

**MiTAC HOLDINGS CORPORATION AND
SUBSIDIARIES
CONSOLIDATED FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS' REVIEW REPORT
MARCH 31, 2023 AND 2022**

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' REVIEW REPORT

PWCR23000045

To the Board of Directors and Shareholders of MiTAC Holdings Corporation

Introduction

We have reviewed the accompanying consolidated balance sheets of MiTAC Holdings Corporation and its subsidiaries (the "Group") as at March 31, 2023 and 2022, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the three months then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies. Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, "Interim Financial Reporting" that came into effect as endorsed by Financial Supervisory Commission. Our responsibility is to express a conclusion on these consolidated financial statements based on our reviews.

Scope of Review

Except as explained in the following paragraph, we conducted our reviews in accordance with the Statement on Review Engagements No.2410, "Review of Financial Information Performed by the Independent Auditor of the Entity" of the Republic of China. A review of consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Basis for qualified conclusion

The financial statements of certain insignificant consolidated subsidiaries and investments accounted for using equity method during the same period were not reviewed by independent auditors. Total assets of these subsidiaries and the balances of these investments accounted for using equity method amounted to NT\$6,761,659 thousand and NT\$13,697,351 thousand, constituting 8% and 18% of the consolidated total assets as at March 31, 2023 and 2022, respectively, total liabilities amounted to NT\$2,050,808 thousand and NT\$2,663,384 thousand, constituting 8% and 10% of the consolidated total liabilities as

at March 31, 2023 and 2022, respectively, and the total comprehensive income (loss) and share of profit or loss and other comprehensive income of associates and joint ventures accounted for using equity method amounted to NT\$(136,606) thousand and NT\$200,711 thousand, constituting 22% and 33% of the consolidated total comprehensive income (loss) for the three months and then ended, respectively.

Qualified conclusion

Except for the adjustments to the consolidated financial statements, if any, as might have been determined to be necessary had the financial statements of the insignificant subsidiaries and equity method investees been reviewed by independent auditors as described in the Basis for qualified conclusion section, based on our reviews, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Group as at March 31, 2023 and 2022, and of its consolidated financial performance and its consolidated cash flows for the three months then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, “Interim Financial Reporting” that came into effect as endorsed by the Financial Supervisory Commission.

Liu, Chien-Yu

Li, Tien-Yi

For and on behalf of PricewaterhouseCoopers, Taiwan

May 9, 2023

The accompanying consolidated 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 consolidated financial statements and independent auditors’ review 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 AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

MARCH 31, 2023, DECEMBER 31, 2022 AND MARCH 31, 2022

(Expressed in thousands of New Taiwan dollars)

(The balance sheets as of March 31, 2023 and 2022 are reviewed, not audited)

Assets		Notes	March 31, 2023		December 31, 2022		March 31, 2022				
			AMOUNT	%	AMOUNT	%	AMOUNT	%			
Current assets											
1100	Cash and cash equivalents		\$	9,357,330	11	\$	7,801,360	9	\$	6,415,100	8
1110	Financial assets at fair value through profit or loss - current	6(2)		156,104	-		154,069	-		176,454	-
1120	Financial assets at fair value through other comprehensive income - current	6(3)		1,200,976	2		1,093,658	1		1,360,633	2
1136	Financial assets at amortised cost - current	6(4) and 8		717,057	1		280,400	-		679,158	1
1150	Notes receivable - net			21,605	-		40,992	-		81,805	-
1170	Accounts receivable - net	6(5) and 12(2)		6,177,982	7		7,728,310	9		6,743,322	9
1180	Accounts receivable - related parties - net	6(5),7 and 12(2)		1,801	-		4,198	-		932	-
1200	Other receivables	7		940,698	1		158,303	-		955,466	1
1220	Current income tax assets			34,490	-		42,587	-		21,174	-
130X	Inventories	6(6)		9,265,410	11		9,244,866	11		11,789,919	15
1410	Prepayments			326,245	-		399,342	-		777,951	1
1470	Other current assets			18,887	-		17,631	-		18,210	-
11XX	Total current assets			28,218,585	33		26,965,716	30		29,020,124	37
Non-current assets											
1517	Financial assets at fair value through other comprehensive income - non-current	6(3)		40,062,851	47		40,920,994	48		24,196,300	32
1535	Financial assets at amortised cost - non-current	6(4) and 8		69,939	-		69,901	-		48,734	-
1550	Investments accounted for using equity method	6(7)		6,984,358	8		7,499,596	10		13,988,137	18
1600	Property, plant and equipment - net	6(8)		7,665,150	10		7,768,091	10		7,951,793	10
1755	Right-of-use assets	6(9) and 7		275,512	-		286,786	-		311,750	-
1760	Investment property - net	6(11)		1,225,425	1		1,230,077	1		1,245,496	2
1780	Intangible assets	6(12)		104,940	-		113,827	-		88,681	-
1840	Deferred income tax assets			678,485	1		649,722	1		482,894	1
1900	Other non-current assets			74,686	-		75,615	-		78,465	-
15XX	Total non-current assets			57,141,346	67		58,614,609	70		48,392,250	63
1XXX	Total assets		\$	85,359,931	100	\$	85,580,325	100	\$	77,412,374	100

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MITAC HOLDINGS CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

MARCH 31, 2023, DECEMBER 31, 2022 AND MARCH 31, 2022

(Expressed in thousands of New Taiwan dollars)

(The balance sheets as of March 31, 2023 and 2022 are reviewed, not audited)

	Liabilities and Equity	Notes	March 31, 2023		December 31, 2022		March 31, 2022	
			AMOUNT	%	AMOUNT	%	AMOUNT	%
	Current liabilities							
2100	Short-term borrowings	6(13)	\$ 3,611,517	4	\$ 3,623,778	4	\$ 4,724,687	6
2120	Financial liabilities at fair value through profit or loss - current	6(14)	4,264	-	11,112	-	29,480	-
2130	Contract liabilities - current	6(22)	171,327	-	306,861	-	460,548	1
2170	Accounts payable		5,949,280	7	5,730,648	7	6,457,779	8
2180	Accounts payable - related parties	7	927,294	1	161,723	-	102,841	-
2200	Other payables	7	5,372,286	7	4,219,223	5	5,647,611	7
2230	Current income tax liabilities		994,430	1	905,201	1	346,830	-
2250	Provisions - current	6(17)	186,606	-	227,689	-	104,887	-
2280	Lease liabilities - current	7	38,341	-	41,731	-	38,308	-
2300	Other current liabilities	6(15)	475,996	1	471,788	1	424,430	1
21XX	Total current liabilities		<u>17,731,341</u>	<u>21</u>	<u>15,699,754</u>	<u>18</u>	<u>18,337,401</u>	<u>23</u>
	Non-current liabilities							
2540	Long-term borrowings	6(15)	365,839	-	437,694	1	639,872	1
2550	Provisions - non-current	6(17)	136,344	-	129,425	-	128,482	-
2570	Deferred income tax liabilities		8,185,627	10	8,202,099	10	6,802,609	9
2580	Lease liabilities - non-current	7	119,715	-	127,358	-	149,598	-
2600	Other non-current liabilities	6(7)	299,853	-	291,264	-	390,942	1
25XX	Total non-current liabilities		<u>9,107,378</u>	<u>10</u>	<u>9,187,840</u>	<u>11</u>	<u>8,111,503</u>	<u>11</u>
2XXX	Total liabilities		<u>26,838,719</u>	<u>31</u>	<u>24,887,594</u>	<u>29</u>	<u>26,448,904</u>	<u>34</u>
	Equity attributable to owners of parent							
	Share capital	6(18)						
3110	Common shares		12,065,568	14	12,065,568	14	12,065,568	16
	Capital surplus	6(19)						
3200	Capital surplus		22,623,199	27	22,610,906	26	22,676,082	29
	Retained earnings	6(20)						
3310	Legal reserve		2,938,598	3	2,938,598	3	1,744,713	2
3350	Unappropriated retained earnings		19,039,879	22	20,434,720	24	12,843,594	17
	Other equity interest	6(20)						
3400	Other equity interest		1,964,775	3	2,754,695	4	1,746,800	2
3500	Treasury stocks	6(18)	(162,874)	-	(162,874)	-	(162,874)	-
31XX	Equity attributable to owners of the parent		<u>58,469,145</u>	<u>69</u>	<u>60,641,613</u>	<u>71</u>	<u>50,913,883</u>	<u>66</u>
36XX	Non-controlling interests		<u>52,067</u>	<u>-</u>	<u>51,118</u>	<u>-</u>	<u>49,587</u>	<u>-</u>
3XXX	Total equity		<u>58,521,212</u>	<u>69</u>	<u>60,692,731</u>	<u>71</u>	<u>50,963,470</u>	<u>66</u>
	Significant Contingent Liabilities And Unrecognised Contract Commitments	9(1)(2)						
	Significant Events After the Balance Sheet Date	11						
3X2X	Total liabilities and equity		<u>\$ 85,359,931</u>	<u>100</u>	<u>\$ 85,580,325</u>	<u>100</u>	<u>\$ 77,412,374</u>	<u>100</u>

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

MITAC HOLDINGS CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
THREE MONTHS ENDED MARCH 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars, except earnings per share)
(Reviewed, not audited)

Items		Notes	Three months ended March 31			
			2023		2022	
			AMOUNT	%	AMOUNT	%
4000	Operating revenue	6(22) and 7	\$ 9,022,814	100	\$ 11,313,045	100
5000	Operating costs	6(6) and 7	(7,956,982)	(88)	(10,122,769)	(89)
5900	Gross profit		<u>1,065,832</u>	<u>12</u>	<u>1,190,276</u>	<u>11</u>
	Operating expenses	6(27)(28) and 7				
6100	Selling expenses		(253,884)	(3)	(233,808)	(2)
6200	General and administrative expenses		(295,565)	(3)	(315,198)	(3)
6300	Research and development expenses		(642,725)	(7)	(572,895)	(5)
	Total operating expenses		<u>(1,192,174)</u>	<u>(13)</u>	<u>(1,121,901)</u>	<u>(10)</u>
6900	Operating (loss)/profit		<u>(126,342)</u>	<u>(1)</u>	<u>68,375</u>	<u>1</u>
	Non-operating income and expenses					
7100	Interest income	6(23)	30,454	-	18,493	-
7010	Other income	6(24) and 7	174,512	2	184,284	2
7020	Other gains and losses	6(25)	(58,075)	(1)	(11,968)	-
7050	Finance costs	6(26) and 7	(50,744)	(1)	(8,046)	-
7060	Share of profit of associates and joint ventures accounted for using equity method	6(7)	<u>236,719</u>	<u>3</u>	<u>426,758</u>	<u>4</u>
7000	Total non-operating income and expenses		<u>332,866</u>	<u>3</u>	<u>609,521</u>	<u>6</u>
7900	Profit before income tax		206,524	2	677,896	7
7950	Income tax expense	6(29)	(53,068)	-	(144,754)	(1)
8200	Profit for the period		<u>\$ 153,456</u>	<u>2</u>	<u>\$ 533,142</u>	<u>6</u>

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MITAC HOLDINGS CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
THREE MONTHS ENDED MARCH 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars, except earnings per share)
(Reviewed, not audited)

Items	Notes	Three months ended March 31			
		2023		2022	
		AMOUNT	%	AMOUNT	%
Other comprehensive income (loss) - net					
Components of other comprehensive income (loss) that will not be reclassified to profit or loss					
8316 Unrealised losses from investments in equity instruments measured at fair value through other comprehensive income	6(3)(21)	\$(769,825)	(9)	\$(738,315)	(7)
8320 Share of other comprehensive income (loss) of associates and joint ventures accounted for using equity method, components of other comprehensive income (loss) that will not be reclassified to profit or loss	6(7)(21)	(18,243)	-	(34,504)	-
8310 Components of other comprehensive income (loss) that will not be reclassified to profit or loss		(788,068)	(9)	(772,819)	(7)
Components of other comprehensive income (loss) that will be reclassified to profit or loss					
8361 Exchange differences on translation of foreign financial statements	6(21)	31,703	-	669,411	6
8370 Share of other comprehensive income (loss) of associates and joint ventures accounted for using equity method, components of other comprehensive income (loss) that will be reclassified to profit or loss	6(7)(21)	(12,379)	-	177,683	2
8360 Components of other comprehensive income (loss) that will be reclassified to profit or loss		19,324	-	847,094	8
8300 Other comprehensive income (loss) for the period		\$(768,744)	(9)	\$ 74,275	1
8500 Total comprehensive income (loss) for the period		\$(615,288)	(7)	\$ 607,417	7
Profit , attributable to:					
8610 Owners of parent		\$ 152,460	2	\$ 531,869	6
8620 Non-controlling interests		\$ 996	-	\$ 1,273	-
Comprehensive income (loss) attributable to:					
8710 Owners of parent		\$(616,237)	(7)	\$ 605,884	7
8720 Non-controlling interests		\$ 949	-	\$ 1,533	-
9750 Basic earnings per share	6(30)	\$ 0.13		\$ 0.44	
9850 Diluted earnings per share	6(30)	\$ 0.12		\$ 0.44	

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

MITAC HOLDINGS CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
THREE MONTHS ENDED MARCH 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)
(Reviewed, not audited)

		Equity attributable to owners of the parent										
				Retained earnings		Other equity interest						
							Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income					
	Notes	Share capital- common shares	Capital surplus, additional paid-in capital	Legal reserve	Unappropriated retained earnings	Financial statements translation differences of foreign operations		Treasury stocks	Total	Non-controlling interests	Total equity	
<u>Three months ended March 31 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	\$ 48,054	\$ 52,606,365	
Profit for the period		-	-	-	531,869	-	-	-	531,869	1,273	533,142	
Other comprehensive income (loss) for the period	6(21)	-	-	-	-	846,834	(772,819)	-	74,015	260	74,275	
Total comprehensive income (loss)		-	-	-	531,869	846,834	(772,819)	-	605,884	1,533	607,417	
Distribution of 2021 earnings	6(20)											
Cash dividends		-	-	-	(2,413,114)	-	-	-	(2,413,114)	-	(2,413,114)	
Subsidiaries' change of associates accounted for using equity method	6(19)(20)	-	73,129	-	(1,511)	-	1,511	-	73,129	-	73,129	
Disposal of Company's share by subsidiaries recognised as treasury share transactions	6(18)(19)	-	(6,300)	-	-	-	-	77,002	70,702	-	70,702	
Subsidiaries receipt of cash dividends paid by the parent company	6(19)	-	18,501	-	-	-	-	-	18,501	-	18,501	
Disposal of investments accounted for using equity method	6(21)	-	-	-	242	-	(242)	-	-	-	-	
Disposal of equity instruments measured at fair value through other comprehensive income	6(3)	-	-	-	176,922	-	(176,922)	-	-	-	-	
Capital surplus - dividends unclaimed by the shareholders	6(19)	-	470	-	-	-	-	-	470	-	470	
Balance at March 31, 2022		<u>\$ 12,065,568</u>	<u>\$ 22,676,082</u>	<u>\$ 1,744,713</u>	<u>\$ 12,843,594</u>	<u>\$ (1,421,571)</u>	<u>\$ 3,168,371</u>	<u>\$ (162,874)</u>	<u>\$ 50,913,883</u>	<u>\$ 49,587</u>	<u>\$ 50,963,470</u>	
<u>Three months ended March 31 2023</u>												
Balance at January 1, 2023		\$ 12,065,568	\$ 22,610,906	\$ 2,938,598	\$ 20,434,720	\$ (249,216)	\$ 3,003,911	\$ (162,874)	\$ 60,641,613	\$ 51,118	\$ 60,692,731	
Profit for the period		-	-	-	152,460	-	-	-	152,460	996	153,456	
Other comprehensive income (loss) for the period	6(21)	-	-	-	-	19,371	(788,068)	-	(768,697)	(47)	(768,744)	
Total comprehensive income (loss)		-	-	-	152,460	19,371	(788,068)	-	(616,237)	949	(615,288)	
Distribution of 2022 earnings	6(20)											
Cash dividends		-	-	-	(1,568,524)	-	-	-	(1,568,524)	-	(1,568,524)	
Subsidiaries' change of associates accounted for using equity method	6(19)(21)	-	(729)	-	20,984	-	(20,984)	-	(729)	-	(729)	
Subsidiaries receipt of cash dividends paid by the parent company	6(19)	-	12,026	-	-	-	-	-	12,026	-	12,026	
Disposal of investments accounted for using equity method	6(21)	-	-	-	239	-	(239)	-	-	-	-	
Capital surplus - dividends unclaimed by the shareholders	6(19)	-	997	-	-	-	-	-	997	-	997	
Capital surplus - dividends unclaimed by the subsidiaries' shareholders	6(19)	-	(1)	-	-	-	-	-	(1)	-	(1)	
Balance at March 31, 2023		<u>\$ 12,065,568</u>	<u>\$ 22,623,199</u>	<u>\$ 2,938,598</u>	<u>\$ 19,039,879</u>	<u>\$ (229,845)</u>	<u>\$ 2,194,620</u>	<u>\$ (162,874)</u>	<u>\$ 58,469,145</u>	<u>\$ 52,067</u>	<u>\$ 58,521,212</u>	

