

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

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

INDEPENDENT AUDITORS' REVIEW REPORT

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 September 30, 2023 and 2022, and the related consolidated statements of comprehensive income for the three months and nine months then ended, as well as the consolidated statements of changes in equity and of cash flows for the nine 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\$6,400,684 thousand and NT\$6,968,714 thousand, constituting 8% and 8% of the consolidated total assets as at September 30, 2023 and 2022, respectively, total liabilities amounted to NT\$1,537,481 thousand and NT\$2,878,953 thousand, constituting 6% and 10% of the consolidated total liabilities as at September 31, 2023 and 2022, respectively, and the total comprehensive income (loss) and share of profit or loss and other comprehensive income (loss) of associates and joint ventures accounted for using equity method amounted to NT\$19,693 thousand, NT\$137,963 thousand, NT\$(14,420) thousand and NT\$456,467 thousand, constituting 1%, 2%, 1% and 7% of the consolidated total comprehensive income (loss) for the three months and nine 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 September 30, 2023 and 2022, and of its consolidated financial performance for the three months and nine months then ended and its consolidated cash flows for the three months and nine 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.

Emphasis of matter

We draw attention to Note 6(7) to the consolidated financial statements, which describes that during the third quarter of 2022, the Group's ownership in the associate, Concentrix Corp. was decreased and the Group lost significant influence over it. As a result, the Group recognised gains on disposal of investments amounting to NT\$9,027,054 thousand. Our conclusion is not modified in respect of this matter.

Liu, Chien-Yu

Li, Tien-Yi

For and on behalf of PricewaterhouseCoopers, Taiwan

November 10, 2023

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

MITAC HOLDINGS CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
SEPTEMBER 30, 2023, DECEMBER 31, 2022 AND SEPTEMBER 30, 2022
(Expressed in thousands of New Taiwan dollars)

	Assets	Notes	September 30, 2023		December 31, 2022		September 30, 2022	
			AMOUNT	%	AMOUNT	%	AMOUNT	%
	Current assets							
1100	Cash and cash equivalents	6(1)	\$ 6,670,029	8	\$ 7,801,360	9	\$ 8,096,288	10
1110	Financial assets at fair value through profit or loss - current	6(2)	144,893	-	154,069	-	167,281	-
1120	Financial assets at fair value through other comprehensive income - current	6(3)	1,420,345	2	1,093,658	1	1,005,364	1
1136	Financial assets at amortised cost - current	6(4) and 8	913,385	1	280,400	-	288,859	-
1150	Notes receivable - net		55,834	-	40,992	-	46,383	-
1170	Accounts receivable - net	6(5) and 12(2)	6,048,014	7	7,728,310	9	8,209,083	10
1180	Accounts receivable - related parties - net	6(5), 7 and 12(2)	5,562	-	4,198	-	20,620	-
1200	Other receivables	7	1,051,338	1	158,303	-	313,371	-
1220	Current income tax assets		96,982	-	42,587	-	12,454	-
130X	Inventories	6(6)	9,447,984	12	9,244,866	11	13,573,111	16
1410	Prepayments		229,728	-	399,342	-	329,265	-
1470	Other current assets		10,464	-	17,631	-	17,404	-
	Total current assets		<u>26,094,558</u>	<u>31</u>	<u>26,965,716</u>	<u>30</u>	<u>32,079,483</u>	<u>37</u>
	Non-current assets							
1517	Financial assets at fair value through other comprehensive income - non-current	6(3)	37,822,778	46	40,920,994	48	36,391,740	42
1535	Financial assets at amortised cost - non-current	6(4) and 8	511,416	1	69,901	-	48,581	-
1550	Investments accounted for using equity method	6(7)	7,870,367	10	7,499,596	10	7,306,129	9
1600	Property, plant and equipment - net	6(8)	7,435,287	10	7,768,091	10	7,915,346	10
1755	Right-of-use assets	6(9) and 7	254,816	-	286,786	-	300,026	-
1760	Investment property - net	6(11)	1,214,658	1	1,230,077	1	1,233,508	1
1780	Intangible assets	6(12)	89,905	-	113,827	-	93,472	-
1840	Deferred income tax assets		691,224	1	649,722	1	577,636	1
1900	Other non-current assets		143,134	-	75,615	-	75,513	-
15XX	Total non-current assets		<u>56,033,585</u>	<u>69</u>	<u>58,614,609</u>	<u>70</u>	<u>53,941,951</u>	<u>63</u>
1XXX	Total assets		<u>\$ 82,128,143</u>	<u>100</u>	<u>\$ 85,580,325</u>	<u>100</u>	<u>\$ 86,021,434</u>	<u>100</u>

(Continued)

MITAC HOLDINGS CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
SEPTEMBER 30, 2023, DECEMBER 31, 2022 AND SEPTEMBER 30, 2022
(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity	Notes	September 30, 2023		December 31, 2022		September 30, 2022	
		AMOUNT	%	AMOUNT	%	AMOUNT	%
Current liabilities							
2100 Short-term borrowings	6(13)	\$ 863,017	1	\$ 3,623,778	4	\$ 4,476,653	5
2120 Financial liabilities at fair value through profit or loss - current	6(14)	12,121	-	11,112	-	21,884	-
2130 Contract liabilities - current	6(22)	159,282	-	306,861	-	453,844	1
2170 Accounts payable		5,828,469	7	5,730,648	7	8,593,933	10
2180 Accounts payable - related parties	7	786,815	1	161,723	-	229,623	-
2200 Other payables	7	4,915,901	6	4,219,223	5	3,837,881	4
2230 Current income tax liabilities		1,371,261	2	905,201	1	830,675	1
2250 Provisions - current	6(17)	163,568	-	227,689	-	117,480	-
2280 Lease liabilities - current	7	32,618	-	41,731	-	41,781	-
2300 Other current liabilities	6(15)	484,997	1	471,788	1	455,047	1
21XX Total current liabilities		<u>14,618,049</u>	<u>18</u>	<u>15,699,754</u>	<u>18</u>	<u>19,058,801</u>	<u>22</u>
Non-current liabilities							
2540 Long-term borrowings	6(15)	628,308	1	437,694	1	509,549	1
2550 Provisions - non-current	6(17)	153,775	-	129,425	-	138,170	-
2570 Deferred income tax liabilities		7,947,146	9	8,202,099	10	8,957,148	11
2580 Lease liabilities - non-current	7	107,080	-	127,358	-	137,821	-
2600 Other non-current liabilities	6(7)	299,453	-	291,264	-	415,745	-
25XX Total non-current liabilities		<u>9,135,762</u>	<u>10</u>	<u>9,187,840</u>	<u>11</u>	<u>10,158,433</u>	<u>12</u>
2XXX Total liabilities		<u>23,753,811</u>	<u>28</u>	<u>24,887,594</u>	<u>29</u>	<u>29,217,234</u>	<u>34</u>
Equity attributable to owners of parent							
Share capital	6(18)						
3110 Common shares		12,065,568	15	12,065,568	14	12,065,568	14
Capital surplus	6(19)						
3200 Capital surplus		22,784,975	28	22,610,906	26	22,613,968	26
Retained earnings	6(20)						
3310 Legal reserve		3,887,851	5	2,938,598	3	2,938,598	3
3350 Unappropriated retained earnings		19,429,169	24	20,434,720	24	20,770,175	24
Other equity interest	6(21)						
3400 Other equity interest		154,379	-	2,754,695	4	(1,472,644)	(1)
3500 Treasury stocks	6(18)	-	-	(162,874)	-	(162,874)	-
31XX Equity attributable to owners of the parent		<u>58,321,942</u>	<u>72</u>	<u>60,641,613</u>	<u>71</u>	<u>56,752,791</u>	<u>66</u>
36XX Non-controlling interests		<u>52,390</u>	<u>-</u>	<u>51,118</u>	<u>-</u>	<u>51,409</u>	<u>-</u>
3XXX Total equity		<u>58,374,332</u>	<u>72</u>	<u>60,692,731</u>	<u>71</u>	<u>56,804,200</u>	<u>66</u>
Significant Contingent Liabilities And Unrecognised Contract Commitments	9(1)(2)						
Significant Events After the Balance Sheet Date	11						
3X2X Total liabilities and equity		<u>\$ 82,128,143</u>	<u>100</u>	<u>\$ 85,580,325</u>	<u>100</u>	<u>\$ 86,021,434</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 NINE MONTHS ENDED SEPTEMBER 30, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars, except for earnings per share)

Items	Notes	Three months ended September 30				Nine months ended September 30			
		2023		2022		2023		2022	
		AMOUNT	%	AMOUNT	%	AMOUNT	%	AMOUNT	%
4000 Operating revenue	6(22) and 7	\$ 9,778,194	100	\$ 12,345,047	100	\$ 27,683,536	100	\$ 35,205,281	100
5000 Operating costs	6(6) and 7	(8,651,812)	(88)	(10,853,833)	(88)	(24,465,462)	(88)	(31,465,030)	(89)
5900 Gross profit		<u>1,126,382</u>	<u>12</u>	<u>1,491,214</u>	<u>12</u>	<u>3,218,074</u>	<u>12</u>	<u>3,740,251</u>	<u>11</u>
Operating expenses	6(27) (28) 7 and 12(2)								
6100 Selling expenses		(256,202)	(3)	(265,387)	(2)	(765,167)	(3)	(743,780)	(2)
6200 General and administrative expenses		(287,225)	(3)	(324,962)	(3)	(881,568)	(3)	(957,691)	(3)
6300 Research and development expenses		(628,944)	(6)	(676,902)	(5)	(1,900,040)	(7)	(1,839,519)	(5)
6450 Expected credit loss (gain)		(1,558)	-	1	-	298,121	1	(12)	-
Total operating expenses		(1,173,929)	(12)	(1,267,250)	(10)	(3,248,654)	(12)	(3,541,002)	(10)
6900 Operating (loss)/profit		(47,547)	-	223,964	2	(30,580)	-	199,249	1
Non-operating income and expenses									
7100 Interest income	6(23)	29,671	-	30,173	-	97,778	-	72,705	-
7010 Other income	6(24) and 7	379,729	4	258,402	2	800,647	3	690,109	2
7020 Other gains and losses	6(25)	108,038	1	10,400,068	84	81,916	-	10,370,672	29
7050 Finance costs	6(26) and 7	(17,226)	-	(36,328)	-	(112,329)	-	(64,786)	-
7060 Share of profit of associates and joint ventures accounted for using equity method	6(7)	<u>353,632</u>	<u>4</u>	<u>219,775</u>	<u>2</u>	<u>926,033</u>	<u>3</u>	<u>1,142,388</u>	<u>3</u>
7000 Total non-operating income and expenses		<u>853,844</u>	<u>9</u>	<u>10,872,090</u>	<u>88</u>	<u>1,794,045</u>	<u>6</u>	<u>12,211,088</u>	<u>34</u>
7900 Profit before income tax		806,297	9	11,096,054	90	1,763,465	6	12,410,337	35
7950 Income tax expense	6(29)	(181,313)	(2)	(2,513,086)	(20)	(273,624)	(1)	(2,767,148)	(8)
8200 Profit for the period		<u>\$ 624,984</u>	<u>7</u>	<u>\$ 8,582,968</u>	<u>70</u>	<u>\$ 1,489,841</u>	<u>5</u>	<u>\$ 9,643,189</u>	<u>27</u>

(Continued)

