subscription of new shares in 3,750 thousand shares	Harbinger VIII Venture Capital Corp.	\$ <u>37,500</u>
Other related parties- Whetron Electronics Co., Ltd.	Cash capital increase and subscription of new shares in 2,239 thousand shares	Whetron Electronics Co., Ltd.	\$ <u>89,560</u>
			For the year ended December 31, 2021
	Number of shares traded	Subject of the transaction	Acquisition amount
Other related parties- Harbinger VIII Venture Capital Corp.	Cash capital increase and subscription of new shares in 3,750 thousand shares	Harbinger VIII Venture Capital Corp.	\$ <u>37,500</u>

D. Lease arrangements — lessee

(a) For the years ended December 31, 2022 and 2021, the Company leased offices from a subsidiary, Mitac International Corp. The lease terms are 5 years.

(b) Rent expense

	For the year ended December 31,
	2022 2021
Subsidiaries	\$ <u>23</u> \$ <u>22</u>

E. Loans to /from related parties:

(a) Loans to related parties:

i. Outstanding balance:

December 31, 2022		
	Balance	Expiry Date
Subsidiary - Mitac Computing Technology Corp.	\$ 1,000,000	2023/3/3
December 31, 2021		
	Balance	Expiry Date
Subsidiary - Mitac Computing Technology Corp.	\$ 2,747,794	2022/3/11 2022/8/15
Subsidiary - Mitac Digital Technology Corp.	866,384	2022/8/15
Total	\$ 3,614,178	

ii. Interest income

For the year ended December 31,		
	2022	2021
Subsidiary - Mitac Computing Technology Corp.	\$ 42,794	\$ 7,993
Subsidiary - Mitac Digital Technology Corp.	12,078	-
Other subsidiaries	757	852
Total	\$ 55,629	\$ 8,845

The loans to subsidiaries are with a credit term of 1 year and carry interest at 0.38%-2.5% and 0.22%-0.56% per annum for the years ended December 31, 2022 and 2021, respectively. The amounts of loan to and repayment from related parties were \$15,992,705 and \$18,606,882 , respectively, for the year ended December 31, 2022. The amounts of loan to and repayment from to related parties were \$7,244,835 and \$4,996,843, respectively, for the year ended December 31, 2021.

F. Loans from related parties

(1) Outstanding balance:

December 31, 2022		
	Balance	Expiry Date
Other payables - current		
Subsidiary - Silver Star Developments Ltd.	\$ 6,226,088	2023/6/19 2023/7/26
Subtotal	6,226,088	
Other payables - non current		
Subsidiary - Silver Star Developments Ltd.	13,861,810	2032/10/2
Subtotal	13,861,810	
Total	\$ 20,087,898	
December 31, 2021		
	Balance	Expiry Date
Subsidiary - Mitac Computing Technology Corp.	\$ 1,420,000	2022/7/18
Subsidiary - Mitac Digital Technology Corp.	600,000	2022/5/16
Subsidiary - Silver Star Developments Ltd. And subsidiaries	3,614,178	2022/5/24 2022/7/14
Other subsidiaries	180,000	2022/5/16
Total	\$ 5,814,178	

(2) Interest expense

For the year ended December 31,		
	2022	2021
Subsidiary - Mitac Computing Technology Corp.	\$ 4,217	\$ 6,915
Subsidiary - Mitac Digital Technology Corp.	3,492	2,947
Other subsidiaries	1,519	552
Total	\$ 9,228	\$ 10,414

The loans from subsidiaries are with a credit term of 1 year and carry interest at 0% -2.5% and 0% - 0.6293% per annum for the years ended December 31, 2022 and 2021, respectively. The amounts of loan from and repayment to related parties were \$24,096,530 and \$9,822,809, respectively, for the year ended December 31, 2022. The amounts of loan from and repayment to related parties were \$6,771,906 and \$4,103,914, respectively, for the year ended December 31, 2021.

G. Endorsements and guarantees provided to related parties:

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Subsidiary - Mitac Computing Technology Corp.	\$ 577,348	\$ 644,944
Subsidiary - Mitac Technology UK, Ltd. and subsidiaries	92,130	138,400
Subsidiary - Others	4,095	3,691
Total	<u>\$ 673,573</u>	<u>\$ 787,035</u>

H. Expenses:

	<u>For the year ended December 31,</u>	
	<u>2022</u>	<u>2021</u>
Expenses:		
Subsidiary - Mitac International Corp.	\$ 12,400	\$ 12,400
Other related parties	2,106	2,187
Total	<u>\$ 14,506</u>	<u>\$ 14,587</u>

Expenses mainly pertain to services and other miscellaneous expenses.

(3) Key management compensation

	<u>For the year ended December 31,</u>	
	<u>2022</u>	<u>2021</u>
Salaries and other short-term employee benefits	<u>\$ 10,716</u>	<u>\$ 7,700</u>

8. PLEDGED ASSETS: None.

9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED CONTRACT COMMITMENTS:

(1) Contingencies: None.

(2) Commitments: None.

10. SIGNIFICANT DISASTER LOSS: None.

11. SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE: None.

12. OTHERS:

(1) Capital management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital.

(2) Financial instruments

A. Financial instruments by category

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
<u>Financial assets</u>		
Financial assets at fair value through other comprehensive income		
Designation of equity instruments	<u>\$ 15,841,931</u>	<u>\$ 582,750</u>
Financial assets at amortised cost		
Cash and cash equivalents	\$ 1,302,899	\$ 26,055
Other receivables	220	-
Other receivables - related parties	1,265,691	3,793,187
Refundable deposits	<u>106</u>	<u>106</u>
	<u>\$ 2,568,916</u>	<u>\$ 3,819,348</u>
<u>Financial liabilities</u>		
Financial liabilities at amortised cost		
Other accounts payable	\$ 33,538	\$ 24,439
Other accounts payable - related parties (including non-current portion)	<u>20,166,308</u>	<u>5,889,657</u>
	<u>\$ 20,199,846</u>	<u>\$ 5,914,096</u>

B. Financial risk management policies

The Company's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial position and financial performance.

C. Significant financial risks and degrees of financial risks

(a) Market risk

Price risk

- i. The Company's equity securities, which are exposed to price risk, are financial assets at fair value through other comprehensive income. To manage its price risk arising from investments in equity securities, the Company diversifies its portfolio and controls the risk.
- ii. The Company's investments in equity securities comprise domestic listed and unlisted stocks. The prices of equity securities would change due to the change of the future value of investee companies. If the prices of these equity securities had increased/decreased by 1% with all other variables held constant, other components of equity would have increased/decreased by \$158,419 and \$5,828 for the years ended December 31, 2022 and 2021, respectively, as a result of gains/losses on equity securities classified as at fair value through other comprehensive income.

Cash flow and fair value interest rate risk

The Company's main interest rate risk arises from borrowings. However, the Company's borrowings were stated at fixed interest rate, thus the interest rate has no significant impact to the Company.

(b) Credit risk

- i. Credit risk refers to the risk of financial loss to the Company arising from default by the clients or counterparties of financial instruments on the contract obligations. The main factor is that counterparties could not repay in full the accounts receivable based on the agreed terms, and the contract cash flows of financial instruments settled based on the agreement.
- ii. For banks and financial institutions, only the institutions with good credit quality are accepted as counterparties.

(c) Liquidity risk

- i. Cash flow forecasting is performed in the operating entities of the Company and aggregated by Company treasury. Group treasury monitors rolling forecasts of the Company's liquidity requirements to ensure it has sufficient cash to meet operational needs.
- ii. The table below analyses the Company's non-derivative financial liabilities and net-settled or gross-settled derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date for non-derivative financial liabilities and to the expected maturity date for derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows.

