

**CHANT SINCERE CO., LTD. AND  
SUBSIDIARIES  
CONSOLIDATED FINANCIAL STATEMENTS AND  
INDEPENDENT AUDITORS' REVIEW REPORT  
FOR NINE-MONTH PERIOD ENDED SEPTEMBER 30,  
2024 AND 2023**

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

CHANT SINCERE CO., LTD.  
FOR NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2024 AND 2023  
CONSOLIDATED FINANCIAL STATEMENTS AND INDEPENDENT AUDITORS’  
REVIEW REPORT  
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## INDEPENDENT AUDITORS' REVIEW REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of CHANT SINCERE CO., LTD.

### ***Introduction***

We have reviewed the accompanying consolidated balance sheets of CHANT SINCERE CO., LTD. AND SUBSIDIARIES (the "Group") as at September 30, 2024 and 2023, and the related consolidated statements of comprehensive income for the three-month period ended September 30, 2024 and 2023, and for the nine-month period ended September 30, 2024 and 2023, as well as the related consolidated statements of changes in equity and of cash flows for the nine-month period ended September 30, 2024 and 2023, and notes to the consolidated financial statements, including a summary of material 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 the 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 Standard on Review Engagements 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***

As explained in Note 4(3), the financial statements of certain insignificant consolidated subsidiaries were not reviewed by independent auditors. Those statements reflect total assets of NT\$109,241 thousand and NT\$111,688 thousand, constituting 3% and 4% of the consolidated total assets, and total liabilities of NT\$34,330 thousand and NT\$33,984 thousand, constituting 3% and 7% of the consolidated total liabilities as at September 30, 2024 and 2023, and total comprehensive income (loss) of NT\$(854) thousand and NT\$(382) thousand, constituting (2%) and (0%) of the consolidated total comprehensive income for the three-month period then ended September 30, 2024 and 2023, and total comprehensive income(loss) of NT\$1,456 thousand and NT\$(2,482) thousand, constituting 1% and (1%) of the consolidated total comprehensive income for the nine-month period then ended September 30, 2024 and 2023.

***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 certain consolidated subsidiaries been reviewed by independent auditors, that we might have become aware of had it not been for the situation described above, 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, 2024 and 2023, and of its consolidated financial performance for the three-month period ended September 30, 2024 and 2023, and for the nine-month period ended September 30, 2024 and 2023, and its consolidated cash flows for the nine-month period ended September 30, 2024 and 2023, in accordance with “Regulations Governing the Preparation of Financial Reports by Securities Issuers” and International Accounting Standard 34, “Interim Financial Reporting” that came into effect as endorsed by the Financial Supervisory Commission.

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Wu, Wei-Hao

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Cheng, Ya-Huei

For and on behalf of PricewaterhouseCoopers, Taiwan

Nov 7, 2024

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

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.

**CHANT SINCERE CO., LTD. AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
**SEPTEMBER 30, 2024, DECEMBER 31, 2023 AND SEPTEMBER 30, 2023**  
(Expressed in thousands of New Taiwan dollars)

Assets		Notes	September 30, 2024		December 31, 2023		September 30, 2023	
			AMOUNT	%	AMOUNT	%	AMOUNT	%
Current assets								
1100	Cash and cash equivalents	6(1)	\$ 731,513	19	\$ 1,101,081	30	\$ 814,161	27
1110	Financial assets at fair value through profit or loss - current	6(2)	29,019	1	9,444	-	9,249	-
1120	Financial assets at fair value through other comprehensive income - current	6(3)	58,990	2	56,318	2	68,830	2
1136	Financial assets at amortised cost - current	6(1)	720,000	19	681,000	19	225,000	8
1150	Notes receivable, net	6(4)	3,195	-	2,160	-	1,394	-
1170	Accounts receivable, net	6(4)	445,483	11	341,498	9	313,542	11
1180	Accounts receivable due from related parties, net	6(4) and 7	388	-	344	-	683	-
1200	Other receivables		4,319	-	327	-	3,092	-
130X	Inventories	6(5)	162,601	4	163,209	4	200,911	7
1410	Prepayments		35,490	1	32,054	1	37,261	1
11XX	Total current assets		2,190,998	57	2,387,435	65	1,674,123	56
Non-current assets								
1517	Financial assets at fair value through other comprehensive income - non-current	6(3)	563,275	15	242,729	7	265,902	9
1550	Investments accounted for under equity method	6(6)	346,189	9	339,795	9	337,834	11
1600	Property, plant and equipment	6(7) and 8	654,424	17	564,043	15	558,015	19
1755	Right-of-use assets	6(8)	87,380	2	59,261	2	64,003	2
1760	Investment property - net	6(9)	-	-	47,967	1	47,967	2
1780	Intangible assets	6(10)	4,693	-	3,829	-	4,706	-
1840	Deferred tax assets		20,227	-	22,469	1	18,975	1
1900	Other non-current assets		9,202	-	7,494	-	7,589	-
15XX	Total non-current assets		1,685,390	43	1,287,587	35	1,304,991	44
1XXX	Total assets		\$ 3,876,388	100	\$ 3,675,022	100	\$ 2,979,114	100

(Continued)

**CHANT SINCERE CO., LTD. AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
**SEPTEMBER 30, 2024, DECEMBER 31, 2023 AND SEPTEMBER 30, 2023**  
(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity		Notes	September 30, 2024		December 31, 2023		September 30, 2023	
			AMOUNT	%	AMOUNT	%	AMOUNT	%
Current liabilities								
2100	Short-term borrowings		\$ 5,000	-	\$ 5,000	-	\$ 5,000	-
2150	Notes payable		326	-	805	-	1,541	-
2170	Accounts payable		235,788	6	148,593	4	164,078	6
2180	Accounts payable to related parties	7	303	-	311	-	403	-
2200	Other payables	6(11)	155,535	4	129,172	4	116,327	4
2230	Current income tax liabilities		18,633	-	50,854	1	43,287	1
2250	Provisions for liabilities - current		7,000	-	14,000	-	14,000	-
2280	Lease liabilities - current		22,379	1	17,287	-	17,968	1
2320	Long-term liabilities, current portion	6(12)	-	-	-	-	101	-
2399	Other current liabilities, others		19,188	1	22,461	1	22,651	1
21XX	Total current liabilities		464,152	12	388,483	10	385,356	13
Non-current liabilities								
2530	Convertible bonds payable	6(12)	680,795	18	668,173	18	-	-
2570	Deferred tax liabilities		35,546	1	42,614	1	42,262	1
2580	Lease liabilities - non-current		65,147	2	42,089	1	46,139	1
2600	Other non-current liabilities	6(13)	16,680	-	16,314	1	16,919	1
25XX	Total non-current liabilities		798,168	21	769,190	21	105,320	3
2XXX	Total Liabilities		1,262,320	33	1,157,673	31	490,676	16
Equity attributable to owners of parent								
	Share capital	6(14)						
3110	Common stock		822,359	21	822,359	22	822,328	28
	Capital surplus	6(15)						
3200	Capital surplus		479,756	12	479,725	13	452,806	15
	Retained earnings	6(16)						
3310	Legal reserve		413,811	11	393,045	11	393,045	13
3350	Unappropriated retained earnings		818,287	21	770,073	21	749,245	25
	Other equity interest	6(17)						
3400	Other equity interest		69,590	2	41,941	1	60,424	2
31XX	Total equity attributable to owners of the parent		2,603,803	67	2,507,143	68	2,477,848	83
36XX	Non-controlling interest		10,265	-	10,206	1	10,590	1
3XXX	Total equity		2,614,068	67	2,517,349	69	2,488,438	84
	Significant contingent liabilities and unrecognised contract commitments	9						
3X2X	Total liabilities and equity		\$ 3,876,388	100	\$ 3,675,022	100	\$ 2,979,114	100

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

CHANT SINCERE CO., LTD. AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME  
NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2024 AND 2023  
(Expressed in thousands of New Taiwan dollars, except earnings per share amount)