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

Items		Notes	Three months ended September 30				Nine months ended September 30			
			2023		2022		2023		2022	
			AMOUNT	%	AMOUNT	%	AMOUNT	%	AMOUNT	%
Other comprehensive income (loss) - net										
Components of other comprehensive income (loss) that will not be reclassified to profit or loss										
8316	Unrealised losses from investments in equity instruments measured at fair value through other comprehensive income	6(3)(21)	\$ 272,954	3	\$ (1,915,526)	(16)	\$ (4,906,519)	(18)	\$ (5,538,207)	(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)	(1,770)	-	89,819	1	(22,497)	-	30,078	-
8310	Components of other comprehensive income (loss) that will not be reclassified to profit or loss		271,184	3	(1,825,707)	(15)	(4,929,016)	(18)	(5,508,129)	(16)
Components of other comprehensive income (loss) that will be reclassified to profit or loss										
8361	Exchange differences on translation of foreign financial statements	6(21)	2,374,550	24	1,130,181	10	2,186,972	8	2,218,136	8
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)	222,350	2	186,237	1	179,340	1	157,558	-
8360	Components of other comprehensive income (loss) that will be reclassified to profit or loss		2,596,900	26	1,316,418	11	2,366,312	9	2,375,694	8
8300	Other comprehensive income (loss) for the period		\$ 2,868,084	29	\$ (509,289)	(4)	\$ (2,562,704)	(9)	\$ (3,132,435)	(8)
8500	Total comprehensive income (loss) for the period		\$ 3,493,068	36	\$ 8,073,679	66	\$ (1,072,863)	(4)	\$ 6,510,754	19
Profit , attributable to:										
8610	Owners of parent		\$ 624,026	7	\$ 8,581,765	70	\$ 1,486,450	5	\$ 9,640,379	27
8620	Non-controlling interests		\$ 958	-	\$ 1,203	-	\$ 3,391	-	\$ 2,810	-
Comprehensive income (loss) attributable to:										
8710	Owners of parent		\$ 3,491,753	36	\$ 8,071,941	66	\$ (1,076,713)	(4)	\$ 6,506,906	19
8720	Non-controlling interests		\$ 1,315	-	\$ 1,738	-	\$ 3,850	-	\$ 3,848	-
9750	Basic earnings per share	6(30)	\$ 0.52		\$ 7.17		\$ 1.24		\$ 8.05	
9850	Diluted earnings per share	6(30)	\$ 0.51		\$ 7.16		\$ 1.22		\$ 8.04	

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

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

		Equity attributable to owners of the parent									
		Retained earnings				Other equity interest					

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

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

	Notes	Nine months ended September 30	
		2023	2022
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Profit before tax		\$ 1,763,465	\$ 12,410,337
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation	6(27)	769,676	779,616
Amortisation	6(12)(27)	77,371	74,051
Expected credit (gain) loss	12(2)	(298,121)	12
Loss of financial assets/liabilities at fair value through profit or loss	6(25)	10,184	7,087
Interest expense	6(26)	112,329	64,786
Interest income	6(23)	(97,778)	(72,705)
Dividend income	6(24)	(640,362)	(520,962)
Share of profit of associates accounted for using equity method	6(7)	(926,033)	(1,142,388)
Gain on disposal of property, plant and equipment	6(25)	(4,752)	(4,860)
Loss (gain) on disposal of investments	6(25)	1,086	(10,097,539)
Loss on inventory market value decline	6(6)	317,332	220,551
Changes in operating assets and liabilities			
Changes in operating assets			
Increase in notes receivable		(14,675)	(43,759)
Decrease (increase) in accounts receivable		2,075,507	(2,332,897)
Increase in other receivables		(844,380)	(163,925)
Increase in inventories		(264,899)	(1,174,622)
Decrease in prepayments		169,096	418,907
Decrease in other current assets		7,526	1,137
Changes in operating liabilities			
(Decrease) increase in contract liabilities		(146,315)	851
Increase in accounts payable		632,567	1,333,274
Increase in other payables		649,677	65,138
(Decrease) increase in provisions for liabilities		(42,326)	31,647
Decrease in other current liabilities		(10,446)	(114,787)
Decrease in accrued pension liabilities		(1,397)	-
Increase in other operating liabilities		115	193
Cash inflow (outflow) generated from operations		3,294,447	(260,857)
Interest received		87,668	73,089
Cash dividend received		1,365,766	1,302,225
Payment of interest		(115,312)	(51,285)
Payment of income tax		(168,420)	(230,380)
Net cash flows from operating activities		<u>4,464,149</u>	<u>832,792</u>

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

		Nine months ended September 30	
	Notes	2023	2022
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Acquisition of financial assets at fair value through other comprehensive income		\$(50,689)	\$(135,513)
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	13,615
(Increase) decrease in financial assets at amortised cost		(1,068,930)	395,848
Acquisition of investments accounted for using equity method	7	-	(85,995)
Proceeds from disposal of investments accounted for using equity method		-	1,904,517
Proceeds from capital reduction of investments accounted for using equity method		3,418	119,074
Acquisition of property, plant and equipment	6(8)	(351,220)	(660,879)
Proceeds from disposal of property, plant and equipment		8,555	6,170
Decrease in refundable deposits		3,663	(550)
Acquisition of intangible assets	6(12)	(53,455)	(101,265)
Acquisition of investment properties	6(11)	-	(3,035)
Increase in other non-current assets		(71,797)	-
Net cash flows (used in) from investing activities		(1,564,023)	1,752,522
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
(Decrease) increase in short-term loans	6(32)	(2,759,349)	1,224,349
Proceeds from long-term debt	6(32)	404,221	58,538
Repayments of long-term debt	6(32)	(192,136)	(159,192)
Increase in guarantee deposits	6(32)	9,413	7,219
Repayments of lease liabilities	6(32)	(34,146)	(26,972)
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)	993	470
Net cash flows used in financing activities		(3,802,981)	(1,219,992)
Effects of changes in exchange rates		(228,476)	79,518
Net (decrease) increase in cash and cash equivalents		(1,131,331)	1,444,840
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)	<u>\$ 6,670,029</u>	<u>\$ 8,096,288</u>

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

MITAC HOLDINGS CORPORATION AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
NINE MONTHS ENDED SEPTEMBER 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 November 10, 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
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.

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

New standards, interpretations and amendments endorsed by the FSC effective from 2024 are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IFRS 16, 'Lease liability in a sale and leaseback'	January 1, 2024
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

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

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

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

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IFRS 10 and IAS 28, 'Sale or contribution of assets between an investor and its associate or joint venture'	To be determined by International Accounting Standards Board
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 21, 'Lack of exchangeability'	January 1, 2025

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
			September 30, 2023	December 31, 2022	September 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
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	Note 4
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

Investor	Subsidiary	Main activities	Ownership (%)			Remarks
			September 30, 2023	December 31, 2022	September 30, 2022	
MiTAC Computer 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
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 September 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 recognised 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 September 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

	September 30, 2023	December 31, 2022	September 30, 2022
Cash:			
Cash on hand and revolving funds	\$ 473	\$ 558	\$ 592
Checking accounts and demand deposits	3,490,394	4,304,403	7,107,033
Cash equivalents:			
Time deposits	2,179,162	3,416,399	988,663
Structured deposits	-	80,000	-
Repurchased bonds	1,000,000	-	-
Total	\$ <u>6,670,029</u>	\$ <u>7,801,360</u>	\$ <u>8,096,288</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

Items	September 30, 2023	December 31, 2022	September 30, 2022
Current items:			
Financial assets mandatorily measured at fair value through profit or loss			
Beneficiary certificates	\$ 140,000	\$ 140,000	\$ 140,000
Derivatives	-	-	-
Subtotal	140,000	140,000	140,000
Valuation adjustment - Beneficiary certificates	1,910	681	417
Valuation adjustment - Derivatives	2,983	13,388	26,864
Total	\$ 144,893	\$ 154,069	\$ 167,281

- A. The Group recognised net gain (loss) of \$2,437, \$11,675, \$(9,175) and \$9,878 on financial assets at fair value through profit or loss for the three months and nine months ended September 30, 2023 and 2022, respectively.
- B. The non-hedging derivative instrument transactions and contract information are as follows:

	September 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	9,000	607
MiTAC Digital Technology Corp.				
Forward foreign exchange - Sell	Advance booking EUR to buy USD	EUR	700	504
Forward foreign exchange - Sell	Advance booking AUD to buy USD	AUD	3,525	552
Silver Star Developments Ltd.				
Forward foreign exchange - Buy	Advance booking USD to sell CNY	EUR	1,000	1,320
	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

	September 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	10,000	404
Forward foreign exchange - Sell	Advance booking JPY to buy USD	JPY	46,000	172
Forward foreign exchange - Buy	Advance booking USD to sell JPY	USD	1,200	2,216
MiTAC Digital Technology Corp.				
Forward foreign exchange - Sell	Advance booking USD to buy NTD	USD	1,000	29
Forward foreign exchange - Sell	Advance booking EUR to buy USD	EUR	1,050	681
Forward foreign exchange - Sell	Advance booking AUD to buy USD	AUD	3,829	3,818
Forward foreign exchange - Sell	Advance booking CNY to buy USD	CNY	3,000	830
MiTAC Computer (Shunde) Corp.				
Forward foreign exchange - Buy	Advance booking USD to sell CNY	USD	10,000	3,724
Silver Star Developments Ltd.				
Forward foreign exchange - Sell	Advance booking EUR to buy USD	EUR	2,000	USD 1,151
MiTAC Japan Corp.				
Forward foreign exchange - Buy	Advance booking USD to sell JPY	USD	800	JPY 4,113

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	September 30, 2023	December 31, 2022	September 30, 2022
Current items:			
Listed stocks	\$ 764,112	\$ 764,112	\$ 764,112
Valuation adjustment	656,233	329,546	241,252
Total	<u>\$ 1,420,345</u>	<u>\$ 1,093,658</u>	<u>\$ 1,005,364</u>
Non-current items:			
Listed stocks	\$ 36,516,890	\$ 36,516,890	\$ 36,516,890
Emerging stocks	366,560	-	-
Unlisted stocks	1,659,575	1,991,879	1,949,381
Subtotal	38,543,025	38,508,769	38,466,271
Valuation adjustment	(720,247)	2,412,225	(2,074,531)
Total	<u>\$ 37,822,778</u>	<u>\$ 40,920,994</u>	<u>\$ 36,391,740</u>

A. The Group recognised \$272,954, \$(1,915,526), \$(4,906,519) and \$(5,538,207) in other comprehensive loss for fair value change for the three months and nine months ended September 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 September 30, 2023, December 31, 2022 and September 30, 2022, the fair value of investments were \$39,243,123, \$42,014,652 and \$37,397,104, 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.

D. On July 20, 2022, the Group lost significant influence over Concentrix Corp., and reclassified it from investment accounted for using equity method to financial asset at fair

value through other comprehensive income based on the remeasurement at fair value amounting to \$16,525,140.

(4) Financial assets at amortised cost

Items	September 30, 2023	December 31, 2022	September 30, 2022
Current items:			
Time deposits - over three months	\$ 34,800	\$ 34,800	\$ 34,800
Pledged deposits	878,585	245,600	254,059
	<u>\$ 913,385</u>	<u>\$ 280,400</u>	<u>\$ 288,859</u>
Non-current items:			
Pledged deposits	\$ 511,416	\$ 69,901	\$ 48,581
	<u>\$ 511,416</u>	<u>\$ 69,901</u>	<u>\$ 48,581</u>

A. As of September 30, 2023, December 31, 2022 and September 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 \$1,424,801, \$350,301 and \$337,440, 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

	September 30, 2023	December 31, 2022	September 30, 2022
Third parties	\$ 6,114,309	\$ 8,090,490	\$ 8,289,778
Less: Allowance for bad debts	(66,295)	(362,180)	(80,695)
	6,048,014	7,728,310	8,209,083
Related parties	5,562	4,198	20,620
	<u>\$ 6,053,576</u>	<u>\$ 7,732,508</u>	<u>\$ 8,229,703</u>

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

	September 30, 2023	December 31, 2022	September 30, 2022
Not past due	\$ 5,762,538	\$ 6,900,441	\$ 7,359,664
Up to 90 days	354,283	1,170,599	945,552
91 to 180 days	2,884	22,743	3,469
Over 181 days	166	905	1,713
	<u>\$ 6,119,871</u>	<u>\$ 8,094,688</u>	<u>\$ 8,310,398</u>

The above ageing analysis was based on past due date.

B. As of September 30, 2023, December 31, 2022 and September 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 September 30, 2023, December 31, 2022 and September 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 \$6,053,576, \$7,732,508 and \$8,229,703, respectively.

