

**MiTAC HOLDINGS CORPORATION AND  
SUBSIDIARIES  
CONSOLIDATED FINANCIAL STATEMENTS AND  
INDEPENDENT AUDITORS' REVIEW REPORT  
JUNE 30, 2023 AND 2022**

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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

PWCR23000120

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 June 30, 2023 and 2022, and the related consolidated statements of comprehensive income for the three months and six months then ended, as well as the consolidated statements of changes in equity and of cash flows for the six 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\$6,951,074 thousand and NT\$13,851,118 thousand, constituting 9% and 18% of the consolidated total assets as at June 30, 2023 and 2022, respectively, total liabilities amounted to NT\$1,724,201

thousand and NT\$2,895,546 thousand, constituting 7% and 10% of the consolidated total liabilities as at June 30, 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\$102,493 thousand, NT\$117,793 thousand, NT\$(34,113) thousand and NT\$318,504 thousand, constituting (3%), (5%), 1% and (20%) of the consolidated total comprehensive income (loss) for the three months and six months 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 June 30, 2023 and 2022, and of its consolidated financial performance for the three months and six months then ended and its consolidated cash flows for the three months and six 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.

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Liu, Chien-Yu

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Li, Tien-Yi

For and on behalf of PricewaterhouseCoopers, Taiwan

August 11, 2023

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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

JUNE 30, 2023, DECEMBER 31, 2022 AND JUNE 30, 2022

(Expressed in thousands of New Taiwan dollars)

Assets			June 30, 2023		December 31, 2022		June 30, 2022				
			AMOUNT	%	AMOUNT	%	AMOUNT	%			
Current assets											
1100	Cash and cash equivalents	6(1)	\$	8,903,861	11	\$	7,801,360	9	\$	6,996,774	9
1110	Financial assets at fair value through profit or loss - current	6(2)		142,457	-		154,069	-		155,568	-
1120	Financial assets at fair value through other comprehensive income - current	6(3)		1,288,886	2		1,093,658	1		1,056,449	1
1136	Financial assets at amortised cost - current	6(4) and 8		886,918	1		280,400	-		590,524	1
1150	Notes receivable - net			38,094	-		40,992	-		17,338	-
1170	Accounts receivable - net	6(5) and 12(2)		4,479,579	6		7,728,310	9		7,983,289	10
1180	Accounts receivable - related parties - net	6(5), 7 and 12(2)		1,369	-		4,198	-		7,427	-
1200	Other receivables	7		593,548	1		158,303	-		531,935	1
1220	Current income tax assets			93,247	-		42,587	-		38,784	-
130X	Inventories	6(6)		9,411,887	12		9,244,866	11		13,449,032	17
1410	Prepayments			244,989	-		399,342	-		371,053	-
1470	Other current assets			21,997	-		17,631	-		18,132	-
11XX	Total current assets			26,106,832	33		26,965,716	30		31,216,305	39
Non-current assets											
1517	Financial assets at fair value through other comprehensive income - non-current	6(3)		35,568,860	45		40,920,994	48		21,720,677	29
1535	Financial assets at amortised cost - non-current	6(4) and 8		497,717	1		69,901	-		48,464	-
1550	Investments accounted for using equity method	6(7)		7,258,298	9		7,499,596	10		14,517,054	19
1600	Property, plant and equipment - net	6(8)		7,453,175	9		7,768,091	10		7,889,626	10
1755	Right-of-use assets	6(9) and 7		260,651	-		286,786	-		300,365	-
1760	Investment property - net	6(11)		1,218,396	2		1,230,077	1		1,238,433	2
1780	Intangible assets	6(12)		104,104	-		113,827	-		101,768	-
1840	Deferred income tax assets			690,119	1		649,722	1		524,631	1
1900	Other non-current assets			72,066	-		75,615	-		77,054	-
15XX	Total non-current assets			53,123,386	67		58,614,609	70		46,418,072	61
1XXX	Total assets		\$	79,230,218	100	\$	85,580,325	100	\$	77,634,377	100

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MITAC HOLDINGS CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

JUNE 30, 2023, DECEMBER 31, 2022 AND JUNE 30, 2022

(Expressed in thousands of New Taiwan dollars)

	Liabilities and Equity	Notes	June 30, 2023		December 31, 2022		June 30, 2022	
			AMOUNT	%	AMOUNT	%	AMOUNT	%
	<b>Current liabilities</b>							
2100	Short-term borrowings	6(13)	\$ 2,738,703	3	\$ 3,623,778	4	\$ 7,623,772	10
2120	Financial liabilities at fair value through profit or loss - current	6(14)	18,277	-	11,112	-	3,384	-
2130	Contract liabilities - current	6(22)	148,373	-	306,861	-	436,615	1
2170	Accounts payable		6,249,321	8	5,730,648	7	8,123,111	10
2180	Accounts payable - related parties	7	113,203	-	161,723	-	173,009	-
2200	Other payables	7	3,966,482	5	4,219,223	5	3,428,150	4
2230	Current income tax liabilities		1,341,353	2	905,201	1	734,252	1
2250	Provisions - current	6(17)	161,910	-	227,689	-	108,757	-
2280	Lease liabilities - current	7	35,632	-	41,731	-	37,791	-
2300	Other current liabilities	6(15)	491,608	1	471,788	1	443,790	1
21XX	<b>Total current liabilities</b>		<u>15,264,862</u>	<u>19</u>	<u>15,699,754</u>	<u>18</u>	<u>21,112,631</u>	<u>27</u>
	<b>Non-current liabilities</b>							
2540	Long-term borrowings	6(15)	687,927	1	437,694	1	578,057	1
2550	Provisions - non-current	6(17)	141,414	-	129,425	-	131,716	-
2570	Deferred income tax liabilities		7,852,509	10	8,202,099	10	6,520,800	8
2580	Lease liabilities - non-current	7	112,739	-	127,358	-	142,039	-
2600	Other non-current liabilities	6(7)	300,859	-	291,264	-	383,131	-
25XX	<b>Total non-current liabilities</b>		<u>9,095,448</u>	<u>11</u>	<u>9,187,840</u>	<u>11</u>	<u>7,755,743</u>	<u>9</u>
2XXX	<b>Total liabilities</b>		<u>24,360,310</u>	<u>30</u>	<u>24,887,594</u>	<u>29</u>	<u>28,868,374</u>	<u>36</u>
	<b>Equity attributable to owners of parent</b>							
	Share capital	6(18)						
3110	Common shares		12,065,568	15	12,065,568	14	12,065,568	16
	Capital surplus	6(19)						
3200	Capital surplus		22,773,619	29	22,610,906	26	22,649,450	29
	Retained earnings	6(20)						
3310	Legal reserve		3,887,851	5	2,938,598	3	2,938,598	4
3350	Unappropriated retained earnings		18,790,992	24	20,434,720	24	12,169,283	16
	Other equity interest	6(21)						
3400	Other equity interest		( 2,699,197)	( 3)	2,754,695	4	( 943,693)	( 1)
3500	Treasury stocks	6(18)	-	-	( 162,874)	-	( 162,874)	-
31XX	<b>Equity attributable to owners of the parent</b>		<u>54,818,833</u>	<u>70</u>	<u>60,641,613</u>	<u>71</u>	<u>48,716,332</u>	<u>64</u>
36XX	<b>Non-controlling interests</b>		<u>51,075</u>	<u>-</u>	<u>51,118</u>	<u>-</u>	<u>49,671</u>	<u>-</u>
3XXX	<b>Total equity</b>		<u>54,869,908</u>	<u>70</u>	<u>60,692,731</u>	<u>71</u>	<u>48,766,003</u>	<u>64</u>
	Significant Contingent Liabilities And Unrecognised Contract Commitments	9(1)(2)						
	Significant Events After the Balance Sheet Date	11						
3X2X	<b>Total liabilities and equity</b>		<u>\$ 79,230,218</u>	<u>100</u>	<u>\$ 85,580,325</u>	<u>100</u>	<u>\$ 77,634,377</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 AND SIX MONTHS ENDED JUNE 30, 2023 AND 2022  
(Expressed in thousands of New Taiwan dollars, except for earnings per share)

Items	Notes	Three months ended June 30				Six months ended June 30			
		2023		2022		2023		2022	
		AMOUNT	%	AMOUNT	%	AMOUNT	%	AMOUNT	%
4000 Operating revenue	6(22) and 7	\$ 9,233,431	100	\$ 11,547,189	100	\$ 17,905,342	100	\$ 22,860,234	100
5000 Operating costs	6(6) and 7	( 8,207,571)	( 89)	( 10,488,428)	( 91)	( 15,813,650)	( 88)	( 20,611,197)	( 90)
5900 Gross profit		<u>1,025,860</u>	<u>11</u>	<u>1,058,761</u>	<u>9</u>	<u>2,091,692</u>	<u>12</u>	<u>2,249,037</u>	<u>10</u>
Operating expenses	6(27) (28) 7 and 12(2)								
6100 Selling expenses		( 255,081)	( 3)	( 244,585)	( 2)	( 508,965)	( 3)	( 478,393)	( 2)
6200 General and administrative expenses		( 298,778)	( 3)	( 317,531)	( 3)	( 594,343)	( 3)	( 632,729)	( 3)
6300 Research and development expenses		( 628,371)	( 7)	( 589,722)	( 5)	( 1,271,096)	( 7)	( 1,162,617)	( 5)
6450 Expected credit loss (gain)		<u>299,679</u>	<u>3</u>	<u>( 13)</u>	<u>-</u>	<u>299,679</u>	<u>2</u>	<u>( 13)</u>	<u>-</u>
Total operating expenses		<u>( 882,551)</u>	<u>( 10)</u>	<u>( 1,151,851)</u>	<u>( 10)</u>	<u>( 2,074,725)</u>	<u>( 11)</u>	<u>( 2,273,752)</u>	<u>( 10)</u>
6900 Operating profit/(loss)		<u>143,309</u>	<u>1</u>	<u>( 93,090)</u>	<u>( 1)</u>	<u>16,967</u>	<u>1</u>	<u>( 24,715)</u>	<u>-</u>
Non-operating income and expenses									
7100 Interest income	6(23)	37,653	-	24,039	-	68,107	-	42,532	-
7010 Other income	6(24) and 7	246,406	3	247,423	2	420,918	2	431,707	2
7020 Other gains and losses	6(25)	31,953	-	( 17,428)	-	( 26,122)	-	( 29,396)	-
7050 Finance costs	6(26) and 7	( 44,359)	-	( 20,412)	-	( 95,103)	( 1)	( 28,458)	-
7060 Share of profit of associates and joint ventures accounted for using equity method	6(7)	<u>335,682</u>	<u>4</u>	<u>495,855</u>	<u>4</u>	<u>572,401</u>	<u>3</u>	<u>922,613</u>	<u>4</u>
7000 Total non-operating income and expenses		<u>607,335</u>	<u>7</u>	<u>729,477</u>	<u>6</u>	<u>940,201</u>	<u>4</u>	<u>1,338,998</u>	<u>6</u>
7900 Profit before income tax		750,644	8	636,387	5	957,168	5	1,314,283	6
7950 Income tax expense	6(29)	<u>( 39,243)</u>	<u>-</u>	<u>( 109,308)</u>	<u>( 1)</u>	<u>( 92,311)</u>	<u>( 1)</u>	<u>( 254,062)</u>	<u>( 1)</u>
8200 Profit for the period		<u>\$ 711,401</u>	<u>8</u>	<u>\$ 527,079</u>	<u>4</u>	<u>\$ 864,857</u>	<u>4</u>	<u>\$ 1,060,221</u>	<u>5</u>

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MITAC HOLDINGS CORPORATION AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME  
THREE MONTHS AND SIX MONTHS ENDED JUNE 30, 2023 AND 2022  
(Expressed in thousands of New Taiwan dollars, except for earnings per share)

Items		Notes	Three months ended June 30				Six months ended June 30			
			2023		2022		2023		2022	
			AMOUNT	%	AMOUNT	%	AMOUNT	%	AMOUNT	%
<b>Other comprehensive income (loss) - net</b>										
<b>Components of other comprehensive income (loss) that will not be reclassified to profit or loss</b>										
8316	Unrealised losses from investments in equity instruments measured at fair value through other comprehensive income	6(3)(21)	\$( 4,409,648)	( 48)	\$( 2,884,366)	( 25)	\$( 5,179,473)	( 29)	\$( 3,622,681)	( 16)
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)	( 2,484)	-	( 25,237)	-	( 20,727)	-	( 59,741)	-
8310	Components of other comprehensive income (loss) that will not be reclassified to profit or loss		( 4,412,132)	( 48)	( 2,909,603)	( 25)	( 5,200,200)	( 29)	( 3,682,422)	( 16)
<b>Components of other comprehensive income (loss) that will be reclassified to profit or loss</b>										
8361	Exchange differences on translation of foreign financial statements	6(21)	( 219,281)	( 2)	418,544	4	( 187,578)	( 1)	1,087,955	5
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)	( 30,631)	-	( 206,362)	( 2)	( 43,010)	-	( 28,679)	-
8360	Components of other comprehensive income (loss) that will be reclassified to profit or loss		( 249,912)	( 2)	212,182	2	( 230,588)	( 1)	1,059,276	5
8300	<b>Other comprehensive income (loss) for the period</b>		\$( 4,662,044)	( 50)	\$( 2,697,421)	( 23)	\$( 5,430,788)	( 30)	\$( 2,623,146)	( 11)
8500	<b>Total comprehensive income (loss) for the period</b>		\$( 3,950,643)	( 42)	\$( 2,170,342)	( 19)	\$( 4,565,931)	( 26)	\$( 1,562,925)	( 6)
Profit , attributable to:										
8610	Owners of parent		\$ 709,964	8	\$ 526,745	4	\$ 862,424	4	\$ 1,058,614	5
8620	Non-controlling interests		\$ 1,437	-	\$ 334	-	\$ 2,433	-	\$ 1,607	-
Comprehensive income (loss) attributable to:										
8710	Owners of parent		\$( 3,952,229)	( 42)	\$( 2,170,919)	( 19)	\$( 4,568,466)	( 26)	\$( 1,565,035)	( 6)
8720	Non-controlling interests		\$ 1,586	-	\$ 577	-	\$ 2,535	-	\$ 2,110	-
9750	Basic earnings per share	6(30)	\$ 0.59		\$ 0.44		\$ 0.72		\$ 0.88	
9850	Diluted earnings per share	6(30)	\$ 0.59		\$ 0.44		\$ 0.71		\$ 0.88	