Items	Notes	Three-month period ended September 30				Nine-month period ended September 30			
		2024		2023		2024		2023	
		AMOUNT	%	AMOUNT	%	AMOUNT	%	AMOUNT	%
4000 Operating revenue	6(18) and 7	\$ 343,851	100	\$ 264,063	100	\$ 1,082,613	100	\$ 1,063,650	100
5000 Operating costs	6(5)(21)(22) and 7	(199,375)	(58)	(176,382)	(67)	(623,418)	(58)	(667,253)	(63)
5900 Gross profit from operations		144,476	42	87,681	33	459,195	42	396,397	37
Operating expenses	6(21)(22) and 7								
6100 Selling expenses		(32,037)	(9)	(19,296)	(7)	(99,588)	(9)	(68,663)	(6)
6200 Administrative expenses		(56,418)	(16)	(48,641)	(18)	(179,950)	(17)	(149,507)	(14)
6300 Research and development expenses		(12,407)	(4)	(12,692)	(5)	(39,075)	(3)	(37,849)	(4)
6450 Expected credit gain(loss)	12(2)	143	-	30	-	(14)	-	1,057	-
6000 Total operating expenses		(100,719)	(29)	(80,599)	(30)	(318,627)	(29)	(254,962)	(24)
6900 Operating profit		43,757	13	7,082	3	140,568	13	141,435	13
Non-operating income and expenses									
7100 Interest revenue		6,413	2	1,653	1	16,980	2	5,708	1
7010 Other income	6(19)	11,275	3	17,425	6	12,124	1	17,425	2
7020 Other gains and losses	6(20)	(1,015)	-	15,281	6	58,183	5	22,960	2
7050 Finance costs		(4,360)	(1)	(188)	-	(13,009)	(1)	(824)	-
7060 Share of (loss)/profit of subsidiaries, associates and joint ventures accounted for under equity method	6(6)	3,670	1	331	-	11,059	1	5,291	-
7000 Total non-operating income and expenses		15,983	5	34,502	13	85,337	8	50,560	5
7900 Profit before income tax		59,740	18	41,584	16	225,905	21	191,995	18
7950 Income tax expense	6(23)	(9,965)	(3)	(5,081)	(2)	(44,256)	(4)	(44,608)	(4)
8200 Profit for the period		\$ 49,775	15	\$ 36,503	14	\$ 181,649	17	\$ 147,387	14
Other comprehensive income (net)									
Item that will not be reclassified to profit or loss									
8316 Unrealised gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	6(3)	\$ (12,991)	(4)	\$ 41,131	16	\$ 29,050	2	\$ 74,176	7
8320 Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss	6(6)	-	-	-	-	308	-	62	-
8349 Income tax related to item that will not be reclassified to profit or loss	6(23)	-	-	-	-	-	-	-	-
8310 Other comprehensive income (net) that will not be reclassified to profit or loss		(12,991)	(4)	41,131	16	29,358	2	74,238	7
Item that will be reclassified to profit or loss									
8361 Exchange differences on translation of foreign financial statements	6(17)	4,544	1	7,706	3	10,725	1	(78)	-
8370 Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will be reclassified to profit or loss	6(17)	119	-	301	-	441	-	292	-
8399 Income tax related to item that will be reclassified to profit or loss	6(23)	(902)	-	(1,533)	(1)	(2,131)	-	17	-
8360 Other comprehensive income that will be reclassified to profit or loss		3,761	1	6,474	2	9,035	1	231	-
8300 Other comprehensive income for the period, net of tax		\$ (9,230)	(3)	\$ 47,605	18	\$ 38,393	3	\$ 74,469	7
8500 Total comprehensive income for the period		\$ 40,545	12	\$ 84,108	32	\$ 220,042	20	\$ 221,856	21
Profit(loss), attributable to:									
8610 Owners of the parent		\$ 49,910	15	\$ 36,597	14	\$ 181,657	17	\$ 147,766	14
8620 Non-controlling interest		(135)	-	(94)	-	(8)	-	(379)	-
		\$ 49,775	15	\$ 36,503	14	\$ 181,649	17	\$ 147,387	14
Comprehensive income(loss) attributable to:									
8710 Owners of the parent		\$ 40,652	12	\$ 84,164	32	\$ 219,983	20	\$ 222,230	21
8720 Non-controlling interest		(107)	-	(56)	-	59	-	(374)	-
		\$ 40,545	12	\$ 84,108	32	\$ 220,042	20	\$ 221,856	21
Basic earnings per share	6(24)								
9750 Basic earnings per share		\$ 0.61		\$ 0.45		\$ 2.21		\$ 1.84	
9850 Diluted earnings per share		\$ 0.56		\$ 0.44		\$ 2.01		\$ 1.80	

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

CHANT SINCERE CO., LTD. AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2024 AND 2023  
(Expressed in thousands of New Taiwan dollars)

		Equity attributable to owners of the parent												
					Capital surplus	Retained earnings				Other equity interest				
					Difference between proceeds on actual acquisition of or disposal of equity interest in a subsidiary and its carrying amount and changes in the ownership interest	Change in equity of associates and joint ventures accounted for using equity method								
		Common stock	Additional paid-in capital	Treasury share transactions			Share options	Legal reserve	Unappropriated retained earnings	Exchange differences on translation of foreign financial statements	Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income	Total	Non-controlling interest	Total equity
Notes														
2023														
		\$ 797,726	\$ 385,867	\$ 8,509	\$ 1,824	\$ 74	\$ 2,149	\$ 351,366	\$ 844,156	\$ (14,697)	\$ 39,727	\$ 2,416,701	\$ 10,964	\$ 2,427,665
		-	-	-	-	-	-	-	147,766	-	-	147,766	(379)	147,387
	6(17)	-	-	-	-	-	-	-	62	226	74,176	74,464	5	74,469
		-	-	-	-	-	-	-	147,828	226	74,176	222,230	(374)	221,856
	6(17)	-	-	-	-	-	-	-	39,008	-	(39,008)	-	-	-
	6(12)	24,602	56,461	-	-	-	(2,146)	-	-	-	-	78,917	-	78,917
	6(6)	-	-	-	-	68	-	-	-	-	-	68	-	68
Appropriations and distribution of retained earnings:														
		-	-	-	-	-	-	41,679	(41,679)	-	-	-	-	-
	6(16)	-	-	-	-	-	-	-	(240,068)	-	-	(240,068)	-	(240,068)
		\$ 822,328	\$ 442,328	\$ 8,509	\$ 1,824	\$ 142	\$ 3	\$ 393,045	\$ 749,245	\$ (14,471)	\$ 74,895	\$ 2,477,848	\$ 10,590	\$ 2,488,438
2024														
		\$ 822,359	\$ 442,401	\$ 8,509	\$ 1,824	\$ 164	\$ 26,827	\$ 393,045	\$ 770,073	\$ (18,223)	\$ 60,164	\$ 2,507,143	\$ 10,206	\$ 2,517,349
		-	-	-	-	-	-	-	181,657	-	-	181,657	(8)	181,649
	6(17)	-	-	-	-	-	-	-	308	8,968	29,050	38,326	67	38,393
		-	-	-	-	-	-	-	181,965	8,968	29,050	219,983	59	220,042
	6(17)	-	-	-	-	-	-	-	10,369	-	(10,369)	-	-	-
	6(6)	-	-	-	-	31	-	-	-	-	-	31	-	31
Appropriations and distribution of retained earnings:														
		-	-	-	-	-	-	20,766	(20,766)	-	-	-	-	-
	6(16)	-	-	-	-	-	-	-	(123,354)	-	-	(123,354)	-	(123,354)
		\$ 822,359	\$ 442,401	\$ 8,509	\$ 1,824	\$ 195	\$ 26,827	\$ 413,811	\$ 818,287	\$ (9,255)	\$ 78,845	\$ 2,603,803	\$ 10,265	\$ 2,614,068

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



CHANT SINCERE CO., LTD. AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF CASH FLOWS  
NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2024 AND 2023  
(Expressed in thousands of New Taiwan dollars)