Non-derivative financial liabilities:

	Less than 1 year	Between 1 and 2 years	Between 2 and 3 years	Over 3 years
<u>December 31, 2022</u>				
Other payables	<u>\$ 6,338,036</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,861,810</u>
	Less than 1 year	Between 1 and 2 years	Between 2 and 3 years	Over 3 years
<u>December 31, 2021</u>				
Other payables	<u>\$ 5,914,096</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(3) Fair value information

A. The different levels that the inputs to valuation techniques are used to measure fair value of financial instruments have been defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).

Level 3: Inputs for the asset or liability that are not based on observable market data.

B. Financial instruments not measured at fair value

The carrying amounts of cash and cash equivalents, other receivables, refundable deposits and other payables are approximate to their fair values.

C. The related information of financial and non-financial instruments measured at fair value by level on the basis of the nature, characteristics and risks of the assets and liabilities at December 31, 2022 and 2021 is as follows:

(a) The related information of natures of the assets and liabilities is as follows:

December 31, 2022	Level 1	Level 2	Level 3	Total
<u>Recurring fair value measurements</u>				
<u>financial assets:</u>				
Equity securities	\$ 15,262,130	\$ 314,209	\$ 265,592	\$ 15,841,931
December 31, 2021	Level 1	Level 2	Level 3	Total
<u>Recurring fair value measurements</u>				
<u>financial assets:</u>				
Equity securities	\$ 205,466	\$ 197,914	\$ 179,370	\$ 582,750

(b) The methods and assumptions the Company used to measure fair value are as follows:

- i. The instruments the Company used market quoted prices as their fair values (that is, Level 1) are listed below by characteristics:

	Listed shares
Market quoted price	Closing price

- ii. Except for financial instruments with active markets, the fair value of other financial instruments is measured by using valuation techniques or by reference to counterparty quotes.
- iii. When assessing non-standard and low-complexity financial instruments, the Company adopts valuation technique that is widely used by market participants. The inputs used in the valuation method to measure these financial instruments are normally observable in the market.
- iv. The output of valuation model is an estimated value and the valuation technique may not be able to capture all relevant factors of the Company's financial and non-financial instruments. Therefore, the estimated value derived using valuation model is adjusted accordingly with additional inputs, for example, model risk or liquidity risk and etc. In accordance with the Company's management policies and relevant control procedures relating to the valuation models used for fair value measurement, management believes adjustment to valuation is necessary in order to reasonably represent the fair value of financial and non-financial instruments at the parent company only balance sheet. The inputs and pricing information used during valuation are carefully assessed and adjusted based on current market conditions.
- v. The Company takes into account adjustments for credit risk to measure the fair value of

financial and non-financial instruments to reflect credit risk of the counterparty and the Company's credit quality.

- D. For the years ended December 31, 2022 and 2021, there was no transfer between Level 1 and Level 2.
- E. The following table presents the changes in level 3 instruments as at December 31, 2022 and 2021:

	Equity securities	
	2022	2021
January 1	\$ 179,370	\$ 115,790
Current purchase	73,450	55,400
Gains recognized in other comprehensive income	12,772	8,180
December 31	<u>\$ 265,592</u>	<u>\$ 179,370</u>

- F. Investment department is in charge of valuation procedures for fair value measurements being categorized within Level 3, which is to verify independent fair value of financial instruments. Such assessment is to ensure the valuation results are reasonable by applying independent information to make results close to current market conditions, and reviewing the information periodically.
- G. The following is the qualitative information of significant unobservable inputs and sensitivity analysis of changes significant unobservable inputs to valuation model used in Level 3 fair value measurements:

Non-derivative equity instrument:	Fair value at December 31, 2022	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Unlisted shares	\$ 265,592	Net asset value	Net asset value	-	The higher the net asset value, the higher the fair value.
Non-derivative equity instrument:	Fair value at December 31, 2021	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Unlisted shares	\$ 179,370	Net asset value	Net asset value	-	The higher the net asset value, the higher the fair value.

- H. The Company has carefully assessed the valuation models and assumptions used to measure fair value; therefore, the fair value measurement is reasonable. However, use of different valuation models or assumptions may result in difference measurement. The following is the effect of profit or loss or of other comprehensive income from financial assets and liabilities categorized within Level 3 if the inputs used to valuation models have changed:

			December 31, 2022			
Financial assets	Input	Change	Recognized in profit or loss		Recognized in other comprehensive income	
			Favourable change	Unfavourable change	Favourable change	Unfavourable change
Equity instrument	Net asset value	±1%	\$ -	\$ -	\$ 2,656	\$ 2,656

			December 31, 2021			
Financial assets	Input	Change	Recognized in profit or loss		Recognized in other comprehensive income	
			Favourable change	Unfavourable change	Favourable change	Unfavourable change
Equity instrument	Net asset value	±1%	\$ -	\$ -	\$ 1,794	\$ 1,794

13. SUPPLEMENTARY DISCLOSURES

(1) Significant transactions information

- A. Loans to others: Please refer to table 1.
- B. Provision of endorsements and guarantees to others: Please refer to table 2.
- C. Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures): Please refer to table 3.
- D. Acquisition or sale of the same security with the accumulated cost exceeding NT\$300 million or 20% of the Company's paid-in capital: Please refer to table 4.
- E. Acquisition of real estate reaching NT\$300 million or 20% of paid-in capital or more: None.
- F. Disposal of real estate reaching NT\$300 million or 20% of paid-in capital or more: None.
- G. Purchases or sales of goods from or to related parties reaching NT\$100 million or 20% of paid-in capital or more: Please refer to table 5.
- H. Receivables from related parties reaching NT\$100 million or 20% of paid-in capital or more: Please refer to table 6.
- I. Trading in derivative instruments undertaken during the reporting periods: Please refer to consolidated financial statements Notes 6(2) and (15).
- J. Significant inter-company transactions during the reporting periods: Please refer to table 7.

(2) Information on investees

Names, locations and other information of investee companies (not including investees in Mainland China): Please refer to table 8.

(3) Information on investments in Mainland China

- A. Basic information: Please refer to table 9.
- B. Significant transactions, either directly or indirectly through a third area, with investee companies in the Mainland Area: Please refer to table 5 and table 9.

(4) Major shareholders information

Major shareholders information: Please refer to table 10.

MiTAC HOLDINGS CORPORATION
Loans to others
For the year ended December 31, 2022

Table 1

Expressed in thousands of NTD
(Except as otherwise indicated)