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

MITAC HOLDINGS CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
THREE MONTHS ENDED MARCH 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)
(Reviewed, not audited)

	Notes	Three months ended March 31	
		2023	2022
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Profit before tax		\$ 206,524	\$ 677,896
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation	6(27)	260,500	251,612
Amortization	6(12)(27)	24,480	24,752
(Gain) loss of financial assets/liabilities at fair value through profit or loss	6(25)	(8,855)	5,528
Interest expense	6(26)	50,744	8,046
Interest income	6(23)	(30,454)	(18,493)
Dividend income	6(24)	(129,377)	(106,089)
Share of profit of associates accounted for using equity method	6(7)	(236,719)	(426,758)
Loss on disposal of property, plant and equipment	6(25)	-	2
Loss on disposal of investments	6(25)	567	1,724
Loss on inventory market value decline	6(6)	8,865	21,445
Changes in operating assets and liabilities			
Changes in operating assets			
Decrease (increase) in notes receivable		19,575	(77,824)
Decrease (increase) in accounts receivable		1,529,285	(1,045,284)
(Increase) decrease in other receivables		(15,952)	21,604
(Increase) decrease in inventories		(48,677)	195,767
Decrease (increase) in prepayments		73,999	(31,229)
Increase in other current assets		(1,180)	(27)
Changes in operating liabilities			
(Decrease) increase in contract liabilities		(135,377)	5,188
Increase (decrease) in accounts payable		989,098	(720,699)
Decrease in other payables		(426,704)	(502,194)
(Decrease) increase in provisions for liabilities		(33,198)	9,392
Decrease in other current liabilities		(5,195)	(121,368)
Decrease in accrued pension liabilities		(157)	-
Increase in other operating liabilities		103	79
Cash inflow (outflow) generated from operations		2,091,895	(1,826,930)
Receipt of interest		20,581	19,463
Cash dividend received		93,198	79,081
Payment of interest		(30,663)	(5,998)
Payment of income tax		(1,575)	(100,569)
Net cash flows from (used in) operating activities		2,173,436	(1,834,953)

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MITAC HOLDINGS CORPORATION AND
CONSOLIDATED STATEMENTS OF CASH FLOWS
THREE MONTHS ENDED MARCH 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)
(Reviewed, not audited)

	Notes	Three months ended March 31	
		2023	2022
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Acquisition of financial assets at fair value through other comprehensive income		\$(19,000)	\$(6,973)
Proceeds from disposal of financial assets at fair value through other comprehensive income	6(3)	-	300,535
(Increase) decrease in financial assets at amortised cost		(436,328)	14,098
Acquisition of investments accounted for using equity method	7	-	(85,995)
Acquisition of property, plant and equipment	6(8)	(127,085)	(248,191)
Proceeds from disposal of property, plant and equipment		-	4,849
Decrease in refundable deposits		513	441
Acquisition of intangible assets	6(12)	(15,585)	(47,166)
Acquisition of investment properties	6(11)	-	(225)
Net cash flows used in investing activities		<u>(597,485)</u>	<u>(68,627)</u>
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
(Decrease) increase in short-term loans	6(32)	(21,088)	1,474,873
Proceeds from long-term debt	6(32)	-	58,539
Repayments of long-term debt	6(32)	(61,813)	(53,064)
Increase in guarantee deposits	6(32)	8,575	1,808
Repayments of lease liabilities	6(32)	(13,477)	(12,723)
Proceeds from sale of treasury shares	6(18)	-	70,702
Capital surplus - dividends unclaimed by the shareholders	6(19)	996	470
Net cash (used in) flows from financing activities		<u>(86,807)</u>	<u>1,540,605</u>
Effects of changes in exchange rates		66,826	126,627
Net increase (decrease) in cash and cash equivalents		1,555,970	(236,348)
Cash and cash equivalents at beginning of period		7,801,360	6,651,448
Cash and cash equivalents at end of period		<u>\$ 9,357,330</u>	<u>\$ 6,415,100</u>

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

MITAC HOLDINGS CORPORATION AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
THREE MONTHS ENDED MARCH 31, 2023 AND 2022

(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)
(Reviewed, not audited)

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 and its subsidiaries (collectively referred herein as the “Group”) is to design, manufacture and sell products related to investments, computers and its peripherals and communications.
- (2) In order to promote specialization of work for transforming and improving overall competitiveness of the Group, 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 (collectively 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 (collectively 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 CONSOLIDATED FINANCIAL STATEMENTS AND PROCEDURES FOR AUTHORISATION

These consolidated financial statements were authorised for issuance by the Board of Directors on May 9, 2023.

3. APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS

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

New standards, interpretations and amendments endorsed by the FSC and became 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 Group's financial condition and financial performance based on the Group's assessment.

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

None.

- (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 Group's financial condition and financial performance based on the Group's assessment.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted are consistent with Note 4 in the consolidated financial statements for the year ended December 31, 2022, except for the compliance statement, basis of preparation, basis of consolidation and additional policies as set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

- (1) Compliance statement

A. The consolidated financial statements of the Group have been prepared in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" and the International Accounting Standard 34, 'Interim financial reporting' as

endorsed by the FSC.

- B. The consolidated financial statements should be read together with the consolidated financial statements for the year ended December 31, 2022.

(2) Basis of preparation

- A. Except for the following items, these consolidated financial statements have been prepared under the historical cost convention:
- (a) Financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.
 - (b) Financial assets and liabilities at fair value through other comprehensive income.
 - (c) Defined benefit liabilities recognised based on the net amount of pension fund assets and present value of defined benefit obligation.
- B. The preparation of financial statements in compliance with International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the FSC (collectively referred herein as the “IFRSs”) requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5.

(3) Basis of consolidation

- A. Basis for preparation of consolidated financial statements:

Basis for preparation of these consolidated financial statements is the same as that for the preparation of the consolidated financial statements as of and for the year ended December 31, 2022.

- B. Subsidiaries included in the consolidated financial statements:

Investor	Subsidiary	Main activities	Ownership (%)			Remarks
			March 31, 2023	December 31, 2022	March 31, 2022	
MiTAC Holdings Corp.	MiTAC International Corp.	Development, design, manufacturing and sales of computers and peripherals, communications and related products	100	100	100	Note 4
MiTAC Holdings Corp.	MiTAC Computing Technology Corp.	Development, design, manufacturing and sales of computers and peripherals, communications and related products	100	100	100	Note 4
MiTAC Holdings Corp.	MiTAC Digital Technology Corp.	Development, design, manufacturing and sale of automotive electronics and AIoT products and software	97.17	97.17	97.17	Note 4
MiTAC International Corp.	Tsu Fung Investment Corp.	General investments	100	100	100	
MiTAC International Corp.	Silver Star Developments Ltd.	General investments	100	100	100	Note 4
MiTAC Computing Technology Corp.	MiTAC Technology UK Ltd.	General investments	100	100	100	Note 4
MiTAC Computing Technology Corp.	MiTAC Telematics Technology Corporation	Sales of self-produced products and related after-sale services	100	100	100	
MiTAC Digital Technology Corp.	Access Wisdom Holdings Ltd.	General investments	100	100	100	

Investor	Subsidiary	Main activities	Ownership (%)			Remarks
			March 31, 2023	December 31, 2022	March 31, 2022	
MiTAC Digital Technology Corp.	Mio International Ltd.	General investments	100	100	100	
Tsu Fung Investment Corp.	MiTAC Digital Technology Corp.	Development, design, manufacturing and sale of automotive electronics and AIoT products and software	0.001	0.001	0.001	Note 4
Silver Star Developments Ltd.	Pacific China Corp.	General investments	100	100	100	Note 4
Pacific China Corp.	MiTAC Star Service Ltd.	General investments	100	100	100	
Pacific China Corp.	Software Insights Ltd.	General investments	100	100	100	
Pacific China Corp.	Start Well Technology Ltd.	General investments	100	100	100	
Pacific China Corp.	Huge Extent Ltd.	General investments	100	100	100	
Access Wisdom Holdings Ltd.	MiTAC Europe Ltd.	Sales of automotive electronics, AIoT products	100	100	100	
MiTAC Technology UK Ltd.	Tyan Computer Corp.(USA)	Sales of computer peripherals , hardware/ software and related products	100	100	100	
MiTAC Technology UK Ltd.	MiTAC Information Systems Corp.	Assembling and sale of computer peripherals , hardware/software and related products	100	100	100	Note 4
MiTAC Europe Ltd.	MiTAC Digital Corp.	Sales of automotive electronics, AIoT products	100	100	100	
MiTAC Europe Ltd.	MiTAC Australia Pty Ltd.	Sales of automotive electronics, AIoT products	100	100	100	
Silver Star Developments Ltd.	MiTAC Japan Corp.	Sales of communication products, computer peripherals, hardware/software and related products and related after-sale services	100	100	100	
Silver Star Developments Ltd.	MiTAC Benelux N.V.	Sales of communication products and related after-sale services	100	100	100	
Silver Star Developments Ltd.	MiTAC Pacific (H.K.) Ltd.	Export and import trading services.	100	100	100	
Start Well Technology Ltd.	MiTAC Investment Holding Ltd.	General investments	69.70	69.70	100	Note 1
MiTAC Investment Holding Ltd.	MiTAC Computer (Kunshan) Ltd.	Manufacture of omunication, computers, computer peripherals, hardware/software and related products and sale of own produced products	100	100	100	
MiTAC Investment Holding Ltd.	MiTAC Technology (Kunshan) Co., Ltd.	Testing, maintenance and display of computer components and related technical advisory services and after-sale services	100	100	100	
MiTAC Investment Holding Ltd.	MiTAC Logistic Service (Kunshan) Ltd.	Agency of freight transport,export and import trading and warehousing services.	100	100	100	
MiTAC Investment Holding Ltd.	MiTAC Information Technology Ltd.	After-sale maintenance, testing and technical advisory services of computers, communication products and consumer electronic products; establishment of customer service centers; customer data processing, analysis and integrated services and business administration services	-	-	100	Note 3
MiTAC Investment Holding Ltd.	MiTAC Information Systems (Kunshan) Co., Ltd.	Manufacture of omunication, computers, computer peripherals, hardware/software and related products and sale of own produced products	100	100	-	Note 2
MiTAC Star Service Ltd.	MiTAC Investment Holding Ltd.	General investments	30.30	30.30	-	Note 1
MiTAC Star Service Ltd.	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	100	100	100	Note 4
MiTAC Computer (Kunshan) Ltd.	MiTAC Information Systems (Kunshan) Co., Ltd.	Manufacture of omunication, computers, computer peripherals, hardware/software and related products and sale of own produced products	-	-	100	Note 2

Investor	Subsidiary	Main activities	Ownership (%)			Remarks
			March 31, 2023	December 31, 2022	March 31, 2022	
Software Insights Ltd.	MiTAC Research (Shanghai) Ltd.	Research, development of computer software and related technical advisory services	100	100	100	
Software Insights Ltd.	MiTAC Innovation (Kunshan) Ltd.	Research, development of computer software and related technical advisory services	100	100	100	
Mio International Ltd.	Mio Technology (Suzhou) Ltd.	Sales of automotive electronics, AIoT products	100	100	100	

Note 1: Start Well Technology Ltd. forfeited 100% cash capital injection amounting to CNY210,000 thousand in MiTAC Investment Holding Ltd. and available to MiTAC Star Service Ltd.

Note 2: MiTAC Computer (Kunshan) Co., Ltd. (MKL) transfer its subsidiary "MiTAC Information Systems (Kunshan) Co., Ltd." (MISK) to its parent company "MiTAC Investment Holding Ltd." through reducing capital.

Note 3: It completed the liquidation on November 28, 2022.

Note 4 : The financial statements of the entity as of and for the three months ended March 31, 2023 and 2022 were reviewed by independent auditors.

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

D. Adjustments for subsidiaries with different balance sheet dates: None.

E. Nature and extent of the restrictions on fund remittance from subsidiaries to the parent company: None.

F. Subsidiaries that have non-controlling interests that are material to the Group: None.

(4) Employee benefits

Pensions

Pension cost for the interim period is calculated on a year-to-date basis by using the pension cost rate derived from the actuarial valuation at the end of the prior financial year, adjusted for significant market fluctuations since that time and for significant curtailments, settlements, or other significant one-off events. Also, the related information is disclosed accordingly.

(5) Income tax

A. The interim period income tax expense is recognized based on the estimated average annual effective income tax rate expected for the full financial year applied to the pretax income of the interim period, and the related information is disclosed accordingly.

B. If a change in tax rate is enacted or substantively enacted in an interim period, the Group recognises the effect of the change immediately in the interim period in which the change occurs. The effect of the change on items recognised outside profit or loss is recognised in other comprehensive income or equity while the effect of the change on items recognised in profit or loss is recognised in profit or loss.

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

There have been no significant changes as of March 31, 2023. Please refer to Note 5 in the consolidated financial statements for the year ended December 31, 2022.

6. DETAILS OF SIGNIFICANT ACCOUNTS

(1) Cash and cash equivalents

	<u>March 31, 2023</u>	<u>December 31, 2022</u>	<u>March 31, 2022</u>
Cash:			
Cash on hand and revolving funds	\$ 610	\$ 558	\$ 530
Checking accounts and demand deposits	4,257,135	4,304,403	4,942,154
Cash equivalents:			
Time deposits	4,649,585	3,416,399	1,472,416
Structured deposits	-	80,000	-
Repurchased bonds	<u>450,000</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 9,357,330</u>	<u>\$ 7,801,360</u>	<u>\$ 6,415,100</u>

A. The Group 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 Group has no cash and cash equivalents pledged to others.

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

<u>Items</u>	<u>March 31, 2023</u>	<u>December 31, 2022</u>	<u>March 31, 2022</u>
Current items:			
Financial assets mandatorily measured at fair value through profit or loss			
Beneficiary certificates	\$ 140,000	\$ 140,000	\$ 140,000
Derivatives	<u>-</u>	<u>-</u>	<u>-</u>
Subtotal	140,000	140,000	140,000
Valuation adjustment - Beneficiary certificates	1,069	681	134
Valuation adjustment - Derivatives	<u>15,035</u>	<u>13,388</u>	<u>36,320</u>
Total	<u>\$ 156,104</u>	<u>\$ 154,069</u>	<u>\$ 176,454</u>

A. The Group recognised net gain of \$2,007 and \$19,028 on financial assets at fair value through profit or loss for the three months ended March 31, 2023 and 2022, respectively.