		Nine-month period ended September 30	
	Notes	2024	2023
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Profit before tax		\$ 225,905	\$ 191,995
Adjustments			
Adjustments to reconcile profit (loss)			
Gains on valuation of financial assets at fair value through profit	6(20)	(36,114)	(8,071)
Expected credit impairment (gain) loss	12(2)	14	(1,057)
Share of profit of associates and joint ventures accounted for using equity method	6(6)	(11,059)	(5,291)
Gains on disposal of property, plant and equipment	6(20)	(825)	(34)
Gains on disposal of investment property - net	6(20)	(9,574)	-
Depreciation charges on property, plant and equipment (Include right-of-use assets)	6(21)	51,194	42,045
Amortisations	6(21)	2,524	2,699
Interest income		(16,980)	(5,708)
Interest expense		13,009	824
Dividend income		(11,764)	(17,382)
Changes in operating assets and liabilities			
Changes in operating assets			
Financial assets measured at fair value through profit or loss, net		16,539	10,310
Notes receivable, net		(1,035)	1,184
Accounts receivable		(103,999)	250,389
Accounts receivable due from related parties, net		(44)	1,932
Other receivables		(3,992)	(3,091)
Inventories		608	72,905
Prepayments		(3,436)	14,614
Changes in operating liabilities			
Notes payable		(479)	(222)
Accounts payable		87,195	(155,786)
Accounts payable to related parties		(8)	(338)
Other payables		31,257	(32,644)
Provisions for liabilities - current		(7,000)	(63)
Other current liabilities		(3,273)	(1,347)
Other non-current liabilities		(82)	(68)
Cash inflow generated from operations		218,581	357,795
Interest received		16,980	5,708
Interest paid		(388)	(357)
Income tax paid		(85,762)	(79,160)
Income tax refunded		2,145	1,833
Dividends received		17,321	30,477
Net cash flows from operating activities		168,877	316,296

(Continued)

CHANT SINCERE CO., LTD. AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF CASH FLOWS  
NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2024 AND 2023  
(Expressed in thousands of New Taiwan dollars)

		<u>Nine-month period ended September 30</u>	
	<u>Notes</u>	<u>2024</u>	<u>2023</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Acquisition of financial assets at fair value through other comprehensive income		\$ (436,022)	\$ (59,786)
Proceeds from disposal of financial assets at fair value through other comprehensive income		141,854	133,506
comprehensive income -capital returned due to capital reduction		-	271
Increase in financial assets at amortised cost		(39,000)	(80,000)
Acquisition of property, plant and equipment	6(25)	(125,815)	(67,849)
Proceeds from disposal of property, plant and equipment		1,047	1,073
Proceeds from disposal of investment property - net		57,541	-
Increase in intangible assets	6(10)	(3,380)	(1,660)
Increase in refundable deposits		(4,535)	(4,201)
Decrease in refundable deposits		3,008	3,807
Net cash flows used in investing activities		<u>(405,302)</u>	<u>(74,839)</u>
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Payments of lease liabilities	6(8)	(18,023)	(14,648)
Increase in guarantee deposits		376	15
Decrease in guarantee deposits		(91)	-
Net cash flows used in financing activities		<u>(141,092)</u>	<u>(254,701)</u>
Effects due to changes in exchange rate		7,949	(68)
Net (decrease) increase in cash and cash equivalents		<u>(369,568)</u>	<u>(13,312)</u>
Cash and cash equivalents at beginning of period		1,101,081	827,473
Cash and cash equivalents at end of period		<u>\$ 731,513</u>	<u>\$ 814,161</u>

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

CHANT SINCERE CO., LTD. AND SUBSIDIARIES  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2024 AND 2023  
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

1. History and Organization

Chant Sincere Co., Ltd. (the “Company”) was incorporated as a company limited by shares under the provisions of the Company Act of the Republic of China (R.O.C.) in April 1986. The Company and its subsidiaries (collectively referred herein as the “Group”) are primarily engaged in the manufacturing, processing and sales of electronic components. The Company has been a listed company in the Taipei Exchange since December 20, 2002, and the Company’s stocks were transferred to be listed in the Taiwan Stock Exchange since January 21, 2008.

2. The Date of Authorisation for Issuance of the Financial Statements and Procedures for Authorisation

These consolidated financial statements were authorised for issuance by the Board of Directors on Nov 7, 2024.

3. Application of New Standards, Amendments and Interpretations

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

New standards, interpretations and amendments endorsed by FSC and became 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.

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

New standards, interpretations and amendments endorsed by the FSC effective from 2025 are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
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.

(3) IFRS Accounting Standards issued by IASB but not yet endorsed by the FSC

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

<u>New Standards, Interpretations and Amendments</u>	<u>Effective date by International Accounting Standards Board</u>
Amendments to IFRS 9 and IFRS 7, 'Amendments to the classification and measurement of financial Instruments'	January 1, 2026
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
IFRS 18, 'Presentation and disclosure in financial statements'	January 1, 2027
IFRS 19, 'Subsidiaries without public accountability: disclosures'	January 1, 2027
Annual Improvements to IFRS Accounting Standards—Volume 11	January 1, 2026

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

A. Amendments to IFRS 9 and IFRS 7, 'Amendments to the classification and measurement of financial instruments'

The IASB issued the amendments to:

Update the disclosures for equity instruments designated at fair value through other comprehensive income (FVOCI). The entity shall disclose the fair value of each class of investment and is no longer required to disclose the fair value of each investment. In addition, the amendments require the entity to disclose the fair value gain or loss presented in other comprehensive income during the period, showing separately the fair value gain or loss related to investments derecognised during the reporting period and the fair value gain or loss related to investments held at the end of the reporting period; and any transfers of the cumulative gain or loss within equity during the reporting period related to the investments derecognised during that reporting period.

B. IFRS 18, 'Presentation and disclosure in financial statements'

IFRS 18, 'Presentation and disclosure in financial statements' replaces IAS 1. The standard introduces a defined structure of the statement of profit or loss, disclosure requirements related to management-defined performance measures, and enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes.

4. Summary of Material Accounting Policies

The principal accounting policies applied in the preparation of these consolidated financial statements are 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. These consolidated financial statements are to be read in conjunction with the consolidated financial statements for the year ended December 31, 2023.

(2) Basis of preparation

A.Except for the following items, the 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 at fair value through other comprehensive income financial assets measured at fair value.
- (c) Defined benefit liabilities recognised based on the net amount of pension fund assets less present value of defined benefit obligation.

B.The preparation of financial statements in conformity 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.The basis for preparation of consolidated financial statements are consistent with those of the year ended December 31, 2023.

B.Subsidiaries included in the consolidated financial statements:

Name of investor	Name of subsidiary	Main business activities	Ownership(%)			Description
			September 30, 2024	December 31, 2023	September 30, 2023	
The Company	COXOC ELECTRONICS CO.,LTD(COXOC)	Sales of electronic components	-	-	100%	Note 2
The Company	A&H INTERNATIONAL CO.,LTD(A&H)	Sales of electronic components	100%	100%	100%	
The Company	AXMoo Investment Corp.	General investments	100%	100%	100%	
The Company	David Electronics Co., Ltd.	Manufacturing,processing and sales of electronic components	86.89%	86.89%	86.89%	Note 1
The Company	CHANT SINCERE TECHNOLOGY CO., LTD.	General investments	100%	100%	100%	
CHANT SINCERE TECHNOLOGY CO., LTD.	KUNSHAN CHANT SINCERE ELECTRONICS CO.,LTD.	Sales of electronic components	100%	100%	100%	
David Electronics Co.,Ltd.	DAVID ELECTRONICS COMPANY (BVI) LTD.	Manufacturing,processing and sales of electronic components	100%	100%	100%	Note 1
DAVID ELECTRONICS COMPANY (BVI) LTD.	Zhuhai David Electronics Co., Ltd.	Manufacturing and sales of electronic components	100%	100%	100%	Note 1
A&H INTERNATIONAL CO., LTD.	DONGGUAN QUANRONG ELECTRONICS CO.,LTD.	Manufacturing,processing and sales of electronic components	100%	100%	100%	

Note 1: The financial statements of the entity as of September 30, 2024 and 2023 were not reviewed by the independent auditors as the entity did not meet the definition of significant subsidiary.

Note 2: COXOC ELECTRONICS Co., Ltd. has completed its liquidation in January 2024.

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

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

E.Significant restrictions: None.

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

(4) Employee benefits

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. And, 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

The preparation of these consolidated financial statements requires management to make critical judgements in applying the Group's accounting policies and make critical assumptions and estimates concerning future events. Assumptions and estimates may differ from the actual results and are continually evaluated and adjusted based on historical experience and other factors. Such assumptions and estimates have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year; and the related information is addressed below:

(1) Critical judgements in applying the Group's accounting policies

None.

(2) Critical accounting estimates and assumptions

The Group makes estimates and assumptions based on the expectation of future events that are believed to be reasonable under the circumstances at the end of the reporting period. The resulting accounting estimates might be different from the actual results. The estimates and assumptions that may significantly adjust the carrying amounts of assets and liabilities within the next financial year are addressed below:

Evaluation of inventories

As inventories are stated at the lower of cost and net realisable value, the Group must determine the net realisable value of inventories on balance sheet date using judgements and estimates. Due to the rapid technology innovation, the Group evaluates the amounts of normal inventory consumption, obsolete inventories or inventories without market selling value on balance sheet date, and writes down the cost of inventories to the net realisable value. Such an evaluation of inventories is principally based on the demand for the products within the specified period in the future. Therefore, there might be material changes to the evaluation.