No. (Note1)	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the year ended December 31, 2022	Balance at December 31, 2022	Actual amount drawn down	Interest rate	Nature of loan (Note 2)	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party (Note 3)	Ceiling on total loans granted (Note 3)
													Item	Value		
0	MiTAC Holdings Corp.	MiTAC International Corp.	Other receivables-related parties	Y	\$ 2,000,000	\$ 1,200,000	\$ -	1.375%~2.5%	2	\$ -	Operations	\$ -	None	\$ -	\$ 22,701,116	\$ 22,701,116
0	MiTAC Holdings Corp.	MiTAC Computing Technology Corp.	Other receivables-related parties	Y	4,900,000	4,800,000	1,000,000	0.381154%~2.5%	2	-	Operations	-	None	-	22,701,116	22,701,116
0	MiTAC Holdings Corp.	MiTAC Digital Technology Corp.	Other receivables-related parties	Y	2,000,000	2,000,000	-	0.38%~2.5%	2	-	Operations	-	None	-	22,701,116	22,701,116
1	MiTAC International Corp.	MiTAC Holdings Corp.	Other receivables-related parties	Y	1,300,000	500,000	-	0.47978%~2.5%	2	-	Operations	-	None	-	21,674,965	21,674,965
1	MiTAC International Corp.	MiTAC Computing Technology Corp.	Other receivables-related parties	Y	2,900,000	200,000	-	1.375%	2	-	Operations	-	None	-	21,674,965	21,674,965
1	MiTAC International Corp.	MiTAC Digital Technology Corp.	Other receivables-related parties	Y	1,000,000	200,000	-	0	2	-	Operations	-	None	-	21,674,965	21,674,965
1	MiTAC International Corp.	Shen-Tong Construction & Development Co., Ltd.	Other receivables-related parties	Y	4,755	4,755	4,755	0	2	-	Operations	-	None	-	21,674,965	21,674,965
2	MiTAC Computing Technology Corp.	MiTAC Holdings Corp.	Other receivables-related parties	Y	1,500,000	700,000	-	0.4937296%~1.375%	2	-	Operations	-	None	-	1,699,813	1,699,813
3	MiTAC Digital Technology Corp.	MiTAC Holdings Corp.	Other receivables-related parties	Y	600,000	150,000	-	0.47978%~1.375%	2	-	Operations	-	None	-	717,409	717,409
4	Silver Star Developments Ltd.	MiTAC Holdings Corp.	Other receivables-related parties	Y	23,487,871	20,149,681	20,087,898	0	2	-	Operations	-	None	-	76,240,264	76,240,264
4	Silver Star Developments Ltd.	MiTAC International Corp.	Other receivables-related parties	Y	15,248,000	14,675,400	14,675,400	0	2	-	Operations	-	None	-	15,248,053	15,248,053
4	Silver Star Developments Ltd.	Start Well Technology Ltd.	Other receivables-related parties	Y	931,311	931,311	931,311	0	2	-	Operations	-	None	-	76,240,264	76,240,264
4	Silver Star Developments Ltd.	MiTAC Benelux N.V.	Other receivables-related parties	Y	65,440	65,440	65,440	0	2	-	Operations	-	None	-	76,240,264	76,240,264
4	Silver Star Developments Ltd.	MiTAC Information Systems Corp.	Other receivables-related parties	Y	1,159,740	1,105,560	1,105,560	0	2	-	Operations	-	None	-	76,240,264	76,240,264
5	Tyan Computer Corp.(USA)	MiTAC Information Systems Corp.	Other receivables-related parties	Y	241,613	230,325	230,325	1.83%	2	-	Operations	-	None	-	1,154,269	1,154,269
6	MiTAC Investment Holding Ltd.	MiTAC Technology (Kunshan) Co., Ltd.	Other receivables-related parties	Y	45,060	13,224	13,224	3.85%	2	-	Operations	-	None	-	6,191,079	6,191,079
6	MiTAC Investment Holding Ltd.	MiTAC Information Systems (Kunshan) Co., Ltd.	Other receivables-related parties	Y	45,060	44,080	44,080	0%~4.3%	2	-	Operations	-	None	-	6,191,079	6,191,079
7	MiTAC Research (Shanghai) Ltd.	MiTAC Information Systems (Kunshan) Co., Ltd.	Other receivables-related parties	Y	283,878	277,704	277,704	0%~4.3%	2	-	Operations	-	None	-	928,225	928,225
8	Access Wisdom Holdings Ltd.	MiTAC Digital Technology Corp.	Other receivables-related parties	Y	35,437	33,781	33,781	0	2	-	Operations	-	None	-	78,466	78,466
9	Mio International Ltd.	MiTAC Digital Technology Corp.	Other receivables-related parties	Y	22,551	21,497	21,497	0	2	-	Operations	-	None	-	22,249	22,249
9	Mio International Ltd.	Access Wisdom Holdings Ltd.	Other receivables-related parties	Y	22,551	21,497	21,497	0	2	-	Operations	-	None	-	111,246	111,246

No. (Note 1)	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the year ended December 31, 2022	Balance at December 31, 2022	Actual amount drawn down	Interest rate	Nature of loan (Note 2)	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party (Note 3)	Ceiling on total loans granted (Note 3)
													Item	Value		
10	MiTAC Computer (Kunshan) Ltd.	MiTAC Information Systems (Kunshan) Co., Ltd.	Other receivables-related parties	Y	626,220	-	-	0%~3.85%	2	-	Operations	-	None	-	5,697,595	5,697,595

Note 1: The numbers filled in for the loans provided by the Company or subsidiaries are as follows:(1) The Company is '0'.(2) The subsidiaries are numbered in order starting from '1'.

Note 2: The nature of loan are as follows:

- (1) Ongoing business
- (2) Short-term financing

Note 3: (1) MiTAC Holdings Corp. (the Company)'s total borrowing amount of short-term financing should not exceed 20% of the net worth on the latest financial statements audited or reviewed by independent auditors. The borrowing amount for each borrowing company should not exceed 10% of the net worth of the Company.

(2)MiTAC International Corp.'s total borrowing amount of short-term financing should not exceed 40% of the net worth on the latest financial statements audited or reviewed by independent auditors. The borrowing amount for each borrowing company should not exceed 40% of the net worth of the Company.

(3)MiTAC Computing Technology Corp.'s short-term financing limit should not exceed 40% of the net worth on the latest financial statements audited or reviewed by independent auditors.

(4)MiTAC Digital Technology Corp.'s short-term financing limit should not exceed 40% of the net worth on the latest financial statements audited or reviewed by independent auditors.

(5)If Silver Star Developments Ltd. was lending to the ultimate parent company and foreign subsidiaries owned 100% directly and indirectly by the ultimate parent company, the borrowing amount to each borrowing company and the total borrowing amount should not be higher than 200% of the net worth on the latest financial statements audited by independent auditors.

(6)If Silver Star Developments Ltd. was lending to domestic subsidiaries owned 100% directly and indirectly by the ultimate parent company, the borrowing amount to each borrowing company and the total borrowing amount should not be higher than 40% of the net worth on the latest financial statements audited by independent auditors.

(7)The borrowing amount and the total borrowing amount of Tyan Computer Corp. (USA) lending to the ultimate parent company and it's direct and indirect wholly-owned foreign subsidiaries should not exceed 200% of the net worth on the latest financial statements audited by independent auditors.

(8) If MiTAC Holdings Corp. was lending to the ultimate parent company and foreign subsidiaries owned 100% directly and indirectly by the ultimate parent company, the borrowing amount to each borrowing company and the total borrowing amount should not be higher than 200% of the net worth on the latest financial statements audited by independent auditors.

(9) If MiTAC Research (Shanghai) Ltd. was lending to the ultimate parent company and domestic subsidiaries owned 100% directly and indirectly by the ultimate parent company, the borrowing amount to each borrowing company and the total borrowing amount should not be higher than 200% of the net worth on the latest financial statements audited by independent auditors.

(10) If Access Wisdom Holdings Ltd. was lending to domestic subsidiaries owned 100% directly and indirectly by the ultimate parent company, the borrowing amount to each borrowing company and the total borrowing amount should not be higher than 40% of the net worth on the latest financial statements audited by independent auditors.

(11) If Mio International Ltd. was lending to the ultimate parent company and foreign subsidiaries owned 100% directly and indirectly by the ultimate parent company, the borrowing amount to each borrowing company and the total borrowing amount should not be higher than 200% of the net worth on the latest financial statements audited by independent auditors.

(12) If Mio International Ltd. was lending to the ultimate parent company and foreign subsidiaries owned 100% directly and indirectly by the ultimate parent company, the borrowing amount to each borrowing company and the total borrowing amount should not be higher than 200% of the net worth on the latest financial statements audited by independent auditors.