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

(6) Inventories

	September 30, 2023	December 31, 2022	September 30, 2022
	<u>Book value</u>	<u>Book value</u>	<u>Book value</u>
Raw materials	\$ 7,490,609	\$ 7,086,133	\$ 10,537,567
Work in process	451,003	622,899	1,153,840
Finished goods	<u>1,506,372</u>	<u>1,535,834</u>	<u>1,881,704</u>
Total	<u>\$ 9,447,984</u>	<u>\$ 9,244,866</u>	<u>\$ 13,573,111</u>

Expense and loss incurred on inventories:

	For the three months ended September 30	
	2023	2022
Cost of goods sold	\$ 8,289,121	\$ 10,675,725
Non-cancellable contract loss	10,772	-
Loss on decline in market value	<u>351,919</u>	<u>178,108</u>
	<u>\$ 8,651,812</u>	<u>\$ 10,853,833</u>

	For the nine months ended September 30	
	2023	2022
Cost of goods sold	\$ 24,187,657	\$ 31,244,479
Non-cancellable contract loss reversal	(39,527)	-
Loss on decline in market value	<u>317,332</u>	<u>220,551</u>
	<u>\$ 24,465,462</u>	<u>\$ 31,465,030</u>

(7) Investments accounted for using equity method

A.

Investee company	September 30, 2023	December 31, 2022	September 30, 2022
Getac Holdings Corp.	\$ 6,643,074	\$ 6,247,978	\$ 6,041,196
3 Probe Technology Co., Ltd.	7,127	12,732	9,874
Lian Jie Investment Co., Ltd.	229,294	266,863	259,580
Lian Jie II Investment Co., Ltd.	42,936	32,119	34,279
Shen-Tong Construction & Development Co., Ltd.	85,422	85,594	85,636
Mainpower International Ltd.	280,232	266,676	271,634
Suzhou MiTAC Preclusion Technology Co., Ltd.	419,513	406,276	414,208
Loyal Fidelity Aerospace Corp.	-	-	15,504
Harbinger Ruyi Venture Ltd.	24,251	22,979	17,579
Harbinger Ruyi II Venture Ltd.	74,512	91,891	88,132
Infopower Technologies Ltd.	64,006	66,488	68,507
	<u>\$ 7,870,367</u>	<u>\$ 7,499,596</u>	<u>\$ 7,306,129</u>
Credit balance of long-term investment (Note)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (105,661)</u>

Note: Shown as “Other non-current liabilities”.

B. The Group recognised its share of profit from associates accounted for using equity method for the three months and nine months ended September 30, 2023 and 2022 amounting to \$353,632, \$219,775, \$926,033 and \$1,142,388, respectively, and recognised its share of other comprehensive income from associates accounted for using equity method amounting to \$220,580, \$276,056, \$156,843 and \$187,636, 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
		September 30, 2023	December 31, 2022	September 30, 2022		
Getac Holdings Corp.	Taiwan	31.25%	31.55%	31.65%	Owned over 20% ownership	Equity method
Concentrix Corp.	USA	-%	-%	-%	(Note 1)	Equity method (Note1)

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

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

Balance sheet

Getac Holdings Corp.			
	September 30, 2023	December 31, 2022	September 30, 2022
Current assets	\$ 25,792,300	\$ 22,953,095	\$ 23,170,271
Non-current assets	14,800,883	14,705,644	14,799,929
Current liabilities	(13,337,727)	(12,102,055)	(12,514,170)
Non-current liabilities	(3,843,736)	(3,864,413)	(4,515,968)
Non-controlling interest	(2,156,073)	(1,888,260)	(1,854,155)
Total net assets	<u>\$ 21,255,647</u>	<u>\$ 19,804,011</u>	<u>\$ 19,085,907</u>
Share in associate's net assets	<u>\$ 6,643,074</u>	<u>\$ 6,247,978</u>	<u>\$ 6,041,196</u>

Statement of comprehensive income

Getac Holdings Corp.			
For the three months ended September 30			
	2023	2022	
Revenue	\$ 9,036,279	\$ 9,040,462	
Profit for the period from continuing operations	\$ 1,160,775	\$ 772,055	
Other comprehensive income - net of tax	796,656	747,495	
Total comprehensive income	<u>\$ 1,957,431</u>	<u>\$ 1,519,550</u>	

Getac Holdings Corp.			
For the nine months ended September 30			
	2023	2022	
Revenue	\$ 25,818,983	\$ 24,083,732	
Profit for the period from continuing operations	\$ 3,038,262	\$ 1,584,702	
Other comprehensive income - net of tax	696,547	1,389,074	
Total comprehensive income	<u>\$ 3,734,809</u>	<u>\$ 2,973,776</u>	
Dividends received from associate	<u>\$ 720,391</u>	<u>\$ 683,486</u>	

	Concentrix Corp.(Note)	
	For the nine months ended September 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 associate	\$ -	\$ 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 September 30, 2023, December 31, 2022 and September 30, 2022, the carrying amount of the Group's individually immaterial associates amounted to \$1,227,293, \$1,251,618 and \$1,264,933, respectively.

	For the three months ended September 30	
	2023	2022
Profit (loss) for the period from continuing operations	\$ 47,180	\$ (31,877)
Other comprehensive loss - net of tax	(36,708)	(12,812)
Total comprehensive income (loss)	\$ 10,472	\$ (44,689)
	For the nine months ended September 30	
	2023	2022
Profit for the period from continuing operations	\$ 133,980	\$ 796,288
Other comprehensive loss - net of tax	(173,524)	(200,104)
Total comprehensive (loss) income	\$ (39,544)	\$ 596,184

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

	September 30, 2023	December 31, 2022	September 30, 2022
Getac Holdings Corp.	\$ 14,774,802	\$ 8,406,025	\$ 7,682,516

- G. The Group sold part of its ownership in Concentrix Corp. for proceeds of \$1,904,517 resulted in gains on disposal amounting to \$1,072,670 during the third quarter of 2022.
- H. 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.

- I. 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, and recognized the \$9,027,054 difference as gain from disposal of investments.
- J. 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 August 31, 2023 as the basis for the preparation of third 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 September 30, 2023 as the basis for the preparation of first quarter consolidated financial statements; other associates' fiscal year all end on December 31.
- K. 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	-	4,884	94,026	26,614	3,560	6,253	1,717	55,839	106,470	51,857	351,220
Disposal	-	-	(2,013)	(102)	(436)	(87)	-	-	(1,165)	-	(3,803)
Reclassifications	-	1,084	1,440	642	-	-	-	-	27,240	(30,406)	-
Depreciation	-	(190,632)	(223,015)	(30,654)	(7,395)	(9,235)	(22,188)	(32,331)	(202,140)	-	(717,590)
Effects of foreign exchange	9,943	26,097	480	51	19	26	115	-	654	(16)	37,369
At September 30	<u>\$ 1,109,539</u>	<u>\$ 4,459,757</u>	<u>\$ 821,120</u>	<u>\$ 64,281</u>	<u>\$ 17,249</u>	<u>\$ 21,562</u>	<u>\$ 80,698</u>	<u>\$ 102,973</u>	<u>\$ 656,329</u>	<u>\$ 101,779</u>	<u>\$ 7,435,287</u>
At September 30, 2023											
Cost	\$ 1,109,539	\$ 7,699,159	\$ 2,819,703	\$ 183,489	\$ 81,642	\$ 139,973	\$ 175,737	\$ 165,980	\$ 1,785,302	\$ 101,779	\$ 14,262,303
Accumulated depreciation and impairment	-	(3,239,402)	(1,998,583)	(119,208)	(64,393)	(118,411)	(95,039)	(63,007)	(1,128,973)	-	(6,827,016)
	<u>\$ 1,109,539</u>	<u>\$ 4,459,757</u>	<u>\$ 821,120</u>	<u>\$ 64,281</u>	<u>\$ 17,249</u>	<u>\$ 21,562</u>	<u>\$ 80,698</u>	<u>\$ 102,973</u>	<u>\$ 656,329</u>	<u>\$ 101,779</u>	<u>\$ 7,435,287</u>

	Land	Buildings and structures	Machinery	Computer and communication equipment	Transportation equipment	Office equipment	Leasehold improvements	Molding equipment	Other equipment	Construction in progress and equipment under inspection	Total
At January 1, 2022											
Cost	\$ 1,080,283	\$ 7,647,461	\$ 2,963,363	\$ 203,234	\$ 71,571	\$ 193,499	\$ 177,036	\$ 169,253	\$ 1,354,660	\$ 180,388	\$ 14,040,748
Accumulated depreciation and impairment	-	(2,985,173)	(1,898,919)	(134,443)	(51,317)	(168,024)	(86,763)	(82,376)	(848,509)	-	(6,255,524)
	<u>\$ 1,080,283</u>	<u>\$ 4,662,288</u>	<u>\$ 1,064,444</u>	<u>\$ 68,791</u>	<u>\$ 20,254</u>	<u>\$ 25,475</u>	<u>\$ 90,273</u>	<u>\$ 86,877</u>	<u>\$ 506,151</u>	<u>\$ 180,388</u>	<u>\$ 7,785,224</u>
2022											
At January 1	\$ 1,080,283	\$ 4,662,288	\$ 1,064,444	\$ 68,791	\$ 20,254	\$ 25,475	\$ 90,273	\$ 86,877	\$ 506,151	\$ 180,388	\$ 7,785,224
Additions	-	38,775	252,797	23,290	9,397	12,416	13,774	64,668	154,826	90,936	660,879
Disposal	-	(1,066)	1,860	(73)	(12)	(8)	(867)	-	(1,144)	-	(1,310)
Reclassifications	-	75,716	480	-	-	-	1,278	-	135,935	(213,409)	-
Depreciation	-	(184,673)	(259,112)	(29,031)	(7,701)	(10,580)	(26,588)	(52,227)	(158,707)	-	(728,619)
Effects of foreign exchange	25,941	127,534	(82,442)	496	197	672	1,425	-	81,522	43,827	199,172
At September 30	<u>\$ 1,106,224</u>	<u>\$ 4,718,574</u>	<u>\$ 978,027</u>	<u>\$ 63,473</u>	<u>\$ 22,135</u>	<u>\$ 27,975</u>	<u>\$ 79,295</u>	<u>\$ 99,318</u>	<u>\$ 718,583</u>	<u>\$ 101,742</u>	<u>\$ 7,915,346</u>
At September 30, 2022											
Cost	\$ 1,106,224	\$ 7,978,209	\$ 2,952,295	\$ 186,842	\$ 78,703	\$ 208,143	\$ 192,652	\$ 195,758	\$ 1,728,643	\$ 101,742	\$ 14,729,211
Accumulated depreciation and impairment	-	(3,259,635)	(1,974,268)	(123,369)	(56,568)	(180,168)	(113,357)	(96,440)	(1,010,060)	-	(6,813,865)
	<u>\$ 1,106,224</u>	<u>\$ 4,718,574</u>	<u>\$ 978,027</u>	<u>\$ 63,473</u>	<u>\$ 22,135</u>	<u>\$ 27,975</u>	<u>\$ 79,295</u>	<u>\$ 99,318</u>	<u>\$ 718,583</u>	<u>\$ 101,742</u>	<u>\$ 7,915,346</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:

	September 30, 2023	December 31, 2022	September 30, 2022
	<u>Carrying amount</u>	<u>Carrying amount</u>	<u>Carrying amount</u>
Land	\$ 209,526	\$ 217,586	\$ 222,236
Buildings and structures	45,104	68,376	76,570
Machinery	186	376	435
Transportation equipment	-	448	785
	<u>\$ 254,816</u>	<u>\$ 286,786</u>	<u>\$ 300,026</u>

	For the three months ended September 30	
	2023	2022
	<u>Depreciation charge</u>	<u>Depreciation charge</u>
Land	\$ 2,743	\$ 2,759
Buildings and structures	8,261	7,613
Machinery	63	63
Transportation equipment	-	337
	<u>\$ 11,067</u>	<u>\$ 10,772</u>