As of September 30, 2024, the carrying amount of inventories was \$162,601.

6. Details of Significant Accounts

(1) Cash and cash equivalents

	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Cash on hand and revolving funds	\$ 1,983	\$ 1,449	\$ 1,806
Checking accounts and demand deposits	427,618	850,309	479,427
Time deposits	301,912	249,323	332,928
Total	<u>\$ 731,513</u>	<u>\$ 1,101,081</u>	<u>\$ 814,161</u>

A.The Group transacts with a variety of financial institutions with high credit quality for the purpose of dispersing credit risk, so it expects that the probability of counterparty default is low.

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

C.On September 30, 2024, December 31, 2023 and September 30, 2023, the Company had time deposits with maturity over three months were shown as “current financial assets at amortised cost” in the amounts of \$720,000, \$681,000 and \$225,000, respectively. For the three-month and nine-month periods ended September 30, 2024 and 2023, the Company recognised interest income from financial assets at amortised cost in the amounts of \$2,751, \$451, \$7,454 and \$1,172, respectively.

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

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

	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Current items:			
Financial assets held for trading			
Listed stocks	\$ -	\$ 4,308	\$ 3,754
Beneficiary certificates	20,000	-	-
Hybrid instruments- convertible bonds	7,514	4,410	4,410
Valuation adjustment	<u>1,505</u>	<u>726</u>	<u>1,085</u>
Total	<u>\$ 29,019</u>	<u>\$ 9,444</u>	<u>\$ 9,249</u>

A.The Group recognised net profit amounting to \$4,767, \$4,017, \$36,114 and \$8,071 on financial assets held for trading for the three-month and nine-month periods ended September 30, 2024 and 2023, respectively.

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

C.Information relating to credit risk is provided in Note 12(2).

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

<u>Items</u>	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Current items:			
Equity instruments			
Listed stocks	\$ 65,370	\$ 37,164	\$ 51,481
Beneficiary certificates	-	10,037	10,036
Valuation adjustment	<u>(6,380)</u>	<u>9,117</u>	<u>7,313</u>
	<u>\$ 58,990</u>	<u>\$ 56,318</u>	<u>\$ 68,830</u>
Non-current items:			
Debt instruments			
Government bonds	\$ 223,658	\$ -	\$ -
Corporate bonds	94,476	-	-
Valuation adjustment	<u>793</u>	<u>-</u>	<u>-</u>
	<u>318,927</u>	<u>-</u>	<u>-</u>
Equity instruments			
Listed stocks	155,174	169,404	176,042
Unlisted stocks	5,136	22,672	22,672
Valuation adjustment	<u>84,038</u>	<u>50,653</u>	<u>67,188</u>
	<u>244,348</u>	<u>242,729</u>	<u>265,902</u>
	<u>\$ 563,275</u>	<u>\$ 242,729</u>	<u>\$ 265,902</u>

A.The Group has elected to classify ATTEND TECHNOLOGY INC., Guangdong Quanjie Technology Co., Ltd. (This company had been disposed in February, 2024) and Quanjie International PTE CO., LTD. that are considered to be strategic investments as financial assets at fair value through other comprehensive income. The fair value of such investments amounted to \$21,784, \$34,141 and \$38,968 as at September 30, 2024, December 31, 2023 and September 30, 2023, respectively.

B.For the three-month and nine-month periods ended September 30, 2024 and 2023, the Group sold investments in equity instruments measured at fair value through other comprehensive income at fair value amounting to (\$3,651), \$9,531, \$10,369 and \$39,008, respectively, resulting in cumulative gains on disposal which were derecognised and transferred to retained earnings. The Group had unrealised gain (loss) on equity instruments at fair value through other comprehensive income due to changes in fair value in the amounts of (\$12,991), \$41,131, \$29,050 and \$74,176, respectively.

C.The Group has no financial assets at fair value through other comprehensive income pledged to others.

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

(4) Notes and accounts receivable

	September 30, 2024	December 31, 2023	September 30, 2023
Notes receivable	\$ 3,195	\$ 2,160	\$ 1,394
Accounts receivable	\$ 446,908	\$ 342,909	\$ 315,022
Accounts receivable due from related parties	388	344	683
Less: Allowance for uncollectible accounts	(1,425)	(1,411)	(1,480)
	<u>\$ 445,871</u>	<u>\$ 341,842</u>	<u>\$ 314,225</u>

A.The aging analysis of accounts receivable and notes receivable that were past due but not impaired is as follows:

	September 30, 2024		December 31, 2023		September 30, 2023	
	Accounts receivable	Notes receivable	Accounts receivable	Notes receivable	Accounts receivable	Notes receivable
Not past due	\$ 444,558	\$ 3,195	\$ 339,067	\$ 2,160	\$ 309,732	\$ 1,394
Up to 30 days	904	-	2,634	-	2,601	-
31 to 90 days	159	-	128	-	1,925	-
91 to 180 days	269	-	18	-	-	-
Over 180 days	1,406	-	1,406	-	1,447	-
	<u>\$ 447,296</u>	<u>\$ 3,195</u>	<u>\$ 343,253</u>	<u>\$ 2,160</u>	<u>\$ 315,705</u>	<u>\$ 1,394</u>

The above aging analysis was based on past due date.

B.As of September 30, 2024, December 31, 2023 and September 30, 2023, accounts receivable and notes receivable were all from contracts with customers. And as of January 1, 2023, the balance of receivables from contracts with customers amounted to \$570,604.

C.The Group has no notes and accounts receivable pledged to others.

D.As at September 30, 2024, December 31, 2023 and September 30, 2023, 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 notes receivable was \$3,195, \$2,160 and \$1,394 and accounts receivable was \$445,871, \$341,842 and \$314,225, respectively.

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

(5) Inventories

	September 30, 2024		
	Cost	Allowance for valuation loss	Book value
Raw materials	\$ 45,626	\$ (13,036)	\$ 32,590
Work in progress	45,054	(4,276)	40,778
Finished goods	100,413	(11,180)	89,233
Total	<u>\$ 191,093</u>	<u>\$ (28,492)</u>	<u>\$ 162,601</u>



December 31, 2023			
	Cost	Allowance for valuation loss	Book value
Raw materials	\$ 59,525	\$ (13,123)	\$ 46,402
Work in progress	28,906	(3,237)	25,669
Finished goods	107,210	(16,072)	91,138
Total	<u>\$ 195,641</u>	<u>\$ (32,432)</u>	<u>\$ 163,209</u>

  

September 30, 2023			
	Cost	Allowance for valuation loss	Book value
Raw materials	\$ 62,999	\$ (11,017)	\$ 51,982
Work in progress	28,553	(3,908)	24,645
Finished goods	141,847	(17,563)	124,284
Total	<u>\$ 233,399</u>	<u>\$ (32,488)</u>	<u>\$ 200,911</u>

The cost of inventories recognised as expense for the period:

For the three-month period ended September 30,			
	2024	2023	
Cost of goods sold	\$ 197,153	\$ 169,934	
(Gain) loss from decline in market value	4,493	4,450	
Others	(2,271)	1,998	
	<u>199,375</u>	<u>176,382</u>	

  

For the nine-month period ended September 30,			
	2024	2023	
Cost of goods sold	\$ 620,989	\$ 646,705	
(Gain) loss from decline in market value	2,316	12,100	
Others	113	8,448	
	<u>\$ 623,418</u>	<u>\$ 667,253</u>	

For the six-month period ended June 30, 2024, due to the Group's strengthening of inventory management and continuous inventory write-off, the net inventory value is increased.