(13) If MiTAC Computer (Kunshan) Ltd. was lending to the ultimate parent company and foreign subsidiaries owned 100% directly and indirectly by the ultimate parent company, the borrowing amount to each borrowing company and the total borrowing amount should not be higher than 200% of the net worth on the latest financial statements audited by independent auditors.

MiTAC HOLDINGS CORPORATION
Provision of endorsements and guarantees to others
For the year ended December 31, 2022

Table 2

Expressed in thousands of NTD
(Except as otherwise indicated)

Number (Note 1)	Endorser/ guarantor	Party being endorsed/guaranteed		Limit on endorsements/ guarantees provided for a single party (Note 3)	Maximum outstanding endorsement/ guarantee amount as of December 31, 2022	Outstanding endorsement/ guarantee amount at December 31, 2022	Actual amount drawn down	Amount of endorsements/ guarantees secured with collateral	Ratio of accumulated endorsement/ guarantee amount to net asset value of the endorser/guarantor company	Ceiling on total amount of endorsements/ guarantees provided (Note 3)	Provision of endorsements/ guarantees by parent company to subsidiary	Provision of endorsements/ guarantees by subsidiary to parent company	Provision of endorsements / guarantees to the party in Mainland China
		Company name	Relationship with the endorser/ guarantor (Note 2)										
0	MiTAC Holdings Corp.	Tyan Computer Corp.(USA)	2	\$ 28,376,395	\$ 158,750	\$ 92,130	\$ 92,130	\$ -	0.16 %	\$ 28,376,395	Y	N	N
0	MiTAC Holdings Corp.	MiTAC Computing Technology Corp.	2	28,376,395	750,610	577,348	577,348	-	1.02 %	28,376,395	Y	N	N
0	MiTAC Holdings Corp.	MiTAC Digital Technology Corp.	2	28,376,395	4,296	4,095	4,095	-	0.01 %	28,376,395	Y	N	N

Note 1: The numbers filled in for the endorsements/guarantees provided by the Company or subsidiaries are as follows: (1) The Company is '0'. (2) The subsidiaries are numbered in order starting from '1'.

Note 2: Relationship between the endorser/guarantor and the party being endorsed/guaranteed is classified into the following six categories; fill in the number of category each case belongs to:

- (1) Having business relationship
- (2) The endorser/guarantor parent company owns directly and indirectly more than 50% voting shares of the endorsed/guaranteed subsidiary.
- (3) The endorsed/guaranteed company owns directly and indirectly more than 50% voting shares of the endorser/guarantor parent company.
- (4) The endorser/guarantor parent company owns directly and indirectly more than 90% voting shares of the endorsed/guaranteed company.
- (5) Mutual guarantee of the trade made by the endorsed/guaranteed company or joint contractor as required under the construction contract.
- (6) Due to joint venture, all shareholders provide endorsements/guarantees to the endorsed/guaranteed company in proportion to its ownership.
- (7) Joint guarantee of the performance guarantee for pre-sold home sales contract as required under the Consumer Protection Act.

Note 3: (1) The endorsement and guarantees amount provided by MiTAC Holdings Corp. to each entity which is directly or indirectly held 50% or more of the voting power by the company should not exceed 50% of the net worth on the latest financial statements audited or reviewed by independent auditors.

- (2) MiTAC Holding Corp's total endorsements and guarantees should not exceed 50% of the net worth on the latest financial statements audited or reviewed by independent auditors.

MiTAC HOLDINGS CORPORATION
Holding of marketable securities at the end of period (not including subsidiaries, associates and joint ventures)
December 31, 2022

Table 3

Expressed in thousands of NTD
(Except as otherwise indicated)

Securities held by	Marketable securities		Relationship with the securities issuer	General ledger account	As of December 31, 2022				Footnote
					Number of shares	Book value	Ownership (%)	Fair value	
MiTAC Holdings Corp.	stocks	Synnex Technology International Corp.	Same board chairman	Financial assets at fair value through other comprehensive income-non current	3,103,717	\$ 183,740	0.19	\$ 183,740	
MiTAC Holdings Corp.	stocks	Healthera Corporation	None	Financial assets at fair value through other comprehensive income-non current	72,112	2,103	0.30	2,103	
MiTAC Holdings Corp.	stocks	JVP VIII, L.P.	None	Financial assets at fair value through other comprehensive income-non current	-	90,130	1.16	90,130	
MiTAC Holdings Corp.	stocks	Acorn Pacific Ventures Fund II, LP	None	Financial assets at fair value through other comprehensive income-non current	-	22,671	6.67	22,671	
MiTAC Holdings Corp.	stocks	Whetron Electronics Co., Ltd.	The Compny was this company's director	Financial assets at fair value through other comprehensive income-non current	8,789,000	312,106	11.27	312,106	
MiTAC Holdings Corp.	stocks	Harbinger VIII Venture Capital Corp.	The Compny was this company's director	Financial assets at fair value through other comprehensive income-non current	15,000,000	152,791	11.57	152,791	
MiTAC Holdings Corp.	stocks	TD Synnex Corp.	None	Financial assets at fair value through other comprehensive income-non current	2,403,229	6,989,898	2.52	6,989,898	
MiTAC Holdings Corp.	stocks	Concentrix Corp.	None	Financial assets at fair value through other comprehensive income-non current	1,977,944	8,088,493	3.83	8,088,493	
MiTAC International Corp.	stocks	Lien Hwa Industrial Holdings Corp.	Same board chairman	Financial assets at fair value through other comprehensive income-non current	41,292,019	2,068,730	2.79	2,068,730	
MiTAC International Corp.	stocks	UPC Technology Corp.	Same board chairman	Financial assets at fair value through other comprehensive income-non current	16,179,560	220,042	1.19	220,042	
MiTAC International Corp.	stocks	COMPUCASE ENTERPRISE CO., LTD.	None	Financial assets at fair value through other comprehensive income-non current	10,000,000	299,000	8.83	299,000	
MiTAC International Corp.	stocks	Synnex Technology International Corp.	Same board chairman	Financial assets at fair value through other comprehensive income-non current	5,245,000	310,504	0.31	310,504	
MiTAC International Corp.	stocks	MiTAC Information Technology Corp.	The Compny's chairman was this company's director	Financial assets at fair value through other comprehensive income-non current	6,259,734	75,104	4.17	75,104	
MiTAC International Corp.	stocks	MiTAC INC.	Same board chairman	Financial assets at fair value through other comprehensive income-non current	35,401,218	1,979,340	8.71	1,979,340	
MiTAC International Corp.	stocks	Overseas Investment & Development Corp.	None	Financial assets at fair value through other comprehensive income-non current	1,000,000	13,142	1.11	13,142	
MiTAC International Corp.	stocks	Harbinger Venture Capital Corp.	Same board chairman	Financial assets at fair value through other comprehensive income-non current	27,828	229	14.05	229	
MiTAC International Corp.	stocks	Harbinger VI Venture Capital Corp.	None	Financial assets at fair value through other comprehensive income-non current	3,213,811	39,940	13.28	39,940	
MiTAC International Corp.	stocks	Harbinger VII Venture Capital Corp.	The Compny was this company's director	Financial assets at fair value through other comprehensive income-non current	6,976,526	127,275	9.39	127,275	
MiTAC International Corp.	stocks	TD Synnex Corp.	None	Financial assets at fair value through other comprehensive income-non current	2,594,649	7,546,651	2.72	7,546,651	