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

**MITAC HOLDINGS CORPORATION AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**  
**SIX MONTHS ENDED JUNE 30, 2023 AND 2022**  
(Expressed in thousands of New Taiwan dollars)

		Equity attributable to owners of the parent										
		Retained earnings				Other equity interest						
		Share capital- common shares	Capital surplus, additional paid-in capital	Legal reserve	Unappropriated retained earnings	Financial statements translation differences of foreign operations	Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income	Treasury stocks	Total	Non-controlling interests	Total equity	
Notes												
<u>Six months ended June 30 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		-	-	-	1,058,614	-	-	-	1,058,614	1,607	1,060,221	
Other comprehensive income (loss) for the period		6(21)	-	-	-	1,058,773	( 3,682,422)	-	(2,623,649)	503	(2,623,146)	
Total comprehensive income (loss)			-	-	1,058,614	1,058,773	( 3,682,422)	-	(1,565,035)	2,110	(1,562,925)	
Distribution of 2021 earnings		6(20)										
Legal reserve			-	-	1,193,885	( 1,193,885)	-	-	-	-	-	
Cash dividends			-	-	( 2,413,114)	-	-	-	(2,413,114)	-	(2,413,114)	
Subsidiaries' change of associates accounted for using equity method		6(19)(20)	-	46,497	( 8,795)	-	8,795	-	46,497	-	46,497	
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)	-	-	355	-	( 355)	-	-	-	-	
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	
Cash dividends paid by subsidiaries to non-controlling interests		6(32)	-	-	-	-	-	-	-	( 493)	( 493)	
Balance at June 30, 2022			<u>\$ 12,065,568</u>	<u>\$ 22,649,450</u>	<u>\$ 2,938,598</u>	<u>\$ 12,169,283</u>	<u>\$( 1,209,632)</u>	<u>\$ 265,939</u>	<u>\$ ( 162,874)</u>	<u>\$ 48,716,332</u>	<u>\$ 49,671</u>	<u>\$ 48,766,003</u>
<u>Six months ended June 30 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		-	-	-	862,424	-	-	-	862,424	2,433	864,857	
Other comprehensive income (loss) for the period		6(21)	-	-	-	( 230,690)	( 5,200,200)	-	( 5,430,890)	102	( 5,430,788)	
Total comprehensive income (loss)			-	-	862,424	( 230,690)	( 5,200,200)	-	( 4,568,466)	2,535	( 4,565,931)	
Distribution of 2022 earnings		6(20)										
Legal reserve			-	-	949,253	( 949,253)	-	-	-	-	-	
Cash dividends			-	-	( 1,568,524)	-	-	-	( 1,568,524)	-	( 1,568,524)	
Subsidiaries' change of associates accounted for using equity method		6(19)(21)	-	( 14,532)	-	22,494	( 22,494)	-	( 14,532)	-	( 14,532)	
Disposal of company's share by subsidiaries recognised as treasury share transactions		6(18)(19)	-	164,225	( 11,377)	-	-	162,874	315,722	-	315,722	
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)	-	-	508	-	( 508)	-	-	-	-	
Capital surplus - dividends unclaimed by the shareholders		6(19)	-	995	-	-	-	-	995	-	995	
Cash dividends paid by subsidiaries to non-controlling interests			-	-	-	-	-	-	-	( 2,578)	( 2,578)	
Capital surplus - dividends unclaimed by the subsidiaries' shareholders		6(19)	-	( 1)	-	-	-	-	( 1)	-	( 1)	
Balance at June 30, 2023			<u>\$ 12,065,568</u>	<u>\$ 22,773,619</u>	<u>\$ 3,887,851</u>	<u>\$ 18,790,992</u>	<u>\$( 479,906)</u>	<u>\$( 2,219,291)</u>	<u>\$ 54,818,833</u>	<u>\$ 51,075</u>	<u>\$ 54,869,908</u>	

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



MITAC HOLDINGS CORPORATION AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF CASH FLOWS  
SIX MONTHS ENDED JUNE 30, 2023 AND 2022  
(Expressed in thousands of New Taiwan dollars)

	Notes	Six months ended June 30	
		2023	2022
<b><u>CASH FLOWS FROM OPERATING ACTIVITIES</u></b>			
Profit before tax		\$ 957,168	\$ 1,314,283
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation	6(27)	519,588	510,301
Amortization	6(12)(27)	51,348	50,838
Provision of expected credit loss (gain)	12(2)	( 299,679)	13
Loss of financial assets/liabilities at fair value through profit or loss	6(25)	18,777	268
Interest expense	6(26)	95,103	28,458
Interest income	6(23)	( 68,107)	( 42,532)
Dividend income	6(24)	( 304,564)	( 307,743)
Share of profit of associates accounted for using equity method	6(7)	( 572,401)	( 922,613)
Gain on disposal of property, plant and equipment	6(25)	( 4,771)	( 4,543)
Loss on disposal of investments	6(25)	1,127	2,154
(Gain) loss on inventory market value decline	6(6)	( 34,587)	42,443
Changes in operating assets and liabilities			
Changes in operating assets			
Decrease (increase) in notes receivable		1,780	( 15,119)
Decrease (increase) in accounts receivable		3,540,133	( 2,254,403)
Increase in other receivables		( 391,354)	( 237,640)
Increase in inventories		( 54,186)	( 1,292,870)
Decrease in prepayments		150,557	374,752
(Increase) decrease in other current assets		( 4,196)	16
Changes in operating liabilities			
Decrease in contract liabilities		( 155,413)	( 15,466)
Increase in accounts payable		453,142	970,982
Decrease in other payables		( 244,140)	( 321,613)
(Decrease) increase in provisions for liabilities		( 53,825)	16,735
Increase (decrease) in other current liabilities		224	( 109,616)
Decrease in accrued pension liabilities		( 157)	-
Increase in other operating liabilities		140	110
Cash inflow (outflow) generated from operations		3,601,707	( 2,212,805)
Receipt of interest		65,658	42,856
Cash dividend received		999,673	979,776
Payment of interest		( 89,292)	( 20,781)
Payment of income tax		( 107,475)	( 205,315)
Net cash flows from (used in) operating activities		4,470,271	( 1,416,269)

(Continued)

MITAC HOLDINGS CORPORATION AND  
CONSOLIDATED STATEMENTS OF CASH FLOWS  
SIX MONTHS ENDED JUNE 30, 2023 AND 2022  
(Expressed in thousands of New Taiwan dollars)

		Six months ended June 30	
	Notes	2023	2022
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Acquisition of financial assets at fair value through other comprehensive income		\$( 39,000)	\$( 111,533)
Proceeds from disposal of financial assets at fair value through other comprehensive income	6(3)	-	300,535
Proceeds from capital reduction of financial assets at fair value through other comprehensive income		16,432	-
(Increase) decrease in financial assets at amortised cost		( 1,072,172)	92,986
Acquisition of investments accounted for using equity method	7	-	( 85,995)
Acquisition of property, plant and equipment	6(8)	( 257,641)	( 495,841)
Proceeds from disposal of property, plant and equipment		7,611	46,117
Decrease in refundable deposits		2,237	( 1,581)
Acquisition of intangible assets	6(12)	( 41,665)	( 86,363)
Acquisition of investment properties	6(11)	-	( 3,035)
Net cash flows used in investing activities		( 1,384,198)	( 344,710)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
(Decrease) increase in short-term loans	6(32)	( 834,730)	4,386,189
Proceeds from long-term debt	6(32)	405,450	58,538
Repayments of long-term debt	6(32)	( 123,628)	( 106,128)
Increase in guarantee deposits	6(32)	10,504	1,497
Repayments of lease liabilities	6(32)	( 23,752)	( 22,730)
Cash dividends paid	6(31)	( 1,559,076)	( 2,395,106)
Proceeds from sale of treasury shares	6(18)	327,099	70,702
Capital surplus - dividends unclaimed by the shareholders	6(19)	994	470
Net cash (used in) flows from financing activities		( 1,797,139)	1,993,432
Effects of changes in exchange rates		( 186,433)	112,873
Net increase in cash and cash equivalents		1,102,501	345,326
Cash and cash equivalents at beginning of period	6(1)	7,801,360	6,651,448
Cash and cash equivalents at end of period	6(1)	\$ 8,903,861	\$ 6,996,774

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

MITAC HOLDINGS CORPORATION AND SUBSIDIARIES  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
SIX MONTHS ENDED JUNE 30, 2023 AND 2022

(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

1. HISTORY AND ORGANISATION

- (1) MiTAC Holdings Corporation (the “Company”) was established by MiTAC International Corp. (“MiTAC International”) through a share conversion on September 12, 2013, and on the same date, the competent authority has approved for the Company’s shares to be listed on the Taiwan Stock Exchange (TWSE). MiTAC International became the Company’s wholly-owned subsidiary after conversion. The main business of the Company 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 August 11, 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
Amendments to IAS 7, and IFRS 7 'Supplier finance arrangements'	January 1, 2024
Amendments to IAS 12, 'International tax reform- pillar two model rules'	May 23, 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.

#### 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’ that came into effect 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
			June 30, 2023	December 31, 2022	June 30, 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

Investor	Subsidiary	Main activities	Ownership (%)			Remarks
			June 30, 2023	December 31, 2022	June 30, 2022	
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	
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 communication, 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 communication, 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

Investor	Subsidiary	Main activities	Ownership (%)			Remarks
			June 30, 2023	December 31, 2022	June 30, 2022	
MiTAC Computer (Kunshan) Ltd.	MiTAC Information Systems (Kunshan) Co., Ltd.	Manufacture of communication, computers, computer peripherals, hardware/software and related products and sale of own produced products	-	-	100	Note 2
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) transferred its subsidiary "MiTAC Information Systems (Kunshan) Co., Ltd." (MISK) to its parent company "MiTAC Investment Holding Ltd." through reduction of 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 and six months ended June 30, 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 June 30, 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>June 30, 2023</u>	<u>December 31, 2022</u>	<u>June 30, 2022</u>
Cash:			
Cash on hand and revolving funds	\$ 493	\$ 558	\$ 562
Checking accounts and demand deposits	5,491,667	4,304,403	6,012,327
Cash equivalents:			
Time deposits	2,161,701	3,416,399	983,885
Structured deposits	-	80,000	-
Repurchased bonds	<u>1,250,000</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 8,903,861</u>	<u>\$ 7,801,360</u>	<u>\$ 6,996,774</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>June 30, 2023</u>	<u>December 31, 2022</u>	<u>June 30, 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	1,487	681	248
Valuation adjustment - Derivatives	<u>970</u>	<u>13,388</u>	<u>15,320</u>
Total	<u>\$ 142,457</u>	<u>\$ 154,069</u>	<u>\$ 155,568</u>

A. The Group recognised net loss of \$(13,619), \$(20,825), \$(11,612) and \$(1,797) on financial assets at fair value through profit or loss for the three months and six months ended June 30, 2023 and 2022, respectively.