(6) Investments accounted for using equity method

	2024	2023
At January 1	\$ 339,795	\$ 345,143
Earnings distribution of investments accounted for using equity method	(5,557)	(13,095)
Share of profit or loss of investments accounted for using equity method	11,059	5,291
Changes in retained earnings	308	62
Changes in capital surplus	31	68
Changes in other equity items	553	365
At September 30	<u>\$ 346,189</u>	<u>\$ 337,834</u>

  

Associates :

	September 30, 2024	December 31, 2023	September 30, 2023
Company name			
GRAND-TEK TECHNOLOGY CO., LTD.	<u>\$ 346,189</u>	<u>\$ 339,795</u>	<u>\$ 337,834</u>

# Associates

(a) 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, 2024	December 31, 2023	September 30, 2023		
GRAND-TEK	Taiwan	23.15%	23.15%	23.15%	Strategic Investment	Equity method

(b) The summarised financial information of the associates that are material to the Group is as follows:

## Balance sheet

GRAND-TEK TECHNOLOGY CO., LTD.			
	September 30, 2024	December 31, 2023	September 30, 2023
Current assets	\$ 541,189	\$ 470,504	\$ 449,151
Non-current assets	483,520	477,464	486,297
Current liabilities	(258,839)	(196,122)	(175,586)
Non-current liabilities	(131,016)	(146,524)	(154,551)
Total net assets	<u>\$ 634,854</u>	<u>\$ 605,322</u>	<u>\$ 605,311</u>
Share in associate's net assets	\$ 146,969	\$ 140,132	\$ 140,129
Goodwill	199,233	199,233	199,233
Others	(13)	430	(1,528)
Carrying amount of the associate	<u>\$ 346,189</u>	<u>\$ 339,795</u>	<u>\$ 337,834</u>

## Statement of comprehensive income

GRAND-TEK TECHNOLOGY CO., LTD.			
For the three-month period ended September 30,			
	2024	2023	
Revenue	\$ 225,948	\$ 188,014	
Profit for the period from continuing operations	10,360	6,042	
Other comprehensive income, net of tax	313	2,210	
Total comprehensive income	<u>\$ 10,673</u>	<u>\$ 8,252</u>	
Dividends received from associates	<u>\$ -</u>	<u>\$ 13,095</u>	
For the nine-month period ended September 30,			
	2024	2023	
Revenue	\$ 667,722	\$ 638,207	
Profit for the period from continuing operations	51,082	34,948	
Other comprehensive income, net of tax	2,332	443	
Total comprehensive income	<u>\$ 53,414</u>	<u>\$ 35,391</u>	
Dividends received from associates	<u>\$ 5,557</u>	<u>\$ 13,095</u>	

(c) The Group's material associate, GRAND-TEK TECHNOLOGY CO., LTD. has quoted market prices. As of September 30, 2024, December 31, 2023 and September 30, 2023, the fair value was \$318,134, \$324,733 and \$313,272, respectively.

(d) The aforementioned investments accounted for using equity method are all evaluated based on each associate's audited financial statements for the corresponding period. The Group's share of profit or loss of associates and joint ventures accounted for using equity method for the three-month and nine-month periods ended September 30, 2024 and 2023 was gain of \$3,670, \$331, \$11,059 and \$5,291, respectively.

(7) Property, plant and equipment

	2024							
	<u>Land</u>	<u>Buildings and structures</u>	<u>Machinery and equipment</u>	<u>Moulding equipment</u>	<u>Transportati on equipment</u>	<u>Other equipment</u>	<u>Unfinished construction and equipment under acceptance</u>	<u>Total</u>
At January 1								
Cost	\$ 283,213	\$ 125,446	\$ 106,251	\$ 72,006	\$ 1,383	\$ 14,818	\$ 68,169	\$ 671,286
Accumulated depreciation and impairment	-	(35,362)	(40,539)	(25,187)	(1,072)	(5,083)	-	(107,243)
	<u>\$ 283,213</u>	<u>\$ 90,084</u>	<u>\$ 65,712</u>	<u>\$ 46,819</u>	<u>\$ 311</u>	<u>\$ 9,735</u>	<u>\$ 68,169</u>	<u>\$ 564,043</u>
Opening net book amount as at January 1	\$ 283,213	\$ 90,084	\$ 65,712	\$ 46,819	\$ 311	\$ 9,735	\$ 68,169	\$ 564,043
Additions	36,440	18,596	4,014	3,699	2,560	6,444	49,168	120,921
Disposals	-	-	-	-	(222)	-	-	(222)
Transfers	-	-	12,520	14,592	-	466	(27,578)	-
Depreciation charge	-	(3,625)	(15,256)	(11,317)	(403)	(2,539)	-	(33,140)
Net exchange differences	-	-	1,325	373	-	404	720	2,822
Closing net book amount as at September 30	<u>\$ 319,653</u>	<u>\$ 105,055</u>	<u>\$ 68,315</u>	<u>\$ 54,166</u>	<u>\$ 2,246</u>	<u>\$ 14,510</u>	<u>\$ 90,479</u>	<u>\$ 654,424</u>
At September 30								
Cost	\$ 319,653	\$ 144,042	\$ 120,671	\$ 89,247	\$ 3,169	\$ 21,436	\$ 90,479	\$ 788,697
Accumulated depreciation and impairment	-	(38,987)	(52,356)	(35,081)	(923)	(6,926)	-	(134,273)
	<u>\$ 319,653</u>	<u>\$ 105,055</u>	<u>\$ 68,315</u>	<u>\$ 54,166</u>	<u>\$ 2,246</u>	<u>\$ 14,510</u>	<u>\$ 90,479</u>	<u>\$ 654,424</u>

2023

	Land	Buildings and structures	Machinery and equipment	Moulding equipment	Transportati on equipment	Other equipment	Unfinished construction and equipment under acceptance	Total
At January 1								
Cost	\$ 268,589	\$ 118,082	\$ 90,132	\$ 58,597	\$ 1,394	\$ 10,048	\$ 56,309	\$ 603,151
Accumulated depreciation and impairment	-	(31,281)	(32,495)	(13,679)	(816)	(6,296)	-	(84,567)
	<u>\$ 268,589</u>	<u>\$ 86,801</u>	<u>\$ 57,637</u>	<u>\$ 44,918</u>	<u>\$ 578</u>	<u>\$ 3,752</u>	<u>\$ 56,309</u>	<u>\$ 518,584</u>
Opening net book amount as at January 1	\$ 268,589	\$ 86,801	\$ 57,637	\$ 44,918	\$ 578	\$ 3,752	\$ 56,309	\$ 518,584
Additions	14,624	7,364	6,006	4,898	-	9,335	25,593	67,820
Disposals	-	-	-	-	-	(1,039)	-	(1,039)
Transfers	-	-	19,457	6,769	-	-	(26,226)	-
Depreciation charge	-	(3,043)	(13,327)	(9,017)	(200)	(1,816)	-	(27,403)
Net exchange differences	-	-	(48)	23	-	11	67	53
Closing net book amount as at September 30	<u>\$ 283,213</u>	<u>\$ 91,122</u>	<u>\$ 69,725</u>	<u>\$ 47,591</u>	<u>\$ 378</u>	<u>\$ 10,243</u>	<u>\$ 55,743</u>	<u>\$ 558,015</u>
At September 30								
Cost	\$ 283,213	\$ 125,446	\$ 108,862	\$ 69,457	\$ 1,395	\$ 14,665	\$ 55,743	\$ 658,781
Accumulated depreciation and impairment	-	(34,324)	(39,137)	(21,866)	(1,017)	(4,422)	-	(100,766)
	<u>\$ 283,213</u>	<u>\$ 91,122</u>	<u>\$ 69,725</u>	<u>\$ 47,591</u>	<u>\$ 378</u>	<u>\$ 10,243</u>	<u>\$ 55,743</u>	<u>\$ 558,015</u>

A. For the three-month and nine-month periods ended September 30, 2024 and 2023, there were no borrowing costs capitalised as part of property, plant and equipment.

B. Information about the property, plant and equipment that were pledged to others as collaterals is provided in Note 8.

C. The significant components of buildings and structures include main plants and hydropower engineering, which are depreciated over 12~55 and 8 years, respectively.

(8) Leasing arrangements — lessee

A. The Group leases various assets including buildings and business vehicles. Rental contracts are typically made for periods of 2 to 6 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, but leased assets may not be used as security for borrowing purposes.

B. The carrying amount of right-of-use assets and the depreciation charge are as follows:

	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
	<u>Book Value</u>	<u>Book Value</u>	<u>Book Value</u>
Buildings	\$ 82,057	\$ 54,196	\$ 58,120
Transportation equipment (Business vehicles)	5,323	5,065	5,883
	<u>\$ 87,380</u>	<u>\$ 59,261</u>	<u>\$ 64,003</u>

	<u>For the three-month period ended September 30,</u>	
	<u>2024</u>	<u>2023</u>
	<u>Depreciation charge</u>	<u>Depreciation charge</u>
Buildings	\$ 4,986	\$ 4,048
Transportation equipment (Business vehicles)	933	915
	<u>\$ 5,919</u>	<u>\$ 4,963</u>

	<u>For the nine-month period ended September 30,</u>	
	<u>2024</u>	<u>2023</u>
	<u>Depreciation charge</u>	<u>Depreciation charge</u>
Buildings	\$ 15,319	\$ 11,798
Transportation equipment (Business vehicles)	2,735	2,844
	<u>\$ 18,054</u>	<u>\$ 14,642</u>

C. For the three-month and nine-month periods ended September 30, 2024 and 2023, the additions to right-of-use assets were \$0, \$7,276, \$87,651 and \$9,068, respectively.