B. The non-hedging derivative instrument transactions and contract information are as follows:

		March 31, 2023			
Financial Instrument	Item	Notional Amount (in thousands)		Fair Market Value (in thousands)	
MiTAC Computing Technology Corp.					
Forward foreign exchange - Sell	Advance booking USD to buy NTD	USD	13,000		2,661
Forward foreign exchange swap - Sell	Advance booking USD to buy NTD	USD	44,200		9,953
MiTAC Digital Technology Corp.					
Forward foreign exchange - Sell	Advance booking AUD to buy USD	AUD	300		58
Forward foreign exchange swap - Sell	Advance booking USD to buy NTD	USD	7,000		719
MiTAC Computer (Kunshan) Ltd.					
Forward foreign exchange - Sell	Advance booking USD to buy CNY	USD	2,000	CNY	209
MiTAC Computer (Shunde) Corp.					
Forward foreign exchange - Sell	Advance booking USD to buy CNY	USD	2,000	CNY	162
		December 31, 2022			
Financial Instrument	Item	Notional Amount (in thousands)		Fair Market Value (in thousands)	
MiTAC Computing Technology Corp.					
Forward foreign exchange - Sell	Advance booking USD to buy NTD	USD	23,000		4,579
Forward foreign exchange - Buy	Advance booking JPY to sell USD	JPY	290,000		1,639
Forward foreign exchange swap - Sell	Advance booking USD to buy NTD	USD	31,000		840
MiTAC Digital Technology Corp.					
Forward foreign exchange - Sell	Advance booking USD to buy NTD	USD	7,000		878
Forward foreign exchange - Sell	Advance booking AUD to buy USD	AUD	1,182		142
MiTAC Computer (Kunshan) Ltd.					
Forward foreign exchange - Sell	Advance booking USD to buy CNY	USD	8,000	CNY	710
MiTAC Computer (Shunde) Corp.					
Forward foreign exchange - Sell	Advance booking USD to buy CNY	USD	5,000	CNY	495
		March 31, 2022			
Financial Instrument	Item	Notional Amount (in thousands)		Fair Market Value (in thousands)	
MiTAC Computing Technology Corp.					
Forward foreign exchange - Buy	Advance booking USD to sell NTD	USD	23,000		21,485
Forward foreign exchange - Sell	Advance booking JPY to buy USD	JPY	12,170		189
MiTAC Digital Technology Corp.					
Forward foreign exchange - Buy	Advance booking USD to sell NTD	USD	8,000		5,677
Forward foreign exchange - Sell	Advance booking EUR to buy USD	EUR	600		415
MiTAC Computer (Kunshan) Ltd.					
Forward foreign exchange - Sell	Advance booking USD to buy CNY	USD	11,000	CNY	709
MiTAC Computer (Shunde) Corp.					
Forward foreign exchange - Sell	Advance booking USD to buy CNY	USD	13,000	CNY	847
Silver Star Developments Ltd.					
Forward foreign exchange - Sell	Advance booking EUR to buy USD	EUR	2,000	USD	39
MiTAC Japan Corp.					
Forward foreign exchange - Buy	Advance booking USD to sell JPY	USD	250	JPY	1,867

C. The Group has no financial assets at fair value through profit or loss pledged to others.

D. Information relating to credit risk of financial assets at fair value through profit or loss is provided in Note 12(2).

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

Items	March 31, 2023	December 31, 2022	March 31, 2022
Current items:			
Listed stocks	\$ 764,112	\$ 764,112	\$ 764,112
Valuation adjustment	436,864	329,546	596,521
Total	<u>\$ 1,200,976</u>	<u>\$ 1,093,658</u>	<u>\$ 1,360,633</u>
Non-current items:			
Listed stocks	\$ 36,516,890	\$ 36,516,890	\$ 19,991,750
Unlisted stocks	2,010,879	1,991,879	1,834,583
Subtotal	38,527,769	38,508,769	21,826,333
Valuation adjustment	1,535,082	2,412,225	2,369,967
Total	<u>\$ 40,062,851</u>	<u>\$ 40,920,994</u>	<u>\$ 24,196,300</u>

- A. The Group recognised \$(769,825) and \$(738,315) in other comprehensive loss for fair value change for the three months ended March 31, 2023 and 2022, respectively.
- B. The Group 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 March 31, 2023, December 31, 2022 and March 31, 2022, the fair value of investments were \$41,263,827, \$42,014,652 and \$25,556,933, respectively.
- C. The Group sold \$300,535 of investments at fair value and resulted in cumulative gains on disposal amounting to \$176,922 in 2023.

(4) Financial assets at amortised cost

Items	March 31, 2023	December 31, 2022	March 31, 2022
Current items:			
Time deposits - over three months	\$ 34,800	\$ 34,800	\$ 34,800
Pledged deposits	<u>682,257</u>	<u>245,600</u>	<u>644,358</u>
	<u>\$ 717,057</u>	<u>\$ 280,400</u>	<u>\$ 679,158</u>
Non-current items:			
Pledged deposits	<u>\$ 69,939</u>	<u>\$ 69,901</u>	<u>\$ 48,734</u>

- A. As of March 31, 2023, December 31, 2022 and March 31, 2022, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the financial assets at amortised cost held by the Group were \$786,996, \$350,301 and \$727,892, respectively.
- B. Information relating to credit risk of financial assets at amortised cost is provided in Note 12(2).
- C. Details of the Group's financial assets at amortised cost pledged to others as collateral are provided in Note 8.

(5) Accounts receivable

	March 31, 2023	December 31, 2022	March 31, 2022
Third parties	\$ 6,537,656	\$ 8,090,490	\$ 6,823,756
Less: Allowance for bad debts	<u>(359,674)</u>	<u>(362,180)</u>	<u>(80,434)</u>
	6,177,982	7,728,310	6,743,322
Related parties	<u>1,801</u>	<u>4,198</u>	<u>932</u>
	<u>\$ 6,179,783</u>	<u>\$ 7,732,508</u>	<u>\$ 6,744,254</u>

A. The ageing analysis of accounts receivable and notes receivable is as follows:

	March 31, 2023	December 31, 2022	March 31, 2022
Not past due	\$ 5,520,015	\$ 6,900,441	\$ 6,285,923
Up to 90 days	518,677	1,170,599	507,059
91 to 180 days	500,130	22,743	31,686
Over 181 days	635	905	20
	<u>\$ 6,539,457</u>	<u>\$ 8,094,688</u>	<u>\$ 6,824,688</u>

The above ageing analysis was based on past due date.

B. As of March 31, 2023, December 31, 2022 and March 31, 2022, accounts receivable were all from contracts with customers. And as of January 1, 2022, the balance of accounts receivable from contracts with customers amounted to \$5,662,204.

C. As of March 31, 2023, December 31, 2022 and March 31, 2022, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the Group's accounts receivable were \$6,179,783, \$7,732,508 and \$6,744,254, respectively.

D. Information relating to credit risk of accounts receivable is provided in Note 12(2).

(6) Inventories

	March 31, 2023	December 31, 2022	March 31, 2022
	Book value	Book value	Book value
Raw materials	\$ 7,266,077	\$ 7,086,133	\$ 8,900,852
Work in process	726,649	622,899	1,303,617
Finished goods	1,272,684	1,535,834	1,585,450
Total	<u>\$ 9,265,410</u>	<u>\$ 9,244,866</u>	<u>\$ 11,789,919</u>

Expense and loss incurred on inventories:

	For the three months ended March 31	
	2023	2022
Cost of goods sold	\$ 7,979,550	\$ 10,101,324
Non-cancellable contract loss reversal	(31,433)	-
Loss on decline in market value	8,865	21,445
	<u>\$ 7,956,982</u>	<u>\$ 10,122,769</u>

(7) Investments accounted for using equity method

A.

<u>Investee company</u>	<u>March 31, 2023</u>	<u>December 31, 2022</u>	<u>March 31, 2022</u>
Getac Holdings Corp.	\$ 5,743,329	\$ 6,247,978	\$ 5,449,257
3 Probe Technology Co., Ltd.	11,540	12,732	12,813
Lian Jie Investment Co., Ltd.	261,078	266,863	238,710
Lian Jie II Investment Co., Ltd.	35,676	32,119	40,901
Shen-Tong Construction & Development Co., Ltd.	85,553	85,594	85,764
Mainpower International Ltd.	267,328	266,676	273,629
Concentrix Corp.	-	-	7,317,821
Suzhou MiTAC Preclusion Technology Co., Ltd.	407,228	406,276	402,057
Harbinger Ruyi Venture Ltd.	22,651	22,979	18,943
Harbinger Ruyi II Venture Ltd.	84,698	91,891	80,193
Infopower Technologies Ltd.	65,277	66,488	68,049
	<u>\$ 6,984,358</u>	<u>\$ 7,499,596</u>	<u>\$ 13,988,137</u>
Credit balance of long-term investment (Note)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (86,242)</u>

Note: Shown as "Other non-current liabilities".

B. The Group recognized its share of profit from associates accounted for using equity method for the three months ended March 31, 2023 and 2022 amounting to \$236,719 and \$426,758, respectively, and recognized its share of other comprehensive (loss) income from associates accounted for using equity method amounting to \$(30,622) and \$143,179, respectively.

C. The basic information of the associates that are material to the Group is as follows:

<u>Company name</u>	<u>Principal place of business</u>	<u>Shareholding ratio</u>			<u>Nature of relationship</u>	<u>Methods of measurement</u>
		<u>March 31, 2023</u>	<u>December 31, 2022</u>	<u>March 31, 2022</u>		
Getac Holdings Corp.	Taiwan	31.39%	31.55%	31.73%	Owned over 20% ownership	Equity method
Concentrix Corp.	USA	-%	-%	9.42%	Significant influence	Equity method (Note1)

Note1: Please refer to Note 6(7) H.

D. The summarized financial information of the associates that are material to the Group is as follows:

Balance sheet

Getac Holdings Corp.			
	March 31, 2023	December 31, 2022	March 31, 2022
Current assets	\$ 22,994,141	\$ 22,953,095	\$ 21,708,925
Non-current assets	14,433,068	14,705,644	14,411,105
Current liabilities	(13,483,855)	(12,102,055)	(13,018,517)
Non-current liabilities	(3,743,029)	(3,864,413)	(4,149,102)
Non-controlling interest	(1,905,222)	(1,888,260)	(1,778,517)
Total net assets	\$ 18,295,103	\$ 19,804,011	\$ 17,173,894
Share in associate's net assets	\$ 5,743,329	\$ 6,247,978	\$ 5,449,257

Concentrix Corp.(Note)			
	March 31, 2023	December 31, 2022	March 31, 2022
Current assets	\$ -	\$ -	\$ 46,682,795
Non-current assets	-	-	145,192,927
Current liabilities	-	-	(29,663,401)
Non-current liabilities	-	-	(84,426,375)
Non-controlling interest	-	-	(64,863)
Total net assets	\$ -	\$ -	\$ 77,721,083
Share in associate's net assets	\$ -	\$ -	\$ 7,317,821

Statement of comprehensive income

Getac Holdings Corp.			
For the three months ended March 31			
	2023	2022	
Revenue	\$ 8,155,115	\$ 7,556,995	
Profit for the period from continuing operations	\$ 805,150	\$ 515,644	
Other comprehensive (loss) income - net of tax	(74,361)	550,548	
Total comprehensive income	\$ 730,789	\$ 1,066,192	

Concentrix Corp.(Note)			
For the three months ended March 31			
	2023	2022	
Revenue	\$ -	\$ 42,998,166	
Profit for the period from continuing operations	\$ -	\$ 2,959,187	
Other comprehensive loss - net of tax	-	(457,988)	
Total comprehensive income	\$ -	\$ 2,501,199	
Dividends received from associates	\$ -	\$ 34,573	

Note :The Group lost significant influence over Concentrix Corp. since July 20, 2022.

Thus, only the financial information as of March 31, 2022 was disclosed.

- E. The carrying amount of the Group's interests in all individually immaterial associates and the Group's share of the operating results are summarized below:

As of March 31, 2023, December 31, 2022 and March 31, 2022, the carrying amount of the Group's individually immaterial associates amounted to \$1,241,029, \$1,251,618 and \$1,221,059, respectively.

	For the three months ended March 31	
	2023	2022
(Loss) profit for the period from continuing operations	\$(22,381)	\$ 19,568
Other comprehensive income (loss) - net of tax	15,907	(21,639)
Total comprehensive loss	<u>\$(6,474)</u>	<u>\$(2,071)</u>

- F. The fair value of the Group's material associates with quoted market prices is as follows:

	March 31, 2023	December 31, 2022	March 31, 2022
Getac Holdings Corp.	\$ 10,186,236	\$ 8,406,025	\$ 9,472,248
Concentrix Corp.	-	-	23,553,911
Total	<u>\$ 10,186,236</u>	<u>\$ 8,406,025</u>	<u>\$ 33,026,159</u>

- G. The Group holds 13.28% ownership in Mainpower International Ltd. but has significant influence over Mainpower International Ltd. as the Group serves as this company's corporate director.
- H. The Group originally held 9.49% ownership in Concentrix Corp. but has significant influence over Concentrix Corp. as the Group is the major shareholder of Concentrix Corp. On July 20, 2022, the Group sold part of its ownership in Concentrix Corp. and resulted in a decrease in the ownership held by the Group and the Group lost significant influence over it. On the same day, the Group 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.
- I. Concentrix Corp.'s and Hyve Design Solutions Corporation's fiscal year ends on November 30, thus, the Group used the financial information from December 1, 2022 to February 28, 2023 as the basis for the preparation of first quarter consolidated financial statements; Infopower Technologies Ltd.'s fiscal year ends on March 31, thus, the Group used the financial information from January 1, 2023 to March 31, 2023 as the basis for the preparation of first quarter consolidated financial statements; other associates' fiscal year all end on December 31.
- J. The Group is the single largest shareholder of certain associates. Given that the Group has no majority voting rights, which indicates that the Group has no current ability to

direct the decisions of relevant activities on meetings of their Board of Directors and shareholders after the comprehensive assessment. Thus, the Group has no control, but only has significant influence, over the associates.