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



		June 30, 2023			
Financial Instrument	Item	Notional Amount (in thousands)		Fair Market Value (in thousands)	
MiTAC Digital Technology Corp.					
Forward foreign exchange - Sell	Advance booking EUR to buy USD	EUR	600		112
Forward foreign exchange - Sell	Advance booking AUD to buy USD	AUD	1,450		858
		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
		June 30, 2022			
Financial Instrument	Item	Notional Amount (in thousands)		Fair Market Value (in thousands)	
MiTAC Computing Technology Corp.					
Forward foreign exchange - Sell	Advance booking JPY to buy USD	JPY	51,000		108
MiTAC Digital Technology Corp.					
Forward foreign exchange - Sell	Advance booking EUR to buy USD	EUR	1,050		328
Forward foreign exchange - Sell	Advance booking AUD to buy USD	AUD	2,139		1,326
Forward foreign exchange - Sell	Advance booking EUR to buy NTD	EUR	500		53
MiTAC Computer (Kunshan) Ltd.					
Forward foreign exchange - Sell	Advance booking USD to buy CNY	USD	3,000	CNY	124
MiTAC Computer (Shunde) Corp.					
Forward foreign exchange - Sell	Advance booking USD to buy CNY	USD	10,000	CNY	2,400
Silver Star Developments Ltd.					
Forward foreign exchange - Sell	Advance booking EUR to buy USD	EUR	2,000	USD	53
MiTAC Japan Corp.					
Forward foreign exchange - Buy	Advance booking USD to sell JPY	USD	300	JPY	3,354

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	June 30, 2023	December 31, 2022	June 30, 2022
Current items:			
Listed stocks	\$ 764,112	\$ 764,112	\$ 764,112
Valuation adjustment	524,774	329,546	292,337
Total	<u>\$ 1,288,886</u>	<u>\$ 1,093,658</u>	<u>\$ 1,056,449</u>
Non-current items:			
Listed stocks	\$ 36,516,890	\$ 36,516,890	\$ 19,991,750
Emerging stocks	366,560	-	-
Unlisted stocks	1,647,886	1,991,879	1,939,017
Subtotal	38,531,336	38,508,769	21,930,767
Valuation adjustment	( 2,962,476)	2,412,225	( 210,090)
Total	<u>\$ 35,568,860</u>	<u>\$ 40,920,994</u>	<u>\$ 21,720,677</u>

A. The Group recognised \$(4,409,648), \$(2,884,366), \$(5,179,473) and \$(3,622,681) in other comprehensive loss for fair value change for the three months and six months ended June 30, 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 June 30, 2023, December 31, 2022 and June 30, 2022, the fair value of investments were \$36,857,746, \$42,014,652 and \$22,777,126, respectively.

C. The Group sold \$300,535 of investments at fair value and resulted in cumulative gains on disposal amounting to \$176,922 during the first quarter of 2022.

(4) Financial assets at amortised cost

Items	June 30, 2023	December 31, 2022	June 30, 2022
Current items:			
Time deposits - over three months	\$ 34,800	\$ 34,800	\$ 34,800
Pledged deposits	<u>852,118</u>	<u>245,600</u>	<u>555,724</u>
	<u>\$ 886,918</u>	<u>\$ 280,400</u>	<u>\$ 590,524</u>
Non-current items:			
Pledged deposits	\$ <u>497,717</u>	\$ <u>69,901</u>	\$ <u>48,464</u>
	<u>\$ 497,717</u>	<u>\$ 69,901</u>	<u>\$ 48,464</u>

A. As of June 30, 2023, December 31, 2022 and June 30, 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 \$1,384,635, \$350,301 and \$638,988, 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

	June 30, 2023	December 31, 2022	June 30, 2022
Third parties	\$ 4,539,522	\$ 8,090,490	\$ 8,063,311
Less: Allowance for bad debts	( 59,943)	( 362,180)	( 80,022)
	4,479,579	7,728,310	7,983,289
Related parties	<u>1,369</u>	<u>4,198</u>	<u>7,427</u>
	<u>\$ 4,480,948</u>	<u>\$ 7,732,508</u>	<u>\$ 7,990,716</u>

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

	June 30, 2023	December 31, 2022	June 30, 2022
Not past due	\$ 4,235,696	\$ 6,900,441	\$ 6,882,617
Up to 90 days	302,823	1,170,599	1,176,762
91 to 180 days	1,923	22,743	6,688
Over 181 days	449	905	4,671
	<u>\$ 4,540,891</u>	<u>\$ 8,094,688</u>	<u>\$ 8,070,738</u>

The above ageing analysis was based on past due date.

B. As of June 30, 2023, December 31, 2022 and June 30, 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 June 30, 2023, December 31, 2022 and June 30, 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 \$4,480,948, \$7,732,508 and \$7,990,716, respectively.

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

(6) Inventories

	June 30, 2023	December 31, 2022	June 30, 2022
	Book value	Book value	Book value
Raw materials	\$ 7,459,075	\$ 7,086,133	\$ 10,397,179
Work in process	651,484	622,899	1,184,364
Finished goods	1,301,328	1,535,834	1,867,489
Total	<u>\$ 9,411,887</u>	<u>\$ 9,244,866</u>	<u>\$ 13,449,032</u>

Expense and loss incurred on inventories:

	For the three months ended June 30	
	2023	2022
Cost of goods sold	\$ 8,269,889	\$ 10,467,430
Non-Cancellable Contract Loss reversal	( 18,866)	-
(Gain) loss on (reversal of) decline in market value	( 43,452)	20,998
	<u>\$ 8,207,571</u>	<u>\$ 10,488,428</u>
	For the six months ended June 30	
	2023	2022
Cost of goods sold	\$ 15,898,536	\$ 20,568,754
Non-cancellable contract loss reversal	( 50,299)	-
(Gain) loss on (reversal of) decline in market value	( 34,587)	42,443
	<u>\$ 15,813,650</u>	<u>\$ 20,611,197</u>

For the three months and six months ended June 30, 2023, part of the inventory with reserves for loss on decline in market value were sold, which resulted to the reversal of net realizable value of inventories.

(7) Investments accounted for using equity method

A.

Investee company	June 30, 2023	December 31, 2022	June 30, 2022
Getac Holdings Corp.	\$ 6,049,310	\$ 6,247,978	\$ 5,566,015
3 Probe Technology Co., Ltd.	7,931	12,732	10,672
Lian Jie Investment Co., Ltd.	236,110	266,863	238,361
Lian Jie II Investment Co., Ltd.	43,258	32,119	35,976
Shen-Tong Construction & Development Co., Ltd.	85,469	85,594	85,678
Mainpower International Ltd.	266,177	266,676	265,145
Concentrix Corp.	-	-	7,642,188
Suzhou MiTAC Preclusion Technology Co., Ltd.	403,244	406,276	404,664
Loyal Fidelity Aerospace Corp.	-	-	109,932
Harbinger Ruyi Venture Ltd.	23,783	22,979	15,919
Harbinger Ruyi II Venture Ltd.	78,392	91,891	74,712
Infopower Technologies Ltd.	64,624	66,488	67,792
	<u>\$ 7,258,298</u>	<u>\$ 7,499,596</u>	<u>\$ 14,517,054</u>
Credit balance of long-term investment (Note)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (79,050)</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 and six months ended June 30, 2023 and 2022 amounting to \$335,682, \$495,855, \$572,401 and \$922,613, respectively, and recognized its share of other comprehensive (loss) income from associates accounted for using equity method amounting to \$(33,115), \$(231,599), \$(63,737) and \$(88,420), respectively.

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

Company name	Principal place of business	Shareholding ratio			Nature of relationship	Methods of measurement
		June 30, 2023	December 31, 2022	June 30, 2022		
Getac Holdings Corp.	Taiwan	31.30%	31.55%	31.67%	Owned over 20% ownership	Equity method
Concentrix Corp.	USA	-%	-%	9.49%	Significant influence	Equity method (Note1)

Note 1: 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.			
	June 30, 2023	December 31, 2022	June 30, 2022
Current assets	\$ 22,832,031	\$ 22,953,095	\$ 20,846,425
Non-current assets	14,351,461	14,705,644	14,376,338
Current liabilities	( 11,986,137)	( 12,102,055)	( 11,367,242)
Non-current liabilities	( 3,865,369)	( 3,864,413)	( 4,482,826)
Non-controlling interest	( 2,004,432)	( 1,888,260)	( 1,799,302)
Total net assets	<u>\$ 19,327,554</u>	<u>\$ 19,804,011</u>	<u>\$ 17,573,393</u>
Share in associate's net assets	<u>\$ 6,049,310</u>	<u>\$ 6,247,978</u>	<u>\$ 5,566,015</u>

Concentrix Corp.(Note)			
	June 30, 2023	December 31, 2022	June 30, 2022
Current assets	\$ -	\$ -	\$ 48,413,375
Non-current assets	-	-	147,771,019
Current liabilities	-	-	( 30,404,214)
Non-current liabilities	-	-	( 85,206,764)
Non-controlling interest	-	-	( 64,106)
Total net assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 80,509,310</u>
Share in associate's net assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,642,188</u>

Statement of comprehensive income

Getac Holdings Corp.			
For the three months ended June 30			
	2023	2022	
Revenue	\$ 8,627,589	\$ 7,486,275	
Profit for the period from continuing operations	\$ 1,072,337	\$ 297,003	
Other comprehensive (loss) income - net of tax	( 25,749)	91,031	
Total comprehensive income	<u>\$ 1,046,588</u>	<u>\$ 388,034</u>	
Dividends received from associates	<u>\$ 720,391</u>	<u>\$ 683,486</u>	

	Getac Holdings Corp.	
	For the six months ended June 30	
	2023	2022
Revenue	\$ 16,782,704	\$ 15,043,270
Profit for the period from continuing operations	\$ 1,877,487	\$ 812,647
Other comprehensive (loss) income - net of tax	( 100,110)	641,579
Total comprehensive income	\$ 1,777,377	\$ 1,454,226
Dividends received from associates	\$ 720,391	\$ 683,486

	Concentrix Corp.(Note)	
	For the three months ended June 30	
	2023	2022
Revenue	\$ -	\$ 46,165,463
Profit for the period from continuing operations	\$ -	\$ 3,090,658
Other comprehensive loss - net of tax	-	( 1,865,208)
Total comprehensive income	\$ -	\$ 1,225,450
Dividends received from associates	\$ -	\$ 36,378

	Concentrix Corp.(Note)	
	For the six months ended June 30	
	2023	2022
Revenue	\$ -	\$ 89,163,629
Profit for the period from continuing operations	\$ -	\$ 6,049,845
Other comprehensive loss - net of tax	-	( 2,323,196)
Total comprehensive income	\$ -	\$ 3,726,649
Dividends received from associates	\$ -	\$ 70,951

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

Thus, only the financial information as of June 30, 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 June 30, 2023, December 31, 2022 and June 30, 2022, the carrying amount of the Group's individually immaterial associates amounted to \$1,208,988, \$1,251,618 and \$1,308,851, respectively.

		For the three months ended June 30	
		2023	2022
Profit for the period from continuing operations	\$	109,181	\$ 808,597
Other comprehensive (loss) income - net of tax	(	152,723)	( 165,653)
Total comprehensive (loss) income	\$	<u>43,542</u>	\$ <u>642,944</u>
		For the six months ended June 30	
		2023	2022
(Loss) profit for the period from continuing operations	\$	86,800	\$ 828,165
Other comprehensive income (loss) - net of tax	(	136,816)	( 187,292)
Total comprehensive (loss) income	\$	<u>50,016</u>	\$ <u>640,873</u>

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

	June 30, 2023	December 31, 2022	June 30, 2022
Getac Holdings Corp.	\$ 12,737,555	\$ 8,406,025	\$ 7,682,516
Concentrix Corp.	-	-	19,915,142
Total	\$ <u>12,737,555</u>	\$ <u>8,406,025</u>	\$ <u>27,597,658</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 May 31, 2023 as the basis for the preparation of second 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 June 30, 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	-	1,733	84,666	21,604	-	2,735	1,598	37,743	64,910	42,652	257,641
Disposal	-	-	( 1,838)	-	( 436)	( 88)	-	-	( 478)	-	( 2,840)
Reclassifications	-	120	1,440	642	-	-	-	-	24,483	( 26,685)	-
Depreciation	-	( 126,831)	( 154,277)	( 20,267)	( 5,018)	( 6,174)	( 14,879)	( 22,515)	( 134,849)	-	( 484,810)
Effects of foreign exchange	2,740	( 53,875)	( 16,680)	( 355)	( 198)	( 559)	( 795)	-	( 14,853)	( 332)	( 84,907)
At June 30	<u>\$ 1,102,336</u>	<u>\$ 4,439,471</u>	<u>\$ 863,513</u>	<u>\$ 69,354</u>	<u>\$ 15,849</u>	<u>\$ 20,519</u>	<u>\$ 86,978</u>	<u>\$ 94,693</u>	<u>\$ 664,483</u>	<u>\$ 95,979</u>	<u>\$ 7,453,175</u>
At June 30, 2023											
Cost	\$ 1,102,336	\$ 7,539,576	\$ 2,742,437	\$ 177,098	\$ 76,965	\$ 136,458	\$ 174,391	\$ 169,565	\$ 1,700,191	\$ 95,979	\$ 13,914,996
Accumulated depreciation and impairment	-	( 3,100,105)	( 1,878,924)	( 107,744)	( 61,116)	( 115,939)	( 87,413)	( 74,872)	( 1,035,708)	-	( 6,461,821)
	<u>\$ 1,102,336</u>	<u>\$ 4,439,471</u>	<u>\$ 863,513</u>	<u>\$ 69,354</u>	<u>\$ 15,849</u>	<u>\$ 20,519</u>	<u>\$ 86,978</u>	<u>\$ 94,693</u>	<u>\$ 664,483</u>	<u>\$ 95,979</u>	<u>\$ 7,453,175</u>