Securities held by	Marketable securities		Relationship with the securities issuer	General ledger account	As of December 31, 2022				Footnote
					Number of shares	Book value	Ownership (%)	Fair value	
MiTAC International Corp.	stocks	Concentrix Corp.	None	Financial assets at fair value through other comprehensive income-non current	2,135,489	8,732,748	4.13	8,732,748	
Tsu Fung Investment Corp.	stocks	MiTAC Holdings Corp.	Ultimate parent company	Financial assets at fair value through other comprehensive income-current	9,250,594	272,893	0.77	272,893	Note 1
Tsu Fung Investment Corp.	stocks	Getac Holdings Corp.	None	Financial assets at fair value through other comprehensive income-current	7,783,741	343,652	1.29	343,652	
Tsu Fung Investment Corp.	stocks	UPC Technology Corp.	None	Financial assets at fair value through other comprehensive income-current	17,460,231	237,459	1.29	237,459	
Tsu Fung Investment Corp.	stocks	Synnex Technology International Corp.	None	Financial assets at fair value through other comprehensive income-current	8,217,974	486,504	0.49	486,504	
Tsu Fung Investment Corp.	stocks	PROMISE Technology Inc.	The Compny was this company's director	Financial assets at fair value through other comprehensive income-current	2,609,479	26,043	2.92	26,043	
Tsu Fung Investment Corp.	stocks	MiTAC Information Technology Corp.	None	Financial assets at fair value through other comprehensive income-non current	4,594,672	55,127	3.06	55,127	
Tsu Fung Investment Corp.	stocks	MiTAC INC.	None	Financial assets at fair value through other comprehensive income-non current	21,824,887	1,220,229	5.37	1,220,229	
Tsu Fung Investment Corp.	stocks	Tung Da Investment Co., Ltd.	The Compny was this company's director	Financial assets at fair value through other comprehensive income-non current	4,848,125	118,089	19.99	118,089	Note 2
Tsu Fung Investment Corp.	stocks	Harbinger Venture Management Co., Ltd.	The Group's chairman was this company's chairman	Financial assets at fair value through other comprehensive income-non current	862,922	18,475	19.99	18,475	
Tsu Fung Investment Corp.	stocks	Lien Yung Investment Corp.	The Compny was this company's director	Financial assets at fair value through other comprehensive income-non current	9,217,196	127,013	19.99	127,013	
Tsu Fung Investment Corp.	stocks	Whetron Electronics Co., Ltd.	None	Financial assets at fair value through other comprehensive income-non current	375,000	13,317	0.48	13,317	
Tsu Fung Investment Corp.	Funds	UPAMC JAMES BOND Money Market Fund	None	Financial assets at fair value through profit or loss-current	4,150,189	70,328	-	70,328	
Tsu Fung Investment Corp.	Funds	PGIM Prudential Financial Money Market Fund	None	Financial assets at fair value through profit or loss-current	4,378,914	70,353	-	70,353	
Silver Star Developments Ltd. and its subsidiaries	stocks	TD Synnex Corp.	None	Financial assets at fair value through other comprehensive income-non current	302,102	878,677	0.32	878,677	
Silver Star Developments Ltd. and its subsidiaries	stocks	Concentrix Corp.	None	Financial assets at fair value through other comprehensive income-non current	302,102	1,235,399	0.58	1,235,399	
Silver Star Developments Ltd. and its subsidiaries	stocks	Budworth Investments Ltd.	None	Financial assets at fair value through other comprehensive income-non current	134,908	31	14.83	31	
Silver Star Developments Ltd. and its subsidiaries	stocks	Panasas Inc.	None	Financial assets at fair value through profit or loss-non current	13,913	-	0.04	-	

Note 1: The Company's shares held by Tsu Fung Investment Corp. is accounted for as treasury stocks.

Note 2: MiTAC International Corp. sold its shares of Tung Da Investment Co., Ltd. to Tsu Fung Investment Corp., and such disposal gain has not yet been realised.

MiTAC HOLDINGS CORPORATION
Acquisition or sale of the same security with the accumulated cost exceeding \$300 million or 20% of the Company's paid-in capital
For the year ended December 31, 2022

Table 4

Expressed in thousands of NTD
(Except as otherwise indicated)

Investor	Marketable securities	General ledger account	Counterparty	Relationship with the investor	Balance as at January 1, 2022		Addition		Disposal				Balance as at December 31, 2022		Footnote
					Number of shares	Amount	Number of shares	Amount	Number of shares	Selling price	Book value	Gain (loss) on disposal	Number of shares	Amount	
Tsu Fung Investment Corp.	Lien Hwa Industrial Holdings Corp.	Financial assets at fair value through profit or loss - current	-	-	4,732,382	\$ 292,934	-	\$ -	4,732,382	\$ 300,535	\$ 123,613	\$ 176,922	-	\$ -	
Silver Star Developments Ltd.	Concentrix Corp.	Financial assets at fair value through profit or loss - non current(Note1)	-	-	4,940,226	6,804,427	-	-	524,691	1,904,517	831,847	1,072,670	4,415,535	15,649,771	Note3
Silver Star Developments Ltd.	Concentrix Corp.	Financial assets at fair value through profit or loss - non current	-	-	4,415,535	15,649,771	-	-	4,113,433	15,836,735	15,394,523	Note2	302,102	1,235,399	Note4、5
Silver Star Developments Ltd.	TD Synnex Corp.	Financial assets at fair value through profit or loss - non current	-	-	5,299,980	16,777,006	-	-	4,997,878	13,852,115	17,696,986	Note2	302,102	878,677	Note5
MiTAC Star Service Ltd.	MiTAC Investment Holding Ltd.	Investments accounted for using equity method	MiTAC Investment Holding Ltd.	Associate	-	-	-	\$928,563 (CNY210,000 thousand)	-	-	-	-	-	1,138,319	Note6
MiTAC Investment Holding Ltd.	MiTAC Information Systems (Kunshan) Co., Ltd.	Investments accounted for using equity method	MiTAC Information Systems (Kunshan) Co., Ltd.	Subsidiary	-	-	-	\$928,563 (CNY210,000 thousand)	-	-	-	-	-	1,748,465	Note6

Note 1: Please refer to Note 6(7) J.

Note 2: It was disposed to MiTAC Holdings Corp. and MiTAC International Corp. and such disposal gain were unrealized and deferred.

Note 3: The number of shares and amount at the end of the period is the balance on September 30, 2022.

Note 4: The number of shares and amount at the beginning of the period is the balance on September 30, 2022.

Note 5: The counterparty is in the same group , only disposallone side of the transaction.

Note 6: Please refer to Note 4(3) B.