	For the nine months ended September 30	
	2023	2022
	<u>Depreciation charge</u>	<u>Depreciation charge</u>
Land	\$ 8,247	\$ 8,273
Buildings and structures	24,560	23,253
Machinery	187	187
Transportation equipment	448	1,009
	<u>\$ 33,442</u>	<u>\$ 32,722</u>

- D. For the nine months ended September 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 September 30			
	2023		2022
Interest expense on lease liabilities	\$ 541	\$	944
Expense on short-term lease contracts	3,300		3,415
Expense on leases of low-value assets	901		1,011
	<u>\$ 4,742</u>	<u>\$</u>	<u>5,370</u>
For the nine months ended September 30			
	2023		2022
Interest expense on lease liabilities	\$ 1,805	\$	2,404
Expense on short-term lease contracts	10,002		11,657
Expense on leases of low-value assets	2,690		2,166
	<u>\$ 14,497</u>	<u>\$</u>	<u>16,227</u>

F. For the nine months ended September 30, 2023 and 2022, the Group's total cash outflow for leases was \$48,643 and \$43,199, 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 nine months ended September 30, 2023 and 2022, the Group recognised rent income in the amounts of \$31,113, \$33,341, \$94,370 and \$91,954, 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:

	September 30, 2023	December 31, 2022	September 30, 2022
Not later than one year	\$ 90,924	\$ 107,649	\$ 119,869
Later than one year but not later than five years	132,157	78,620	93,046
Over five years	13,080	-	-
	<u>\$ 236,161</u>	<u>\$ 186,269</u>	<u>\$ 212,915</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	-	(18,644)	(18,644)
Effects of foreign exchange	<u>519</u>	<u>2,706</u>	<u>3,225</u>
At September 30	<u>\$ 954,352</u>	<u>\$ 260,306</u>	<u>\$ 1,214,658</u>
<u>At September 30, 2023</u>			
Cost	\$ 954,352	\$ 659,669	\$ 1,614,021
Accumulated depreciation and impairment	<u>-</u>	<u>(399,363)</u>	<u>(399,363)</u>
	<u>\$ 954,352</u>	<u>\$ 260,306</u>	<u>\$ 1,214,658</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	-	(18,275)	(18,275)
Effects of foreign exchange	<u>(26)</u>	<u>2,413</u>	<u>2,387</u>
At September 30	<u>\$ 953,198</u>	<u>\$ 280,310</u>	<u>\$ 1,233,508</u>
<u>At September 30, 2022</u>			
Cost	\$ 953,198	\$ 652,136	\$ 1,605,334
Accumulated depreciation and impairment	<u>-</u>	<u>(371,826)</u>	<u>(371,826)</u>
	<u>\$ 953,198</u>	<u>\$ 280,310</u>	<u>\$ 1,233,508</u>

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

		For the three months ended September 30	
		2023	2022
Rental income from the lease of the investment property	\$	<u>9,823</u>	<u>9,535</u>
Direct operating expenses arising from the investment property that generated rental income in the period	\$	<u>7,879</u>	<u>7,072</u>
Direct operating expenses arising from the investment property that did not generate rental income in the period	\$	<u>1,640</u>	<u>2,701</u>
		For the nine months ended September 30	
		2023	2022
Rental income from the lease of the investment property	\$	<u>28,390</u>	<u>22,756</u>
Direct operating expenses arising from the investment property that generated rental income in the period	\$	<u>20,799</u>	<u>20,376</u>
Direct operating expenses arising from the investment property that did not generate rental income in the period	\$	<u>7,577</u>	<u>9,206</u>

- B. The fair value of the investment property held by the Group on September 30, 2023, December 31, 2022 and September 30, 2022 were \$3,744,030, \$3,739,570 and \$3,649,837, 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 amortisation and impairment	(	223,493)	(205,099)
	\$	<u>113,827</u>	\$ <u>66,200</u>
At January 1	\$	113,827	\$ 66,200
Additions		53,455	101,265
Amortisation	(	77,371)	(74,051)
Effects of foreign exchange	(	6)	58
At September 30	\$	<u>89,905</u>	\$ <u>93,472</u>
At September 30			
Cost	\$	251,374	\$ 296,497
Accumulated amortisation and impairment	(	161,469)	(203,025)
	\$	<u>89,905</u>	\$ <u>93,472</u>

Details of amortisation of intangible assets are as follows:

		For the three months ended September 30	
		2023	2022
Operating costs	\$	101	\$ 331
Selling expenses		3,337	3,233
Administrative expenses		7,974	5,708
Research and development expenses		14,611	13,941
	\$	<u>26,023</u>	\$ <u>23,213</u>
		For the nine months ended September 30	
		2023	2022
Operating costs	\$	470	\$ 994
Selling expenses		10,011	9,496
Administrative expenses		22,625	15,613
Research and development expenses		44,265	47,948
	\$	<u>77,371</u>	\$ <u>74,051</u>

(13) Short-term borrowings

	September 30, 2023	December 31, 2022	September 30, 2022
Unsecured bank borrowings	\$ -	\$ 3,378,178	\$ 4,222,594
Secured bank borrowings	863,017	245,600	254,059
	<u>\$ 863,017</u>	<u>\$ 3,623,778</u>	<u>\$ 4,476,653</u>
Interest rates	1.71%~1.86%	3.07%~5.1%	1.05%~4.46%

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

Item	September 30, 2023	December 31, 2022	September 30, 2022
Current items :			
Financial liabilities held for trading			
Valuation adjustment - Derivatives	<u>\$ 12,121</u>	<u>\$ 11,112</u>	<u>\$ 21,884</u>

A. The Group recognised net gain (loss) of \$6,156, \$(18,494), \$(1,009) and \$(16,965) for the three months and nine months ended September 30, 2023 and 2022, respectively.

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

		September 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	13,000	(1,607)
Forward foreign exchange swap - Sell	Advance booking USD to buy NTD	USD	31,000	(10,514)
		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)
		September 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	25,000	(12,498)
Forward foreign exchange swap - Sell	Advance booking USD to buy NTD	USD	6,000	(5,666)
MiTAC Digital Technology Corp.				
Forward foreign exchange - Sell	Advance booking USD to buy NTD	USD	7,000	(3,601)
Forward foreign exchange - Sell	Advance booking EUR to buy USD	EUR	400	(111)
Forward foreign exchange - Sell	Advance booking AUD to buy USD	AUD	500	(8)

(15) Long-term borrowings

	September 30, 2023	December 31, 2022	September 30, 2022
Unsecured bank borrowings	\$ 509,549	\$ 701,685	\$ 762,676
Secured bank borrowings	406,180	-	-
Less: Current portion(shown as "other current liabilities")	(287,421)	(263,991)	(253,127)
Total	<u>\$ 628,308</u>	<u>\$ 437,694</u>	<u>\$ 509,549</u>
Interest rate range (Note)	1.20%-2.80%	1.075%-1.125%	0.95%~1.0%
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 \$1,613, \$1,734, \$5,394 and \$5,654 for the three months and nine months ended September 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 September 30, 2023 amount to \$6,635.

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 nine months ended September 30, 2023 and 2022 were \$62,467, \$62,089, \$186,025 and \$178,613, respectively.

(17) Provisions

	<u>Warranty reserve</u>	<u>Non-cancellable contract reserve</u>	<u>Total</u>
At January 1, 2023	\$ 248,116	\$ 108,998	\$ 357,114
Additional provisions (reversed)	61,621	(39,527)	22,094
Used during the period	(64,420)	-	(64,420)
Effects of foreign exchange	192	2,363	2,555
At September 30, 2023	<u>\$ 245,509</u>	<u>\$ 71,834</u>	<u>\$ 317,343</u>
Current	91,734	71,834	163,568
Non-current	153,775	-	153,775
Total	<u>\$ 245,509</u>	<u>\$ 71,834</u>	<u>\$ 317,343</u>

	<u>Warranty reserve</u>	<u>Non-cancellable contract reserve</u>	<u>Total</u>
At January 1, 2022	\$ 223,423	\$ -	\$ 223,423
Additional provisions	95,379	-	95,379
Used during the period	(63,732)	-	(63,732)
Effects of foreign exchange	580	-	580
At September 30, 2022	<u>\$ 255,650</u>	<u>\$ -</u>	<u>\$ 255,650</u>
Current	117,480	-	117,480
Non-current	138,170	-	138,170
Total	<u>\$ 255,650</u>	<u>\$ -</u>	<u>\$ 255,650</u>

(18) Share capital

- A. As of September 30, 2023, the Company's authorised 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 September 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 September 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	September 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 realised 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 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	-	-	(3,175)	-	-	-	(3,175)
Capital surplus - dividends unclaimed by the subsidiaries' shareholders	-	-	-	-	-	(1)	(1)
Capital surplus - dividends unclaimed by the shareholders	-	-	-	-	-	994	994
At September 30, 2023	<u>\$ 21,571,329</u>	<u>\$ 657,029</u>	<u>\$ 206,272</u>	<u>\$ 609</u>	<u>\$ 346,814</u>	<u>\$ 2,922</u>	<u>\$ 22,784,975</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	-	-	57,116	-	-	-	57,116
Disposal of investments accounted for using equity method	-	-	(46,101)	-	-	-	(46,101)
Capital surplus - dividends unclaimed by the shareholders	-	-	-	-	-	470	470
At September 30, 2022	\$ 21,571,329	\$ 480,778	\$ 212,508	\$ 609	\$ 346,814	\$ 1,930	\$ 22,613,968

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 capitalised 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	-	1,086	1,086
Reclassified to retained earnings upon disposal			
- Group	(663)	-	(663)
- Associates	(36,490)	-	(36,490)
Revaluation			
- Group	(4,906,519)	-	(4,906,519)
- Associates	(22,497)	-	(22,497)
Currency translation differences			
- Group	-	2,185,427	2,185,427
- Associates	-	179,340	179,340
At September 30	<u>\$ (1,962,258)</u>	<u>\$ 2,116,637</u>	<u>\$ 154,379</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	-	414,141	414,141
Reclassified to retained earnings upon disposal			
- Group	(177,342)	-	(177,342)
- Associates	(10,267)	-	(10,267)
Revaluation			
- Group	(5,538,207)	-	(5,538,207)
- Associates	30,078	-	30,078
Currency translation differences			
- Group	-	1,802,957	1,802,957
- Associates	-	157,558	157,558
At September 30	<u>\$ (1,578,895)</u>	<u>\$ 106,251</u>	<u>\$ (1,472,644)</u>

(22) Operating revenue

		For the three months ended September 30	
		2023	2022
Revenue from contracts with customers	\$	<u>9,778,194</u>	<u>\$ 12,345,047</u>
		For the nine months ended September 30	
		2023	2022
Revenue from contracts with customers	\$	<u>27,683,536</u>	<u>\$ 35,205,281</u>

A. Disaggregation of revenue from contracts with customers

		For the three months ended September 30	
		2023	2022
Cloud computing product	\$	7,945,956	\$ 9,876,515
Automotive electronics and AIoT product		1,197,188	1,568,091
Others		<u>635,050</u>	<u>900,441</u>
	\$	<u>9,778,194</u>	<u>\$ 12,345,047</u>
		For the nine months ended September 30	
		2023	2022
Cloud computing product	\$	21,956,419	\$ 27,838,161
Automotive electronics and AIoT product		3,768,653	4,674,928
Others		<u>1,958,464</u>	<u>2,692,192</u>
	\$	<u>27,683,536</u>	<u>\$ 35,205,281</u>

B. Contract liabilities

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

	September 30, 2023	December 31, 2022	September 30, 2022
Contract liabilities– sales of goods	\$ 156,413	\$ 271,890	\$ 451,270
Contract liabilities– others	<u>2,869</u>	<u>34,971</u>	<u>2,574</u>
Total	<u>\$ 159,282</u>	<u>\$ 306,861</u>	<u>\$ 453,844</u>

(23) Interest income

		For the three months ended September 30	
		2023	2022
Interest income from bank deposits	\$	21,473	\$ 29,386
Interest income from financial assets measured at amortised cost		<u>8,198</u>	<u>787</u>
	\$	<u>29,671</u>	<u>\$ 30,173</u>