											Construction in progress and equipment under inspection	
	Land	Buildings and structures	Machinery	Computer and communication equipment	Transportation equipment	Office equipment	Leasehold improvements	Molding equipment	Other equipment			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>
<u>2022</u>												
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	-	31,704	203,590	10,975	8,482	7,449	10,327	26,335	84,189	112,790		495,841
Disposal	-	( 3)	( 39,629)	( 51)	( 12)	( 8)	( 721)	-	( 1,150)	-		( 41,574)
Reclassifications	-	60,488	480	-	-	-	1,279	-	88,733	( 150,980)		-
Depreciation	-	( 121,882)	( 175,129)	( 19,337)	( 5,057)	( 7,052)	( 19,676)	( 24,977)	( 103,076)	-		( 476,186)
Effects of foreign exchange	13,002	79,773	19,662	360	131	429	971	-	7,746	4,247		126,321
At June 30	<u>\$ 1,093,285</u>	<u>\$ 4,712,368</u>	<u>\$ 1,073,418</u>	<u>\$ 60,738</u>	<u>\$ 23,798</u>	<u>\$ 26,293</u>	<u>\$ 82,453</u>	<u>\$ 88,235</u>	<u>\$ 582,593</u>	<u>\$ 146,445</u>		<u>\$ 7,889,626</u>
At June 30, 2022												
Cost	\$ 1,093,285	\$ 7,877,387	\$ 3,131,306	\$ 173,975	\$ 77,867	\$ 200,783	\$ 188,665	\$ 184,737	\$ 1,539,845	\$ 146,445		\$ 14,614,295
Accumulated depreciation and impairment	-	( 3,165,019)	( 2,057,888)	( 113,237)	( 54,069)	( 174,490)	( 106,212)	( 96,502)	( 957,252)	-		( 6,724,669)
	<u>\$ 1,093,285</u>	<u>\$ 4,712,368</u>	<u>\$ 1,073,418</u>	<u>\$ 60,738</u>	<u>\$ 23,798</u>	<u>\$ 26,293</u>	<u>\$ 82,453</u>	<u>\$ 88,235</u>	<u>\$ 582,593</u>	<u>\$ 146,445</u>		<u>\$ 7,889,626</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>June 30, 2023</u>	<u>December 31, 2022</u>	<u>June 30, 2022</u>
	<u>Carrying amount</u>	<u>Carrying amount</u>	<u>Carrying amount</u>
Land	\$ 208,505	\$ 217,586	\$ 224,004
Buildings and structures	51,898	68,376	74,748
Machinery	248	376	492
Transportation equipment	-	448	1,121
	<u>\$ 260,651</u>	<u>\$ 286,786</u>	<u>\$ 300,365</u>

	<u>For the three months ended June 30</u>	
	<u>2023</u>	<u>2022</u>
	<u>Depreciation charge</u>	<u>Depreciation charge</u>
Land	\$ 2,743	\$ 2,769
Buildings and structures	8,140	7,732
Machinery	61	124
Transportation equipment	112	336
	<u>\$ 11,056</u>	<u>\$ 10,961</u>

	<u>For the six months ended June 30</u>	
	<u>2023</u>	<u>2022</u>
	<u>Depreciation charge</u>	<u>Depreciation charge</u>
Land	\$ 5,504	\$ 5,514
Buildings and structures	16,299	15,640
Machinery	124	124
Transportation equipment	448	672
	<u>\$ 22,375</u>	<u>\$ 21,950</u>

- D. For the six months ended June 30, 2023 and 2022, the additions to right-of-use assets were \$3,019 and \$3,300, respectively.
- E. The information on profit and loss accounts relating to lease contracts is as follows:

		For the three months ended June 30	
		2023	2022
Interest expense on lease liabilities	\$	600	\$ 709
Expense on short-term lease contracts		3,373	3,329
Expense on leases of low-value assets		1,036	660
	\$	<u>5,009</u>	<u>\$ 4,698</u>
		For the six months ended June 30	
		2023	2022
Interest expense on lease liabilities	\$	1,264	\$ 1,460
Expense on short-term lease contracts		6,702	8,242
Expense on leases of low-value assets		1,789	1,155
	\$	<u>9,755</u>	<u>\$ 10,857</u>

F. For the six months ended June 30, 2023 and 2022, the Group's total cash outflow for leases was \$33,507 and \$33,587, 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 and six months ended June 30, 2023 and 2022, the Group recognised rent income in the amounts of \$31,763, \$29,109, \$63,257 and \$58,613, 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:

	June 30, 2023	December 31, 2022	June 30, 2022
Not later than one year	\$ 92,008	\$ 107,649	\$ 113,668
Later than one year but not later than five years	125,685	78,620	93,089
Over five years	15,613	-	919
	<u>\$ 233,306</u>	<u>\$ 186,269</u>	<u>\$ 207,676</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	-	( 12,403)	( 12,403)
Effects of foreign exchange	<u>475</u>	<u>247</u>	<u>722</u>
At June 30	<u>\$ 954,308</u>	<u>\$ 264,088</u>	<u>\$ 1,218,396</u>
<u>At June 30, 2023</u>			
Cost	\$ 954,308	\$ 650,530	\$ 1,604,838
Accumulated depreciation and impairment	<u>-</u>	<u>( 386,442)</u>	<u>( 386,442)</u>
	<u>\$ 954,308</u>	<u>\$ 264,088</u>	<u>\$ 1,218,396</u>
	<u>Land</u>	<u>Buildings and structures</u>	<u>Total</u>
<u>At January 1, 2022</u>			
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	-	3,035	3,035
Depreciation	-	( 12,165)	( 12,165)
Effects of foreign exchange	<u>( 117)</u>	<u>1,319</u>	<u>1,202</u>
At June 30	<u>\$ 953,107</u>	<u>\$ 285,326</u>	<u>\$ 1,238,433</u>
<u>At June 30, 2022</u>			
Cost	\$ 953,107	\$ 649,011	\$ 1,602,118
Accumulated depreciation and impairment	<u>-</u>	<u>( 363,685)</u>	<u>( 363,685)</u>
	<u>\$ 953,107</u>	<u>\$ 285,326</u>	<u>\$ 1,238,433</u>

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

		For the three months ended June 30	
		2023	2022
Rental income from the lease of the investment property	\$	<u>9,507</u>	<u>6,387</u>
Direct operating expenses arising from the investment property that generated rental income in the period	\$	<u>6,542</u>	<u>6,406</u>
Direct operating expenses arising from the investment property that did not generate rental income in the period	\$	<u>2,983</u>	<u>3,022</u>
		For the six months ended June 30	
		2023	2022
Rental income from the lease of the investment property	\$	<u>18,567</u>	<u>13,221</u>
Direct operating expenses arising from the investment property that generated rental income in the period	\$	<u>12,920</u>	<u>13,304</u>
Direct operating expenses arising from the investment property that did not generate rental income in the period	\$	<u>5,937</u>	<u>6,505</u>

- B. The fair value of the investment property held by the Group on June 30, 2023, December 31, 2022 and June 30, 2022 were \$3,729,313, \$3,739,570 and \$3,645,457, 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	41,665	86,363
Amortization	( 51,348)	( 50,838)
Effects of foreign exchange	( 40)	43
At June 30	<u>\$ 104,104</u>	<u>\$ 101,768</u>
At June 30		
Cost	\$ 239,067	\$ 280,788
Accumulated amortization and impairment	( 134,963)	( 179,020)
	<u>\$ 104,104</u>	<u>\$ 101,768</u>

Details of amortization of intangible assets are as follows:

	For the three months ended June 30	
	2023	2022
Operating costs	\$ 111	\$ 332
Selling expenses	3,566	3,138
Administrative expenses	7,908	5,151
Research and development expenses	15,283	17,465
	<u>\$ 26,868</u>	<u>\$ 26,086</u>
	For the six months ended June 30	
	2023	2022
Operating costs	\$ 369	\$ 663
Selling expenses	6,674	6,263
Administrative expenses	14,651	9,905
Research and development expenses	29,654	34,007
	<u>\$ 51,348</u>	<u>\$ 50,838</u>

(13) Short-term borrowings

	June 30, 2023	December 31, 2022	June 30, 2022
Unsecured bank borrowings	\$ 1,901,684	\$ 3,378,178	\$ 7,087,518
Secured bank borrowings	837,019	245,600	536,254
	<u>\$ 2,738,703</u>	<u>\$ 3,623,778</u>	<u>\$ 7,623,772</u>
Interest rates	1.71%~5.84%	3.07%~5.1%	0.6%~3.09%

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

Item	June 30, 2023	December 31, 2022	June 30, 2022
Current items :			
Financial liabilities held for trading			
Valuation adjustment - Derivatives	\$ <u>18,277</u>	\$ <u>11,112</u>	\$ <u>3,384</u>

A. The Group recognised net gain (loss) of \$(14,013), \$26,085, \$(7,165) and \$1,529 for the three months and six months ended June 30, 2023 and 2022, respectively.

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

		June 30, 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	( 948)
Forward foreign exchange swap - Sell	Advance booking USD to buy NTD	USD	40,200	( 16,938)
MiTAC Digital Technology Corp.				
Forward foreign exchange - Sell	Advance booking USD to buy NTD	USD	1,000	( 341)
Silver Star Developments Ltd.				
Forward foreign exchange - Sell	Advance booking EUR to buy USD	EUR	1,000	( 50)
		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)
		June 30, 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	7,000	( 168)
MiTAC Digital Technology Corp.				
Forward foreign exchange - Sell	Advance booking EUR to buy USD	EUR	300	( 11)
Forward foreign exchange - Sell	Advance booking AUD to buy USD	AUD	350	( 1)
MiTAC Computer (Shunde) Corp.				
Forward foreign exchange - Sell	Advance booking USD to buy CNY	USD	12,000	CNY ( 722)



(15) Long-term borrowings

	June 30, 2023	December 31, 2022	June 30, 2022
Unsecured bank borrowings	\$ 578,057	\$ 701,685	\$ 815,740
Secured bank borrowings	393,944	-	-
Less: Current portion(shown as "other current liabilities")	( 284,074)	( 263,991)	( 237,683)
Total	\$ 687,927	\$ 437,694	\$ 578,057
Interest rate range (Note)	1.20%-2.80%	1.075%-1.125%	0.825%~0.875%
Expiry date	113.10.15~115.10.15	113.10.15~115.10.15	113.10.15~115.10.15

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 \$1,701, \$1,884, \$3,781 and \$3,920 for the three months and six months ended June 30, 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 \$7,153.

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 and six months ended June 30, 2023 and 2022 were \$62,418, \$59,292, \$123,558 and \$116,524, 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 (reversals)	38,377	( 50,299)	( 11,922)
Used during the period	( 41,902)	-	( 41,902)
Effects of foreign exchange	46	( 12)	34
At June 30, 2023	<u>\$ 244,637</u>	<u>\$ 58,687</u>	<u>\$ 303,324</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	57,270	-	57,270
Used during the period	( 40,535)	-	( 40,535)
Effects of foreign exchange	315	-	315
At June 30, 2022	<u>\$ 240,473</u>	<u>\$ -</u>	<u>\$ 240,473</u>
Current	108,757	-	108,757
Non-current	<u>131,716</u>	<u>-</u>	<u>131,716</u>
Total	<u>\$ 240,473</u>	<u>\$ -</u>	<u>\$ 240,473</u>

(18) Share capital

- A. As of June 30, 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	9,250	2,128
Outstanding shares as of June 30	<u>1,206,556</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:

As of June 30, 2023: None.

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

Name of company holding the shares	Reason for reacquisition	June 30, 2022	
		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 June 30, 2023, Tsu Fung Investment Corp. disposed 9,250 thousand shares of the Company amounting to \$327,099; 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
Disposal of company's share by subsidiaries recognised as treasury share transactions	-	164,225	-	-	-	-	164,225
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	-	-	( 14,532)	-	-	-	( 14,532)
Capital surplus - dividends unclaimed by the subsidiaries' shareholders	-	-	-	-	-	( 1)	( 1)
Capital surplus - dividends unclaimed by the shareholders	-	-	-	-	-	995	995
At June 30, 2023	<u>\$ 21,571,329</u>	<u>\$ 657,029</u>	<u>\$ 194,915</u>	<u>\$ 609</u>	<u>\$ 346,814</u>	<u>\$ 2,923</u>	<u>\$ 22,773,619</u>

	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	-	-	46,497	-	-	-	46,497
Capital surplus - dividends unclaimed by the shareholders	-	-	-	-	-	470	470
At June 30, 2022	\$ 21,571,329	\$ 480,778	\$ 247,990	\$ 609	\$ 346,814	\$ 1,930	\$ 22,649,450

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 and 2021 earnings had been resolved at the shareholders' meeting on May 29, 2023 and May 31, 2022 respectively. 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	<u>1,568,524</u>	<u>\$ 1.30</u>	<u>2,413,114</u>	<u>\$ 2.00</u>
Total	<u>\$ 2,517,777</u>	<u>\$ 1.30</u>	<u>\$ 3,606,999</u>	<u>\$ 2.00</u>

- F. The amount of cash dividends distributed under the appropriation of 2022 and 2021 earnings had been resolved at the Board of Directors' meeting on February 24, 2023 and February 25, 2022, respectively, and reported to the shareholders' meeting.