(8) Property, plant and equipment

	Land	Buildings and structures	Machinery	Computer and communication equipment	Transportation equipment	Office equipment	Leasehold improvements	Molding equipment	Other equipment	Construction in progress and equipment under inspection	Total
At January 1, 2023											
Cost	\$ 1,099,596	\$ 7,648,031	\$ 2,906,471	\$ 155,963	\$ 79,951	\$ 141,494	\$ 173,923	\$ 180,158	\$ 1,669,447	\$ 80,344	\$ 14,135,378
Accumulated depreciation and impairment	-	(3,029,707)	(1,956,269)	(88,233)	(58,450)	(116,889)	(72,869)	(100,693)	(944,177)	-	(6,367,287)
	<u>\$ 1,099,596</u>	<u>\$ 4,618,324</u>	<u>\$ 950,202</u>	<u>\$ 67,730</u>	<u>\$ 21,501</u>	<u>\$ 24,605</u>	<u>\$ 101,054</u>	<u>\$ 79,465</u>	<u>\$ 725,270</u>	<u>\$ 80,344</u>	<u>\$ 7,768,091</u>
<u>2023</u>											
At January 1	\$ 1,099,596	\$ 4,618,324	\$ 950,202	\$ 67,730	\$ 21,501	\$ 24,605	\$ 101,054	\$ 79,465	\$ 725,270	\$ 80,344	\$ 7,768,091
Additions	-	1,100	6,846	9,393	-	839	348	11,633	35,978	60,948	127,085
Reclassifications	-	-	1,440	642	-	-	-	-	15,240	(17,322)	-
Depreciation	-	(63,450)	(78,815)	(9,735)	(2,587)	(3,166)	(7,539)	(10,326)	(67,359)	-	(242,977)
Effects of foreign exchange	(1,658)	7,288	3,850	71	49	102	103	-	2,868	278	12,951
At March 31	<u>\$ 1,097,938</u>	<u>\$ 4,563,262</u>	<u>\$ 883,523</u>	<u>\$ 68,101</u>	<u>\$ 18,963</u>	<u>\$ 22,380</u>	<u>\$ 93,966</u>	<u>\$ 80,772</u>	<u>\$ 711,997</u>	<u>\$ 124,248</u>	<u>\$ 7,665,150</u>
At March 31, 2023											
Cost	\$ 1,097,938	\$ 7,664,464	\$ 2,875,735	\$ 166,247	\$ 80,183	\$ 142,197	\$ 174,287	\$ 172,734	\$ 1,719,432	\$ 124,248	\$ 14,217,465
Accumulated depreciation and impairment	-	(3,101,202)	(1,992,212)	(98,146)	(61,220)	(119,817)	(80,321)	(91,962)	(1,007,435)	-	(6,552,315)
	<u>\$ 1,097,938</u>	<u>\$ 4,563,262</u>	<u>\$ 883,523</u>	<u>\$ 68,101</u>	<u>\$ 18,963</u>	<u>\$ 22,380</u>	<u>\$ 93,966</u>	<u>\$ 80,772</u>	<u>\$ 711,997</u>	<u>\$ 124,248</u>	<u>\$ 7,665,150</u>

	Land	Buildings and structures	Machinery	Computer and communication equipment	Transportation equipment	Office equipment	Leasehold improvements	Molding equipment	Other equipment	Construction in progress and equipment under inspection	Total
At January 1, 2022											
Cost	\$ 1,080,283	\$ 7,647,461	\$ 2,963,363	\$ 203,234	\$ 71,571	\$ 193,499	\$ 177,036	\$ 169,253	\$ 1,354,660	\$ 180,388	\$ 14,040,748
Accumulated depreciation and impairment	-	(2,985,173)	(1,898,919)	(134,443)	(51,317)	(168,024)	(86,763)	(82,376)	(848,509)	-	(6,255,524)
	<u>\$ 1,080,283</u>	<u>\$ 4,662,288</u>	<u>\$ 1,064,444</u>	<u>\$ 68,791</u>	<u>\$ 20,254</u>	<u>\$ 25,475</u>	<u>\$ 90,273</u>	<u>\$ 86,877</u>	<u>\$ 506,151</u>	<u>\$ 180,388</u>	<u>\$ 7,785,224</u>
2022											
At January 1	\$ 1,080,283	\$ 4,662,288	\$ 1,064,444	\$ 68,791	\$ 20,254	\$ 25,475	\$ 90,273	\$ 86,877	\$ 506,151	\$ 180,388	\$ 7,785,224
Additions	-	12,586	16,478	1,470	7,742	607	7,328	7,500	52,610	141,870	248,191
Disposal	-	(2)	(4,372)	-	-	(8)	-	-	(469)	-	(4,851)
Reclassifications	-	-	-	-	-	-	1,278	-	88,342	(89,620)	-
Depreciation	-	(60,226)	(85,708)	(9,994)	(2,405)	(3,958)	(9,144)	(12,352)	(50,778)	-	(234,565)
Effects of foreign exchange	6,023	96,584	31,993	616	295	666	1,451	-	14,439	5,727	157,794
At March 31	<u>\$ 1,086,306</u>	<u>\$ 4,711,230</u>	<u>\$ 1,022,835</u>	<u>\$ 60,883</u>	<u>\$ 25,886</u>	<u>\$ 22,782</u>	<u>\$ 91,186</u>	<u>\$ 82,025</u>	<u>\$ 610,295</u>	<u>\$ 238,365</u>	<u>\$ 7,951,793</u>
At March 31, 2022											
Cost	\$ 1,086,306	\$ 7,835,485	\$ 3,061,793	\$ 166,276	\$ 80,058	\$ 196,026	\$ 187,422	\$ 176,729	\$ 1,532,089	\$ 238,365	\$ 14,560,549
Accumulated depreciation and impairment	-	(3,124,255)	(2,038,958)	(105,393)	(54,172)	(173,244)	(96,236)	(94,704)	(921,794)	-	(6,608,756)
	<u>\$ 1,086,306</u>	<u>\$ 4,711,230</u>	<u>\$ 1,022,835</u>	<u>\$ 60,883</u>	<u>\$ 25,886</u>	<u>\$ 22,782</u>	<u>\$ 91,186</u>	<u>\$ 82,025</u>	<u>\$ 610,295</u>	<u>\$ 238,365</u>	<u>\$ 7,951,793</u>

(9) Leasing arrangements — lessee

- A. The Group leases various assets including land, buildings and structures, machinery, office equipment and transportation equipment. Rental contracts are typically made for periods of 1 to 50 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose covenants.
- B. Certain leased buildings with lease terms under 12 months are short-term lease agreements. Additionally, the leased office equipment were low-value assets.
- C. The carrying amount of right-of-use assets and the depreciation charge are as follows:

	<u>March 31, 2023</u>	<u>December 31, 2022</u>	<u>March 31, 2022</u>
	<u>Carrying amount</u>	<u>Carrying amount</u>	<u>Carrying amount</u>
Land	\$ 215,493	\$ 217,586	\$ 228,324
Buildings and structures	59,601	68,376	81,389
Machinery	306	376	580
Transportation equipment	112	448	1,457
	<u>\$ 275,512</u>	<u>\$ 286,786</u>	<u>\$ 311,750</u>

	<u>For the three months ended March 31</u>	
	<u>2023</u>	<u>2022</u>
	<u>Depreciation charge</u>	<u>Depreciation charge</u>
Land	\$ 2,761	\$ 2,745
Buildings and structures	8,159	7,908
Machinery	63	-
Transportation equipment	336	336
	<u>\$ 11,319</u>	<u>\$ 10,989</u>

- D. For the three months ended March 31, 2023 and 2022, the additions to right-of-use assets were \$3,019 and \$2,863, respectively.

- E. The information on profit and loss accounts relating to lease contracts is as follows:

	<u>For the three months ended March 31</u>	
	<u>2023</u>	<u>2022</u>
Interest expense on lease liabilities	\$ 664	\$ 751
Expense on short-term lease contracts	3,329	4,913
Expense on leases of low-value assets	753	495
	<u>\$ 4,746</u>	<u>\$ 6,159</u>

- F. For the three months ended March 31, 2023 and 2022, the Group's total cash outflow for leases was \$18,223 and \$18,882, respectively.

(10) Leasing arrangements — lessor

- A. The Group leases various assets including buildings and structures. Rental contracts are typically made for periods of 1 to 8 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.
- B. For the three months ended March 31, 2023 and 2022, the Group recognised rent income in the amounts of \$31,494 and \$29,504, respectively, based on the operating lease agreement, which does not include variable lease payments.
- C. The maturity analysis of the lease payments under the operating leases is as follows:

	<u>March 31, 2023</u>	<u>December 31, 2022</u>	<u>March 31, 2022</u>
Not later than one year	\$ 100,801	\$ 107,649	\$ 92,550
Later than one year but not later than five years	127,122	78,620	95,609
Over five years	<u>19,186</u>	<u>-</u>	<u>1,865</u>
	<u>\$ 247,109</u>	<u>\$ 186,269</u>	<u>\$ 190,024</u>

(11) Investment property

	<u>Land</u>	<u>Buildings and structures</u>	<u>Total</u>
<u>At January 1, 2023</u>			
Cost	\$ 953,833	\$ 654,122	\$ 1,607,955
Accumulated depreciation and impairment	<u>-</u>	<u>(377,878)</u>	<u>(377,878)</u>
	<u>\$ 953,833</u>	<u>\$ 276,244</u>	<u>\$ 1,230,077</u>
<u>2023</u>			
At January 1	\$ 953,833	\$ 276,244	\$ 1,230,077
Depreciation	-	(6,204)	(6,204)
Effects of foreign exchange	<u>188</u>	<u>1,364</u>	<u>1,552</u>
At March 31	<u>\$ 954,021</u>	<u>\$ 271,404</u>	<u>\$ 1,225,425</u>
<u>At March 31, 2023</u>			
Cost	\$ 954,021	\$ 657,467	\$ 1,611,488
Accumulated depreciation and impairment	<u>-</u>	<u>(386,063)</u>	<u>(386,063)</u>
	<u>\$ 954,021</u>	<u>\$ 271,404</u>	<u>\$ 1,225,425</u>

	Land	Buildings and structures	Total
At January 1, 2022			
Cost	\$ 953,224	\$ 640,908	\$ 1,594,132
Accumulated depreciation and impairment	<u>-</u>	<u>(347,771)</u>	<u>(347,771)</u>
	<u>\$ 953,224</u>	<u>\$ 293,137</u>	<u>\$ 1,246,361</u>
<u>2022</u>			
At January 1	\$ 953,224	\$ 293,137	\$ 1,246,361
Additions	-	225	225
Depreciation	-	(6,058)	(6,058)
Effects of foreign exchange	<u>261</u>	<u>4,707</u>	<u>4,968</u>
At March 31	<u>\$ 953,485</u>	<u>\$ 292,011</u>	<u>\$ 1,245,496</u>
At March 31, 2022			
Cost	\$ 953,485	\$ 654,311	\$ 1,607,796
Accumulated depreciation and impairment	<u>-</u>	<u>(362,300)</u>	<u>(362,300)</u>
	<u>\$ 953,485</u>	<u>\$ 292,011</u>	<u>\$ 1,245,496</u>

A. Rental income from investment property and direct operating expenses arising from investment property are shown below:

	For the three months ended March 31	
	2023	2022
Rental income from the lease of the investment property	<u>\$ 9,060</u>	<u>\$ 6,834</u>
Direct operating expenses arising from the investment property that generated rental income in the period	<u>\$ 6,378</u>	<u>\$ 6,898</u>
Direct operating expenses arising from the investment property that did not generate rental income in the period	<u>\$ 2,954</u>	<u>\$ 3,483</u>

B. The fair value of the investment property held by the Group on March 31, 2023, December 31, 2022 and March 31, 2022 were \$3,743,399, \$3,739,570 and \$3,655,457, respectively, which were revalued by independent appraisers and with reference to market transaction prices. Valuations were made using the market approach which is categorised within Level 3 in the fair value hierarchy.

(12) Intangible assets

		Computer software	
		2023	2022
At January 1			
Cost	\$	337,320	\$ 271,299
Accumulated amortization and impairment	(	223,493)	(205,099)
	\$	<u>113,827</u>	\$ <u>66,200</u>
At January 1		\$ 113,827	\$ 66,200
Additions		15,585	47,166
Amortization	(	24,480)	(24,752)
Effects of foreign exchange		8	67
At March 31	\$	<u>104,940</u>	\$ <u>88,681</u>
At March 31			
Cost	\$	212,859	\$ 241,305
Accumulated amortization and impairment	(	107,919)	(152,624)
	\$	<u>104,940</u>	\$ <u>88,681</u>

Details of amortization of intangible assets are as follows:

		For the three months ended March 31	
		2023	2022
Operating costs	\$	258	\$ 331
Selling expenses		3,108	3,125
Administrative expenses		6,743	4,754
Research and development expenses		14,371	16,542
	\$	<u>24,480</u>	\$ <u>24,752</u>

(13) Short-term borrowings

	March 31, 2023	December 31, 2022	March 31, 2022
Unsecured bank borrowings	\$ 2,936,775	\$ 3,378,178	\$ 4,009,562
Secured bank borrowings	<u>674,742</u>	<u>245,600</u>	<u>715,125</u>
	\$ <u>3,611,517</u>	\$ <u>3,623,778</u>	\$ <u>4,724,687</u>
Interest rates	1.71%~5.75%	3.07%~5.1%	0.37%~1.5%

(14) Financial liabilities at fair value through profit or loss

Item	March 31, 2023	December 31, 2022	March 31, 2022
Current items :			
Financial liabilities held for trading			
Valuation adjustment - Derivatives	\$ <u>4,264</u>	\$ <u>11,112</u>	\$ <u>29,480</u>

- A. The Group recognised net gain (loss) of \$6,848 and \$(24,556) for the three months ended March 31, 2023 and 2022, respectively.
- B. The non-hedging derivative instrument transactions and contract information are as follows:

		March 31, 2023		
Financial Instrument	Item	Notional Amount (in thousands)		Fair Market Value (in thousands)
MiTAC Computing Technology Corp.				
Forward foreign exchange - Sell	Advance booking USD to buy NTD	USD	2,000	(41)
Forward foreign exchange swap - Sell	Advance booking USD to buy NTD	USD	5,000	(250)
MiTAC Digital Technology Corp.				
Forward foreign exchange - Sell	Advance booking AUD to buy USD	AUD	200	(30)
MiTAC Computer (Kunshan) Ltd.				
Forward foreign exchange - Sell	Advance booking USD to buy CNY	USD	6,000	CNY (469)
MiTAC Computer (Shunde) Corp.				
Forward foreign exchange - Sell	Advance booking USD to buy CNY	USD	3,000	CNY (278)
Silver Star Developments Ltd.				
Forward foreign exchange - Sell	Advance booking EUR to buy USD	EUR	1,000	(632)
		December 31, 2022		
Financial Instrument	Item	Notional Amount (in thousands)		Fair Market Value (in thousands)
MiTAC Computing Technology Corp.				
Forward foreign exchange - Sell	Advance booking USD to buy NTD	USD	34,000	(5,338)
Forward foreign exchange swap - Sell	Advance booking USD to buy NTD	USD	3,000	(105)
Forward foreign exchange - Buy	Advance booking USD to sell JPY	USD	700	(2,462)
MiTAC Digital Technology Corp.				
Forward foreign exchange - Sell	Advance booking USD to buy NTD	USD	1,000	(192)
Forward foreign exchange - Sell	Advance booking EUR to buy USD	EUR	450	(970)
Forward foreign exchange - Sell	Advance booking AUD to buy USD	AUD	1,390	(337)
MiTAC Computer (Kunshan) Ltd.				
Forward foreign exchange - Sell	Advance booking USD to buy CNY	USD	3,000	CNY (15)
Silver Star Developments Ltd.				
Forward foreign exchange - Sell	Advance booking EUR to buy USD	EUR	2,000	(1,642)
		March 31, 2022		
Financial Instrument	Item	Notional Amount (in thousands)		Fair Market Value (in thousands)
MiTAC Computing Technology Corp.				
Forward foreign exchange - Sell	Advance booking USD to buy NTD	USD	23,000	(16,884)
Forward foreign exchange - Sell	Advance booking USD to buy JPY	USD	1,650	(2,506)
Forward foreign exchange swap - Sell	Advance booking USD to buy NTD	USD	19,000	(1,668)
MiTAC Digital Technology Corp.				
Forward foreign exchange - Sell	Advance booking USD to buy NTD	USD	8,000	(4,537)
Forward foreign exchange - Sell	Advance booking USD to buy JPY	USD	1,600	(2,392)
Forward foreign exchange - Sell	Advance booking EUR to buy USD	EUR	250	(141)
Forward foreign exchange - Sell	Advance booking AUD to buy USD	AUD	1,850	(1,289)
Forward foreign exchange swap - Sell	Advance booking EUR to buy USD	EUR	65	(24)
Forward foreign exchange - Sell	Advance booking AUD to buy NTD	AUD	15	(22)
MiTAC Computer (Shunde) Corp.				
Forward foreign exchange - Sell	Advance booking USD to buy CNY	USD	1,000	CNY (4)

(15) Long-term borrowings

	March 31, 2023	December 31, 2022	March 31, 2022
Unsecured bank borrowings	\$ 639,872	\$ 701,685	\$ 868,805
Less: Current portion(shown as "other current liabilities")	(274,033)	(263,991)	(228,933)
	<u>\$ 365,839</u>	<u>\$ 437,694</u>	<u>\$ 639,872</u>
Interest rate range (Note)	1.20%-1.25%	1.075%-1.125%	0.7%-0.75%
Expiry date	2024.10.15~2026.10.15	2024.10.15~2026.10.15	2024.10.15~2026.10.15

Note: The abovementioned interest rates are the interest rates after obtaining the government

project grants.