MiTAC HOLDINGS CORPORATION
Purchases or sales of goods from or to related parties reaching NT\$100 million or 20% of paid-in capital or more
For the year ended December 31, 2022

Table 5

Expressed in thousands of NTD
(Except as otherwise indicated)

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction				Differences in transaction terms		Notes/accounts receivable (payable)		Footnote
			Purchases /sales	Amount	Percentage of total purchases/sales	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	
MiTAC Computing Technology Corp.	MiTAC Information Systems Corp.	Subsidiary	Sales	\$ 4,622,183	19 %	Note 1	Note 3	Note 1	\$ 4,689,732	62 %	
MiTAC Computing Technology Corp.	MiTAC Computer (Shunde) Corp.	Affiliate	Purchases	1,203,052	6 %	Note 2	Note 3	Note 2	(1,520,729)	31 %	
MiTAC Computing Technology Corp.	Tyan Computer Corp.(USA)	Subsidiary	Sales	884,438	4 %	Note 1	Note 3	Note 1	-	- %	
MiTAC Computing Technology Corp.	Synnex Technology International Corp. and its subsidiaries	Other related parties	Purchases	455,491	2 %	Note 2	Note 3	Note 2	(157,141)	3 %	
MiTAC Computing Technology Corp.	MiTAC Japan Corp.	Affiliate	Sales	271,236	1 %	Note 1	Note 3	Note 1	75,806	1 %	
MiTAC Digital Technology Corp.	MiTAC Australia Pty Ltd.	Subsidiary	Sales	141,856	2 %	Note 1	Note 3	Note 1	74,838	8 %	
MiTAC Digital Technology Corp.	MiTAC Digital Corp.	Subsidiary	Sales	186,136	3 %	Note 1	Note 3	Note 1	-	- %	
MiTAC Digital Technology Corp.	MiTAC Computer (Kunshan) Ltd.	Affiliate	Purchases	1,594,563	39 %	Note 2	Note 3	Note 2	(703,886)	68 %	
Silver Star Developments Ltd. and its subsidiaries	MiTAC Computing Technology Corp.	Affiliate	Sales	1,240,041	8 %	Note 1	Note 3	Note 1	1,565,617	4 %	
Silver Star Developments Ltd. and its subsidiaries	MiTAC Computing Technology Corp.	Affiliate	Purchases	271,236	2 %	Note 2	Note 3	Note 2	(75,806)	- %	
Silver Star Developments Ltd. and its subsidiaries	MiTAC Digital Technology Corp.	Affiliate	Sales	1,602,207	10 %	Note 1	Note 3	Note 1	723,173	2 %	
MiTAC Technology UK Ltd. and its subsidiaries	MiTAC Computing Technology Corp.	Parent Company	Purchases	5,506,621	29 %	Note 2	Note 3	Note 2	(4,689,732)	77 %	
Access Wisdom Holdings Ltd. and its subsidiaries	MiTAC Digital Technology Corp.	Parent Company	Purchases	328,635	96 %	Note 2	Note 3	Note 2	(74,838)	81 %	

Note 1: The Group's credit term for subsidiaries is to collect within 5 months based on the net amount of receivables after offsetting against payables. The Group's credit term for related parties is within 3 months based on the net amount of receivables after offsetting against payables; the credit term for third parties is an average of 3 months after the date of shipment.

Note 2: The Group's payment term for subsidiaries is within 5 months based on the net amount of receivables after offsetting against payables. The Group's payment term related parties within 3 months based on the net amount of receivables after offsetting against payables; the payment term for third parties is an average of 3 months after the date of shipment from the counterparty.

Note 3: The selling price to related parties is based on market value.

MiTAC HOLDINGS CORPORATION
Receivables from related parties reaching NT\$100 million or 20% of paid-in capital or more
For the year ended December 31, 2022

Table 6

Expressed in thousands of NTD
(Except as otherwise indicated)

Creditor	Counterparty	Relationship with the counterparty	Accounts receivable	Other receivables	Turnover rate	Overdue receivables		Amount collected subsequent to the balance sheet date	Allowance for doubtful accounts	Footnote
						Amount	Action taken			
MiTAC Holdings Corp.	MiTAC Computing Technology Corp.	Subsidiary	\$ -	\$ 211,441	-	\$ -	Not Applicable	\$ -	\$ -	
MiTAC Computing Technology Corp.	MiTAC Information Systems Corp.	Subsidiary	4,689,732	2,503	1.09	3,236,033	Subsequent collection	1,078,144	-	
Silver Star Developments Ltd. and its subsidiaries	MiTAC Computing Technology Corp.	Affiliate	1,565,617	31,189	0.87	-	Not Applicable	202,993	-	
Silver Star Developments Ltd. and its subsidiaries	MiTAC Digital Technology Corp.	Affiliate	723,173	1,575	2.07	-	Not Applicable	644,910	-	

MiTAC HOLDINGS CORPORATION
Significant inter-company transactions during the reporting periods
For the year ended December 31, 2022

Table 7

Expressed in thousands of NTD
(Except as otherwise indicated)

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction				
				General ledger account	Amount	Transaction terms	Percentage of consolidated total operating revenues or total assets (Note 3)	Footnote
0	MiTAC Holdings Corp.	MiTAC Computing Technology Corp.	1	Other receivables	\$ 1,211,441		1.42 %	
1	MiTAC International Corp.	MiTAC Computing Technology Corp.	3	Other operating revenue	129,345		0.15 %	
2	MiTAC Computing Technology Corp.	MiTAC Technology UK Ltd. and its subsidiaries	3	Sales	5,506,621	Note 4	11.51 %	
2	MiTAC Computing Technology Corp.	MiTAC Technology UK Ltd. and its subsidiaries	3	Accounts receivable	4,689,732	Note 4	5.48 %	
2	MiTAC Computing Technology Corp.	Silver Star Developments Ltd. and its subsidiaries	3	Sales	271,236	Note 4	0.57 %	
2	MiTAC Computing Technology Corp.	Silver Star Developments Ltd. and its subsidiaries	3	Purchases	1,240,041	Note 5	2.59 %	
2	MiTAC Computing Technology Corp.	Silver Star Developments Ltd. and its subsidiaries	3	Accounts payable	1,565,617	Note 5	1.83 %	
3	Silver Star Developments Ltd. and its subsidiaries	MiTAC Holdings Corp.	2	Other receivables	20,087,898		23.47 %	
3	Silver Star Developments Ltd. and its subsidiaries	MiTAC International Corp.	3	Other receivables	14,678,639		17.15 %	
3	Silver Star Developments Ltd. and its subsidiaries	MiTAC Information Systems Corp.	3	Other receivables	1,105,560		1.29 %	
4	MiTAC Digital Technology Corp.	Access Wisdom Holdings Ltd. and its subsidiaries	3	Sales	328,635	Note 4	0.69 %	
4	MiTAC Digital Technology Corp.	Silver Star Developments Ltd. and its subsidiaries	3	Purchases	1,602,207	Note 5	3.35 %	
4	MiTAC Digital Technology Corp.	Silver Star Developments Ltd. and its subsidiaries	3	Accounts payable	723,173	Note 5	0.85 %	

Note 1: The numbers filled in for the transaction company in respect of inter-company transactions are as follows:

- (1) Parent company is "0".
- (2) The subsidiaries are numbered in order starting from "1".

Note 2: Relationship between transaction company and counterparty is classified into the following three categories:

- (1) Parent company to subsidiary.
- (2) Subsidiary to parent company.
- (3) Subsidiary to subsidiary.

Note 3: Regarding percentage of transaction amount to consolidated total operating revenues or total assets, it is computed based on period-end balance of transaction to consolidated total assets for balance sheet accounts and based on accumulated transaction amount for the period to consolidated total operating revenues for income statement accounts.

Note 4: The Group's credit term for foreign related parties is 5 months for the collection of the net amount of receivables after offsetting against payables, which takes into consideration the reasonable amount of time for the Company to ship the products to each company and for the collection of the accounts. The company's sales price with related parties is based on the international market trends and the region the sales were made.

Note 5: The Group's payment term for foreign related parties is 5 months for the collection of the net amount of receivables after offsetting against payables after checking and the transaction price is based on the international market trends and the region the sales were made.

Note 6: The Company may decide to disclose or not to disclose transaction details in this table based on the Materiality Principle.