(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	-	1,127	1,127
Reclassified to retained earnings upon disposal			
- Group	( 508)	-	( 508)
- Associates	( 22,494)	-	( 22,494)
Revaluation			
- Group	( 5,179,473)	-	( 5,179,473)
- Associates	( 20,727)	-	( 20,727)
Currency translation differences			
- Group	-	( 188,807)	( 188,807)
- Associates	-	( 43,010)	( 43,010)
At June 30	<u>\$ ( 2,219,291)</u>	<u>\$ ( 479,906)</u>	<u>\$ ( 2,699,197)</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	-	2,154	2,154
Reclassified to retained earnings upon disposal			
- Group	( 177,277)	-	( 177,277)
- Associates	8,795	-	8,795
Revaluation			
- Group	( 3,622,681)	-	( 3,622,681)
- Associates	( 59,741)	-	( 59,741)
Currency translation differences			
- Group	-	1,085,298	1,085,298
- Associates	-	( 28,679)	( 28,679)
At June 30	<u>\$ 265,939</u>	<u>\$ ( 1,209,632)</u>	<u>\$ ( 943,693)</u>

(22) Operating revenue

		For the three months ended June 30	
		2023	2022
Revenue from contracts with customers	\$	<u>9,233,431</u>	\$ <u>11,547,189</u>
		For the six months ended June 30	
		2023	2022
Revenue from contracts with customers	\$	<u>17,905,342</u>	\$ <u>22,860,234</u>

A. Disaggregation of revenue from contracts with customers

		For the three months ended June 30	
		2023	2022
Cloud computing product	\$	7,372,649	\$ 9,080,974
Automotive electronics and AIoT product		1,199,063	1,532,581
Others		<u>661,719</u>	<u>933,634</u>
	\$	<u>9,233,431</u>	\$ <u>11,547,189</u>
		For the six months ended June 30	
		2023	2022
Cloud computing product	\$	14,010,463	\$ 17,961,646
Automotive electronics and AIoT product		2,571,465	3,106,837
Others		<u>1,323,414</u>	<u>1,791,751</u>
	\$	<u>17,905,342</u>	\$ <u>22,860,234</u>

B. Contract liabilities

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

	June 30, 2023	December 31, 2022	June 30, 2022
Contract liabilities– sales of goods	\$ 135,183	\$ 271,890	\$ 434,038
Contract liabilities– others	<u>13,190</u>	<u>34,971</u>	<u>2,577</u>
Total	\$ <u>148,373</u>	\$ <u>306,861</u>	\$ <u>436,615</u>

(23) Interest income

		For the three months ended June 30	
		2023	2022
Interest income from bank deposits	\$	33,775	\$ 20,854
Interest income from financial assets measured at amortised cost		<u>3,878</u>	<u>3,185</u>
	\$	<u>37,653</u>	\$ <u>24,039</u>



		For the six months ended June 30	
		2023	2022
Interest income from bank deposits	\$	61,871	\$ 36,311
Interest income from financial assets measured at amortised cost		6,236	6,221
	\$	<u>68,107</u>	<u>42,532</u>
(24) <u>Other income</u>			
		For the three months ended June 30	
		2023	2022
Rental revenue	\$	31,763	\$ 29,109
Dividend income		175,187	201,654
Other income		39,456	16,660
	\$	<u>246,406</u>	<u>247,423</u>
		For the six months ended June 30	
		2023	2022
Rental revenue	\$	63,257	\$ 58,613
Dividend income		304,564	307,743
Other income		53,097	65,351
	\$	<u>420,918</u>	<u>431,707</u>
(25) <u>Other gains and losses</u>			
		For the three months ended June 30	
		2023	2022
Gains on disposals of property, plant and equipment	\$	4,771	\$ 4,545
Losses on disposal of investments	(	560)	( 430)
Net currency exchange gains (losses)		59,917	( 13,616)
(Losses) gains on financial assets liabilities at fair value through profit or loss	(	27,632)	5,260
Other losses	(	4,543)	13,187)
	\$	<u>31,953</u>	<u>\$ (17,428)</u>

		For the six months ended June 30	
		2023	2022
Gains on disposals of property, plant and equipment	\$	4,771	\$ 4,543
Losses on disposal of investments	(	1,127)	( 2,154)
Net currency exchange gains (losses)		7,270	( 7,920)
Losses on financial assets liabilities at fair value through profit or loss	(	18,777)	( 268)
Other losses	(	18,259)	( 23,597)
	\$	<u>26,122</u>	\$ <u>29,396</u>

(26) Financial costs

		For the three months ended June 30	
		2023	2022
Interest expense on bank borrowings	\$	43,759	\$ 19,703
Interest expense on lease liabilities		600	709
	\$	<u>44,359</u>	\$ <u>20,412</u>

		For the six months ended June 30	
		2023	2022
Interest expense on bank borrowings	\$	93,839	\$ 26,998
Interest expense on lease liabilities		1,264	1,460
	\$	<u>95,103</u>	\$ <u>28,458</u>

(27) Expense by nature

		For the three months ended June 30	
		2023	2022
Employee benefit expense	\$	1,350,420	\$ 1,462,424
Depreciation charges on property, plant and equipment, investment property and right-of-use assets		259,088	258,689
Amortization charges		26,868	26,086
Total	\$	<u>1,636,376</u>	\$ <u>1,747,199</u>

	For the six months ended June 30	
	2023	2022
Employee benefit expense	\$ 2,727,364	\$ 2,917,390
Depreciation charges on property, plant and equipment, investment property and right- of-use assets	519,588	510,301
Amortization charges	51,348	50,838
Total	<u>\$ 3,298,300</u>	<u>\$ 3,478,529</u>

(28) Employee benefit expenses

	For the three months ended June 30	
	2023	2022
Wages and salaries	\$ 1,167,346	\$ 1,282,499
Labor and health insurance fees	80,859	72,864
Pension costs	64,119	61,176
Other personnel expenses	38,096	45,885
	<u>\$ 1,350,420</u>	<u>\$ 1,462,424</u>

	For the six months ended June 30	
	2023	2022
Wages and salaries	\$ 2,352,702	\$ 2,558,377
Labor and health insurance fees	167,382	151,363
Pension costs	127,339	120,444
Other personnel expenses	79,941	87,206
	<u>\$ 2,727,364</u>	<u>\$ 2,917,390</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 six months ended June 30, 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 and six months ended June 30, 2023 and 2022, employees' compensation were accrued at \$1,062, \$956, \$1,248 and \$1,504, respectively; and directors' remuneration were accrued at \$1,626, \$1,749, \$3,252 and \$3,498, 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 June 30	
	2023	2022
Current tax:		
Current tax on profits for the period	\$( 93)	\$ 34,282
Tax on undistributed surplus earnings	348,738	416,592
Prior year income tax underestimation	10,433	7,368
Total current tax	359,078	458,242
Deferred tax:		
Origination and reversal of temporary differences	( 319,835)	( 348,934)
Total deferred tax	( 319,835)	( 348,934)
Income tax expense	\$ 39,243	\$ 109,308

	For the six months ended June 30	
	2023	2022
Current tax:		
Current tax on profits for the period	\$ 109,105	\$ 94,106
Tax on undistributed surplus earnings	348,738	416,592
Prior year income tax overestimation	648	( 1,094)
Total current tax	458,491	509,604
Deferred tax:		
Origination and reversal of temporary differences	( 366,180)	( 255,542)
Total deferred tax	( 366,180)	( 255,542)
Income tax expense	\$ 92,311	\$ 254,062

- 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 June 30, 2023		
	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
<u>Amount after tax</u>		
<u>Basic earnings per share</u>		
Profit attributable to ordinary shareholders of the parent	1,197,306	\$ <u>0.59</u>
<u>Diluted earnings per share</u>		
Profit attributable to ordinary shareholders of the parent		
Less: Effect of dilutive potential common stocks issued by investee companies	(2,970)	
Employees' compensation	<u>36</u>	
Net income attributable to common stockholders plus dilutive effect of common stock equivalents	<u>1,197,342</u>	\$ <u>0.59</u>

For the three months ended June 30, 2022		
	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
<u>Amount after tax</u>		
<u>Basic earnings per share</u>		
Profit attributable to ordinary shareholders of the parent	1,197,306	\$ <u>0.44</u>
<u>Diluted earnings per share</u>		
Profit attributable to ordinary shareholders of the parent		
Less: Effect of dilutive potential common stocks issued by investee companies	(3,332)	
Employees' compensation	<u>55</u>	
Net income attributable to common stockholders plus dilutive effect of common stock equivalents	<u>1,197,361</u>	\$ <u>0.44</u>

For the six months ended June 30, 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>862,424</u>	1,197,306	\$ <u>0.72</u>
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 862,424		
Less: Effect of dilutive potential common stocks issued by investee companies	(8,180)		
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	132	
Net income attributable to common stockholders plus dilutive effect of common stock equivalents	\$ <u>854,244</u>	<u>1,197,438</u>	\$ <u>0.71</u>

For the six months ended June 30, 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>1,058,614</u>	1,197,306	\$ <u>0.88</u>
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 1,058,614		
Less: Effect of dilutive potential common stocks issued by investee companies	(7,497)		
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	163	
Net income attributable to common stockholders plus dilutive effect of common stock equivalents	\$ <u>1,051,117</u>	<u>1,197,469</u>	\$ <u>0.88</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 six months ended June 30	
	2023	2022
Cash dividends declared but yet to be paid – the Company	\$ 1,568,524	\$ 2,413,114
Add: Cash dividends to minority interests paid by subsidiaries	2,578	493
Less: Recognition of cash dividends declared by the parent to subsidiaries	( 12,026)	( 18,501)
Cash paid during the period	\$ <u>1,559,076</u>	\$ <u>2,395,106</u>

(32) Changes in liabilities from financing activities

	Short-term borrowings	Guarantee deposit received	Lease liabilities	Long-term borrowings (including current portion)	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	( 834,730)	10,504	( 25,016)	281,822	( 567,420)
Impact of changes in foreign exchange rate	( 50,345)	( 882)	15	( 11,506)	( 62,718)
Changes in other non-cash items	-	-	4,283	-	4,283
At June 30, 2023	\$ <u>2,738,703</u>	\$ <u>44,583</u>	\$ <u>148,371</u>	\$ <u>972,001</u>	\$ <u>3,903,658</u>

  

	Short-term borrowings	Guarantee deposit received	Lease liabilities	Long-term borrowings (including current portion)	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	4,386,189	1,497	( 24,190)	( 47,590)	4,315,906
Impact of changes in foreign exchange rate	21,859	393	4,238	-	26,490
Changes in other non-cash items	-	-	4,760	-	4,760
At June 30, 2022	\$ <u>7,623,772</u>	\$ <u>31,851</u>	\$ <u>179,830</u>	\$ <u>815,740</u>	\$ <u>8,651,193</u>

## 7. RELATED PARTY TRANSACTIONS

### (1) Names of related parties and relationship

<u>Names of related parties</u>	<u>Relationship with the Group</u>
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
Whetron Electronics Co., LTD.	The Company was this company's director
3 Probe Technology Co., Ltd.	Associate

### (2) Significant related party transactions and balances

#### A. Operating revenue:

##### (a)

		<u>For the three months ended June 30</u>	
		<u>2023</u>	<u>2022</u>
Sales of goods:			
-Associates	\$	18,222	\$ 17,832
-Other related parties		<u>1,148</u>	<u>6,222</u>
		<u>19,370</u>	<u>24,054</u>
-Associates-Others		<u>1,900</u>	<u>2,888</u>
Subtotal		<u>1,900</u>	<u>2,888</u>
Total	\$	<u><u>21,270</u></u>	<u><u>26,942</u></u>
		<u>For the six months ended June 30</u>	
		<u>2023</u>	<u>2022</u>
Sales of goods:			
-Associates	\$	40,574	\$ 33,581
-Other related parties		<u>2,825</u>	<u>6,599</u>
		<u>43,399</u>	<u>40,180</u>
Sales of services:			
-Associates		<u>4,526</u>	<u>5,992</u>
Subtotal		<u>4,526</u>	<u>5,992</u>
Total	\$	<u><u>47,925</u></u>	<u><u>46,172</u></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 June 30	
		2023	2022
Purchases of goods:			
-Associates	\$	5,925	\$ 12,703
-Other related parties - Synnex Techonology International Corp. and subsidiaries		<u>752,141</u>	<u>116,618</u>
Total	\$	<u><u>758,066</u></u>	<u><u>129,321</u></u>
		For the six months ended June 30	
		2023	2022
Purchases of goods:			
-Associates	\$	9,166	\$ 22,274
-Other related parties - Synnex Techonology International Corp. and subsidiaries		<u>1,647,982</u>	<u>199,597</u>
Total	\$	<u><u>1,657,148</u></u>	<u><u>221,871</u></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:

	<u>June 30, 2023</u>	<u>December 31, 2022</u>	<u>June 30, 2022</u>
Accounts receivable:			
-Associates	\$ 225	\$ 3,902	\$ 1,008
-Other related parties	<u>1,144</u>	<u>296</u>	<u>6,419</u>
Subtotal	<u>1,369</u>	<u>4,198</u>	<u>7,427</u>
Other receivables-others:			
-Associates-Getac Holdings Corp. and subsidiaries	\$ 12,826	\$ 21,952	\$ 21,283
-Associates-Others (Note)	8,174	4,755	125,863
-Other related parties	<u>2,559</u>	<u>2,344</u>	<u>2,437</u>
Subtotal	<u>23,559</u>	<u>29,051</u>	<u>149,583</u>
Other receivables-Dividend:			
-Other related parties	\$ <u>29,221</u>	\$ -	\$ <u>82,833</u>
Subtotal	<u>29,221</u>	-	<u>82,833</u>
Total	<u>\$ 54,149</u>	<u>\$ 33,249</u>	<u>\$ 239,843</u>

Note: Other receivables-others: the balances on June 30, 2022 include the \$119,074 capital reduction receivable- Loyal Fidelity Aerospace Co., Ltd. had received in 2022.