(16) Pensions

A. Defined benefit plans

- (a) The Company's domestic subsidiaries have a defined benefit pension plan in accordance with the Labor Standards Law, covering all regular employees' service years prior to the enforcement of the Labor Pension Act on July 1, 2005 and service years thereafter of employees who chose to continue to be subject to the pension mechanism under the Law. Under the defined benefit pension plan, two units are accrued for each year of service for the first 15 years and one unit for each additional year thereafter, subject to a maximum of 45 units. Pension benefits are based on the number of units accrued and the average monthly salaries and wages of the last 6 months prior to retirement. The Company's domestic subsidiaries contribute monthly an amount equal to 2% of the employees' monthly salaries and wages to the retirement fund deposited with Bank of Taiwan, the trustee, under the name of the independent retirement fund committee. Also, the Company's domestic subsidiaries would assess the balance in the aforementioned labor pension reserve account by the end of December 31, every year. If the account balance is insufficient to pay the pension calculated by the aforementioned method, to the employees expected to be qualified for retirement next year, the Company's domestic subsidiaries will make contributions to cover the deficit by next March.
- (b) For the aforementioned pension plan, the Company's domestic subsidiaries recognized pension costs of \$2,080 and \$2,036 for the three months ended March 31, 2023 and 2022, respectively.
- (c) Expected contributions to the defined benefit pension plans of the Company's domestic subsidiaries for the next 12 months of March 31, 2023 amount to \$7,214.

B. Defined contribution plans

- (a) Effective July 1, 2005, the Company's domestic subsidiaries have established a defined contribution pension plan (the "New Plan") under the Labor Pension Act (the "Act"), covering all regular employees with R.O.C. nationality. Under the New Plan, Company's domestic subsidiaries contribute monthly an amount not lower than 6% of the employees' monthly salaries and wages to the employees' individual pension accounts at the Bureau of Labor Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment.
- (b) The Company's Mainland China subsidiaries have a defined contribution plan. Monthly contributions to an independent fund administered by the government in accordance with the pension regulations in the People's Republic of China (PRC) are based on certain percentages of employees' monthly salaries and wages. Other than the monthly contributions, the Group has no further obligations.

- (c) The pension costs under the defined contribution pension plans of the Group for the three months ended March 31, 2023 and 2022 were \$61,140 and \$57,232, respectively.

(17) Provisions

	<u>Warranty reserve</u>	<u>Non-cancellable contract reserve</u>	<u>Total</u>
At January 1, 2023	\$ 248,116	\$ 108,998	\$ 357,114
Additional provisions (reversed)	14,789	(31,433)	(16,644)
Used during the period	(16,553)	-	(16,553)
Effects of foreign exchange	(67)	(900)	(967)
At March 31, 2023	<u>\$ 246,285</u>	<u>\$ 76,665</u>	<u>\$ 322,950</u>
Current	109,941	76,665	186,606
Non-current	<u>136,344</u>	<u>-</u>	<u>136,344</u>
Total	<u>\$ 246,285</u>	<u>\$ 76,665</u>	<u>\$ 322,950</u>

	<u>Warranty reserve</u>	<u>Non-cancellable contract reserve</u>	<u>Total</u>
At January 1, 2022	\$ 223,423	\$ -	\$ 223,423
Additional provisions	31,220	-	31,220
Used during the period	(21,828)	-	(21,828)
Effects of foreign exchange	<u>554</u>	<u>-</u>	<u>554</u>
At March 31, 2022	<u>\$ 233,369</u>	<u>\$ -</u>	<u>\$ 233,369</u>
Current	104,887		104,887
Non-current	<u>128,482</u>	<u>-</u>	<u>128,482</u>
Total	<u>\$ 233,369</u>	<u>\$ -</u>	<u>\$ 233,369</u>

(18) Share capital

- A. As of March 31, 2023, 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 dollars per share. Movements in the number of the Company's ordinary shares outstanding are as follows:

	2023	Unit: in thousands of shares 2022
Outstanding shares as of January 1	1,197,306	1,195,178
Disposal of the Company's treasury share by subsidiaries	-	2,128
Outstanding shares as of March 31	<u>1,197,306</u>	<u>1,197,306</u>

B. Treasury shares

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

		March 31, 2023	
Name of company holding the shares	Reason for reacquisition	Number of shares (shares in thousands)	Book value
Subsidiary - Tsu Fung Investment Corp.	Stock conversion	9,250	\$ 162,874

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

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

- (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 three-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 "Rule No. Financial-Supervisory-Commission, Securities and Futures Bureau, 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) For the three months ended March 31, 2022, the subsidiary, SSDL disposed 2,128 thousand shares of the Company amounting to \$70,702.

(19) Capital surplus

	Share premium	Treasury stock transactions	Net equity of associates and joint ventures accounted for using equity method	Changes in ownership interests in subsidiaries	Employee stock options	Others	Total
At January 1, 2023	\$ 21,571,329	\$ 480,778	\$ 209,447	\$ 609	\$ 346,814	\$ 1,929	\$ 22,610,906
Subsidiaries received cash dividends paid by the parent company	-	12,026	-	-	-	-	12,026
Changes from associates and joint ventures accounted for using the equity method	-	-	(729)	-	-	-	(729)
Capital surplus - dividends unclaimed by the subsidiaries' shareholders	-	-	-	-	-	(1)	(1)
Capital surplus - dividends unclaimed by the shareholders	-	-	-	-	-	997	997
At March 31, 2023	\$ 21,571,329	\$ 492,804	\$ 208,718	\$ 609	\$ 346,814	\$ 2,925	\$ 22,623,199

	Share premium	Treasury stock transactions	Net equity of associates and joint ventures accounted for using 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
Disposal of company's share by subsidiaries recognised as treasury share transactions	-	(6,300)	-	-	-	-	(6,300)
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	-	-	73,129	-	-	-	73,129
Capital surplus - dividends unclaimed by the shareholders	-	-	-	-	-	470	470
At March 31, 2022	\$ 21,571,329	\$ 480,778	\$ 274,622	\$ 609	\$ 346,814	\$ 1,930	\$ 22,676,082

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 paidin capital each year. Capital surplus should not be used to cover accumulated deficit unless the legal reserve is insufficient.

(20) 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 once approved by the stockholders.
- 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 2022 earnings had been proposed by the Board of Directors on

February 24, 2023, and the appropriation of 2021 earnings had been resolved at the shareholders' meeting on May 31, 2022. Details are summarized below:

For the year ended December 31,				
	2022		2021	
	Amount	Dividend per share (in dollars)	Amount	Dividend per share (in dollars)
Legal reserve	\$ 949,253		\$ 1,193,885	
Cash dividend	1,568,524	\$ 1.30	2,413,114	\$ 2.00
Total	<u>\$ 2,517,777</u>	<u>\$ 1.30</u>	<u>\$ 3,606,999</u>	<u>\$ 2.00</u>

As of the report issuance date, the appropriation of 2022 earnings will be resolved at the shareholder's meeting. And a report on the distribution of cash dividends will be reported at the shareholder's meeting accordingly.

(21) Other equity items

	2023		
	Unrealised gains (losses) on valuation	Currency translation	Total
At January 1	\$ 3,003,911	\$ (249,216)	\$ 2,754,695
Reclassified to profit or loss upon disposal			
- Group	-	567	567
Reclassified to retained earnings upon disposal			
- Group	(239)	-	(239)
- Associates	(20,984)	-	(20,984)
Revaluation			
- Group	(769,825)	-	(769,825)
- Associates	(18,243)	-	(18,243)
Currency translation differences			
- Group	-	31,183	31,183
- Associates	-	(12,379)	(12,379)
At March 31	<u>\$ 2,194,620</u>	<u>\$ (229,845)</u>	<u>\$ 1,964,775</u>

	2022		
	Unrealised gains (losses) on valuation	Currency translation	Total
At January 1	\$ 4,116,843	\$ (2,268,405)	\$ 1,848,438
Reclassified to profit or loss upon disposal			
- Group	-	1,724	1,724
Reclassified to retained earnings upon disposal			
- Group	(177,164)	-	(177,164)
- Associates	1,511	-	1,511
Revaluation			
- Group	(738,315)	-	(738,315)
- Associates	(34,504)	-	(34,504)
Currency translation differences			
- Group	-	667,427	667,427
- Associates	-	177,683	177,683
At March 31	<u>\$ 3,168,371</u>	<u>\$ (1,421,571)</u>	<u>\$ 1,746,800</u>

(22) Operating revenue

	For the three months ended March 31	
	2023	2022
Revenue from contracts with customers	<u>\$ 9,022,814</u>	<u>\$ 11,313,045</u>

A. Disaggregation of revenue from contracts with customers

	For the three months ended March 31	
	2023	2022
Cloud computing product	\$ 6,988,717	\$ 8,880,672
Automotive electronics and AIoT product	1,372,402	1,574,256
Others	<u>661,695</u>	<u>858,117</u>
	<u>\$ 9,022,814</u>	<u>\$ 11,313,045</u>

B. Contract liabilities

The Group has recognised the following revenue-related contract liabilities:

	March 31, 2023	December 31, 2022	March 31, 2022
Contract liabilities– sales of goods	\$ 147,643	\$ 271,890	\$ 457,493
Contract liabilities– others	<u>23,684</u>	<u>34,971</u>	<u>3,055</u>
Total	<u>\$ 171,327</u>	<u>\$ 306,861</u>	<u>\$ 460,548</u>

(23) Interest income

		For the three months ended March 31	
		2023	2022
Interest income from bank deposits	\$	28,096	\$ 15,457
Interest income from financial assets measured at amortised cost		2,358	3,036
	\$	<u>30,454</u>	<u>\$ 18,493</u>

(24) Other income

		For the three months ended March 31	
		2023	2022
Rental revenue	\$	31,494	\$ 29,504
Dividend income		129,377	106,089
Other income		13,641	48,691
	\$	<u>174,512</u>	<u>\$ 184,284</u>

(25) Other gains and losses

		For the three months ended March 31	
		2023	2022
Loss on disposals of property, plant and equipment	\$	-	\$ (2)
Loss on disposal of investments	(	567)	(1,724)
Net currency exchange (losses) gains	(	52,647)	5,696
Gains (losses) on financial assets liabilities at fair value through profit or loss		8,855	(5,528)
Other losses	(	13,716)	(10,410)
	\$	<u>(58,075)</u>	<u>\$ (11,968)</u>

(26) Financial costs

		For the three months ended March 31	
		2023	2022
Interest expense on bank borrowings	\$	50,080	\$ 7,295
Interest expense on lease liabilities		664	751
	\$	<u>50,744</u>	<u>\$ 8,046</u>

(27) Expense by nature

	For the three months ended March 31	
	2023	2022
Employee benefit expense	\$ 1,376,944	\$ 1,454,966
Depreciation charges on property, plant and equipment, investment property and right- of-use assets	260,500	251,612
Amortization charges	24,480	24,752
Total	<u>\$ 1,661,924</u>	<u>\$ 1,731,330</u>

(28) Employee benefit expenses

	For the three months ended March 31	
	2023	2022
Wages and salaries	\$ 1,185,356	\$ 1,275,878
Labor and health insurance fees	86,523	78,499
Pension costs	63,220	59,268
Other personnel expenses	41,845	41,321
	<u>\$ 1,376,944</u>	<u>\$ 1,454,966</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 by stock or dividends, and employees must be working for the Company. The Chairman of the Board is authorised to set the qualification requirements.
- B. For the three months ended March 31, 2023 and 2022, 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 three months ended March 31, 2023 and 2022, employees' compensation were accrued at \$186 and \$548, respectively; and directors' remuneration were accrued at \$1,626 and \$1,749, respectively. The aforementioned amounts were recognised in salary expenses. Employees' compensation and directors' remuneration of 2022 and 2021 as resolved at the Board of Directors of the Company were in agreement with those amounts recognised 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 is available at the "Market Observation Post System" website of the Taiwan Stock Exchange.

(29) Income tax

A. Income tax expense

Components of income tax expense:

	For the three months ended March 31	
	2023	2022
Current tax:		
Current tax on profits for the period	\$ 109,198	\$ 59,824
Prior year income tax overestimation	(9,785)	(8,462)
Total current tax	<u>99,413</u>	<u>51,362</u>
Deferred tax:		
Origination and reversal of temporary differences	(46,345)	93,392
Total deferred tax	<u>(46,345)</u>	<u>93,392</u>
Income tax expense	<u>\$ 53,068</u>	<u>\$ 144,754</u>

B. The Company's income tax returns through 2018 have been assessed and approved by the Tax Authority.

(30) Earnings per share

	For the three months ended March 31, 2023		
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ <u>152,460</u>	1,197,306	\$ <u>0.13</u>
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 152,460		
Less: Effect of dilutive potential common stocks issued by investee companies	(3,206)		
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	200	
Net income attributable to common stockholders plus dilutive effect of common stock equivalents	\$ <u>149,254</u>	<u>1,197,506</u>	\$ <u>0.12</u>

	For the three months ended March 31, 2022		
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ <u>531,869</u>	1,197,306	\$ <u>0.44</u>
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 531,869		
Less: Effect of dilutive potential common stocks issued by investee companies	(5,264)		
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	237	
Net income attributable to common stockholders plus dilutive effect of common stock equivalents	\$ <u>526,605</u>	<u>1,197,543</u>	\$ <u>0.44</u>

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.

(31) Supplemental cash flow information

A. Financing activities with partial cash payments :

	For the three months ended March 31	
	2023	2022
Cash dividends declared but yet to be paid – the Company	\$ 1,568,524	\$ 2,413,114
Less: Recognition of cash dividends declared by the parent to subsidiaries	(12,026)	(18,501)
Dividends payable	(1,556,498)	(2,394,613)
Cash paid during the period	\$ <u>-</u>	\$ <u>-</u>

(32) Changes in liabilities from financing activities

	Short-term borrowings	Guarantee deposit received	Lease liabilities	Long-term borrowings (including current portion)	Dividends payable	Liabilities from financing activities-gross
At January 1, 2023	\$ 3,623,778	\$ 34,961	\$ 169,089	\$ 701,685	\$ -	\$ 4,529,513
Changes in cash flow	(21,088)	8,575	(14,141)	(61,813)	-	(88,467)
Impact of changes in foreign exchange rate	8,827	92	(575)	-	-	8,344
Changes in other non-cash items	-	-	3,683	-	1,556,498	1,560,181
At March 31, 2023	\$ <u>3,611,517</u>	\$ <u>43,628</u>	\$ <u>158,056</u>	\$ <u>639,872</u>	\$ <u>1,556,498</u>	\$ <u>6,009,571</u>

	Short-term borrowings	Guarantee deposit received	Lease liabilities	Long-term borrowings (including current portion)	Dividends payable	Liabilities from financing activities-gross
At January 1, 2022	\$ 3,215,724	\$ 29,961	\$ 195,022	\$ 863,330	\$ -	\$ 4,304,037
Changes in cash flow	1,474,873	1,808	(13,474)	5,475	-	1,468,682
Impact of changes in foreign exchange rate	34,090	700	2,744	-	-	37,534
Changes in other non-cash items	-	-	3,614	-	2,394,613	2,398,227
At March 31, 2022	<u>\$ 4,724,687</u>	<u>\$ 32,469</u>	<u>\$ 187,906</u>	<u>\$ 868,805</u>	<u>\$ 2,394,613</u>	<u>\$ 8,208,480</u>

7. RELATED PARTY TRANSACTIONS

(1) Names of related parties and relationship

Names of related parties	Relationship with the Group
Getac Holdings Corp. and subsidiaries	Associate
Infopower Technologies Ltd.	Associate
Loyal Fidelity Aerospace Co., Ltd.	Associate
Synnex Technology International Corp. and subsidiaries	Common Chairman
Harbinger Venture Management Company Ltd.	Common Chairman
Lien Hwa Industrial Holdings Corp. and subsidiaries	Common Chairman
UPC Technology Corp.	Common Chairman
Hyve Design Solutions Corporation and subsidiaries	Associate
Shen-Tong Construction & Development Co., Ltd.	Associate

(2) Significant related party transactions and balances

A. Operating revenue:

(a)

	For the three months ended March 31	
	2023	2022
Sales of goods:		
-Associates	\$ 22,352	\$ 15,749
-Other related parties	<u>1,677</u>	<u>377</u>
	<u>24,029</u>	<u>16,126</u>
Sales of services:		
-Associates	<u>2,626</u>	<u>3,104</u>
Subtotal	<u>2,626</u>	<u>3,104</u>
Total	<u>\$ 26,655</u>	<u>\$ 19,230</u>

(b) The selling price to related parties is determined based on the economic environment and market competition in the region of the related party.