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

	<u>For the three-month period ended September 30,</u>	
	<u>2024</u>	<u>2023</u>
<u>Items affecting profit or loss</u>		
Interest expense on lease liabilities	\$ 72	\$ 92
Expense on short-term lease contracts	653	1,260
Expense on leases of low-value assets	31	32

	For the nine-month period ended September 30,	
	2024	2023
<u>Items affecting profit or loss</u>		
Interest expense on lease liabilities	\$ 268	\$ 266
Expense on short-term lease contracts	5,291	3,695
Expense on leases of low-value assets	94	129

E.For the three-month and nine-month periods ended September 30, 2024 and 2023, the Group's total cash outflow for leases were \$6,667, \$6,344, \$23,676 and \$18,738, respectively.

(9) Investment property

	<u>Land</u>
At January 1, 2024	
Cost	<u>\$ 47,967</u>
Opening net book amount as at January 1	\$ 47,967
Disposals	(47,967)
Closing net book amount as at September 30	<u>\$ -</u>
At September 30, 2024	
Cost	<u>\$ -</u>
At December 31, 2023 (at January 1)	
Cost	<u>\$ 47,967</u>
At September 30, 2023 (at January 1)	
Cost	<u>\$ 47,967</u>

The fair value of the investment property held by the Group as at September 30, 2023 was \$97,978, which was self-valued based on the transaction prices, sections and floor areas of similar property in the neighbouring areas and not valued by independent valuers. The fair value of the investment property held by the Group as at December 31, 2023 was \$57,013, which was valued by independent valuers. Valuations were made using the weighted average of comparison approach and land development approach which is categorised within Level 3 in the fair value hierarchy.

(10) Intangible assets

	2024	2023
	Software	Software
At January 1		
Cost	\$ 31,276	\$ 29,759
Accumulated amortisation and impairment	(27,447)	(24,014)
	<u>\$ 3,829</u>	<u>\$ 5,745</u>
Opening net book amount as at January 1	\$ 3,829	\$ 5,745
Additions	3,380	1,660
Amortisation charge	(2,524)	(2,699)
Net exchange differences	8	-
Closing net book amount as at September 30	<u>\$ 4,693</u>	<u>\$ 4,706</u>
At September 30		
Cost	\$ 34,695	\$ 31,293
Accumulated amortisation and impairment	(30,002)	(26,587)
	<u>\$ 4,693</u>	<u>\$ 4,706</u>

A.Details of amortisation on intangible assets are as follows:

	For the three-month period ended September 30,	
	2024	2023
Administrative expenses	\$ 256	\$ 409
Research and development expenses	651	492
	<u>\$ 907</u>	<u>\$ 901</u>
	For the nine-month period ended September 30,	
	2024	2023
Administrative expenses	\$ 691	\$ 1,325
Research and development expenses	1,833	1,374
	<u>\$ 2,524</u>	<u>\$ 2,699</u>

B.The Group has no intangible assets pledged to others.

(11) Other payables

	September 30, 2024	December 31, 2023	September 30, 2023
Salary and bouns payable	\$ 66,530	\$ 58,290	\$ 53,222
Processing fees payable	9,972	8,907	7,752
Employees' compensation and directors' remuneration payable	13,209	14,828	12,932
Payables on machinery and equipment	5,005	9,899	6,521
Accrued commission	34,778	13,990	5,004
Other accrued expenses	26,041	23,258	30,896
	<u>\$ 155,535</u>	<u>\$ 129,172</u>	<u>\$ 116,327</u>

(12) Convertible bonds payable

	September 30, 2024	December 31, 2023	September 30, 2023
Bonds payable	\$ 736,700	\$ 736,700	\$ 101
Less: Discount on bonds payable	(55,905)	(68,527)	-
Current portion	-	-	(101)
	<u>\$ 680,795</u>	<u>\$ 668,173</u>	<u>\$ -</u>

A. Issuance of domestic convertible bonds by the Company

The terms of the third domestic unsecured convertible bonds issued by the Company are as follows:

- (a) The Company issued \$350,000, 0%, third domestic unsecured convertible bonds, as approved by the regulatory authority. The bonds mature 3 years from the issue date (November 4, 2020 ~ November 4, 2023) and will be redeemed in cash at face value at the maturity date. The Company will repay in one lump sum at 100.7519% of the convertible bonds' face value at the maturity date. The bonds were listed on the Taipei Exchange on November 4, 2020.
- (b) Started from the next date of three months after the issuance of this convertible bonds, until the maturity date, except (1) the book closure period of common stock in accordance with laws; (2) fifteen business days before the book closure date for issuance of bonus shares, book closure date for cash dividends, book closure date for rights issue, until the record date; (3) capital reduction record date to the date before the first day of trading of the Company's stock after capital reduction; (4) the first date the company changed the par value of the stock to the day before the first day of trading of the Company's stock when the stockholder acquires new stocks, the bondholders can request for the conversion of the convertible bonds into the Company's common stocks through the securities firm by notifying the Taiwan Depository Clearing Corporation (TDCC) at any time in accordance with the regulations.
- (c) The conversion price of the bonds is set up based on the pricing model in the terms of the bonds, and is subject to adjustments if the condition of the anti-dilution provisions occurs subsequently. The conversion price will be reset based on the pricing model in the terms of the bonds on each effective date regulated by the terms. If the reset conversion price is higher than the conversion price before the reset, the conversion price will not be adjusted.
- (d) From the next date of three months after the issuance of this convertible bonds to 40 days before the maturity date, if the Company's closing price of common share exceeded 30% of the current conversion price for 30 consecutive business days, or the balance of outstanding convertible bonds is lower than 10% of the initial total issuance amount, within the subsequent within 5 days after the effective date of bonds redemption, the Company could redeem by cash at face value or call back this outstanding convertible bonds.
- (e) Under the terms of the bonds, all bonds redeemed (including bonds repurchased from the Taipei Exchange), matured and converted are retired and not to be re-issued; all rights and obligations attached to the bonds are also extinguished.
- (f) As of November 4, 2023, the bonds totaling \$350,000 had been converted into 10,397 thousand shares of common stock.



**B. Issuance of domestic convertible bonds through the private placement by the Company**

The issuance conditions for the Company's first private placement domestic unsecured convertible corporate bond in 2023 are as follows:

- (a) The Company issued the first domestic private placement unsecured convertible corporate bond, with a total issuance amount of \$695,000 and a coupon rate of 1.5%. The interest is calculated twice for each full year of issuance. The term is 4 years, and the circulation period is from December 29, 2023 to December 29, 2027. At maturity, this convertible corporate bond will be repaid in cash at the face value of the bond, with any outstanding interest payable added.
- (b) Bondholders may request the Company to convert this private placement convertible corporate bond into the Company's ordinary shares in accordance with the measures at any time from the day after the issuance of the bond for three years till ten days before the maturity date, except during the period of transfer suspension in accordance with the law, and 15 business days before the book-close date of the Company's free share allotment, the book-close date of cash dividends, and the book-close date of capital increase in cash, until the date of distribution of rights, and from the ex-date of capital reduction to the day before the trading of the shares after capital reduction.
- (c) The conversion price of this private-placement convertible corporate bond is determined in accordance with the pricing model stipulated in the conversion regulations. The conversion price will be adjusted in accordance with the pricing model stipulated in the conversion measures in the event of an increase in the issued (or private placement) ordinary shares, the distribution of cash dividends in ordinary shares, the reissuance or private placement of securities with ordinary share conversion rights or stock options at a price lower than the current price per share, or a decrease in ordinary shares not caused by the cancellation of treasury shares. The conversion price at the initial issuance was set at \$54.4, and it was adjusted to \$53.3 in accordance with the conversion regulations.
- (d) According to the conversion measures, all private placement convertible corporate bonds recovered, repaid or converted by the Company will be cancelled, and all rights and obligations attached to the corporate bonds will also be extinguished and no longer issued.
- (e) Bondholders who hold convertible corporate bonds and convert them into ordinary shares of the Company shall not transfer them again within three years from the delivery date of the private placement convertible corporate bonds in accordance with laws and regulations. After conversion, the Company shall apply to the securities exchange for a consent letter of meeting the listing standards, and declare to the competent authority for a supplementary public offering before having the shares listed for trading.