D. Payables to related parties:

	<u>June 30, 2023</u>	<u>December 31, 2022</u>	<u>June 30, 2022</u>
Accounts payable:			
-Associates	\$ 5,540	\$ 3,963	\$ 7,872
-Other related parties - Synnex Technology International Corp. and subsidiaries	<u>107,663</u>	<u>157,760</u>	<u>165,137</u>
Subtotal	<u>113,203</u>	<u>161,723</u>	<u>173,009</u>
Other payables:			
-Associates	5,046	3,715	1,514
-Other related parties	<u>4,329</u>	<u>5,004</u>	<u>984</u>
Subtotal	<u>9,375</u>	<u>8,719</u>	<u>2,498</u>
Total	<u>\$ 122,578</u>	<u>\$ 170,442</u>	<u>\$ 175,507</u>

E. Property transactions:

(a) Acquisition of property, plant and equipment:

	<u>For the three months ended June 30</u>	
	<u>2023</u>	<u>2022</u>
Other related parties	<u>\$ 2,878</u>	<u>\$ 767</u>

	For the six months ended June 30	
	2023	2022
Other related parties	\$ <u>4,164</u>	\$ <u>997</u>

(b) Acquisition of financial assets:

For the three months and six months ended June 30, 2023 : None.

For the three months ended June 30, 2022

Account	Number of shares	Subject of the transaction	Acquisition amount
Financial assets at fair value through other comprehensive income-non current	2,614 thousand shares	Whetron Electronics Co., Ltd.	\$ <u>104,560</u>

For the six months ended June 30, 2022

Account	Number of shares	Subject of the transaction	Acquisition amount
Investments accounted for using equity method	600 thousand shares	Hyve Design Solutions Corporation	\$ <u>85,995</u>
Financial assets at fair value through other comprehensive income-non current	2,614 thousand shares	Whetron Electronics Co., Ltd.	\$ <u>104,560</u>

F. Lease transactions — leasee

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

(b) Lease liabilities

i. Outstanding balance:

	June 30, 2023	December 31, 2022	June 30, 2022
Associates	\$ <u>5,426</u>	\$ <u>11,441</u>	\$ <u>17,023</u>

ii. Interest expense

	For the three months ended June 30	
	2023	2022
Associates	\$ <u>102</u>	\$ <u>274</u>

	For the six months ended June 30	
	2023	2022
Associates	\$ <u>249</u>	\$ <u>585</u>

G. Lease transactions — lessor

		For the three months ended June 30	
		2023	2022
Rent income			
Associates	\$	11,186	\$ 11,199
Other related parties		185	224
Total	\$	<u>11,371</u>	<u>\$ 11,423</u>
		For the six months ended June 30	
		2023	2022
Rent income			
Associates	\$	22,393	\$ 22,363
Other related parties		369	507
Total	\$	<u>22,762</u>	<u>\$ 22,870</u>

H. Expenses

		For the three months ended June 30	
		2023	2022
Associates	\$	5,349	\$ 183
Other related parties		913	203
Total	\$	<u>6,262</u>	<u>\$ 386</u>
		For the six months ended June 30	
		2023	2022
Associates	\$	5,661	\$ 1,494
Other related parties		1,057	876
Total	\$	<u>6,718</u>	<u>\$ 2,370</u>

(3) Key management compensation

		For the three months ended June 30	
		2023	2022
Salaries and other short-term employee benefits	\$	5,492	\$ 6,630
Post-employment benefits		152	148
Total	\$	<u>5,644</u>	<u>\$ 6,778</u>
		For the six months ended June 30	
		2023	2022
Salaries and other short-term employee benefits	\$	35,428	\$ 35,090
Post-employment benefits		305	292
Total	\$	<u>35,733</u>	<u>\$ 35,382</u>

## 8. PLEDGED ASSETS

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

<u>Pledged asset</u>	<u>Book Value</u>			<u>Purpose</u>
	<u>June 30, 2023</u>	<u>December 31, 2022</u>	<u>June 30, 2022</u>	
Time deposits (shown as "Financial assets at amortised cost-non- current")	\$ 10,171	\$ 10,177	\$ 10,147	Guarantee deposit for lease
Time deposits (shown as "Financial assets at amortised cost-non- current")	428,200	-	-	Guarantees deposit for borrowings
Time deposits (shown as "Financial assets at amortised cost-non- current")	59,346	59,724	38,317	Guarantee deposit for letter of guarantee for customs duties
Time deposits (shown as "Financial assets at amortised cost-current")	852,118	245,600	555,724	Guarantees deposit for borrowings
	<u>\$ 1,349,835</u>	<u>\$ 315,501</u>	<u>\$ 604,188</u>	

## 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>June 30, 2023</u>	<u>December 31, 2022</u>	<u>June 30, 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>142,457</u>	\$ <u>154,069</u>	\$ <u>155,568</u>
Financial assets at fair value through other comprehensive income			
Designation of equity instrument	\$ <u>36,857,746</u>	\$ <u>42,014,652</u>	\$ <u>22,777,126</u>
Financial assets at amortised cost			
Cash and cash equivalents	\$ 8,903,861	\$ 7,801,360	\$ 6,996,774
Financial assets at amortised cost	1,384,635	350,301	638,988
Notes receivable	38,094	40,992	17,338
Accounts receivable	4,479,579	7,728,310	7,983,289
Accounts receivable - related parties	1,369	4,198	7,427
Other receivables	593,548	158,303	531,935
Refundable deposits	<u>21,333</u>	<u>23,756</u>	<u>25,070</u>
	\$ <u>15,422,419</u>	\$ <u>16,107,220</u>	\$ <u>16,200,821</u>

	<u>June 30, 2023</u>	<u>December 31, 2022</u>	<u>June 30, 2022</u>
<u>Financial liabilities</u>			
Financial liabilities at fair value through profit or loss			
Financial liabilities held for trading	\$ <u>18,277</u>	\$ <u>11,112</u>	\$ <u>3,384</u>
Financial liabilities at amortised cost			
Short-term borrowings	\$ 2,738,703	\$ 3,623,778	\$ 7,623,772
Accounts payable	6,249,321	5,730,648	8,123,111
Accounts payable - related parties	113,203	161,723	173,009
Other accounts payable	3,966,482	4,219,223	3,428,150
Refundable deposits	44,583	34,961	31,851
Long-term borrowings (including current portion)	<u>972,001</u>	<u>701,685</u>	<u>815,740</u>
	\$ <u>14,084,293</u>	\$ <u>14,472,018</u>	\$ <u>20,195,633</u>
Lease liabilities	\$ <u>148,371</u>	\$ <u>169,089</u>	\$ <u>179,830</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:

	June 30, 2023		
	Foreign currency amount (In thousands)	Exchange rate	Book value (NTD)
(Foreign currency: functional currency)			
<u>Financial assets</u>			
<u>Monetary items</u>			
USD:NTD	\$ 311,049	31.140	\$ 9,686,063
EUR:NTD	4,649	33.810	157,180
USD:CNY	74,035	7.272	2,305,439
<u>Non-monetary items</u>			
CNY:NTD	94,172	4.282	403,244
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD:NTD	171,074	31.140	5,327,259
USD:CNY	142,514	7.272	4,437,881

	December 31, 2022		
	Foreign currency amount (In thousands)	Exchange rate	Book value (NTD)
(Foreign currency: functional currency)			
<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



(Foreign currency: functional currency)	June 30, 2022			
	Foreign currency amount		Book value	
	(In thousands)	Exchange rate	(NTD)	
<u>Financial assets</u>				
<u>Monetary items</u>				
USD:NTD	\$ 182,578	29.720	\$	5,426,228
USD:CNY	12,974	6.695		385,592
<u>Non-monetary     items</u>				
CNY:USD	91,161	0.149		404,664
<u>Financial liabilities</u>				
<u>Monetary items</u>				
USD:NTD	301,217	29.720		5,893,611
USD:CNY	88,689	6.695		2,635,851
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 and six months ended June 30, 2023 and 2022, amounted to \$59,917, \$(13,616), \$7,270 and \$(7,920), respectively.				
iii. The Group's foreign currency market risk analysis regarding significant exchange rate fluctuations is shown below:				

(Foreign currency: functional currency)	For the six months ended June 30, 2023			
	Sensitivity analysis			Affected other comprehensive income
	Fluctuation %	Affected income		
<u>Financial assets</u>				
<u>Monetary items</u>				
USD:NTD	1.00%	\$ 96,861	\$	-
EUR:NTD	1.00%	1,572		-
USD:CNY	1.00%	23,054		-
<u>Financial liabilities</u>				
<u>Monetary items</u>				
USD:NTD	1.00%	53,273		-
USD:CNY	1.00%	44,379		-

For the six months ended June 30, 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%	\$ 54,262	\$	-
USD:CNY	1.00%	3,856		-
<u>Financial liabilities</u>				
<u>Monetary items</u>				
USD:NTD	1.00%	58,936		-
USD:CNY	1.00%	26,359		-

#### 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 six months ended June 30, 2023 and 2022 would have increased/decreased by \$1,415 and \$1,402. Other components of equity would have increased/decreased by \$368,577 and \$227,771, 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 six months ended June 30, 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 six months ended June 30, 2023 and 2022 would have decreased /increased by \$186 and \$422, 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 contact 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 June 30, 2023, December 31, 2022 and June 30, 2022, the loss rate methodology is as follows:

June 30, 2023	Group A	Group B	Total
Expected loss rate	0% - 100%	0.010% - 0.7%	
Value	\$ 357,953	\$ 4,182,938	\$ 4,540,891
Allowance	56,751	3,192	59,943
December 31, 2022	Group A	Group B	Total
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
June 30, 2022	Group A	Group B	Total
Expected loss rate	0% - 100%	0.011% - 0.7%	
Value	\$ 2,078,668	\$ 5,992,070	\$ 8,070,738
Allowance	75,725	4,297	80,022

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:

	2023
At January 1	\$ 362,180
Reversal of provision for impairment	( 299,679)
Write-off	( 200)
Effect of foreign exchange	( 2,358)
At June 30	<u>\$ 59,943</u>
	2022
At January 1	\$ 78,858
Provision for impairment	13
Effect of foreign exchange	<u>1,151</u>
At June 30	<u>\$ 80,022</u>

(c) Liquidity risk

- i. 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.
- ii. 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 non-derivative financial liabilities and to the

expected maturity date for derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows.

Non-derivative financial liabilities:

<u>June 30, 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	\$ 2,745,048	\$ -	\$ -	\$ -
Accounts payable	6,362,524	-	-	-
Other payables	3,966,482	-	-	-
Lease liabilities	38,395	27,467	15,754	80,783
Guarantee deposits	30,376	2,715	1,824	9,668
Long-term				
borrowings	289,564	163,188	495,560	33,497

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>June 30, 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	\$ 7,630,374	\$ -	\$ -	\$ -
Accounts payable	8,296,120	-	-	-
Other payables	3,428,150	-	-	-
Lease liabilities	46,463	28,227	25,917	96,165
Guarantee deposits	10,315	12,540	1,180	7,816
Long-term				
borrowings	243,588	287,824	162,419	134,689

Derivative financial liabilities

As June 30, 2023, December 31, 2022 and June 30, 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:

June 30, 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	\$ -	\$ 970	\$ -	\$ 970
Equity securities	<u>32,693,970</u>	<u>207,895</u>	<u>4,097,368</u>	<u>36,999,233</u>
Total	<u>\$ 32,693,970</u>	<u>\$ 208,865</u>	<u>\$ 4,097,368</u>	<u>\$37,000,203</u>
<u>Recurring fair value</u>				
<u>measurements Financial</u>				
<u>liabilities:</u>				
Forward exchange contracts	\$ <u>-</u>	\$ <u>18,277</u>	\$ <u>-</u>	\$ <u>18,277</u>

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
June 30, 2022	Level 1	Level 2	Level 3	Total
<u>Recurring fair value</u>				
<u>measurements Financial</u>				
<u>assets:</u>				
Forward exchange contracts	\$ -	\$ 15,320	\$ -	\$ 15,320
Equity securities	<u>18,728,695</u>	<u>439,131</u>	<u>3,749,548</u>	<u>22,917,374</u>
Total	<u>\$ 18,728,695</u>	<u>\$ 454,451</u>	<u>\$ 3,749,548</u>	<u>\$ 22,932,694</u>
<u>Recurring fair value</u>				
<u>measurements Financial</u>				
<u>liabilities:</u>				
Forward exchange contracts	\$ -	\$ 3,384	\$ -	\$ 3,384

- (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 six months ended June 30, 2023, Whetron Electronics Co., Ltd. was transferred from Level 2 to Level 1; for the six months ended June 30, 2022, there was no transfer between Level 1 and Level 2.