(c) The Group's term of credit for related parties is the same with third party clients. The payment is generally due around 3 months after delivery.

B. Purchases:

(a)

	For the three months ended March 31	
	2023	2022
Purchases of goods:		
-Associates	\$ 3,241	\$ 9,571
-Other related parties - Synnex Technology International Corp. and subsidiaries	895,841	82,979
Total	<u>\$ 899,082</u>	<u>\$ 92,550</u>

(b) The purchase price from related parties cannot be compared with the prices to third parties due to differences in product specifications.

(c) The Group's term of payment for related parties is generally due around 3 months after counterparty's delivery.

C. Receivables from related parties:

	March 31, 2023	December 31, 2022	March 31, 2022
Accounts receivable:			
-Associates	\$ 108	\$ 3,902	\$ 706
-Other related parties	1,693	296	226
Subtotal	<u>1,801</u>	<u>4,198</u>	<u>932</u>
Other receivables-others:			
-Associates-Getac Holdings Corp. and subsidiaries	\$ 20,784	\$ 21,952	\$ 11,802
-Associates-Others (Note)	4,755	4,755	122,511
-Other related parties	2,558	2,344	2,290
Subtotal	<u>28,097</u>	<u>29,051</u>	<u>136,603</u>
Other receivables-Dividend:			
-Associates-Getac Holdings Corp.	\$ 749,842	\$ -	\$ 711,428
-Other related parties	6,728	-	33,640
Subtotal	<u>756,570</u>	<u>-</u>	<u>745,068</u>
Total	<u>\$ 786,468</u>	<u>\$ 33,249</u>	<u>\$ 882,603</u>

Note: Other receivables-others: the balances on March 31, 2022 include the \$119,074 capital reduction receivable- Loyal Fidelity Aerospace Co., Ltd. had received in 2022.

D. Payables to related parties:

	<u>March 31, 2023</u>	<u>December 31, 2022</u>	<u>March 31, 2022</u>
Accounts payable:			
-Associates	\$ 3,005	\$ 3,963	\$ 9,505
-Other related parties - Synnex Technology International Corp. and subsidiaries	<u>924,289</u>	<u>157,760</u>	<u>93,336</u>
Subtotal	<u>927,294</u>	<u>161,723</u>	<u>102,841</u>
Other payables:			
-Associates	406	3,715	2,148
-Other related parties	<u>1,680</u>	<u>5,004</u>	<u>833</u>
Subtotal	<u>2,086</u>	<u>8,719</u>	<u>2,981</u>
Total	<u>\$ 929,380</u>	<u>\$ 170,442</u>	<u>\$ 105,822</u>

E. Property transactions:

(a) Acquisition of property, plant and equipment:

	<u>For the three months ended March 31</u>	
	<u>2023</u>	<u>2022</u>
Other related parties	\$ <u>1,286</u>	\$ <u>230</u>

(b) Acquisition of financial assets:

For the three months ended March 31, 2023 : None.

For the three months ended March 31, 2022

<u>Account</u>	<u>Number of shares</u>	<u>Subject of the transaction</u>	<u>Acquisition amount</u>
Investments accounted for using equity method	Cash capital increase 600 thousand shares	Hyve Design Solutions Corporation	\$ <u>85,995</u>

F. Lease transactions — lessee

(a) The Group leases buildings from Getac Technology Corp. and subsidiaries. Rental contracts are typically made for periods from years 2019 to 2023.

(b) Lease liabilities

i. Outstanding balance:

	<u>March 31, 2023</u>	<u>December 31, 2022</u>	<u>March 31, 2022</u>
Associates	\$ <u>8,359</u>	\$ <u>11,441</u>	\$ <u>20,009</u>

ii. Interest expense

		For the three months ended March 31	
		2023	2022
Associates	\$	147	\$ 311

G. Lease transactions — lessor

		For the three months ended March 31	
		2023	2022
Rent income			
Associates	\$	11,207	\$ 11,164
Other related parties		184	283
Total	\$	11,391	\$ 11,447

H. Expenses

		For the three months ended March 31	
		2023	2022
Associates	\$	312	\$ 1,311
Other related parties		144	673
Total	\$	456	\$ 1,984

(3) Key management compensation

		For the three months ended March 31	
		2023	2022
Salaries and other short-term employee benefits	\$	29,936	\$ 28,460
Post-employment benefits		153	144
Total	\$	30,089	\$ 28,604

8. PLEDGED ASSETS

The Group's assets pledged as collateral are as follows:

Pledged asset	Book Value			Purpose
	March 31, 2023	December 31, 2022	March 31, 2022	
Time deposits (shown as "Financial assets at amortised cost-non-current")	\$ 10,146	\$ 10,177	\$ 10,216	Guarantee deposit for lease
Time deposits (shown as "Financial assets at amortised cost-non-current")	59,793	59,724	38,518	Guarantee deposit for letter of guarantee for customs duties
Time deposits (shown as "Financial assets at amortised cost-current")	682,257	245,600	644,358	Guarantees deposit for borrowings
	\$ 752,196	\$ 315,501	\$ 693,092	

9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNISED 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 Group's objectives when managing capital are to safeguard the Group'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>March 31, 2023</u>	<u>December 31, 2022</u>	<u>March 31, 2022</u>
<u>Financial assets</u>			
Financial assets at fair value through profit or loss			
Financial assets mandatorily measured at fair value through profit or loss	\$ <u>156,104</u>	\$ <u>154,069</u>	\$ <u>176,454</u>
Financial assets at fair value through other comprehensive income			
Designation of equity instrument	\$ <u>41,263,827</u>	\$ <u>42,014,652</u>	\$ <u>25,556,933</u>
Financial assets at amortised cost			
Cash and cash equivalents	\$ 9,357,330	\$ 7,801,360	\$ 6,415,100
Financial assets at amortised cost	786,996	350,301	727,892
Notes receivable	21,605	40,992	81,805
Accounts receivable	6,177,982	7,728,310	6,743,322
Accounts receivable - related parties	1,801	4,198	932
Other receivables	940,698	158,303	955,466
Refundable deposits	<u>23,195</u>	<u>23,756</u>	<u>23,213</u>
	\$ <u>17,309,607</u>	\$ <u>16,107,220</u>	\$ <u>14,947,730</u>

	<u>March 31, 2023</u>	<u>December 31, 2022</u>	<u>March 31, 2022</u>
<u>Financial liabilities</u>			
Financial liabilities at fair value through profit or loss			
Financial liabilities held for trading	\$ <u>4,264</u>	\$ <u>11,112</u>	\$ <u>29,480</u>
Financial liabilities at amortised cost			
Short-term borrowings	\$ 3,611,517	\$ 3,623,778	\$ 4,724,687
Accounts payable	5,949,280	5,730,648	6,457,779
Accounts payable - related parties	927,294	161,723	102,841
Other accounts payable	5,372,286	4,219,223	5,647,611
Refundable deposits	43,628	34,961	32,469
Long-term borrowings (including current portion)	<u>639,872</u>	<u>701,685</u>	<u>868,805</u>
	\$ <u>16,543,877</u>	\$ <u>14,472,018</u>	\$ <u>17,834,192</u>
Lease liabilities	\$ <u>158,056</u>	\$ <u>169,089</u>	\$ <u>187,906</u>

B. Financial risk management policies

There was no significant change in the reporting period. Please refer to Note 12 in the consolidated financial statements for the year ended December 31, 2022.

C. Significant financial risks and degrees of financial risks

(a) Market risk

Foreign exchange risk

- i. The Group's businesses involve some non-functional currency operations (the Company's and certain subsidiaries' functional currency: NTD; other certain subsidiaries' functional currency: USD and CNY). The information on assets and liabilities denominated in foreign currencies whose values would be materially affected by the exchange rate fluctuations is as follows:

March 31, 2023				
(Foreign currency: functional currency)	Foreign currency amount		Exchange rate	Book value
	(In thousands)			(NTD)
<u>Financial assets</u>				
<u>Monetary items</u>				
USD:NTD	\$	355,823	30.450	\$ 10,834,819
USD:CNY		94,624	6.872	2,881,299
<u>Non-monetary items</u>				
CNY:NTD		91,904	4.431	407,228
<u>Financial liabilities</u>				
<u>Monetary items</u>				
USD:NTD		261,158	30.450	7,952,273
USD:CNY		200,463	6.872	6,104,089

December 31, 2022				
(Foreign currency: functional currency)	Foreign currency amount		Exchange rate	Book value
	(In thousands)			(NTD)
<u>Financial assets</u>				
<u>Monetary items</u>				
USD:NTD	\$	439,337	30.710	\$ 13,492,028
CNY:NTD		72,814	4.408	320,962
USD:CNY		108,661	6.967	3,336,979
<u>Non-monetary items</u>				
CNY:NTD		92,168	4.408	406,276
<u>Financial liabilities</u>				
<u>Monetary items</u>				
USD:NTD		289,575	30.710	8,892,858
USD:CNY		230,703	6.967	7,084,904

March 31, 2022				
(Foreign currency: functional currency)	Foreign currency amount (In thousands)		Exchange rate	Book value (NTD)
<u>Financial assets</u>				
<u>Monetary items</u>				
USD:NTD	\$	485,427	28.625	\$ 13,895,354
CNY:NTD		29,748	4.510	134,045
USD:CNY		84,750	6.353	2,425,980
<u>Non-monetary items</u>				
CNY:USD		89,227	0.157	402,057
<u>Financial liabilities</u>				
<u>Monetary items</u>				
USD:NTD		453,068	28.625	10,695,570
JPY:NTD		427,336	0.235	100,552
USD:CNY		253,748	6.353	7,263,545

- ii. Total exchange (loss) gain, including realised and unrealised arising from significant foreign exchange variation on the monetary items held by the Group for the three months ended March 31, 2023 and 2022, amounted to \$(52,647) and \$5,696, respectively.
- iii. The Group's foreign currency market risk analysis regarding significant exchange rate fluctuations is shown below:

For the three months ended March 31, 2023			
(Foreign currency: functional currency)	Sensitivity analysis		
	Fluctuation %	Affected income	Affected other comprehensive income
<u>Financial assets</u>			
<u>Monetary items</u>			
USD:NTD	1.00%	\$ 108,348	\$ -
USD:CNY	1.00%	28,813	-
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD:NTD	1.00%	79,523	-
USD:CNY	1.00%	61,041	-

For the three months ended March 31, 2022					
Sensitivity analysis					
	Fluctuation %	Affected income	Affected other comprehensive income		
(Foreign currency: functional currency)					
<u>Financial assets</u>					
<u>Monetary items</u>					
USD:NTD	1.00%	\$ 138,954	\$		-
CNY:NTD	1.00%	1,340			-
USD:CNY	1.00%	24,260			-
<u>Financial liabilities</u>					
<u>Monetary items</u>					
USD:NTD	1.00%	106,956			-
JPY:NTD	1.00%	1,006			-
USD:CNY	1.00%	72,635			-

Price risk

- i. The Group's equity securities, which are exposed to price risk, are the held financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio.
- ii. The Group's investments in equity securities comprise shares and open-end funds issued by the domestic or foreign companies. 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, post-tax profit for the three months ended March 31, 2023 and 2022 would have increased/decreased by \$1,411 and \$1,401. Other components of equity would have increased/decreased by \$412,638 and \$255,569, respectively, as a result of other comprehensive income classified as equity investment at fair value through other comprehensive income.

Cash flow and fair value interest rate risk

- i. The Group's main interest rate risk arises from long-term and short-term borrowings with variable rates, which expose the Group to cash flow interest rate risk. For the three months ended March 31, 2023 and 2022, the Group's borrowings at variable rate were mainly denominated in New Taiwan dollars and US Dollars.
- ii. If the borrowing interest rate had increased/decreased by 0.01% with all other variables held constant, profit, net of tax for the three months ended March 31,

2023 and 2022 would have decreased /increased by \$106 and \$140, respectively. The main factor is that changes in interest expense result in floating-rate borrowings.

(b) Credit risk

- i. Credit risk refers to the risk of financial loss to the Group 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 stated at amortised cost.
- ii. According to the Group's credit policy, each local entity in the Group is responsible for managing and analysing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. Internal risk control assesses the credit quality of the customers, taking into account their financial position, past experience and other factors.
- iii. Individual risk limits are set based on internal or external factors in accordance with limits set by credit control manager. The utilisation of credit limits is regularly monitored.
- iv. For banks and financial institutions, only the institutions with good credit quality are accepted as counterparties.
- v. The default occurs when it expects that the contract payments cannot be recovered and are transferred to overdue receivables.
- vi. The following indicators are used to determine whether the credit impairment of debt instruments has occurred:
 - (i) It becomes probable that the issuer will enter bankruptcy or other financial reorganization due to their financial difficulties;
 - (ii) The disappearance of an active market for that financial asset because of financial difficulties;
 - (iii) Default or delinquency in interest or principal repayments;
 - (iv) Adverse changes in national or regional economic conditions that are expected to cause a default.
- vii. The Group classifies customers' repayment ability in accordance with the contract term and macroeconomic forecast included in the forecastability and related industry information. The Group applies the modified approach using group methodology to estimate expected credit loss.
- viii. The Group wrote-off the financial assets, which cannot be reasonably expected to be recovered, after initiating recourse procedures. However, the Group will continue executing the recourse procedures to secure their rights.

- ix. The Group considered the forecastability to adjust historical and timely information to assess the default possibility of accounts receivable. As of March 31, 2023, December 31, 2022 and March 31, 2022, the loss rate methodology is as follows:

<u>March 31, 2023</u>	<u>Group A</u>	<u>Group B</u>	<u>Total</u>
Expected loss rate	0%-100%	0.010%-0.7%	
Value	\$ 1,905,419	\$ 4,634,038	\$ 6,539,457
Allowance	354,235	5,439	359,674
<u>December 31, 2022</u>	<u>Group A</u>	<u>Group B</u>	<u>Total</u>
Expected loss rate	0% - 100%	0.010% - 0.7%	
Value	\$ 1,469,731	\$ 6,624,957	\$ 8,094,688
Allowance	351,434	10,746	362,180
<u>March 31, 2022</u>	<u>Group A</u>	<u>Group B</u>	<u>Total</u>
Expected loss rate	0% - 100%	0.011% - 0.7%	
Value	\$ 432,383	\$ 6,392,305	\$ 6,824,688
Allowance	79,539	895	80,434

Group A: High-risk accounts: The evaluation module is based on payment records, financial indicators, contract fulfillment status, and related industry information.