		For the nine months ended September 30	
		2023	2022
Interest income from bank deposits	\$	83,344	\$ 65,697
Interest income from financial assets measured at amortised cost		14,434	7,008
	\$	<u>97,778</u>	<u>72,705</u>
(24) <u>Other income</u>			
		For the three months ended September 30	
		2023	2022
Rental revenue	\$	31,113	\$ 33,341
Dividend income		335,798	213,219
Other income		12,818	11,842
	\$	<u>379,729</u>	<u>258,402</u>
		For the nine months ended September 30	
		2023	2022
Rental revenue	\$	94,370	\$ 91,954
Dividend income		640,362	520,962
Other income		65,915	77,193
	\$	<u>800,647</u>	<u>690,109</u>
(25) <u>Other gains and losses</u>			
		For the three months ended September 30	
		2023	2022
(Losses) gains on disposals of property, plant and equipment	\$(	19)	\$ 317
Gains on disposal of investments		41	10,099,693
Net currency exchange gains (losses)		109,320	316,589
(Losses) gains on financial assets liabilities at fair value through profit or loss		8,593	(6,819)
Other losses	(	9,897)	(9,712)
	\$	<u>108,038</u>	<u>10,400,068</u>

	For the nine months ended September 30	
	2023	2022
Gains on disposals of property, plant and equipment	\$ 4,752	\$ 4,860
(Losses) gains on disposal of investments	(1,086)	10,097,539
Net currency exchange gains	116,590	308,669
Losses on financial assets liabilities at fair value through profit or loss	(10,184)	(7,087)
Other losses	(28,156)	(33,309)
	<u>\$ 81,916</u>	<u>\$ 10,370,672</u>

(26) Financial costs

	For the three months ended September 30	
	2023	2022
Interest expense on bank borrowings	\$ 16,685	\$ 35,384
Interest expense on lease liabilities	541	944
	<u>\$ 17,226</u>	<u>\$ 36,328</u>

	For the nine months ended September 30	
	2023	2022
Interest expense on bank borrowings	\$ 110,524	\$ 62,382
Interest expense on lease liabilities	1,805	2,404
	<u>\$ 112,329</u>	<u>\$ 64,786</u>

(27) Expense by nature

	For the three months ended September 30	
	2023	2022
Employee benefit expense	\$ 1,365,718	\$ 1,531,216
Depreciation charges on property, plant and equipment, investment property and right-of-use assets	250,088	269,315
Amortisation charges	26,023	23,213
Total	<u>\$ 1,641,829</u>	<u>\$ 1,823,744</u>

	For the nine months ended September 30	
	2023	2022
Employee benefit expense	\$ 4,093,082	\$ 4,448,606
Depreciation charges on property, plant and equipment, investment property and right- of-use assets	769,676	779,616
Amortisation charges	77,371	74,051
Total	<u>\$ 4,940,129</u>	<u>\$ 5,302,273</u>

(28) Employee benefit expenses

	For the three months ended September 30	
	2023	2022
Wages and salaries	\$ 1,137,329	\$ 1,349,317
Labor and health insurance fees	80,401	75,301
Pension costs	64,080	63,823
Other personnel expenses	83,908	42,775
	<u>\$ 1,365,718</u>	<u>\$ 1,531,216</u>

	For the nine months ended September 30	
	2023	2022
Wages and salaries	\$ 3,490,031	\$ 3,907,694
Labor and health insurance fees	247,783	226,664
Pension costs	191,419	184,267
Other personnel expenses	163,849	129,981
	<u>\$ 4,093,082</u>	<u>\$ 4,448,606</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 nine months ended September 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 nine months ended September 30, 2023 and 2022, employees' compensation were accrued at \$666, \$8,566, \$1,914 and \$10,070, respectively; and directors' remuneration were accrued at \$1,626, \$1,749, \$4,878 and \$5,247, 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 September 30	
	2023	2022
Current tax:		
Current tax on profits for the period	\$ 122,352	\$ 75,853
Prior year income tax overestimation	(16,732)	(7,267)
Total current tax	<u>105,620</u>	<u>68,586</u>
Deferred tax:		
Origination and reversal of temporary differences	<u>75,693</u>	<u>2,444,500</u>
Total deferred tax	<u>75,693</u>	<u>2,444,500</u>
Income tax expense	<u>\$ 181,313</u>	<u>\$ 2,513,086</u>

	For the nine months ended September 30	
	2023	2022
Current tax:		
Current tax on profits for the period	\$ 231,457	\$ 169,959
Tax on undistributed surplus earnings	348,738	416,592
Prior year income tax overestimation	(16,084)	(8,361)
Total current tax	<u>564,111</u>	<u>578,190</u>
Deferred tax:		
Origination and reversal of temporary differences	(290,487)	<u>2,188,958</u>
Total deferred tax	<u>(290,487)</u>	<u>2,188,958</u>
Income tax expense	<u>\$ 273,624</u>	<u>\$ 2,767,148</u>

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

(30) Earnings per share

For the three months ended September 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	\$ <u>624,026</u>	1,206,557 \$ <u>0.52</u>
<u>Diluted earnings per share</u>		
Profit attributable to ordinary shareholders of the parent	\$ 624,026	
Less: Effect of dilutive potential common stocks issued by investee companies	(5,958)	
Assumed conversion of all dilutive potential ordinary shares		
Employees' compensation	- 47	
Net income attributable to common stockholders plus dilutive effect of common stock equivalents	\$ <u>618,068</u>	<u>1,206,604</u> \$ <u>0.51</u>

For the three months ended September 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	\$ <u>8,581,765</u>	1,197,306 \$ <u>7.17</u>
<u>Diluted earnings per share</u>		
Profit attributable to ordinary shareholders of the parent	\$ 8,581,765	
Less: Effect of dilutive potential common stocks issued by investee companies	(1,939)	
Assumed conversion of all dilutive potential ordinary shares		
Employees' compensation	- 373	
Net income attributable to common stockholders plus dilutive effect of common stock equivalents	\$ <u>8,579,826</u>	<u>1,197,679</u> \$ <u>7.16</u>

For the nine months ended September 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>1,486,450</u>	1,200,390	\$ <u>1.24</u>
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 1,486,450		
Less: Effect of dilutive potential common stocks issued by investee companies	(17,988)		
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	111	
Net income attributable to common stockholders plus dilutive effect of common stock equivalents	\$ <u>1,468,462</u>	<u>1,200,501</u>	\$ <u>1.22</u>

For the nine months ended September 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>9,640,379</u>	1,197,306	\$ <u>8.05</u>
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 9,640,379		
Less: Effect of dilutive potential common stocks issued by investee companies	(9,241)		
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	445	
Net income attributable to common stockholders plus dilutive effect of common stock equivalents	\$ <u>9,631,138</u>	<u>1,197,751</u>	\$ <u>8.04</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 nine months ended September 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	(2,759,349)	9,413	(35,951)	212,085	(2,573,802)
Impact of changes in foreign exchange rate	(1,412)	71	1,737	1,959	2,355
Changes in other non-cash items	-	-	4,823	-	4,823
At September 30, 2023	\$ <u>863,017</u>	\$ <u>44,445</u>	\$ <u>139,698</u>	\$ <u>915,729</u>	\$ <u>1,962,889</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	1,224,349	7,219	(29,376)	(100,654)	1,101,538
Impact of changes in foreign exchange rate	36,580	584	8,251	-	45,415
Changes in other non-cash items	-	-	5,705	-	5,705
At September 30, 2022	\$ <u>4,476,653</u>	\$ <u>37,764</u>	\$ <u>179,602</u>	\$ <u>762,676</u>	\$ <u>5,456,695</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 (Note)
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

Note: Shares disposed in the fourth quarter of 2022.

(2) Significant related party transactions and balances

A. Operating revenue:

(a)

<u>For the three months ended September 30</u>			
	<u>2023</u>		<u>2022</u>
Sales of goods:			
-Associates	\$ 18,683	\$	19,652
-Other related parties	5,424		17,297
Subtotal	24,107		36,949
-Associates	1,059		2,276
-Other related parties	2		3
Subtotal	1,061		2,279
Total	\$ 25,168	\$	39,228
<u>For the nine months ended September 30</u>			
	<u>2023</u>		<u>2022</u>
Sales of goods:			
-Associates	\$ 59,257	\$	53,233
-Other related parties	8,249		23,896
Subtotal	67,506		77,129
Sales of services:			
-Associates	5,585		8,268
-Other related parties	2		3
Subtotal	5,587		8,271
Total	\$ 73,093	\$	85,400

- (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 September 30	
		2023	2022
Purchases of goods:			
-Associates	\$	3,193	\$ 22,991
-Other related parties - Synnex Techonology International Corp. and subsidiaries		919,069	172,161
Total	\$	<u>922,262</u>	<u>195,152</u>
		For the nine months ended September 30	
		2023	2022
Purchases of goods:			
-Associates	\$	12,359	\$ 45,265
-Other related parties - Synnex Techonology International Corp. and subsidiaries		2,567,051	371,758
Total	\$	<u>2,579,410</u>	<u>417,023</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:

	September 30, 2023	December 31, 2022	September 30, 2022
Accounts receivable:			
-Associates	\$ 79	\$ 3,902	\$ 99
-Other related parties	<u>5,483</u>	<u>296</u>	<u>20,521</u>
Subtotal	<u>5,562</u>	<u>4,198</u>	<u>20,620</u>
Other receivables-others:			
-Associates-Getac Holdings Corp. and subsidiaries	\$ 25,269	\$ 21,952	\$ 26,304
-Associates-Others	7,165	4,755	12,182
-Other related parties	<u>2,560</u>	<u>2,344</u>	<u>2,330</u>
Subtotal	<u>34,994</u>	<u>29,051</u>	<u>40,816</u>
Other receivables-Dividend:			
-Other related parties	\$ -	\$ -	\$ 75,061
Total	<u>\$ 40,556</u>	<u>\$ 33,249</u>	<u>\$ 136,497</u>

D. Payables to related parties:

	September 30, 2023	December 31, 2022	September 30, 2022
Accounts payable:			
-Associates	\$ 3,207	\$ 3,963	\$ 7,336
-Other related parties - Synnex Technology International Corp. and subsidiaries	<u>783,608</u>	<u>157,760</u>	<u>222,287</u>
Subtotal	<u>786,815</u>	<u>161,723</u>	<u>229,623</u>
Other payables:			
-Associates	649	3,715	4,442
-Other related parties	<u>1,207</u>	<u>5,004</u>	<u>1,434</u>
Subtotal	<u>1,856</u>	<u>8,719</u>	<u>5,876</u>
Total	<u>\$ 788,671</u>	<u>\$ 170,442</u>	<u>\$ 235,499</u>

E. Property transactions:

(a) Acquisition of property, plant and equipment:

	For the three months ended September 30	
	2023	2022
Other related parties	\$ -	\$ 358
	For the nine months ended September 30	
	2023	2022
Other related parties	\$ 4,164	\$ 1,355

(b) Acquisition of financial assets:

For the three months ended September 30, 2023 and 2022 and nine months ended September 30, 2023: None.