F. The following table presents the changes in Level 3 instruments as at June 30, 2023 and 2022:

	Equity securities	
	2023	2022
January 1	\$ 3,909,355	\$ 4,115,941
Proceeds from capital reduction for the period	( 16,432)	-
Acquired in the period	-	6,973
Gains (losses) recognised in other comprehensive income	204,445	( 373,365)
Effects of foreign exchange	-	( 1)
June 30	<u>\$ 4,097,368</u>	<u>\$ 3,749,548</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 June 30, 2023	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instrument:					
Unlisted shares	\$ 4,097,368	Net asset value	Net asset value	-	The higher the net asset value, the higher the fair value.



	Fair value at December 31, 2022	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
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.
	Fair value at June 30, 2022	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instrument:					
Unlisted shares	\$ 3,749,548	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:

		June 30, 2023					
				Recognised in profit or loss		Recognised in other comprehensive income	
		Input	Change	Favourable change	Unfavourable change	Favourable change	Unfavourable change
Financial assets							
Equity instrument	Net asset value	±1%	\$ -	\$ -	\$ 40,974	\$ 40,974	
		December 31, 2022					
				Recognised in profit or loss		Recognised in other comprehensive income	
		Input	Change	Favourable change	Unfavourable change	Favourable change	Unfavourable change
Financial assets							
Equity instrument	Net asset value	±1%	\$ -	\$ -	\$ 39,094	\$ 39,094	
		June 30, 2022					
				Recognised in profit or loss		Recognised in other comprehensive income	
		Input	Change	Favourable change	Unfavourable change	Favourable change	Unfavourable change
Financial assets							
Equity instrument	Net asset value	±1%	\$ -	\$ -	\$ 37,495	\$ 37,495	

### 13. SUPPLEMENTARY DISCLOSURES

#### (1) Significant transactions information

A. Loans to others: Please refer to table 1.

B. Provision of endorsements and guarantees to others: Please refer to table 2.

C. Holding of marketable securities at the end of the period (not including subsidiaries,

associates and joint ventures): Please refer to table 3.

- D. Acquisition or sale of the same security with the accumulated cost exceeding NT\$300 million or 20% of the Company's paid-in capital: Please refer to table 4.
- E. Acquisition of real estate reaching NT\$300 million or 20% of paid-in capital or more: None.
- F. Disposal of real estate reaching NT\$300 million or 20% of paid-in capital or more: None.
- G. Purchases or sales of goods from or to related parties reaching NT\$100 million or 20% of paid-in capital or more: Please refer to table 5.
- H. Receivables from related parties reaching NT\$100 million or 20% of paid-in capital or more: Please refer to table 6.
- I. Trading in derivative instruments undertaken during the reporting periods: Please refer to Notes 6(2) and (14).
- J. Significant inter-company transactions during the reporting periods: Please refer to table 7.

(2) Information on investees

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

(3) Information on investments in Mainland China

A. Basic information: Please refer to table 9.

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

(4) Major shareholders information

Major shareholders information: Please refer to table 10.

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 six months ended June 30, 2023				
Item	Cloud computing business group	Automotive electronics and AIoT business group	Others	Total
Revenue	\$ 14,010,463	\$ 2,571,465	\$ 1,323,414	\$ 17,905,342
Segment gain (loss)	173,682	72,324	( 229,039)	16,967

For the six months ended June 30, 2022				
Item	Cloud computing business group	Automotive electronics and AIoT business group	Others	Total
Revenue	\$ 17,961,646	\$ 3,106,837	\$ 1,791,751	\$ 22,860,234
Segment gain (loss)	253,447	54,910	( 333,072)	( 24,715)

(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 six months ended June 30, 2023 and 2022 is provided as follows:

Items	For the six months ended June 30	
	2023	2022
Profit (loss) for reportable segments	\$ 16,967	\$( 24,715)
Unallocated:		
Share of profits (losses) from associates and joint ventures accounted for using the equity method	572,401	922,613
Dividend revenue	304,564	307,743
Interest revenue	68,107	42,532
Net currency exchange gain (loss)	7,270	( 7,920)
Loss on disposal of investments	( 1,127)	( 2,154)
Other (loss) income	( 11,014)	76,184
Income before tax from operations	\$ <u>957,168</u>	\$ <u>1,314,283</u>

MiTAC HOLDINGS CORPORATION AND SUBSIDIARIES  
Loans to others  
For the six months ended June 30, 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 six months ended June 30, 2023	Balance at June 30, 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	\$ 1,174,580	1.49311%	2	\$ -	Operations	\$ -	None	\$ -	\$ 23,387,658	\$ 23,387,658
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	-	23,387,658	23,387,658
0	MiTAC Holdings Corp.	MiTAC Digital Technology Corp.	Other receivables-related parties	Y	1,000,000	1,000,000	-	0	2	-	Operations	-	None	-	23,387,658	23,387,658
1	MiTAC International Corp.	MiTAC Holdings Corp.	Other receivables-related parties	Y	500,000	200,000	-	0	2	-	Operations	-	None	-	23,633,790	23,633,790
1	MiTAC International Corp.	MiTAC Computing Technology Corp.	Other receivables-related parties	Y	200,000	200,000	-	0	2	-	Operations	-	None	-	23,633,790	23,633,790
1	MiTAC International Corp.	MiTAC Digital Technology Corp.	Other receivables-related parties	Y	200,000	200,000	-	0	2	-	Operations	-	None	-	23,633,790	23,633,790
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	-	23,633,790	23,633,790
2	MiTAC Computing Technology Corp.	MiTAC Holdings Corp.	Other receivables-related parties	Y	700,000	350,000	-	0	2	-	Operations	-	None	-	1,098,644	1,098,644
2	MiTAC Computing Technology Corp.	MiTAC International Corp.	Other receivables-related parties	Y	250,000	250,000	-	1.49311%	2	-	Operations	-	None	-	1,098,644	1,098,644
3	MiTAC Digital Technology Corp.	MiTAC Holdings Corp.	Other receivables-related parties	Y	150,000	-	-	0	2	-	Operations	-	None	-	726,711	726,711
3	MiTAC Digital Technology Corp.	MiTAC International Corp.	Other receivables-related parties	Y	430,000	430,000	-	1.49311%	2	-	Operations	-	None	-	726,711	726,711
4	Silver Star Developments Ltd.	MiTAC Holdings Corp.	Other receivables-related parties	Y	21,823,348	21,823,348	21,413,748	0	2	-	Operations	-	None	-	91,904,733	91,904,733
4	Silver Star Developments Ltd.	MiTAC International Corp.	Other receivables-related parties	Y	16,630,710	16,630,710	13,500,820	0	2	-	Operations	-	None	-	18,380,947	18,380,947
4	Silver Star Developments Ltd.	Start Well Technology Ltd.	Other receivables-related parties	Y	931,311	931,311	931,311	0	2	-	Operations	-	None	-	91,904,733	91,904,733
4	Silver Star Developments Ltd.	MiTAC Benelux N.V.	Other receivables-related parties	Y	67,680	67,620	67,620	0	2	-	Operations	-	None	-	91,904,733	91,904,733
4	Silver Star Developments Ltd.	MiTAC Information Systems Corp.	Other receivables-related parties	Y	1,121,040	1,121,040	980,910	0	2	-	Operations	-	None	-	91,904,733	91,904,733
5	Tyan Computer Corp.(USA)	MiTAC Information Systems Corp.	Other receivables-related parties	Y	233,550	233,550	233,550	1.83%	2	-	Operations	-	None	-	1,278,900	1,278,900
6	MiTAC Investment Holding Ltd.	MiTAC Technology (Kunshan) Co., Ltd.	Other receivables-related parties	Y	13,335	-	-	3.85%	2	-	Operations	-	None	-	7,298,883	7,298,883
6	MiTAC Investment Holding Ltd.	MiTAC Information Systems (Kunshan) Co., Ltd.	Other receivables-related parties	Y	44,450	-	-	0%-4.3%	2	-	Operations	-	None	-	7,298,883	7,298,883
7	MiTAC Research (Shanghai) Ltd.	MiTAC Information Systems (Kunshan) Co., Ltd.	Other receivables-related parties	Y	280,035	269,766	269,766	0%-4.3%	2	-	Operations	-	None	-	934,382	934,382
8	Access Wisdom Holdings Ltd.	MiTAC Digital Technology Corp.	Other receivables-related parties	Y	34,254	34,254	34,254	0	2	-	Operations	-	None	-	81,279	81,279

No. (Note1)	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the six months ended June 30, 2023	Balance at June 30, 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		
9	Mio International Ltd.	MiTAC Digital Technology Corp.	Other receivables- related parties	Y	21,798	21,798	21,798	0	2	-	Operations	-	None	-	22,568	22,568
9	Mio International Ltd.	Access Wisdom Holdings Ltd.	Other receivables- related parties	Y	21,798	21,798	21,798	0	2	-	Operations	-	None	-	112,839	112,839

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 six months ended June 30, 2023

Table 2

Expressed in thousands of NTD  
(Except as otherwise indicated)

Number (Note 1)	Endorser/ guarantor	Party being endorsed/guaranteed		Limit on endorsements/ guarantees provided for a single party ( Note 3)	Maximum outstanding endorsement/ guarantee amount as of June 30, 2023	Outstanding endorsement/ guarantee amount at June 30, 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	\$ 29,234,573	\$ 93,420	\$ 93,420	\$ 93,420	\$ -	0.16 %	\$ 29,234,573	Y	N	N
0	MiTAC Holdings Corp.	MiTAC Computing Technology Corp.	2	29,234,573	585,432	585,432	585,432	-	1.00 %	29,234,573	Y	N	N
0	MiTAC Holdings Corp.	MiTAC Digital Technology Corp.	2	29,234,573	4,152	4,152	4,152	-	0.01 %	29,234,573	Y	N	N
0	MiTAC Holdings Corp.	MiTAC Information Systems Corp.	2	29,234,573	1,557,000	1,557,000	465,482	-	2.66 %	29,234,573	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)  
June 30, 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 June 30, 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	\$ 180,015	0.19	\$ 180,015	
MiTAC Holdings Corp.	stocks	Healthera Corporation	None	Financial assets at fair value through other comprehensive income-non current	72,112	1,884	0.28	1,884	
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	3,962	2.19	3,962	
MiTAC Holdings Corp.	stocks	TRANS-IOT TECHNOLOGY CO., LTD.	None	Financial assets at fair value through other comprehensive income-non current	769,230	20,000	7.27	20,000	
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	487,702	11.27	487,702	
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	154,544	11.57	154,544	
MiTAC Holdings Corp.	stocks	TD Synnex Corp.	None	Financial assets at fair value through other comprehensive income-non current	2,403,229	7,034,636	2.55	7,034,636	
MiTAC Holdings Corp.	stocks	Concentrix Corp.	None	Financial assets at fair value through other comprehensive income-non current	1,977,944	4,973,649	3.80	4,973,649	
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	2,799,599	2.79	2,799,599	
MiTAC International Corp.	stocks	UPC Technology Corp.	Same board chairman	Financial assets at fair value through other comprehensive income-non current	16,179,560	240,266	1.19	240,266	
MiTAC International Corp.	stocks	COMPUCASE ENTERPRISE CO., LTD.	None	Financial assets at fair value through other comprehensive income-non current	10,000,000	614,000	8.83	614,000	
MiTAC International Corp.	stocks	Synnex Technology International Corp.	Same board chairman	Financial assets at fair value through other comprehensive income-non current	5,245,000	304,210	0.31	304,210	
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	104,988	4.17	104,988	
MiTAC International Corp.	stocks	MiTAC INC.	Same board chairman	Financial assets at fair value through other comprehensive income-non current	35,401,218	2,083,034	8.71	2,083,034	
MiTAC International Corp.	stocks	Overseas Investment & Development Corp.	None	Financial assets at fair value through other comprehensive income-non current	1,000,000	13,310	1.11	13,310	
MiTAC International Corp.	stocks	Harbinger Venture Capital Corp.	Same board chairman	Financial assets at fair value through other comprehensive income-non current	27,828	215	14.05	215	
MiTAC International Corp.	stocks	Harbinger VI Venture Capital Corp.	None	Financial assets at fair value through other comprehensive income-non current	3,213,811	43,997	13.28	43,997	

Securities held by	Marketable securities		Relationship with the securities issuer	General ledger account	As of June 30, 2023				Footnote
					Number of shares	Book value	Ownership (%)	Fair value	
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	5,333,333	84,122	9.39	84,122	
MiTAC International Corp.	stocks	TD Synnex Corp.	None	Financial assets at fair value through other comprehensive income-non current	2,594,649	7,594,953	2.75	7,594,953	
MiTAC International Corp.	stocks	Concentrix Corp.	None	Financial assets at fair value through other comprehensive income-current	2,135,489	5,369,804	4.10	5,369,804	
Tsu Fung Investment Corp.	stocks	Getac Holdings Corp.	None	Financial assets at fair value through other comprehensive income-current	7,783,741	520,732	1.28	520,732	
Tsu Fung Investment Corp.	stocks	UPC Technology Corp.	None	Financial assets at fair value through other comprehensive income-current	17,460,231	259,285	1.29	259,285	
Tsu Fung Investment Corp.	stocks	Synnex Technology International Corp.	None	Financial assets at fair value through other comprehensive income-current	8,217,974	476,642	0.49	476,642	
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	32,227	2.92	32,227	
Tsu Fung Investment Corp.	stocks	MiTAC Information Technology Corp.	None	Financial assets at fair value through other comprehensive income-non current	4,594,672	77,062	3.06	77,062	
Tsu Fung Investment Corp.	stocks	MiTAC INC.	None	Financial assets at fair value through other comprehensive income-non current	21,824,887	1,284,193	5.37	1,284,193	
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	128,878	19.99	128,878	Note 1
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	19,357	19.99	19,357	
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	141,502	19.99	141,502	
Tsu Fung Investment Corp.	stocks	Whetron Electronics Co., Ltd.	None	Financial assets at fair value through other comprehensive income-non current	375,000	20,809	0.48	20,809	
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	70,730	-	70,730	
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	70,757	-	70,757	
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	884,301	0.32	884,301	
Silver Star Developments Ltd. and its subsidiaries	stocks	Concentrix Corp.	None	Financial assets at fair value through other comprehensive income-non current	302,102	759,652	0.58	759,652	
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	25	14.83	25	
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: 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  
Acquisition or sale of the same security with the accumulated cost exceeding \$300 million or 20% of the Company's paid-in capital  
For the six months ended June 30, 2023

Table 4

Expressed in thousands of NTD  
(Except as otherwise indicated)

Investor	Marketable securities	General ledger account	Counterparty	Relationship with the investor	Balance as at January 1, 2023		Addition		Disposal				Balance as at June 30, 2023		Footnote
					Number of shares	Amount	Number of shares	Amount	Number of shares	Selling price	Book value	Gain (loss) on disposal	Number of shares	Amount	
Tsu Fung Investment Corp.	MiTAC Holdings Corp.	Financial assets at fair value through profit or loss - current	-	-	9,250,594	\$ 272,893	-	\$ -	9,250,594	\$ 327,099	\$ 288,465	\$ 38,634	-	\$ -	

Note 1: Disposal of treasury stock.