Group B: Low-and medium-risk accounts: Entities provide good payment records, strong prospects, transparent financials or collateral.

- x. Movements in relation to the Group applying the modified approach to provide loss allowance for accounts receivable is as follows:

	<u>2023</u>
At January 1	\$ 362,180
Write-off	(200)
Effect of foreign exchange	(2,306)
At March 31	<u>\$ 359,674</u>
	<u>2022</u>
At January 1	\$ 78,858
Effect of foreign exchange	1,576
At March 31	<u>\$ 80,434</u>

(c) Liquidity risk

- Cash flow forecasting is performed in the operating entities of the Group and aggregated by Group treasury. Group treasury monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs.
- The table below analyses the Group'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 nonderivative 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:

<u>March 31, 2023</u>	<u>Less than 1 year</u>	<u>Between 1 and 2 years</u>	<u>Between 2 and 3 years</u>	<u>Over 3 years</u>
Short-term				
borrowings	\$ 3,629,761	\$ -	\$ -	\$ -
Accounts payable	6,876,574	-	-	-
Other payables	5,372,286	-	-	-
Lease liabilities	41,629	28,368	20,371	82,683
Guarantee deposits	29,428	4,670	537	8,993
Long-term				
borrowings	280,354	210,502	100,558	58,742

Non-derivative financial liabilities:

<u>December 31, 2022</u>	<u>Less than 1 year</u>	<u>Between 1 and 2 years</u>	<u>Between 2 and 3 years</u>	<u>Over 3 years</u>
Short-term				
borrowings	\$ 3,640,414	\$ -	\$ -	\$ -
Accounts payable	5,892,371	-	-	-
Other payables	4,219,223	-	-	-
Lease liabilities	44,617	29,960	25,465	84,583
Guarantee deposits	22,726	2,914	355	8,966
Long-term				
borrowings	270,351	257,548	102,049	84,040

Non-derivative financial liabilities:

<u>March 31, 2022</u>	<u>Less than 1 year</u>	<u>Between 1 and 2 years</u>	<u>Between 2 and 3 years</u>	<u>Over 3 years</u>
Short-term				
borrowings	\$ 4,732,183	\$ -	\$ -	\$ -
Accounts payable	6,560,620	-	-	-
Other payables	5,647,611	-	-	-
Lease liabilities	49,946	28,169	25,608	101,823
Guarantee deposits	12,610	10,879	1,681	7,299
Long-term				
borrowings	234,316	277,693	209,229	159,961

Derivative financial liabilities

As March 31, 2023, December 31, 2022 and March 31, 2022, the Group's derivative financial liabilities mature within one year.

iii. The Group does not expect the timing of occurrence of the cash flows estimated

through the maturity date analysis will be significantly earlier, nor expect the actual cash flow amount will be significantly different.

(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. Fair value information of investment property at cost is provided in Note 6(11).

C. Financial instruments not measured at fair value

Including the carrying amounts of cash and cash equivalents, financial assets at amortised cost, notes receivable, accounts receivable, other receivables, refundable deposits, short-term borrowings, accounts payable, other payables, long-term borrowings and guarantee deposits received are approximate to their fair values.

D. 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 are as follows:

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

March 31, 2023	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>Recurring fair value</u>				
<u>measurements Financial</u>				
<u>assets:</u>				
Forward exchange contracts	\$ -	\$ 15,035	\$ -	\$ 15,035
Equity securities	<u>36,820,822</u>	<u>490,724</u>	<u>4,093,350</u>	<u>41,404,896</u>
Total	<u>\$ 36,820,822</u>	<u>\$ 505,759</u>	<u>\$ 4,093,350</u>	<u>\$41,419,931</u>
<u>Recurring fair value</u>				
<u>measurements Financial</u>				
<u>liabilities:</u>				
Forward exchange contracts	\$ -	\$ 4,264	\$ -	\$ 4,264

December 31, 2022	Level 1	Level 2	Level 3	Total
<u>Recurring fair value</u>				
<u>measurements Financial</u>				
<u>assets:</u>				
Forward exchange contracts	\$ -	\$ 13,388	\$ -	\$ 13,388
Equity securities	<u>37,788,220</u>	<u>457,758</u>	<u>3,909,355</u>	<u>42,155,333</u>
Total	<u>\$ 37,788,220</u>	<u>\$ 471,146</u>	<u>\$ 3,909,355</u>	<u>\$42,168,721</u>
<u>Recurring fair value</u>				
<u>measurements Financial</u>				
<u>liabilities:</u>				
Forward exchange contracts	\$ -	\$ 11,112	\$ -	\$ 11,112
March 31, 2022	Level 1	Level 2	Level 3	Total
<u>Recurring fair value</u>				
<u>measurements Financial</u>				
<u>assets:</u>				
Forward exchange contracts	\$ -	\$ 36,320	\$ -	\$ 36,320
Equity securities	<u>20,918,721</u>	<u>335,895</u>	<u>4,442,451</u>	<u>25,697,067</u>
Total	<u>\$ 20,918,721</u>	<u>\$ 372,215</u>	<u>\$ 4,442,451</u>	<u>\$ 25,733,387</u>
<u>Recurring fair value</u>				
<u>measurements Financial</u>				
<u>liabilities:</u>				
Forward exchange contracts	\$ -	\$ 29,480	\$ -	\$ 29,480

- (b) The methods and assumptions the Group used to measure fair value are as follows:
- The instruments the Group used market quoted prices as their fair values (that is, Level 1) are listed below by characteristics:

	<u>Listed shares</u>	<u>Open-end fund</u>
Market quoted price	Closing price	Net worth
 - 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.
 - When assessing non-standard and low-complexity financial instruments, the Group 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.
 - The valuation of derivative financial instruments is based on valuation model widely accepted by market participants, such as present value techniques and option pricing models. Forward exchange contracts are usually valued based on the current forward exchange rate.
 - The output of valuation model is an estimated value and the valuation technique may not be able to capture all relevant factors of the Group'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 Group'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 consolidated balance sheet. The inputs and pricing information used during valuation are carefully assessed and adjusted based on current market conditions.

- vi. The Group 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 Group's credit quality.

E. For the three months ended March 31, 2023 and 2022, there was no transfer between Level 1 and Level 2.

F. The following table presents the changes in Level 3 instruments as at March 31, 2023 and 2022:

	Equity securities	
	2023	2022
January 1	\$ 3,909,355	\$ 4,115,941
Acquired in the period	-	6,973
Gains recognised in other comprehensive income	183,994	319,537
Effects of foreign exchange	1	-
March 31	<u>\$ 4,093,350</u>	<u>\$ 4,442,451</u>

G. 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.

H. 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:

	Fair value at March 31, 2023	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instrument:					
Unlisted shares	\$ 4,093,350	Net asset value	Net asset value	-	The higher the net asset value, the higher the fair value.

		<u>Fair value at December 31, 2022</u>	<u>Valuation technique</u>	<u>Significant unobservable input</u>	<u>Range (weighted average)</u>	<u>Relationship of inputs to fair value</u>
Non-derivative equity instrument:						
Unlisted shares	\$	3,909,355	Net asset value	Net asset value	-	The higher the net asset value, the higher the fair value.
		<u>Fair value at March 31, 2022</u>	<u>Valuation technique</u>	<u>Significant unobservable input</u>	<u>Range (weighted average)</u>	<u>Relationship of inputs to fair value</u>
Non-derivative equity instrument:						
Unlisted shares	\$	4,442,451	Net asset value	Net asset value	-	The higher the net asset value, the higher the fair value.

- I. The Group 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:

		<u>March 31, 2023</u>					
				<u>Recognised in profit or loss</u>		<u>Recognised in other comprehensive income</u>	
		<u>Input</u>	<u>Change</u>	<u>Favourable change</u>	<u>Unfavourable change</u>	<u>Favourable change</u>	<u>Unfavourable change</u>
Financial assets							
Equity instrument	Net asset value	±1%	\$ -	\$ -	\$ 40,934	\$ 40,934	
		<u>December 31, 2022</u>					
				<u>Recognised in profit or loss</u>		<u>Recognised in other comprehensive income</u>	
		<u>Input</u>	<u>Change</u>	<u>Favourable change</u>	<u>Unfavourable change</u>	<u>Favourable change</u>	<u>Unfavourable change</u>
Financial assets							
Equity instrument	Net asset value	±1%	\$ -	\$ -	\$ 39,094	\$ 39,094	
		<u>March 31, 2022</u>					
				<u>Recognised in profit or loss</u>		<u>Recognised in other comprehensive income</u>	
		<u>Input</u>	<u>Change</u>	<u>Favourable change</u>	<u>Unfavourable change</u>	<u>Favourable change</u>	<u>Unfavourable change</u>
Financial assets							
Equity instrument	Net asset value	±1%	\$ -	\$ -	\$ 44,425	\$ 44,425	

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: None.
- 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 4.
- H. Receivables from related parties reaching NT\$100 million or 20% of paid-in capital or more: Please refer to table 5.
- I. Trading in derivative instruments undertaken during the reporting periods: Please refer to Notes 6(2) and (15).
- J. Significant inter-company transactions during the reporting periods: Please refer to table 6.

(2) Information on investees

Names, locations and other information of investee companies (not including investees in Mainland China): Please refer to table 7.

(3) Information on investments in Mainland China

A. Basic information: Please refer to table 8.

B. Significant transactions, either directly or indirectly through a third area, with investee companies in the Mainland Area: Please refer to tables 4 and 8.

(4) Major shareholders information

Major shareholders information: Please refer to table 9.

14. SEGMENT INFORMATION

(1) General information

Management has determined the reportable operating segments based on the reports reviewed by the Chief Operating Decision-Maker that are used to make strategic decisions. The Group's Chief Operating Decision-Maker manages business from the perspectives of cloud computing product business group and automotive electronics and AIoT business group.

The Group's company organization, basis of department segmentation and principles for measuring segment information for the period were not significantly changed.

(2) Information about segment profit or loss, assets and liabilities

The segment information provided to the Chief Operating Decision-Maker for the reportable segments and reconciliations are as follows:

For the three months ended March 31, 2023				
Item	Cloud computing business group	Automotive electronics and AIoT business group	Others	Total
Revenue	\$ 6,988,717	\$ 1,372,402	\$ 661,695	\$ 9,022,814
Segment gain (loss)	(42,783)	36,804	(120,363)	(126,342)

For the three months ended March 31, 2022				
Item	Cloud computing business group	Automotive electronics and AIoT business group	Others	Total
Revenue	\$ 8,880,672	\$ 1,574,256	\$ 858,117	\$ 11,313,045
Segment gain (loss)	189,620	48,950	(170,195)	68,375

(3) Reconciliation for segment income (loss)

The revenue from external customers reported to the Chief Operating Decision-Maker is measured in a manner consistent with that in the statement of comprehensive income.

A reconciliation of reportable segment income or loss to the income/(loss) before tax from continuing operations for the three months ended March 31, 2023 and 2022 is provided as follows:

Items	For the three months ended March 31	
	2023	2022
(Loss) profit for reportable segments	\$(126,342)	\$ 68,375
Unallocated:		
Share of profits and losses from affiliates and joint ventures accounted for using the equity method	236,719	426,758
Dividend revenue	129,377	106,089
Interest revenue	30,454	18,493
Net currency exchange (loss) gain	(52,647)	5,696
Loss on disposal of investments	(567)	(1,724)
Other (loss) income	(10,470)	54,209
Income before tax from operations	<u>\$ 206,524</u>	<u>\$ 677,896</u>

MiTAC HOLDINGS CORPORATION AND SUBSIDIARIES
Loans to others
For the three months ended March 31, 2023

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 three months ended March 31, 2023	Balance at March 31, 2023	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	\$ 1,200,000	\$ 1,200,000	\$ -	0	2	\$ -	Operations	\$ -	None	\$ -	\$ 24,256,645	\$ 24,256,645
0	MiTAC Holdings Corp.	MiTAC Computing Technology Corp.	Other receivables-related parties	Y	3,900,000	1,900,000	-	1.375%-2.5%	2	-	Operations	-	None	-	24,256,645	24,256,645
0	MiTAC Holdings Corp.	MiTAC Digital Technology Corp.	Other receivables-related parties	Y	1,000,000	1,000,000	-	0	2	-	Operations	-	None	-	24,256,645	24,256,645
1	MiTAC International Corp.	MiTAC Holdings Corp.	Other receivables-related parties	Y	500,000	500,000	-	0	2	-	Operations	-	None	-	21,674,965	21,674,965
1	MiTAC International Corp.	MiTAC Computing Technology Corp.	Other receivables-related parties	Y	200,000	200,000	-	0	2	-	Operations	-	None	-	21,674,965	21,674,965
1	MiTAC International Corp.	MiTAC Digital Technology Corp.	Other receivables-related parties	Y	200,000	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	700,000	700,000	-	0	2	-	Operations	-	None	-	1,699,813	1,699,813
3	MiTAC Digital Technology Corp.	MiTAC Holdings Corp.	Other receivables-related parties	Y	150,000	150,000	-	0	2	-	Operations	-	None	-	717,409	717,409
4	Silver Star Developments Ltd.	MiTAC Holdings Corp.	Other receivables-related parties	Y	20,649,681	20,649,681	20,239,168	0	2	-	Operations	-	None	-	76,240,264	76,240,264
4	Silver Star Developments Ltd.	MiTAC International Corp.	Other receivables-related parties	Y	14,675,400	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	66,300	66,300	66,300	0	2	-	Operations	-	None	-	76,240,264	76,240,264
4	Silver Star Developments Ltd.	MiTAC Information Systems Corp.	Other receivables-related parties	Y	1,097,280	1,096,200	943,950	0	2	-	Operations	-	None	-	76,240,264	76,240,264
5	Tyan Computer Corp.(USA)	MiTAC Information Systems Corp.	Other receivables-related parties	Y	228,600	228,375	228,375	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	13,335	13,293	13,293	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	44,450	44,310	44,310	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	280,035	279,153	279,153	0%-4.3%	2	-	Operations	-	None	-	928,225	928,225
8	Access Wisdom Holdings Ltd.	MiTAC Digital Technology Corp.	Other receivables-related parties	Y	33,528	33,495	33,495	0	2	-	Operations	-	None	-	78,466	78,466
9	Mio International Ltd.	MiTAC Digital Technology Corp.	Other receivables-related parties	Y	21,336	21,315	21,315	0	2	-	Operations	-	None	-	22,249	22,249
9	Mio International Ltd.	Access Wisdom Holdings Ltd.	Other receivables-related parties	Y	21,336	21,315	21,315	0	2	-	Operations	-	None	-	111,246	111,246

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 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.

(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 Investment Holding 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.

(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 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.