For the nine months ended September 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:

	September 30, 2023	December 31, 2022	September 30, 2022
Associates	\$ <u>2,931</u>	\$ <u>11,441</u>	\$ <u>14,402</u>

ii. Interest expense

	For the three months ended September 30	
	2023	2022
Associates	\$ <u>58</u>	\$ <u>231</u>

	For the nine months ended September 30	
	2023	2022
Associates	\$ <u>307</u>	\$ <u>816</u>

G. Lease transactions — lessor

		For the three months ended September 30	
		2023	2022
Rent income			
Associates	\$	11,278	\$ 11,204
Other related parties		187	237
Total	\$	<u>11,465</u>	<u>\$ 11,441</u>
		For the nine months ended September 30	
		2023	2022
Rent income			
Associates	\$	33,671	\$ 33,567
Other related parties		556	744
Total	\$	<u>34,227</u>	<u>\$ 34,311</u>

H. Expenses

		For the three months ended September 30	
		2023	2022
Associates	\$	811	\$ 4,818
Other related parties		221	1,439
Total	\$	<u>1,032</u>	<u>\$ 6,257</u>
		For the nine months ended September 30	
		2023	2022
Associates	\$	6,472	\$ 6,312
Other related parties		1,278	2,315
Total	\$	<u>7,750</u>	<u>\$ 8,627</u>

(3) Key management compensation

		For the three months ended September 30	
		2023	2022
Salaries and other short-term employee benefits	\$	5,528	\$ 6,423
Post-employment benefits		153	149
Total	\$	<u>5,681</u>	<u>\$ 6,572</u>
		For the nine months ended September 30	
		2023	2022
Salaries and other short-term employee benefits	\$	40,956	\$ 41,513
Post-employment benefits		458	441
Total	\$	<u>41,414</u>	<u>\$ 41,954</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>September 30, 2023</u>	<u>December 31, 2022</u>	<u>September 30, 2022</u>	
Time deposits (shown as "Financial assets at amortised cost-non- current")	\$ 10,171	\$ 10,177	\$ 10,162	Guarantee deposit for lease
Time deposits (shown as "Financial assets at amortised cost-non- current")	441,500	-	-	Guarantees deposit for borrowings
Time deposits (shown as "Financial assets at amortised cost-non- current")	59,745	59,724	38,419	Guarantee deposit for letter of guarantee for customs duties
Time deposits (shown as "Financial assets at amortised cost-current")	878,585	245,600	254,059	Guarantees deposit for borrowings
	<u>\$ 1,390,001</u>	<u>\$ 315,501</u>	<u>\$ 302,640</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

The Group's subsidiary, Mitac International Corp., sold part of its TD Synnex Corp. shares in October 2023. The disposal price is USD 50,598. This disposal pertains to the sale of financial assets measured at fair value through other comprehensive gains and losses; thus, the results of the disposal will be included in the equity item of the balance sheet.

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

	September 30, 2023	December 31, 2022	September 30, 2022
<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>144,893</u>	\$ <u>154,069</u>	\$ <u>167,281</u>
Financial assets at fair value through other comprehensive income			
Designation of equity instrument	\$ <u>39,243,123</u>	\$ <u>42,014,652</u>	\$ <u>37,397,104</u>
Financial assets at amortised cost			
Cash and cash equivalents	\$ 6,670,029	\$ 7,801,360	\$ 8,096,288
Financial assets at amortised cost	1,424,801	350,301	337,440
Notes receivable	55,834	40,992	46,383
Accounts receivable	6,048,014	7,728,310	8,209,083
Accounts receivable - related parties	5,562	4,198	20,620
Other receivables	1,051,338	158,303	313,371
Refundable deposits	<u>20,073</u>	<u>23,756</u>	<u>24,261</u>
	\$ <u>15,275,651</u>	\$ <u>16,107,220</u>	\$ <u>17,047,446</u>

	September 30, 2023	December 31, 2022	September 30, 2022
<u>Financial liabilities</u>			
Financial liabilities at fair value through profit or loss			
Financial liabilities held for trading	\$ <u>12,121</u>	\$ <u>11,112</u>	\$ <u>21,884</u>
Financial liabilities at amortised cost			
Short-term borrowings	\$ 863,017	\$ 3,623,778	\$ 4,476,653
Accounts payable	5,828,469	5,730,648	8,593,933
Accounts payable - related parties	786,815	161,723	229,623
Other accounts payable	4,915,901	4,219,223	3,837,881
Refundable deposits	44,445	34,961	37,764
Long-term borrowings (including current portion)	<u>915,729</u>	<u>701,685</u>	<u>762,676</u>
	\$ <u>13,354,376</u>	\$ <u>14,472,018</u>	\$ <u>17,938,530</u>
Lease liabilities	\$ <u>139,698</u>	\$ <u>169,089</u>	\$ <u>179,602</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:

September 30, 2023			
(Foreign currency: functional currency)	Foreign currency amount	Exchange rate	Book value
	(In thousands)		(NTD)
<u>Financial assets</u>			
<u>Monetary items</u>			
USD:NTD	\$ 374,963	32.270	\$ 12,100,060
EUR:NTD	4,163	33.910	141,167
USD:CNY	78,632	7.309	2,537,469
<u>Non-monetary items</u>			
CNY:NTD	95,020	4.415	419,513
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD:NTD	200,598	32.270	6,473,303
USD:CNY	95,211	7.309	3,072,453

	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

September 30, 2022				
(Foreign currency: functional currency)	Foreign currency amount		Exchange rate	Book value
	(In thousands)			(NTD)
<u>Financial assets</u>				
<u>Monetary items</u>				
USD:NTD	\$	664,580	31.750	\$ 21,100,399
USD:CNY		95,456	7.098	3,030,732
<u>Non-monetary items</u>				
CNY:NTD		92,602	4.473	414,208
<u>Financial liabilities</u>				
<u>Monetary items</u>				
USD:NTD		424,443	31.750	12,481,893
USD:CNY		268,487	7.098	8,524,449
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 nine months ended September 30, 2023 and 2022, amounted to \$109,320, \$316,589, \$116,590 and \$308,669, respectively.				
iii. The Group's foreign currency market risk analysis regarding significant exchange rate fluctuations is shown below:				

For the nine months ended September 30, 2023				
Sensitivity analysis				
(Foreign currency: functional currency)	Fluctuation %	Affected income	Affected other comprehensive income	
	<u>Financial assets</u>			
	<u>Monetary items</u>			
USD:NTD	1.00%	\$ 121,001	\$	
EUR:NTD	1.00%	1,412		
USD:CNY	1.00%	25,375		
<u>Financial liabilities</u>				
<u>Monetary items</u>				
USD:NTD	1.00%	64,733		
USD:CNY	1.00%	30,725		

For the nine months ended September 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%	\$ 211,004	\$		-
USD:CNY	1.00%	30,307			-
<u>Financial liabilities</u>					
<u>Monetary items</u>					
USD:NTD	1.00%	124,819			-
USD:CNY	1.00%	85,244			-

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 nine months ended September 30, 2023 and 2022 would have increased/decreased by \$1,419 and \$1,404. Other components of equity would have increased/decreased by \$392,431 and \$373,971, 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 nine months ended September 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 nine months ended September 30, 2023 and 2022 would have decreased /increased by \$133 and \$393, 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

September 30, 2023, December 31, 2022 and September 30, 2022, the loss rate methodology is as follows:

September 30, 2023	Group A	Group B	Total
Expected loss rate	0% - 100%	0.010% - 0.7%	
Value	\$ 1,093,297	\$ 5,026,574	\$ 6,119,871
Allowance	63,146	3,149	66,295
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
September 30, 2022	Group A	Group B	Total
Expected loss rate	0% - 100%	0.011% - 0.7%	
Value	\$ 981,214	\$ 7,329,184	\$ 8,310,398
Allowance	77,996	2,699	80,695

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	(298,121)
Write-off	(200)
Effect of foreign exchange	2,436
At September 30	\$ <u>66,295</u>

	2022
At January 1	\$ 78,858
Provision for impairment	12
Effect of foreign exchange	1,825
At September 30	\$ <u>80,695</u>

(c) Liquidity risk

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

settled or gross-settled derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date for 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>September 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	\$ 863,017	\$ -	\$ -	\$ -
Accounts payable	6,615,284	-	-	-
Other payables	4,915,901	-	-	-
Lease liabilities	35,102	28,238	11,132	78,883
Guarantee deposits	28,652	2,468	5,003	8,322
Long-term				
borrowings	292,034	116,022	507,679	8,356

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>September 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	\$ 4,486,456	\$ -	\$ -	\$ -
Accounts payable	8,823,556	-	-	-
Other payables	3,837,881	-	-	-
Lease liabilities	47,856	31,524	25,768	86,484
Guarantee deposits	18,405	8,854	406	10,099
Long-term				
borrowings	259,342	291,060	115,603	109,378

Derivative financial liabilities

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

September 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	\$ -	\$ 2,983	\$ -	\$ 2,983
Equity securities	<u>34,777,663</u>	<u>195,225</u>	<u>4,412,145</u>	<u>39,385,033</u>
Total	<u>\$ 34,777,663</u>	<u>\$ 198,208</u>	<u>\$ 4,412,145</u>	<u>\$39,388,016</u>
<u>Recurring fair value</u>				
<u>measurements Financial</u>				
<u>liabilities:</u>				
Forward exchange contracts	\$ -	\$ 12,121	\$ -	\$ 12,121

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
September 30, 2022	Level 1	Level 2	Level 3	Total
<u>Recurring fair value</u>				
<u>measurements Financial</u>				
<u>assets:</u>				
Forward exchange contracts	\$ -	\$ 26,864	\$ -	\$ 26,864
Equity securities	<u>33,471,765</u>	<u>439,033</u>	<u>3,626,723</u>	<u>37,537,521</u>
Total	<u>\$ 33,471,765</u>	<u>\$ 465,897</u>	<u>\$ 3,626,723</u>	<u>\$ 37,564,385</u>
<u>Recurring fair value</u>				
<u>measurements Financial</u>				
<u>liabilities:</u>				
Forward exchange contracts	\$ -	\$ 21,884	\$ -	\$ 21,884

- (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 nine months ended September 30, 2023, Whetron Electronics Co., Ltd. was transferred from Level 2 to Level 1; for the nine months ended September 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 September 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)	(13,615)
Acquired in the period	11,689	30,953
Gains (losses) recognised in other comprehensive income	507,535	(506,556)
Effects of foreign exchange	(2)	-
September 30	<u>\$ 4,412,145</u>	<u>\$ 3,626,723</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 September 30, 2023	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instrument:					
Unlisted shares	\$ 4,412,145	Net asset value	Net asset value	-	The higher the net asset value, the higher the fair value.

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

		<u>Fair value at September 30, 2022</u>	<u>Valuation technique</u>	<u>Significant unobservable input</u>	<u>Range (weighted average)</u>	<u>Relationship of inputs to fair value</u>
Non-derivative equity instrument:						
Unlisted shares	\$	3,626,723	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 categorised within Level 3 if the inputs used to valuation models have changed:

		<u>September 30, 2023</u>					
				<u>Recognised in profit or loss</u>		<u>Recognised in other comprehensive income</u>	
		<u>Input</u>	<u>Change</u>	<u>Favourable change</u>	<u>Unfavourable change</u>	<u>Favourable change</u>	<u>Unfavourable change</u>
Financial assets							
Equity instrument	Net asset value	±1%	\$ -	\$ -	\$ 44,121	\$ 44,121	

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

		<u>September 30, 2022</u>					
				<u>Recognised in profit or loss</u>		<u>Recognised in other comprehensive income</u>	
		<u>Input</u>	<u>Change</u>	<u>Favourable change</u>	<u>Unfavourable change</u>	<u>Favourable change</u>	<u>Unfavourable change</u>
Financial assets							
Equity instrument	Net asset value	±1%	\$ -	\$ -	\$ 36,267	\$ 36,267	

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 nine months ended September 30, 2023				
Item	Cloud computing business group	Automotive electronics and AIoT business group	Others	Total
Revenue	\$ 21,956,419	\$ 3,768,653	\$ 1,958,464	\$ 27,683,536
Segment gain (loss)	170,804	98,253	(299,637)	(30,580)

For the nine months ended September 30, 2022				
Item	Cloud computing business group	Automotive electronics and AIoT business group	Others	Total
Revenue	\$ 27,838,161	\$ 4,674,928	\$ 2,692,192	\$ 35,205,281
Segment gain (loss)	562,056	74,224	(437,031)	199,249

(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 nine months ended September 30, 2023 and 2022 is provided as follows:

Items	For the nine months ended September 30	
	2023	2022
Profit (loss) for reportable segments	\$(30,580)	\$ 199,249
Unallocated:		
Share of profits of associates and joint ventures accounted for using the equity method	926,033	1,142,388
Dividend revenue	640,362	520,962
Interest revenue	97,778	72,705
Net currency exchange gain	116,590	308,669
(Loss) gains on disposal of investments	(1,086)	10,097,539
Other income	14,368	68,825
Income before tax from operations	\$ <u>1,763,465</u>	\$ <u>12,410,337</u>