**(13) Pensions**

- A.(a) The Company and its domestic subsidiaries have a defined benefit pension plan in accordance with the Labor Standards Act, 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 Labor Standards Act. 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 and its domestic subsidiaries contribute monthly an amount equal to 4.7% 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 and its domestic subsidiaries would assess the balance in the aforementioned labor pension reserve account by December 31, every year. If the account balance is insufficient to pay the pension calculated by the aforementioned method to the employees expected to qualify for retirement in the following year, the Company and its domestic subsidiaries will make contributions for the deficit by next March.

Effective from 2013, the Company has a funded defined benefit pension plan in accordance with the “Regulations on Pensions of Managers”, covering all managers appointed by the Company. For hired managers who meet the regulation of retirement or post-employment, 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.

(b) For the aforementioned pension plan, the Group recognised pension costs of \$47, \$52, \$140 and \$155 for the three-month and nine-month periods ended September 30, 2024 and 2023, respectively.

(c) Expected contributions to the defined benefit pension plans of the Group for the year ending December 31, 2024 amount to \$296.

B.(a) Effective July 1, 2005, the Company and its 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, the Company and its domestic subsidiaries contribute monthly an amount based on 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. The pension costs under the defined contribution pension plans of the Company for the three-month and nine-month periods ended September 30, 2024 and 2023, were \$1,717, \$1,590, \$5,040 and \$4,686, respectively.

(b) The Company’s consolidated mainland China subsidiaries, Kunshan Chant Sincere Electronics Ltd., Dongguan Quanrong Electronics Co., Ltd. and Zhuhai David Electronics Company Limited, 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 percentage of employees’ monthly salaries and wages. The contribution percentage for the three-month and nine-month periods ended September 30, 2024 and 2023, was 13%~20%, respectively. Other than the monthly contributions, the Group has no further obligations. The pension costs under the defined contribution pension plans of the Group for the three-month and nine-month periods ended September 30, 2024 and 2023, were \$1,394, \$1,333, \$3,796 and \$3,839, respectively.

#### (14) Share capital

A.As of September 30, 2024, the Company had authorised capital in the amount of \$1,000,000 thousand (\$38,500 was reserved for the issuance of the conversion of employee stock options), and the paid-in capital was \$822,359 with a par value of \$10, the Company had collected all the proceeds of issued shares.

Movements in the number of the Company’s ordinary shares outstanding (in thousands of shares) are as follows:

	2024	2023
At January 1	82,236	79,773
Conversion of bonds	-	2,460
At September 30	<u>82,236</u>	<u>82,233</u>

B.On June 14, 2023, the shareholders' meeting of the Company passed a resolution to increase its capital in cash through private placement to respond to the Company's future development, reinvestment, or operational turnover needs, in order to strengthen its competitiveness, and the maximum number of private placement shares is 17,000 thousand. This private placement plan was decided not to be carried out by an extraordinary shareholders' meeting on December 1, 2023.

C.On December 1, 2023, the extraordinary shareholders' meeting of the Company passed a resolution that in order to meet the needs of the Company's future development, reinvestment or operational turnover, the Company will issue private-placement shares not exceeding 17,000 thousand shares. The private-placement ordinary shares can be issued alone or in conjunction with other methods or domestic convertible corporate bonds can be used through private placement. Issuance of private placement domestic convertible corporate bonds are shown in Note 6(12).

(15) Capital surplus

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

(16) 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' operating losses and then 10% of the remaining amount shall be set aside as legal reserve. The remainder, if any, to be retained or to be appropriated shall be resolved by the stockholders at the stockholders' meeting. Additionally, the Company authorised the Board of Directors to resolve with the attendance of two-thirds of directors and the agreement of over half of directors. The distributable dividends and bonus or all or some of legal reserve and capital surplus as regulated in the Company Act could be distributed in the form of cash, and the distribution should be reported to the shareholders.

B. The Company's dividend distribution policies were as follows: as the Company was in the growth stage, dividends distribution policies should necessarily be based on the current and future investment environment, capital requirement, competition in domestic and foreign countries, capital budget and other factors and focus on securing shareholders' interest, balancing dividends and the Company's long-term financial plan. Distributions should be proposed by the Board of Directors in accordance with laws, and reported to the shareholders. For the distribution of shareholders' dividends, the cash dividends represented 20%~100% of total dividends, and the stock dividends represented 0%~80% of total dividends.

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.

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 Company recognised dividends distributed to owners amounting to \$123,354 (\$1.5 (in dollars) per share) and \$240,068 (\$3 (in dollars) per share) for the year ended December 31, 2024 and 2023, respectively.

(17) Other equity items

	2024		
	Unrealised gains (losses) on valuation	Currency translation	Total
At January 1	\$ 60,164	\$ (18,223)	\$ 41,941
Valuation adjustment	29,050	-	29,050
Cumulative gains reclassified to retained earnings	(10,369)	-	(10,369)
Currency translation differences:			
–Group	-	11,099	11,099
–Tax on Group	-	(2,131)	(2,131)
At September 30	<u>\$ 78,845</u>	<u>\$ (9,255)</u>	<u>\$ 69,590</u>

	2023		
	Unrealised gains (losses) on valuation	Currency translation	Total
At January 1	\$ 39,727	\$ (14,697)	\$ 25,030
Valuation adjustment	74,176	-	74,176
Cumulative gains reclassified to retained earnings	(39,008)	-	(39,008)
Currency translation differences:			
–Group	-	209	209
–Tax on Group	-	17	17
At September 30	<u>\$ 74,895</u>	<u>\$ (14,471)</u>	<u>\$ 60,424</u>

(18) Operating revenue

	For the three-month period ended September 30,	
	2024	2023
Revenue from contracts with customers	<u>\$ 343,851</u>	<u>\$ 264,063</u>

	For the nine-month period ended September 30,	
	2024	2023
Revenue from contracts with customers	<u>\$ 1,082,613</u>	<u>\$ 1,063,650</u>

Disaggregation of revenue from contracts with customers

The Group derives revenue from the transfer of goods at a point in time in the following major product lines:

	For the three-month period ended September 30,						
	2024						
	Chant Sincere Co., Ltd.			David Electronics Co., Ltd.			
	Electronic connector	Cable wire	Others	Electronic connector	Cable wire	Others	Total
Revenue from external customer contracts	<u>\$ 179,864</u>	<u>\$ 140,096</u>	<u>\$ 4,446</u>	<u>\$ 3,995</u>	<u>\$ 14,500</u>	<u>\$ 950</u>	<u>\$ 343,851</u>
Timing of revenue at a point in time	<u>\$ 179,864</u>	<u>\$ 140,096</u>	<u>\$ 4,446</u>	<u>\$ 3,995</u>	<u>\$ 14,500</u>	<u>\$ 950</u>	<u>\$ 343,851</u>
	For the three-month period ended September 30,						
	2023						
	Chant Sincere Co., Ltd.			David Electronics Co., Ltd.			
	Electronic connector	Cable wire	Others	Electronic connector	Cable wire	Others	Total
Revenue from external customer contracts	<u>\$ 124,190</u>	<u>\$ 116,513</u>	<u>\$ 2,335</u>	<u>\$ 3,605</u>	<u>\$ 16,077</u>	<u>\$ 1,343</u>	<u>\$ 264,063</u>
Timing of revenue at a point in time	<u>\$ 124,190</u>	<u>\$ 116,513</u>	<u>\$ 2,335</u>	<u>\$ 3,605</u>	<u>\$ 16,077</u>	<u>\$ 1,343</u>	<u>\$ 264,063</u>

For the nine-month period ended September 30,							
2024							
Chant Sincere Co., Ltd.			David Electronics Co., Ltd.				
Electronic connector	Cable wire	Others	Electronic connector	Cable wire	Others	Total	
Revenue from external customer contracts	\$ 476,788	\$ 533,586	\$ 13,125	\$ 9,406	\$ 45,241	\$ 4,467	\$ 1,082,613
Timing of revenue at a point in time	\$ 476,788	\$ 533,586	\$ 13,125	\$ 9,406	\$ 45,241	\$ 4,467	\$ 1,082,613