MiTAC HOLDINGS CORPORATION AND SUBSIDIARIES
Provision of endorsements and guarantees to others
For the three months ended March 31, 2023

Table 2

Expressed in thousands of NTD
(Except as otherwise indicated)

Number (Note1)	Endorser/ guarantor	Party being endorsed/guaranteed		Limit on endorsements/ guarantees provided for a single party (Note 3)	Maximum outstanding endorsement/ guarantee amount as of March 31, 2023	Outstanding endorsement/ guarantee amount at March 31, 2023	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	\$ 30,320,807	\$ 91,440	\$ 91,350	\$ 91,350	\$ -	0.15 %	\$ 30,320,807	Y	N	N
0	MiTAC Holdings Corp.	MiTAC Computing Technology Corp.	2	30,320,807	573,024	572,460	572,460	-	0.94 %	30,320,807	Y	N	N
0	MiTAC Holdings Corp.	MiTAC Digital Technology Corp.	2	30,320,807	4,064	4,060	4,060	-	0.01 %	30,320,807	Y	N	N
0	MiTAC Holdings Corp.	MiTAC Information Systems Corp.	2	30,320,807	457,200	456,750	414,869	-	0.75 %	30,320,807	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 AND SUBSIDIARIES
Holding of marketable securities at the end of period (not including subsidiaries, associates and joint ventures)
March 31, 2023

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 March 31, 2023				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	\$ 190,258	0.19	\$ 190,258	
MiTAC Holdings Corp.	stocks	Healthera Corporation	None	Financial assets at fair value through other comprehensive income-non current	72,112	2,086	0.30	2,086	
MiTAC Holdings Corp.	stocks	JVP VIII, L.P.	None	Financial assets at fair value through other comprehensive income-non current	-	125,611	1.16	125,611	
MiTAC Holdings Corp.	stocks	Acorn Pacific Ventures Fund II, LP	None	Financial assets at fair value through other comprehensive income-non current	-	18,580	6.67	18,580	
MiTAC Holdings Corp.	stocks	TOPRAY MEMS INC.	None	Financial assets at fair value through other comprehensive income-non current	1,000,000	19,000	2.19	19,000	
MiTAC Holdings Corp.	stocks	Whetron Electronics Co., Ltd.	The Company was this company's director	Financial assets at fair value through other comprehensive income-non current	8,789,000	325,518	11.27	325,518	
MiTAC Holdings Corp.	stocks	Harbinger VIII Venture Capital Corp.	The Company was this company's director	Financial assets at fair value through other comprehensive income-non current	15,000,000	150,262	11.57	150,262	
MiTAC Holdings Corp.	stocks	TD Synnex Corp.	None	Financial assets at fair value through other comprehensive income-non current	2,403,229	7,082,930	2.55	7,082,930	
MiTAC Holdings Corp.	stocks	Concentrix Corp.	None	Financial assets at fair value through other comprehensive income-non current	1,977,944	7,320,761	3.80	7,320,761	
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	2,312,353	2.79	2,312,353	
MiTAC International Corp.	stocks	UPC Technology Corp.	Same board chairman	Financial assets at fair value through other comprehensive income-non current	16,179,560	232,986	1.19	232,986	
MiTAC International Corp.	stocks	COMPUCASE ENTERPRISE CO., LTD.	None	Financial assets at fair value through other comprehensive income-non current	10,000,000	458,500	8.83	458,500	
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	321,519	0.31	321,519	
MiTAC International Corp.	stocks	MiTAC Information Technology Corp.	The Company'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	2,078,430	8.71	2,078,430	
MiTAC International Corp.	stocks	Overseas Investment & Development Corp.	None	Financial assets at fair value through other comprehensive income-non current	1,000,000	13,264	1.11	13,264	
MiTAC International Corp.	stocks	Harbinger Venture Capital Corp.	Same board chairman	Financial assets at fair value through other comprehensive income-non current	27,828	222	14.05	222	
MiTAC International Corp.	stocks	Harbinger VI Venture Capital Corp.	None	Financial assets at fair value through other comprehensive income-non current	3,213,811	40,047	13.28	40,047	
MiTAC International Corp.	stocks	Harbinger VII Venture Capital Corp.	The Company was this company's director	Financial assets at fair value through other comprehensive income-non current	6,976,526	121,977	9.39	121,977	

Securities held by	Marketable securities		Relationship with the securities issuer	General ledger account	As of March 31, 2023				Footnote
					Number of shares	Book value	Ownership (%)	Fair value	
MiTAC International Corp.	stocks	TD Synnex Corp.	None	Financial assets at fair value through other comprehensive income-non current	2,594,649	7,647,093	2.75	7,647,093	
MiTAC International Corp.	stocks	Concentrix Corp.	None	Financial assets at fair value through other comprehensive income-non current	2,135,489	7,903,866	4.10	7,903,866	
Tsu Fung Investment Corp.	stocks	MiTAC Holdings Corp.	Ultimate parent company	Financial assets at fair value through other comprehensive income-current	9,250,594	252,541	0.77	252,541	Note 1
Tsu Fung Investment Corp.	stocks	Getac Holdings Corp.	None	Financial assets at fair value through other comprehensive income-current	7,783,741	416,430	1.28	416,430	
Tsu Fung Investment Corp.	stocks	UPC Technology Corp.	None	Financial assets at fair value through other comprehensive income-current	17,460,231	251,427	1.29	251,427	
Tsu Fung Investment Corp.	stocks	Synnex Technology International Corp.	None	Financial assets at fair value through other comprehensive income-current	8,217,974	503,762	0.49	503,762	
Tsu Fung Investment Corp.	stocks	PROMISE Technology Inc.	The Company was this company's director	Financial assets at fair value through other comprehensive income-current	2,609,479	29,357	2.92	29,357	
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	1,281,354	5.37	1,281,354	
Tsu Fung Investment Corp.	stocks	Tung Da Investment Co., Ltd.	The Company 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 Company 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	13,889	0.48	13,889	
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	70,524	-	70,524	
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	70,545	-	70,545	
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	890,372	0.32	890,372	
Silver Star Developments Ltd. and its subsidiaries	stocks	Concentrix Corp.	None	Financial assets at fair value through other comprehensive income-non current	302,102	1,118,139	0.58	1,118,139	
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	26	14.83	26	
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 AND SUBSIDIARIES
Purchases or sales of goods from or to related parties reaching NT\$100 million or 20% of paid-in capital or more
For the three months ended March 31, 2023

Table 4

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	\$ 454,616	11 %	Note 1	Note 3	Note 1	\$ 3,398,426	57 %	
MiTAC Computing Technology Corp.	Tyan Computer Corp.(USA)	Subsidiary	Sales	209,008	5 %	Note 1	Note 3	Note 1	37,954	1 %	
MiTAC Computing Technology Corp.	Synnex Technology International Corp. and its subsidiaries	Other related parties	Purchases	895,481	26 %	Note 2	Note 3	Note 2	(923,023)	17 %	
MiTAC Digital Technology Corp.	MiTAC Computer (Kunshan) Ltd.	Affiliate	Purchases	272,662	37 %	Note 2	Note 3	Note 2	(870,115)	70 %	
Silver Star Developments Ltd. and its subsidiaries	MiTAC Digital Technology Corp.	Affiliate	Sales	268,974	9 %	Note 1	Note 3	Note 1	882,694	4 %	
MiTAC Technology UK Ltd. and its subsidiaries	MiTAC Computing Technology Corp.	Parent Company	Purchases	663,624	19 %	Note 2	Note 3	Note 2	(3,436,380)	63 %	

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 AND SUBSIDIARIES
Receivables from related parties reaching NT\$100 million or 20% of paid-in capital or more
For the three months ended March 31, 2023

Table 5

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	\$ -	\$ 242,042	-	\$ -	Not Applicable	\$ -	\$ -	
MiTAC Computing Technology Corp.	MiTAC Information Systems Corp.	Subsidiary	3,398,426	1,852	0.45	2,384,215	Subsequent collection	323,328	-	
Silver Star Developments Ltd. and its subsidiaries	MiTAC Computing Technology Corp.	Affiliate	1,623,174	18,357	0.14	-	Not Applicable	398,895	-	
Silver Star Developments Ltd. and its subsidiaries	MiTAC Digital Technology Corp.	Affiliate	882,694	873	1.34	-	Not Applicable	91,350	-	

MiTAC HOLDINGS CORPORATION AND SUBSIDIARIES
Significant inter-company transactions during the reporting periods
For the three months ended March 31, 2023

Table 6

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	\$ 242,042		0.28 %	
2	MiTAC Computing Technology Corp.	MiTAC Technology UK Ltd. and its subsidiaries	3	Sales	663,624	Note 4	7.35 %	
2	MiTAC Computing Technology Corp.	MiTAC Technology UK Ltd. and its subsidiaries	3	Accounts receivable	3,436,380	Note 4	4.03 %	
2	MiTAC Computing Technology Corp.	Silver Star Developments Ltd. and its subsidiaries	3	Accounts payable	1,623,174	Note 5	1.90 %	
3	Silver Star Developments Ltd. and its subsidiaries	MiTAC Holdings Corp.	2	Other receivables	20,239,168		23.71 %	
3	Silver Star Developments Ltd. and its subsidiaries	MiTAC International Corp.	3	Other receivables	14,681,246		17.20 %	
3	Silver Star Developments Ltd. and its subsidiaries	MiTAC Information Systems Corp.	3	Other receivables	943,950		1.11 %	
4	MiTAC Digital Technology Corp.	Silver Star Developments Ltd. and its subsidiaries	3	Purchases	268,974	Note 5	2.98 %	
4	MiTAC Digital Technology Corp.	Silver Star Developments Ltd. and its subsidiaries	3	Accounts payable	882,694	Note 5	1.03 %	

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 AND SUBSIDIARIES
Information on investees (Does not include Mainland China invested companies)
For the three months ended March 31, 2023

Table 7

Expressed in thousands of NTD
(Except as otherwise indicated)

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at March 31, 2023			Net profit (loss) of the investee for the three months ended March 31, 2023	Investment income (loss) recognised by the Company for the three months ended March 31, 2023	Footnote
				Balance as at March 31, 2023	Balance as at December 31, 2022	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	\$ 58,831,934	\$ 207,592	\$ 195,566	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	2,749,554	(82,547)	(83,241)	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	1,765,414	35,227	34,052	Subsidiary
MiTAC Holdings Corp.	Infopower Technologies Ltd.	India	Manufacture and sale of electronic product.	71,287	71,287	6,774,199	33.33	65,277	(3,475)	(1,158)	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	31.39	5,743,329	766,420	-	Associate
MiTAC International Corp.	Tsu Fung Investment Corp.	Taiwan	General investments	625,000	625,000	142,884,651	100.00	3,638,155	45,593	-	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	11,540	(5,124)	-	Associate
MiTAC International Corp.	Lian Jie Investment Co., Ltd.	Taiwan	General investments	113,057	113,057	11,305,650	49.98	261,078	103	-	Associate
MiTAC International Corp.	Lian Jie II Investment Co., Ltd.	Taiwan	General investments	32,500	32,500	3,250,000	32.50	35,676	(528)	-	Associate
MiTAC International Corp.	Silver Star Developments Ltd. and its subsidiaries	British Virgin Islands	General investments	5,365,669	5,365,669	176,299,302	100.00	45,786,512	(96,448)	-	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	85,553	(86)	-	Associate
MiTAC Computing Technology Corp.	MiTAC Technology UK Ltd. and its subsidiaries	UK	General investments	1,562,569	1,562,569	55,146,137	100.00	694,849	6,044	-	Subsidiary
MiTAC Computing Technology Corp.	Hyve Design Solutions Corporation	USA	Assemble and sales of computer and peripheral equipment.	344,935	344,935	1,600,000	50.00	-	-	-	Associate
MiTAC Digital Technology Corp.	Mio International Ltd. and its subsidiaries	British Virgin Islands	General investments	69,355	69,355	1,275,001	100.00	84,717	370	-	Subsidiary
MiTAC Digital Technology Corp.	Access Wisdom Holdings Limited and its subsidiaries	British Virgin Islands	General investments	-	-	48,500,000	100.00	221,060	28,859	-	Subsidiary
Silver Star Developments Ltd. and its subsidiaries	Mainpower International Ltd.	British Virgin Islands	General investments	167,475	167,475	5,500,001	13.28	267,328	(6,087)	-	Associate
Silver Star Developments Ltd. and its subsidiaries	Harbinger Ruyi Venture Ltd.	British Virgin Islands	General investments	30,450	30,450	1,000,000	28.57	22,651	351	-	Associate

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at March 31, 2023			Net profit (loss) of the investee for the three months ended March 31, 2023	Investment income (loss) recognised by the Company for the three months ended March 31, 2023	Footnote
				Balance as at March 31, 2023	Balance as at December 31, 2022	Number of shares	Ownership (%)	Book value			
Silver Star Developments Ltd. and its subsidiaries	Harbinger Ruyi II Venture Ltd.	British Virgin Islands	General investments	30,450	30,450	10,000	32.26	84,698	(369)	-	Associate
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	35,227	-	Subsidiary

MiTAC HOLDINGS CORPORATION AND SUBSIDIARIES
Information on investments in Mainland China
For the three months ended March 31, 2023

Table 8

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, 2023	Amount remitted from Taiwan to Mainland China/ Amount remitted back to Taiwan for the three months ended March 31, 2023		Accumulated amount of remittance from Taiwan to Mainland China as of March 31, 2023	Net income of investee as of March 31, 2023	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the three months ended March 31, 2023 (Note 2)	Book value of investments in Mainland China as of March 31, 2023	Accumulated amount of investment income remitted back to Taiwan as of March 31, 2023	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	\$ 1,846,422	2	\$ 1,214,978	\$ -	\$ -	\$ 1,214,978	\$ (39,145)	100.00	\$ (39,145)	\$ 2,832,283	\$ -	
MiTAC Computer (Kunshan) Ltd.	Manufacture of ommunication, computers, computer peripherals, hardware/software and related products and sale of own produced products	1,198,607	2	1,784,370	-	-	1,784,370	(7,474)	100.00	(7,474)	1,774,664	-	
MiTAC Technology (Kunshan) Co., Ltd.	Testing, maintenance and display of computer components and related technical advisory services and after-sale services	36,675	2	30,450	-	-	30,450	(157)	100.00	(157)	(15,874)	-	
MiTAC Research (Shanghai) Ltd.	Research, development of computer software and related technical advisory services	161,904	2	158,340	-	-	158,340	3,591	100.00	3,591	487,031	-	
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.	1,564,044	2	411,075	-	-	411,075	(7,166)	27.44	(1,966)	684,406	-	
Mio Technology (Suzhou) Ltd.	Sales of automotive electronics, AIoT products	8,320	2	30,298	-	-	30,298	370	100.00	370	37,160	-	
MiTAC Logistic Service (Kunshan) Ltd.	Agency of freight transport,export and import trading and warehousing services.	30,223	2	30,450	-	-	30,450	(250)	100.00	(250)	41,883	-	
MiTAC Innovation (Kunshan) Ltd.	Research, development of computer software and related technical advisory services	29,114	2	30,450	-	-	30,450	1,146	100.00	1,146	86,496	-	
MiTAC Telematics Technology Corporation	Sales of self-produced products and related after-sale services	8,862	1	2,222	-	-	2,222	(1,650)	100.00	(1,650)	15,795	-	
MiTAC Investment Holding Ltd.	General investments	3,009,943	2	913,500	-	-	913,500	(46,225)	100.00	(46,225)	3,730,306	-	
MiTAC Information Systems (Kunshan) Co., Ltd.	Manufacture of ommunication, computers, computer peripherals, hardware/software and related products and sale of own produced products	1,993,950	3	-	-	-	-	(37,241)	100.00	(37,241)	1,720,428	-	

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 three months ended March 31, 2023 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 reviewed by international accounting firm which has cooperative relationship with accounting firm in R.O.C..
 - B. The financial statements were reviewed by R.O.C. parent company's CPA.
 - C. The financial statements were not reviewed by independent accountants.
- (3) The basis for investment income (loss) recognition for MiTAC computer (Shunde) Corp. and Shzhou 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 March 31, 2023 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 March 31, 2023	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.	\$ 4,089,505	\$ 4,958,414	\$ 35,450,685
MiTAC Computing Technology Corp.	2,222	2,222	1,647,966
MiTAC Digital Technology Corp.	22,685	22,685	1,090,067

C. Significant transactions conducted with investees in Mainland China:

For details of other significant transactions, please refer to tables 1 and 4.

MiTAC HOLDINGS CORPORATION AND SUBSIDIARIES
Major shareholders information
March 31, 2023

Table 9

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	8.41 %
UPC Technology Corp.	99,802,598	8.27 %