MiTAC HOLDINGS CORPORATION AND SUBSIDIARIES
Loans to others
For the nine months ended September 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 nine months ended September 30, 2023	Balance at September 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	\$ 2,400,000	\$ 2,400,000	\$ 874,580	1.49311%-1.49378%	2	\$ -	Operations	\$ -	None	\$ -	\$ 21,927,533	\$ 21,927,533
0	MiTAC Holdings Corp.	MiTAC Computing Technology Corp.	Other receivables-related parties	Y	3,900,000	500,000	404,622	1.375%-2.5%	2	-	Operations	-	None	-	21,927,533	21,927,533
0	MiTAC Holdings Corp.	MiTAC Digital Technology Corp.	Other receivables-related parties	Y	1,000,000	-	-	0	2	-	Operations	-	None	-	21,927,533	21,927,533
1	MiTAC International Corp.	MiTAC Holdings Corp.	Other receivables-related parties	Y	500,000	200,000	-	0	2	-	Operations	-	None	-	22,568,115	22,568,115
1	MiTAC International Corp.	MiTAC Computing Technology Corp.	Other receivables-related parties	Y	1,200,000	1,200,000	556,728	1.49378%	2	-	Operations	-	None	-	22,568,115	22,568,115
1	MiTAC International Corp.	MiTAC Digital Technology Corp.	Other receivables-related parties	Y	200,000	200,000	-	0	2	-	Operations	-	None	-	22,568,115	22,568,115
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	-	22,568,115	22,568,115
2	MiTAC Computing Technology Corp.	MiTAC Holdings Corp.	Other receivables-related parties	Y	700,000	-	-	0	2	-	Operations	-	None	-	1,204,517	1,204,517
2	MiTAC Computing Technology Corp.	MiTAC International Corp.	Other receivables-related parties	Y	700,000	700,000	-	1.49311%-1.49378%	2	-	Operations	-	None	-	1,204,517	1,204,517
2	MiTAC Computing Technology Corp.	MiTAC Information Systems Corp.	Other receivables-related parties	Y	968,100	968,100	968,100	0	1	14,520,993	Ongoing business	-	None	-	3,011,293	3,011,293
3	MiTAC Digital Technology Corp.	MiTAC Holdings Corp.	Other receivables-related parties	Y	150,000	-	-	0	2	-	Operations	-	None	-	712,681	712,681
3	MiTAC Digital Technology Corp.	MiTAC International Corp.	Other receivables-related parties	Y	430,000	180,000	-	1.49311%-1.49378%	2	-	Operations	-	None	-	712,681	712,681
4	Silver Star Developments Ltd.	MiTAC Holdings Corp.	Other receivables-related parties	Y	21,823,348	20,861,762	20,857,224	0	2	-	Operations	-	None	-	90,290,904	90,290,904
4	Silver Star Developments Ltd.	MiTAC International Corp.	Other receivables-related parties	Y	16,630,710	4,509,500	556,728	0	2	-	Operations	-	None	-	18,058,181	18,058,181
4	Silver Star Developments Ltd.	MiTAC International Corp.	Other receivables-related parties	Y	13,459,175	13,459,175	13,459,175	0	1	15,412,969	Ongoing business	-	None	-	15,412,969	90,290,904
4	Silver Star Developments Ltd.	Start Well Technology Ltd.	Other receivables-related parties	Y	931,311	931,311	931,311	0	2	-	Operations	-	None	-	90,290,904	90,290,904
4	Silver Star Developments Ltd.	MiTAC Benelux N.V.	Other receivables-related parties	Y	69,420	67,820	67,820	0	2	-	Operations	-	None	-	90,290,904	90,290,904
4	Silver Star Developments Ltd.	MiTAC Information Systems Corp.	Other receivables-related parties	Y	2,129,820	2,129,820	1,097,180	0	2	-	Operations	-	None	-	90,290,904	90,290,904
5	Tyan Computer Corp.(USA)	MiTAC Information Systems Corp.	Other receivables-related parties	Y	242,025	242,025	242,025	1.83%	2	-	Operations	-	None	-	1,325,308	1,325,308
6	MiTAC Investment Holding Ltd.	MiTAC Technology (Kunshan) Co., Ltd.	Other receivables-related parties	Y	13,335	-	-	3.85%	2	-	Operations	-	None	-	7,525,588	7,525,588
6	MiTAC Investment Holding Ltd.	MiTAC Information Systems (Kunshan) Co., Ltd.	Other receivables-related parties	Y	44,450	-	-	0%-4.3%	2	-	Operations	-	None	-	7,525,588	7,525,588

No. (Note 1)	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the nine months ended September 30, 2023	Balance at September 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		
7	MiTAC Research (Shanghai) Ltd.	MiTAC Information Systems (Kunshan) Co., Ltd.	Other receivables-related parties	Y	280,035	220,750	220,750	0%~4.3%	2	-	Operations	-	None	-	963,404	963,404
8	Access Wisdom Holdings Ltd.	MiTAC Digital Technology Corp.	Other receivables-related parties	Y	35,497	35,497	35,497	0	2	-	Operations	-	None	-	84,229	84,229
9	Mio International Ltd.	MiTAC Digital Technology Corp.	Other receivables-related parties	Y	22,589	22,589	22,589	0	2	-	Operations	-	None	-	23,387	23,387
9	Mio International Ltd.	Access Wisdom Holdings Ltd.	Other receivables-related parties	Y	22,589	22,589	22,589	0	2	-	Operations	-	None	-	116,933	116,933
10	MiTAC Digital Corp.	MiTAC Information Systems Corp.	Other receivables-related parties	Y	129,080	129,080	129,080	5.65%	2	-	Operations	-	None	-	412,295	412,295

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)For companies with which Mitac Computing Technology Corp. has business dealings, the short-term financing limit should not exceed 100% of the net worth on the latest financial statements audited or reviewed by independent auditors. The limit of loaning to individual company shall not exceed the total amount of estimated business transactions between the two parties in the past two years or the next one year, or 100% of the previously stated net value, whichever is lower. The so-called business transaction amount refers to the total amount of investment, purchase, sales and other transactions between the two parties.

(5)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.

(6)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.

(7)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.

(8)For companies with which Silver Star Developments Ltd. has business dealings, the individual loan limit is based on the total amount of business dealings in the past five years or 200% of the net value of the company's most recent financial statement that has been audited or reviewed by an accountant, whichever is lower. The total loan limit is limited to 200% of the company's most recent net worth of financial statements that have been audited or reviewed by accountants. The so-called business transaction amount refers to the total amount including but not limited to investment, purchase, sales and other transactions between the two parties.

(9)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.

(10) 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.

(11) 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.

(12) 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.

(13) 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.

(14) 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.

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

MiTAC HOLDINGS CORPORATION AND SUBSIDIARIES
Provision of endorsements and guarantees to others
For the nine months ended September 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 September 30, 2023	Outstanding endorsement/ guarantee amount at September 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	\$ 27,409,417	\$ 96,810	\$ 96,810	\$ 96,810	\$ -	0.18 %	\$ 27,409,417	Y	N	N
0	MiTAC Holdings Corp.	MiTAC Computing Technology Corp.	2	27,409,417	929,376	929,376	929,376	-	1.70 %	27,409,417	Y	N	N
0	MiTAC Holdings Corp.	MiTAC Digital Technology Corp.	2	27,409,417	4,303	4,303	4,303	-	0.01 %	27,409,417	Y	N	N
0	MiTAC Holdings Corp.	MiTAC Information Systems Corp.	2	27,409,417	1,613,500	1,613,500	-	-	2.94 %	27,409,417	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)
September 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 September 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	\$ 198,948	0.19	\$ 198,948	
MiTAC Holdings Corp.	stocks	Healthera Corporation	None	Financial assets at fair value through other comprehensive income-non current	72,112	1,734	0.28	1,734	
MiTAC Holdings Corp.	stocks	JVP VIII, L.P.	None	Financial assets at fair value through other comprehensive income-non current	-	121,534	1.16	121,534	
MiTAC Holdings Corp.	stocks	Acorn Pacific Ventures Fund II, LP	None	Financial assets at fair value through other comprehensive income-non current	-	16,806	6.67	16,806	
MiTAC Holdings Corp.	stocks	TOPRAY MEMS INC.	None	Financial assets at fair value through other comprehensive income-non current	1,000,000	4,326	2.19	4,326	
MiTAC Holdings Corp.	stocks	TRANS-IOT TECHNOLOGY CO., LTD.	None	Financial assets at fair value through other comprehensive income-non current	769,230	15,321	7.47	15,321	
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	437,429	11.27	437,429	
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	158,030	11.57	158,030	
MiTAC Holdings Corp.	stocks	TD Synnex Corp.	None	Financial assets at fair value through other comprehensive income-non current	2,403,229	7,744,363	2.60	7,744,363	
MiTAC Holdings Corp.	stocks	Concentrix Corp.	None	Financial assets at fair value through other comprehensive income-non current	1,977,944	5,113,281	2.97	5,113,281	
MiTAC International Corp.	stocks	Lien Hwa Industrial Holdings Corp.	Same board chairman	Financial assets at fair value through other comprehensive income-non current	44,182,460	2,756,986	2.79	2,756,986	
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	733,000	8.83	733,000	
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	336,205	0.31	336,205	
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	100,256	4.17	100,256	
MiTAC International Corp.	stocks	MiTAC INC.	Same board chairman	Financial assets at fair value through other comprehensive income-non current	35,401,218	2,259,664	8.71	2,259,664	
MiTAC International Corp.	stocks	Overseas Investment & Development Corp.	None	Financial assets at fair value through other comprehensive income-non current	1,000,000	12,698	1.11	12,698	
MiTAC International Corp.	stocks	Harbinger Venture Capital Corp.	Same board chairman	Financial assets at fair value through other comprehensive income-non current	27,828	213	14.05	213	
MiTAC International Corp.	stocks	Harbinger VI Venture Capital Corp.	None	Financial assets at fair value through other comprehensive income-non current	3,213,811	40,786	13.28	40,786	

Securities held by	Marketable securities		Relationship with the securities issuer	General ledger account	As of September 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	82,438	9.39	82,438	
MiTAC International Corp.	stocks	TD Synnex Corp.	None	Financial assets at fair value through other comprehensive income-non current	2,594,649	8,361,210	2.81	8,361,210	
MiTAC International Corp.	stocks	Concentrix Corp.	None	Financial assets at fair value through other comprehensive income-current	2,135,489	5,520,559	3.21	5,520,559	
Tsu Fung Investment Corp.	stocks	Getac Holdings Corp.	None	Financial assets at fair value through other comprehensive income-current	7,783,741	604,018	1.28	604,018	
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	526,772	0.49	526,772	
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	30,270	2.92	30,270	
Tsu Fung Investment Corp.	stocks	MiTAC Information Technology Corp.	None	Financial assets at fair value through other comprehensive income-non current	4,594,672	73,588	3.06	73,588	
Tsu Fung Investment Corp.	stocks	MiTAC INC.	None	Financial assets at fair value through other comprehensive income-non current	21,824,887	1,393,085	5.37	1,393,085	
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	138,477	19.99	138,477	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	19,128	19.99	19,128	
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	169,274	19.99	169,274	
Tsu Fung Investment Corp.	stocks	Whetron Electronics Co., Ltd.	None	Financial assets at fair value through other comprehensive income-non current	375,000	18,664	0.48	18,664	
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	70,940	-	70,940	
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	70,970	-	70,970	
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	973,518	0.33	973,518	
Silver Star Developments Ltd. and its subsidiaries	stocks	Concentrix Corp.	None	Financial assets at fair value through other comprehensive income-non current	302,102	780,979	0.45	780,979	
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	12	14.83	12	
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 nine months ended September 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 September 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	-	\$ -	Note1