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 six months ended June 30, 2023

Table 5

Expressed in thousands of NTD  
(Except as otherwise indicated)

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction				Differences in transaction terms		Notes/accounts receivable (payable)		Footnote
			Purchases /sales	Amount	Percentage of total purchases/sales	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	
MiTAC Computing Technology Corp.	MiTAC Information Systems Corp.	Subsidiary	Sales	\$ 818,717	10 %	Note 1	Note 3	Note 1	\$ 3,027,918	65 %	
MiTAC Computing Technology Corp.	MiTAC Computer (Shunde) Corp.	Affiliate	Purchases	245,360	4 %	Note 2	Note 3	Note 2	(1,562,947)	36 %	
MiTAC Computing Technology Corp.	Tyan Computer Corp.(USA)	Subsidiary	Sales	310,635	4 %	Note 1	Note 3	Note 1	44,132	1 %	
MiTAC Computing Technology Corp.	Synnex Technology International Corp. and its subsidiaries	Other related parties	Purchases	1,646,990	25 %	Note 2	Note 3	Note 2	(106,964)	2 %	
MiTAC Digital Technology Corp.	MiTAC Computer (Kunshan) Ltd.	Affiliate	Purchases	549,771	41 %	Note 2	Note 3	Note 2	(906,603)	76 %	
Silver Star Developments Ltd. and its subsidiaries	MiTAC Computing Technology Corp.	Affiliate	Sales	247,055	4 %	Note 1	Note 3	Note 1	1,582,434	4 %	
Silver Star Developments Ltd. and its subsidiaries	MiTAC Digital Technology Corp.	Affiliate	Sales	547,114	9 %	Note 1	Note 3	Note 1	919,771	2 %	
MiTAC Technology UK Ltd. and its subsidiaries	MiTAC Computing Technology Corp.	Parent Company	Purchases	1,129,352	16 %	Note 2	Note 3	Note 2	(3,072,051)	54 %	
Access Wisdom Holdings Ltd. and its subsidiaries	MiTAC Digital Technology Corp.	Parent Company	Purchases	114,137	103 %	Note 2	Note 3	Note 2	(48,640)	80 %	

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 six months ended June 30, 2023

Table 6

Expressed in thousands of NTD  
(Except as otherwise indicated)

Creditor	Counterparty	Relationship with the counterparty	Accounts receivable	Other receivables	Turnover rate	Overdue receivables		Amount collected subsequent to the balance sheet date	Allowance for doubtful accounts	Footnote
						Amount	Action taken			
MiTAC Holdings Corp.	MiTAC Computing Technology Corp.	Subsidiary	\$ -	\$ 234,190	-	\$ -	Not Applicable	\$ -	\$ -	
MiTAC Computing Technology Corp.	MiTAC Information Systems Corp.	Subsidiary	3,027,918	1,874	0.42	2,188,375	Subsequent collection	100,620	-	
Silver Star Developments Ltd. and its subsidiaries	MiTAC Computing Technology Corp.	Affiliate	1,582,434	17,016	0.31	-	Not Applicable	319,185	-	
Silver Star Developments Ltd. and its subsidiaries	MiTAC Digital Technology Corp.	Affiliate	919,771	1,610	1.33	-	Not Applicable	56,052	-	

MiTAC HOLDINGS CORPORATION AND SUBSIDIARIES  
Significant inter-company transactions during the reporting periods  
For the six months ended June 30, 2023

Table 7

Expressed in thousands of NTD  
(Except as otherwise indicated)

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction				
				General ledger account	Amount	Transaction terms	Percentage of consolidated total operating revenues or total assets (Note 3)	Footnote
0	MiTAC Holdings Corp.	MiTAC International Corp.	1	Other receivables	\$ 1,217,394		1.54 %	
0	MiTAC Holdings Corp.	MiTAC Computing Technology Corp.	1	Other receivables	234,190		0.30 %	
2	MiTAC Computing Technology Corp.	MiTAC Technology UK Ltd. and its subsidiaries	3	Sales	1,129,352	Note 4	6.31 %	
2	MiTAC Computing Technology Corp.	MiTAC Technology UK Ltd. and its subsidiaries	3	Accounts receivable	3,072,051	Note 4	3.88 %	
2	MiTAC Computing Technology Corp.	Silver Star Developments Ltd. and its subsidiaries	3	Purchases	247,055	Note 5	1.38 %	
2	MiTAC Computing Technology Corp.	Silver Star Developments Ltd. and its subsidiaries	3	Accounts payable	1,582,434	Note 5	2.00 %	
3	Silver Star Developments Ltd. and its subsidiaries	MiTAC Holdings Corp.	2	Other receivables	21,413,748		27.03 %	
3	Silver Star Developments Ltd. and its subsidiaries	MiTAC International Corp.	3	Other receivables	13,505,005		17.05 %	
3	Silver Star Developments Ltd. and its subsidiaries	MiTAC Information Systems Corp.	3	Other receivables	980,910		1.24 %	
4	MiTAC Digital Technology Corp.	Silver Star Developments Ltd. and its subsidiaries	3	Purchases	547,114	Note 5	3.06 %	
4	MiTAC Digital Technology Corp.	Silver Star Developments Ltd. and its subsidiaries	3	Accounts payable	919,771	Note 5	1.16 %	

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 six months ended June 30, 2023

Table 8

Expressed in thousands of NTD  
(Except as otherwise indicated)

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at June 30, 2023			Net profit (loss) of the investee for the six months ended June 30, 2023	Investment income (loss) recognised by the Company for the six months ended June 30, 2023	Footnote
				Balance as at June 30, 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	4,099,434,336	100.00	\$ 56,420,287	\$ 930,853	\$ 918,828	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	3,013,426	158,932	157,428	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	1,731,122	86,041	83,220	Subsidiary
MiTAC Holdings Corp.	Infopower Technologies Ltd.	India	Manufacture and sale of electronic product.	72,988	72,988	6,774,199	33.33	64,624	(7,556)	(2,519)	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	31.30	6,049,310	1,786,859	-	Associate
MiTAC International Corp.	Tsu Fung Investment Corp.	Taiwan	General investments	625,000	625,000	142,884,651	100.00	3,561,391	74,229	-	Subsidiary
MiTAC International Corp.	3 Probe Technology Co., Ltd.	Taiwan	Information process service, sales of software and international trading.	13,420	16,839	744,154	23.25	7,931	(4,330)	-	Associate
MiTAC International Corp.	Lian Jie Investment Co., Ltd.	Taiwan	General investments	113,057	113,057	11,305,650	49.98	236,110	788	-	Associate
MiTAC International Corp.	Lian Jie II Investment Co., Ltd.	Taiwan	General investments	32,500	32,500	3,250,000	32.50	43,258	(756)	-	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	45,145,452	(103,816)	-	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	85,469	(262)	-	Associate
MiTAC Computing Technology Corp.	MiTAC Technology UK Ltd. and its subsidiaries	UK	General investments	1,600,620	1,600,620	55,146,137	100.00	937,157	240,352	-	Subsidiary
MiTAC Computing Technology Corp.	Hyve Design Solutions Corporation	USA	Assemble and sales of computer and peripheral equipment.	352,751	352,751	1,600,000	50.00	-	-	-	Associate
MiTAC Digital Technology Corp.	Mio International Ltd. and its subsidiaries	British Virgin Islands	General investments	70,927	70,927	1,275,001	100.00	84,544	335	-	Subsidiary
MiTAC Digital Technology Corp.	Access Wisdom Holdings Limited and its subsidiaries	British Virgin Islands	General investments	-	-	48,500,000	100.00	247,199	49,721	-	Subsidiary
Silver Star Developments Ltd. and its subsidiaries	Mainpower International Ltd.	British Virgin Islands	General investments	171,270	171,270	5,500,001	13.28	266,177	44,345	-	Associate
Silver Star Developments Ltd. and its subsidiaries	Harbinger Ruyi Venture Ltd.	British Virgin Islands	General investments	31,140	31,140	1,000,000	28.57	23,783	868	-	Associate

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at June 30, 2023			Net profit (loss) of the investee for the six months ended June 30, 2023	Investment income (loss) recognised by the Company for the six months ended June 30, 2023	Footnote
				Balance as at June 30, 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	31,140	31,140	10,000	32.26	78,392	(391)	-	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	-	16	86,041	-	Subsidiary

MiTAC HOLDINGS CORPORATION AND SUBSIDIARIES  
Information on investments in Mainland China  
For the six months ended June 30, 2023

Table 9

Expressed in thousands of NTD  
(Except as otherwise indicated)

A. Invested information in Mainland China

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2023	Amount remitted from Taiwan to Mainland China/ Amount remitted back to Taiwan for the six months ended June 30, 2023		Accumulated amount of remittance from Taiwan to Mainland China as of June 30, 2023	Net income of investee as of June 30, 2023	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the six months ended June 30, 2023 (Note 2)	Book value of investments in Mainland China as of June 30, 2023	Accumulated amount of investment income remitted back to Taiwan as of June 30, 2023	Footnote
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	\$ 1,784,333	2	\$ 1,242,509	\$ -	\$ -	\$ 1,242,509	\$ (68,027)	100.00	\$ (68,027)	\$ 2,708,693	\$ -	
MiTAC Computer (Kunshan) Ltd.	Manufacture of ommunication, computers, computer peripherals, hardware/software and related products and sale of own produced products	1,158,302	2	1,824,804	-	-	1,824,804	(12,221)	100.00	(12,221)	1,710,322	-	
MiTAC Technology (Kunshan) Co., Ltd.	Testing, maintenance and display of computer components and related technical advisory services and after-sale services	35,442	2	31,140	-	-	31,140	15,721	100.00	15,721	86	-	
MiTAC Research (Shanghai) Ltd.	Research, development of computer software and related technical advisory services	156,459	2	161,928	-	-	161,928	8,236	100.00	8,236	475,194	-	
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.	1,511,450	2	420,390	-	-	420,390	54,094	27.44	14,843	677,710	-	
Mio Technology (Suzhou) Ltd.	Sales of automotive electronics, AIoT products	8,040	2	30,984	-	-	30,984	335	100.00	335	35,879	-	
MiTAC Logistic Service (Kunshan) Ltd.	Agency of freight transport,export and import trading and warehousing services.	29,206	2	31,140	-	-	31,140	(41)	100.00	(41)	40,676	-	
MiTAC Innovation (Kunshan) Ltd.	Research, development of computer software and related technical advisory services	28,135	2	31,140	-	-	31,140	2,256	100.00	2,256	84,674	-	
MiTAC Telematics Technology Corporation	Sales of self-produced products and related after-sale services	8,564	1	2,272	-	-	2,272	(3,127)	100.00	(3,127)	13,816	-	
MiTAC Investment Holding Ltd.	General investments	2,908,729	2	934,200	-	-	934,200	(63,258)	100.00	(63,258)	3,587,979	-	
MiTAC Information Systems (Kunshan) Co., Ltd.	Manufacture of ommunication, computers, computer peripherals, hardware/software and related products and sale of own produced products	1,926,900	3	-	-	-	-	(51,379)	100.00	(51,379)	1,648,565	-	

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 six months ended June 30, 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 June 30, 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 June 30, 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 5.



MiTAC HOLDINGS CORPORATION AND SUBSIDIARIES  
Major shareholders information  
June 30, 2023

Table 10

Name of major shareholders	Shares	
	Number of shares held	Ownership (%)
Lien Hwa Industrial Holdings Corp.	105,940,944	8.78 %
MiTAC INC.	101,431,091	8.41 %
UPC Technology Corp.	99,802,598	8.27 %