MiTAC HOLDINGS CORPORATION
Information on investees (Does not include Mainland China invested companies)
For the year ended December 31, 2022

Table 8

Expressed in thousands of NTD
(Except as otherwise indicated)

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at December 31, 2022			Net profit (loss) of the investee for the year ended December 31, 2022	Investment income (loss) recognised by the Company for the year ended December 31, 2022	Footnote
				Balance as at December 31, 2022	Balance as at December 31, 2021	Number of shares	Ownership (%)	Book value			
MiTAC Holdings Corp.	MiTAC International Corp.	Taiwan	Development, design, manufacturing and sales of computers and peripherals, communications and related products	\$ 24,739,187	\$ 24,739,187	3,366,589,685	100.00	\$ 58,759,093	\$ 10,724,732	\$ 10,706,231	Subsidiary
MiTAC Holdings Corp.	MiTAC Computing Technology Corp.	Taiwan	Development, design, manufacturing and sales of computers and peripherals, communications and related products	3,419,621	3,419,621	232,757,102	100.00	2,839,880	(932,582)	(934,249)	Subsidiary
MiTAC Holdings Corp.	MiTAC Digital Technology Corp.	Taiwan	Development, design, manufacturing and sale of automotive electronics and AIoT products and software	1,547,485	1,547,485	103,099,000	97.17	1,732,976	94,670	91,565	Subsidiary
MiTAC Holdings Corp.	Infopower Technologies Ltd.	India	Manufacture and sale of electronic product.	71,403	71,403	6,774,199	33.33	66,488	(360)	(120)	Associate
MiTAC International Corp.	Getac Holdings Corp.	Taiwan	Manufacturing and sale of notebook computers, military and industrial computer systems, etc.	1,391,549	1,391,549	190,396,939	31.55	6,247,978	2,565,168	-	Associate
MiTAC International Corp.	Tsu Fung Investment Corp.	Taiwan	General investments	625,000	625,000	142,884,651	100.00	3,443,898	180,277	-	Subsidiary
MiTAC International Corp.	3 Probe Technology Co., Ltd.	Taiwan	Information process service, sales of software and international trading.	16,839	16,839	1,086,000	23.25	12,732	1,789	-	Associate
MiTAC International Corp.	Lian Jie Investment Co., Ltd.	Taiwan	General investments	113,057	113,057	11,305,650	49.98	266,863	(6,766)	-	Associate
MiTAC International Corp.	Lian Jie II Investment Co., Ltd.	Taiwan	General investments	32,500	32,500	3,250,000	32.50	32,119	561	-	Associate
MiTAC International Corp.	Silver Star Developments Ltd. and its subsidiaries	British Virgin Islands	General investments	5,865,669	5,865,669	176,299,302	100.00	45,952,367	11,240,878	-	Subsidiary
MiTAC International Corp.	Shen-Tong Construction & Development Co., Ltd.	Taiwan	Building and factory construction, leasing and sales.	90,349	90,349	9,034,922	47.55	85,594	(449)	-	Associate
MiTAC Computing Technology Corp.	MiTAC Technology UK Ltd. and its subsidiaries	UK	General investments	1,576,907	1,576,907	55,146,137	100.00	703,169	(1,062,985)	-	Subsidiary
MiTAC Computing Technology Corp.	Hyve Design Solutions Corporation	USA	Assemble and sales of computer and peripheral equipment.	341,366	153,071	1,600,000	50.00	-	(129,477)	-	Associate
MiTAC Digital Technology Corp.	Mio International Ltd. and its subsidiaries	British Virgin Islands	General investments	69,948	69,948	1,275,001	100.00	84,563	1,324	-	Subsidiary
MiTAC Digital Technology Corp.	Access Wisdom Holdings Limited and its subsidiaries	British Virgin Islands	General investments	-	-	48,500,000	100.00	193,969	4,357	-	Subsidiary
Silver Star Developments Ltd. and its subsidiaries	Mainpower International Ltd.	British Virgin Islands	General investments	168,905	168,905	5,500,001	13.28	266,676	35,915	-	Associate
Silver Star Developments Ltd. and its subsidiaries	Harbinger Ruyi Venture Ltd.	British Virgin Islands	General investments	30,710	30,710	1,000,000	28.57	22,979	465	-	Associate
Silver Star Developments Ltd. and its subsidiaries	Harbinger Ruyi II Venture Ltd.	British Virgin Islands	General investments	30,710	30,710	10,000	32.26	91,891	(1,545)	-	Associate

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at December 31, 2022			Net profit (loss) of the investee for the year ended December 31, 2022	Investment income (loss) recognised by the Company for the year ended December 31, 2022	Footnote
				Balance as at December 31, 2022	Balance as at December 31, 2021	Number of shares	Ownership (%)	Book value			
Tsu Fung Investment Corp.	MiTAC Digital Technology Corp.	Taiwan	Development, design, manufacturing and sale of automotive electronics and AIoT products and software	16	16	1,000	-	17	94,670	-	Subsidiary

MiTAC HOLDINGS CORPORATION
Information on investments in Mainland China
For the year ended December 31, 2022

Table 9

Expressed in thousands of NTD
(Except as otherwise indicated)

A. Invested information in Mainland China

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2022	Amount remitted from Taiwan to Mainland China/ Amount remitted back to Taiwan for the year ended December 31, 2022		Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2022	Net income of investee as of December 31, 2022	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended December 31, 2022 (Note 2)	Book value of investments in Mainland China as of December 31, 2022	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2022	Footnote
					Remitted to Mainland China	Remitted back to Taiwan							
MiTAC Computer (Shunde) Corp.	Manufacture of computer frame, motherboard, interface card, display, power supply, keyboard, related metal stamping parts and plastic parts and maintenance of motherboard	\$ 1,836,838	2	\$ 1,225,352	\$ -	\$ -	\$ 1,225,352	\$ 32,379	100.00	\$ 32,379	\$ 2,856,439	\$ -	
MiTAC Computer (Kunshan) Ltd.	Manufacture of omunication, computers, computer peripherals, hardware/software and related products and sale of own produced products	1,192,386	2	1,799,606	-	-	1,799,606	(178,976)	100.00	(178,976)	1,772,872	-	
MiTAC Technology (Kunshan) Co., Ltd.	Testing, maintenance and display of computer components and related technical advisory services and after-sale services	36,485	2	30,710	-	-	30,710	(23,097)	100.00	(23,097)	(15,636)	-	
MiTAC Research (Shanghai) Ltd.	Research, development of computer software and related technical advisory services	161,063	2	159,692	-	-	159,692	16,878	100.00	16,878	480,938	-	
Suzhou MiTAC Preclusion Technology Co., Ltd.	Design and manufacturing of computer chassis and its components, percision plastic injection mould, molding parts and molding equipment processing and maintenance and repair services.	1,555,925	2	414,585	-	-	414,585	124,960	27.44	34,288	682,805	-	
Mio Technology (Suzhou) Ltd.	Sales of automotive electronics, AIoT products	8,277	2	30,556	-	-	30,556	1,324	100.00	1,324	36,601	-	
MiTAC Logistic Service (Kunshan) Ltd.	Agency of freight transport,export and import trading and warehousing services.	30,066	2	30,710	-	-	30,710	2,021	100.00	2,021	41,914	-	
MiTAC Innovation (Kunshan) Ltd.	Research, development of computer software and related technical advisory services	28,963	2	30,710	-	-	30,710	4,551	100.00	4,551	84,909	-	
MiTAC Telematics Technology Corporation	Sales of self-produced products and related after-sale services	8,816	1	2,241	-	-	2,241	84	100.00	84	17,351	-	
MiTAC Investment Holding Ltd.	General investments	2,994,319	2	921,300	-	-	921,300	(265,215)	100.00	(265,215)	3,756,828	-	
MiTAC Information Systems (Kunshan) Co., Ltd.	Manufacture of omunication, computers, computer peripherals, hardware/software and related products and sale of own produced products	1,983,600	3	-	-	-	-	(179,168)	100.00	(179,168)	1,748,465	-	

Note 1: Investment methods are classified into the following three categories:

- (1) Directly invest in a company in Mainland China.
- (2) Invest in the investees in Mainland China through the company which are located in the third area.
- (3) Others:Invest in Mainland China through investees in Mainland Chian.