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 nine months ended September 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	\$ 1,192,790	10 %	Note 1	Note 3	Note 1	\$ 3,237,083	55 %	
MiTAC Computing Technology Corp.	MiTAC Information Systems Corp.	Subsidiary	Purchases	134,398	1 %	Note 2	Note 3	Note 2	-	- %	
MiTAC Computing Technology Corp.	MiTAC Computer (Shunde) Corp.	Affiliate	Purchases	480,920	5 %	Note 2	Note 3	Note 2	(1,756,504)	33 %	
MiTAC Computing Technology Corp.	Tyan Computer Corp.(USA)	Subsidiary	Sales	420,681	3 %	Note 1	Note 3	Note 1	-	- %	
MiTAC Computing Technology Corp.	Synnex Technology International Corp. and its subsidiaries	Other related parties	Purchases	2,565,762	26 %	Note 2	Note 3	Note 2	(783,303)	15 %	
MiTAC Computing Technology Corp.	MiTAC Japan Corp.	Affiliate	Sales	144,342	1 %	Note 1	Note 3	Note 1	49,060	1 %	
MiTAC Digital Technology Corp.	MiTAC Australia Pty Ltd.	Subsidiary	Sales	103,066	3 %	Note 1	Note 3	Note 1	71,482	9 %	
MiTAC Digital Technology Corp.	MiTAC Computer (Kunshan) Ltd.	Affiliate	Purchases	906,787	44 %	Note 2	Note 3	Note 2	(1,235,180)	78 %	
Silver Star Developments Ltd. and its subsidiaries	MiTAC Computing Technology Corp.	Affiliate	Sales	482,459	6 %	Note 1	Note 3	Note 1	1,779,788	3 %	
Silver Star Developments Ltd. and its subsidiaries	MiTAC Computing Technology Corp.	Affiliate	Purchases	144,433	2 %	Note 2	Note 3	Note 2	(49,060)	- %	
Silver Star Developments Ltd. and its subsidiaries	MiTAC Digital Technology Corp.	Affiliate	Sales	907,071	10 %	Note 1	Note 3	Note 1	1,251,761	2 %	
MiTAC Technology UK Ltd. and its subsidiaries	MiTAC Computing Technology Corp.	Parent Company	Sales	134,398	1 %	Note 1	Note 3	Note 1	3,538	- %	
MiTAC Technology UK Ltd. and its subsidiaries	MiTAC Computing Technology Corp.	Parent Company	Purchases	1,613,471	14 %	Note 2	Note 3	Note 2	(3,237,083)	61 %	
Access Wisdom Holdings Ltd. and its subsidiaries	MiTAC Digital Technology Corp.	Parent Company	Purchases	187,722	111 %	Note 2	Note 3	Note 2	(71,482)	84 %	

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 nine months ended September 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	\$ -	\$ 312,730	-	\$ -	Not Applicable	\$ -	\$ -	
MiTAC Computing Technology Corp.	MiTAC Information Systems Corp.	Subsidiary	3,237,083	2,897	0.40	2,464,057	Subsequent collection	138	-	
Silver Star Developments Ltd. and its subsidiaries	MiTAC Computing Technology Corp.	Affiliate	1,779,788	29,266	0.38	-	Not Applicable	97,646	-	
Silver Star Developments Ltd. and its subsidiaries	MiTAC Digital Technology Corp.	Affiliate	1,251,761	1,450	1.22	-	Not Applicable	9,110	-	

MiTAC HOLDINGS CORPORATION AND SUBSIDIARIES
Significant inter-company transactions during the reporting periods
For the nine months ended September 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	\$ 917,551		1.12 %	
0	MiTAC Holdings Corp.	MiTAC Computing Technology Corp.	1	Other receivables	717,352		0.87 %	
1	MiTAC International Corp.	MiTAC Computing Technology Corp.	3	Other operating revenue	108,513		0.13 %	
1	MiTAC International Corp.	MiTAC Computing Technology Corp.	3	Other receivables	598,171		0.73 %	
2	MiTAC Computing Technology Corp.	MiTAC Technology UK Ltd. and its subsidiaries	3	Sales	1,613,471	Note 4	5.83 %	
2	MiTAC Computing Technology Corp.	MiTAC Technology UK Ltd. and its subsidiaries	3	Purchases	134,398	Note 5	0.49 %	
2	MiTAC Computing Technology Corp.	MiTAC Technology UK Ltd. and its subsidiaries	3	Accounts receivable	3,237,083	Note 4	3.94 %	
2	MiTAC Computing Technology Corp.	MiTAC Technology UK Ltd. and its subsidiaries	3	Other receivables	970,997		1.18 %	
2	MiTAC Computing Technology Corp.	Silver Star Developments Ltd. and its subsidiaries	3	Sales	144,433	Note 4	0.52 %	
2	MiTAC Computing Technology Corp.	Silver Star Developments Ltd. and its subsidiaries	3	Purchases	482,459	Note 5	1.74 %	
2	MiTAC Computing Technology Corp.	Silver Star Developments Ltd. and its subsidiaries	3	Accounts payable	1,779,788	Note 5	2.17 %	
3	Silver Star Developments Ltd. and its subsidiaries	MiTAC Holdings Corp.	2	Other receivables	20,857,224		25.40 %	
3	Silver Star Developments Ltd. and its subsidiaries	MiTAC International Corp.	3	Other receivables	14,022,388		17.07 %	
3	Silver Star Developments Ltd. and its subsidiaries	MiTAC Information Systems Corp.	3	Other receivables	1,097,180		1.34 %	
4	MiTAC Digital Technology Corp.	Access Wisdom Holdings Ltd. and its subsidiaries	3	Sales	187,722	Note 4	0.68 %	
4	MiTAC Digital Technology Corp.	Silver Star Developments Ltd. and its subsidiaries	3	Purchases	907,071	Note 5	3.28 %	
4	MiTAC Digital Technology Corp.	Silver Star Developments Ltd. and its subsidiaries	3	Accounts payable	1,251,761		1.52 %	
5	Access Wisdom Holdings Ltd. and its subsidiaries	MiTAC Technology UK Ltd. and its subsidiaries	3	Other receivables	129,320		0.16 %	

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 nine months ended September 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 September 30, 2023			Net profit (loss) of the investee for the nine months ended September 30, 2023	Investment income (loss) recognised by the Company for the nine months ended September 30, 2023	Footnote
				Balance as at September 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	\$ 59,089,490	\$ 1,554,982	\$ 1,542,956	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	3,001,057	125,865	123,434	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	1,776,062	119,950	115,929	Subsidiary
MiTAC Holdings Corp.	Infopower Technologies Private Ltd.	India	Manufacture and sale of electronic product.	74,655	74,655	6,774,199	33.33	64,006	(11,376)	(3,792)	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	31.25	6,643,074	2,887,928	-	Associate
MiTAC International Corp.	Tsu Fung Investment Corp.	Taiwan	General investments	625,000	625,000	142,884,651	100.00	3,910,743	151,707	-	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	7,127	(7,470)	-	Associate
MiTAC International Corp.	Lian Jie Investment Co., Ltd.	Taiwan	General investments	113,057	113,057	11,305,650	49.98	229,294	7,075	-	Associate
MiTAC International Corp.	Lian Jie II Investment Co., Ltd.	Taiwan	General investments	32,500	32,500	3,250,000	32.50	42,936	1,689	-	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	45,539,661	(52,777)	-	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	85,422	(361)	-	Associate
MiTAC Computing Technology Corp.	MiTAC Technology UK Ltd. and its subsidiaries	UK	General investments	1,662,935	1,662,935	55,146,137	100.00	661,865	(124,437)	-	Subsidiary
MiTAC Computing Technology Corp.	Hyve Design Solutions Corporation	USA	Assemble and sales of computer and peripheral equipment.	365,552	365,552	1,600,000	50.00	-	-	-	Associate
MiTAC Digital Technology Corp.	Mio International Ltd. and its subsidiaries	British Virgin Islands	General investments	73,501	73,501	1,275,001	100.00	87,715	622	-	Subsidiary
MiTAC Digital Technology Corp.	Access Wisdom Holdings Limited and its subsidiaries	British Virgin Islands	General investments	-	-	48,500,000	100.00	280,126	75,022	-	Subsidiary
Silver Star Developments Ltd. and its subsidiaries	Mainpower International Ltd.	British Virgin Islands	General investments	177,485	177,485	5,500,001	13.28	280,232	63,617	-	Associate
Silver Star Developments Ltd. and its subsidiaries	Harbinger Ruyi Venture Ltd.	British Virgin Islands	General investments	32,270	32,270	1,000,000	28.57	24,251	1,520	-	Associate

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at September 30, 2023			Net profit (loss) of the investee for the nine months ended September 30, 2023	Investment income (loss) recognised by the Company for the nine months ended September 30, 2023	Footnote
				Balance as at September 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	32,270	32,270	10,000	32.26	74,512	2,530	-	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	119,950	-	Subsidiary

MiTAC HOLDINGS CORPORATION AND SUBSIDIARIES
Information on investments in Mainland China
For the nine months ended September 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 nine months ended September 30, 2023		Accumulated amount of remittance from Taiwan to Mainland China as of September 30, 2023	Net income of investee as of September 30, 2023	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the nine months ended September 30, 2023 (Note 2)	Book value of investments in Mainland China as of September 30, 2023	Accumulated amount of investment income remitted back to Taiwan as of September 30, 2023	Footnote
					Remitted to Mainland China	Remitted back to Taiwan							
MiTAC Computer (Shunde) Corp.	Manufacture of computer frame, motherboard, interface card, display, power supply, keyboard, related metal stamping parts and plastic parts and maintenance of motherboard	\$ 1,839,755	2	\$ 1,287,597	\$ -	\$ -	\$ 1,287,597	\$ (40,840)	100.00	\$ (40,840)	\$ 2,819,937	\$ -	
MiTAC Computer (Kunshan) Ltd.	Manufacture of communication, computers, computer peripherals, hardware/software and related products and sale of own produced products	1,194,279	2	1,891,022	-	-	1,891,022	(3,410)	100.00	(3,410)	1,772,260	-	
MiTAC Technology (Kunshan) Co., Ltd.	Testing, maintenance and display of computer components and related technical advisory services and after-sale services	36,543	2	32,270	-	-	32,270	15,706	100.00	15,706	122	-	
MiTAC Research (Shanghai) Ltd.	Research, development of computer software and related technical advisory services	161,319	2	167,804	-	-	167,804	(31,626)	100.00	(31,626)	449,923	-	
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.	1,558,396	2	435,645	-	-	435,645	76,756	27.44	21,061	705,053	-	
Mio Technology (Suzhou) Ltd.	Sales of automotive electronics, AIoT products	8,290	2	32,109	-	-	32,109	622	100.00	622	37,284	-	
MiTAC Logistic Service (Kunshan) Ltd.	Agency of freight transport,export and import trading and warehousing services.	30,114	2	32,270	-	-	32,270	(163)	100.00	(163)	41,816	-	
MiTAC Innovation (Kunshan) Ltd.	Research, development of computer software and related technical advisory services	29,009	2	32,270	-	-	32,270	3,511	100.00	3,511	88,572	-	
MiTAC Telematics Technology Corporation	Sales of self-produced products and related after-sale services	8,830	1	2,354	-	-	2,354	(4,781)	100.00	(4,781)	12,574	-	
MiTAC Investment Holding Ltd.	General investments	2,999,075	2	968,100	-	-	968,100	(68,020)	100.00	(68,020)	3,694,444	-	
MiTAC Information Systems (Kunshan) Co., Ltd.	Manufacture of communication, computers, computer peripherals, hardware/software and related products and sale of own produced products	1,986,750	3	-	-	-	-	(64,059)	100.00	(64,059)	1,686,872	-	

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 nine months ended September 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 September 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 September 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.	\$ 4,333,935	\$ 5,254,779	\$ 35,453,694
MiTAC Computing Technology Corp.	2,354	2,354	1,799,911
MiTAC Digital Technology Corp.	24,041	24,041	1,096,918

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
September 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 %