Note 2: In the 'Investment income (loss) recognised by the Company for the year ended December 31, 2022 column:

- (1) It should be indicated if the investee was still in the incorporation arrangements and had not yet generated any profit during this period.
- (2) Indicate the basis for investment income (loss) recognition in the number of one of the following three categories:
 - A. The financial statements were audited and attested by international accounting firm which has cooperative relationship with accounting firm in R.O.C..
 - B. The financial statements were audited and attested by R.O.C. parent company's CPA.
 - C. The financial statements were not audited and attested by independent accountants.

(3) The basis for investment income (loss) recognition for MiTAC computer (Shunde) Corp. 、MiTAC Computer (Kunshan) Ltd. 、MiTAC Information Systems (Kunshan) Co., Ltd. and Suzhou MiTAC Precision Technology Co., Ltd. is category B,the others are category C.

Note 3:Among the accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2022 of MiTAC Computer (Kunshan) Co., Ltd., MiTAC Investment Holding Ltd remitted out USD 29,900 thousand.

B.

Company name	Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2022	Investment amount approved by the Investment Commission of the Ministry of Economic Affairs (MOEA)	Ceiling on investments in Mainland China imposed by the Investment Commission of MOEA
MiTAC International Corp.	\$ 4,124,423	\$ 5,007,336	\$ 35,419,191
MiTAC Computing Technology Corp.	2,241	2,241	1,701,745
MiTAC Digital Technology Corp.	22,879	22,879	1,069,927

C. Significant transactions conducted with investees in Mainland China:

MiTAC Digital Technology Corp. and MiTAC Computing Technology Corp's delivery service expenses with investees in Mainland China for the year ended December 31, 2022 amounted to \$11,773. For details of other significant transactions, please refer to table 1 and table 5.

MiTAC HOLDINGS CORPORATION
Major shareholders information
December 31, 2022

Table 10

Name of major shareholders	Shares	
	Number of shares held	Ownership (%)
Lien Hwa Industrial Holdings Corp.	105,940,944	8.78 %
MiTAC INC.	101,431,091	8.40 %
UPC Technology Corp.	99,802,598	8.27 %

MITAC HOLDINGS CORPORATION
STATEMENT OF CASH AND CASH EQUIVALENTS
DECEMBER 31, 2022
(Expressed in thousands of New Taiwan dollars)

Statement 1

Item	Description	Amount
Cash		
Checking accounts		\$ 91
Demand deposits		42,808
Cash equivalents		
Time deposits	The interest rate is 0.93%~1.28%, which expires from January 26, 2023 to March 29, 2023	1,180,000
Repurchase bonds	Interest rate 0.77%, due on January 13, 2023	80,000
		<u>\$ 1,302,899</u>

MiTAC HOLDINGS CORPORATION
STATEMENT OF CHANGES IN INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD
FOR THE YEAR ENDED DECEMBER 31, 2022
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Statement 2

Name	Beginning Balance		Addition(Reduction)			Ending Balance			Market Value or Net Assets Value		Pledged to others as collateral	Note
	Number of shares (thousands)	Amounts	Number of shares (thousands)	Amount (Note)	Gain (loss) on investments	Number of shares (thousands)	Ownership %	Amounts	Price (dollars)	Total Price		
MiTAC International Corporation	2,393,021	\$ 48,760,743	973,569	(\$ 707,881)	\$ 10,706,231	3,366,590	100%	\$ 58,759,093	17.45	\$ 58,759,093	None	
MiTAC Computing Technology Corporation	232,757	3,812,095	-	(37,966)	(934,249)	232,757	100%	2,839,880	12.20	2,839,880	None	
MiTAC Digital Technology Corporation	103,099	1,628,117	-	13,294	91,565	103,099	97.17%	1,732,976	16.81	1,732,976	None	
Infopower Technologies Ltd.	6,774	68,263	-	(1,655)	(120)	6,774	33.33%	66,488	9.82	66,488	None	
		<u>\$ 54,269,218</u>		<u>(\$ 734,208)</u>	<u>\$ 9,863,427</u>			<u>\$ 63,398,437</u>		<u>\$ 63,398,437</u>		

Note: The additions or reduction was mainly due to the investees' adjustments of cash dividend distributed, investment adjustment for disposal of subsidiaries using the equity method, unrealised gains (losses) from financial assets measured at fair value through other comprehensive income and financial statements translation differences of foreign operations.

MITAC HOLDINGS CORPORATION
SUMMARY STATEMENT OF CURRENT PERIOD EMPLOYEE BENEFITS, DEPRECIATION, DEPLETION AND AMORTIZATION EXPENSES BY
FUNCTION
FOR THE YEAR ENDED DECEMBER 31, 2022
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Statement 3

Function Nature	Year ended December 31, 2022			Year ended December 31, 2021		
	Classified as Operating Costs	Classified as Operating Expenses	Total	Classified as Operating Costs	Classified as Operating Expenses	Total
Employee Benefit Expense						
Wages and salaries	-	11,225	11,225	-	13,252	13,252
Labour and health insurance fees	-	-	-	-	-	-
Pension costs	-	-	-	-	-	-
Directors' remuneration	-	7,548	7,548	-	8,004	8,004
Other employee benefit expenses	-	-	-	-	-	-
Depreciation Expense	-	796	796	-	796	796
Depletion Expense	-	-	-	-	-	-
Amortisation Expense	-	-	-	-	-	-

Note:

- As at December 31, 2022 and 2021, the Company had 13 and 13 employees, including 8 and 8 non-employee directors, respectively.
- A company whose stock is listed for trading on the stock exchange or over-the-counter securities exchange shall additionally disclose the following information :
 - Average employee benefit expense in current year is \$2,245 (in thousands).
Average employee benefit expense in previous year is \$2,650 (in thousands).
 - Average employees salaries in current year is \$2,245 (in thousands).
Average employees salaries in previous year is \$2,650 (in thousands).
 - Adjustments of average employees salaries is (15.28%).

MITAC HOLDINGS CORPORATION
SUMMARY STATEMENT OF CURRENT PERIOD EMPLOYEE BENEFITS, DEPRECIATION, DEPLETION AND AMORTIZATION EXPENSES BY
FUNCTION (Cont.)
FOR THE YEAR ENDED DECEMBER 31, 2022
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Statement 3

- (4) The company has set up an audit committee, so there is no supervisor's remuneration.
- (5) The compensation policy of the Company (including directors, supervisors, managers and employees) is as follows:

A. Directors

According to the Article 23 in the Company's Articles of Incorporation, the profit (pre-tax profit before deduction of employees' compensation and directors' remuneration) of the current year shall be distributed as directors' remuneration, which will be resolved by the Board of Directors, in the ratio no higher than 1%. If a company has an accumulated deficit, earnings should be reserved to cover losses.

B. Managers and employees

- Fixed salary (monthly): It is determined by reference to the general pay levels of the industry and the position and responsibility of the internal managers and employees to achieve appropriate external competitiveness and internal balance.
- Short-term incentive (bonus): It includes performance bonus and profit sharing, and is determined by the company and its team's operating performance and individual performance to make a strong connection between short-term incentive and performance.
- Long-term incentive (employee stock options and treasury shares): It is determined by considering segment operating performance and individual performance. In addition to retain key talents, it is also linked to future risks to promote the long-term development of the Company.
- Benefits: It provides convenience and security for managers and employees.