For the nine-month period ended September 30,							
2023							
Chant Sincere Co., Ltd.			David Electronics Co., Ltd.				
Electronic connector	Cable wire	Others	Electronic connector	Cable wire	Others	Total	
Revenue from external customer contracts	\$ 447,038	\$ 541,612	\$ 19,744	\$ 9,320	\$ 42,676	\$ 3,260	\$ 1,063,650
Timing of revenue at a point in time	\$ 447,038	\$ 541,612	\$ 19,744	\$ 9,320	\$ 42,676	\$ 3,260	\$ 1,063,650

(19) Other income

For the three-month period ended September 30,		
	2024	2023
Rent income	96	43
Dividend income	11,179	17,382
	<u>11,275</u>	<u>17,425</u>

  

For the nine-month period ended September 30,		
	2024	2023
Rent income	360	43
Dividend income	11,764	17,382
	<u>12,124</u>	<u>17,425</u>

(20) Other gains and losses

	For the three-month period ended September 30,	
	2024	2023
Gains (Losses) on disposals of property, plant and equipment	\$ -	\$ -
Gains (Losses) on disposals of investment property-net	-	-
Net currency exchange gains (losses)	(6,241)	11,748
Net gains on financial assets at fair value through profit or loss	4,767	4,017
Other gains (losses)	459	(484)
	<u>\$ (1,015)</u>	<u>\$ 15,281</u>

	For the nine-month period ended September 30,	
	2024	2023
Gains (Losses) on disposals of property, plant and equipment	\$ 825	\$ 34
Gains (Losses) on disposals of investment property-net	9,574	-
Net currency exchange gains (losses)	10,884	14,672
Net gains on financial assets at fair value through profit or loss	36,114	8,071
Other gains (losses)	786	183
	<u>\$ 58,183</u>	<u>\$ 22,960</u>

(21) Expenses by nature

	For the three-month period ended September 30,	
	2024	2023
Employee benefit expense	<u>\$ 77,945</u>	<u>\$ 64,117</u>
Depreciation charges	<u>\$ 17,610</u>	<u>\$ 14,696</u>
Amortisation charges on intangible assets	<u>\$ 907</u>	<u>\$ 901</u>

	For the nine-month period ended September 30,	
	2024	2023
Employee benefit expense	<u>\$ 231,097</u>	<u>\$ 208,513</u>
Depreciation charges	<u>\$ 51,194</u>	<u>\$ 42,045</u>
Amortisation charges on intangible assets	<u>\$ 2,524</u>	<u>\$ 2,699</u>

(22) Employee benefit expense

	For the three-month period ended September 30,	
	2024	2023
Wages and salaries	\$ 66,591	\$ 54,572
Labour and health insurance fees	4,082	3,997
Pension costs	3,158	2,975
Other personnel expenses	4,114	2,573
	<u>\$ 77,945</u>	<u>\$ 64,117</u>

	For the nine-month period ended September 30,	
	2024	2023
Wages and salaries	\$ 198,628	\$ 179,444
Labour and health insurance fees	12,426	12,553
Pension costs	8,976	8,680
Other personnel expenses	11,067	7,836
	<u>\$ 231,097</u>	<u>\$ 208,513</u>

A. In accordance with the Articles of Incorporation of the Company, a ratio of distributable profit of the current year, after covering accumulated losses, shall be distributed as employees' compensation and directors' remuneration. The ratio shall not be lower than 2%~15% for employees' compensation and shall not be higher than 2% for directors' remuneration.

B. For the three-month and nine-month periods ended September 30, 2024 and 2023, employees' compensation was accrued at \$2,552, \$2,152, \$9,953 and \$10,155, respectively; while directors' remuneration was accrued at \$814, \$559, \$2,940 and \$2,640, respectively. The aforementioned amounts were recognised in salary expenses.

The employees' compensation and directors' remuneration were estimated and accrued based on 5% and 1% of distributable profit of current year for the nine-month period ended September 30, 2024.

Employees' compensation and directors' remuneration of 2023 as resolved by the Board of Directors were in agreement with those amounts recognised in the 2023 financial statements.

Information about employees' compensation and directors' remuneration of the Company as approved by the Board of Directors and resolved by the shareholders will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

(23) Income tax

A. Income tax expense

(a) Components of income tax expense:

	For the three-month period ended September 30,	
	2024	2023
Current tax:		
Current tax on profits for the period	\$ 20,390	\$ 15,138
Tax on undistributed surplus earnings	-	-
Prior year income tax (over) underestimation	(1,030)	(2,085)
Total current tax	19,360	13,053
Deferred tax:		
Origination and reversal of temporary differences	(9,395)	(7,972)
Total deferred tax	(9,395)	(7,972)
Income tax expense	\$ 9,965	\$ 5,081

  

	For the nine-month period ended September 30,	
	2024	2023
Current tax:		
Current tax on profits for the period	\$ 49,911	\$ 44,323
Tax on undistributed surplus earnings	3,177	6,752
Prior year income tax (over) underestimation	(1,764)	(1,419)
Total current tax	51,324	49,656
Deferred tax:		
Origination and reversal of temporary differences	(7,068)	(5,048)
Total deferred tax	(7,068)	(5,048)
Income tax expense	\$ 44,256	\$ 44,608

(b) The income tax (charge)/credit relating to components of other comprehensive income is as follows:

	For the three-month period ended September 30,	
	2024	2023
Currency translation differences	\$ 902	\$ 1,533

  

	For the nine-month period ended September 30,	
	2024	2023
Currency translation differences	\$ 2,131	\$ (17)

B. The Company's income tax returns through 2022 have been assessed and approved by the Tax Authority.



(24) Earnings per share

For the three-month period ended September 30, 2024			
		Weighted average number of ordinary shares outstanding	Earnings per share
<u>Basic earnings per share</u>	<u>Amount after tax</u>	<u>(share in thousands)</u>	<u>(in dollars)</u>
Profit attributable to ordinary shareholders of the parent	\$ 49,910	82,236	\$ <u>0.61</u>
<u>Diluted earnings per share</u>			
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	141	
Convertible bonds	<u>3,387</u>	<u>13,039</u>	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	<u>\$ 53,297</u>	<u>95,416</u>	<u>\$ 0.56</u>
For the three-month period ended September 30, 2023			
		Weighted average number of ordinary shares outstanding	Earnings per share
<u>Basic earnings per share</u>	<u>Amount after tax</u>	<u>(share in thousands)</u>	<u>(in dollars)</u>
Profit attributable to ordinary shareholders of the parent	\$ 36,597	81,330	\$ <u>0.45</u>
<u>Diluted earnings per share</u>			
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	146	
Convertible bonds	<u>57</u>	<u>906</u>	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	<u>\$ 36,654</u>	<u>82,382</u>	<u>\$ 0.44</u>

For the nine-month period ended September 30, 2024			
	Amount after tax	Weighted average number of ordinary shares outstanding (share in thousands)	Earnings per share (in dollars)
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 181,657	82,236	\$ <u>2.21</u>
<u>Diluted earnings per share</u>			
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	170	
Convertible bonds	<u>10,098</u>	<u>13,039</u>	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	<u>\$ 191,755</u>	<u>95,445</u>	<u>\$ 2.01</u>

For the nine-month period ended September 30, 2023			
	Amount after tax	Weighted average number of ordinary shares outstanding (share in thousands)	Earnings per share (in dollars)
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 147,766	80,431	\$ <u>1.84</u>
<u>Diluted earnings per share</u>			
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	218	
Convertible bonds	<u>387</u>	<u>1,743</u>	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	<u>\$ 148,153</u>	<u>82,392</u>	<u>\$ 1.80</u>

(25) Supplemental cash flow information

Investing activities with partial cash payments

For the nine-month period ended September 30,		
	2024	2023
Purchase of property, plant and equipment	\$ 120,921	\$ 67,820
Add: Opening balance of payable on equipment	9,899	6,550
Less: Ending balance of payable on equipment	<u>(5,005)</u>	<u>(6,521)</u>
Cash paid during the period	<u>\$ 125,815</u>	<u>\$ 67,849</u>

## 7. Related Party Transactions

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

<u>Names of related parties</u>	<u>Relationship with the Company</u>
DON CONNEX ELECTRONICS CO., LTD.	This company's chairman and the Company's chairman were within the second degree of relationship
QUAN HUNG CO., LTD.	This company's chairman and the Company's chairman were within the second degree of relationship
CHUAN WEI WIRE & CABLE CO., LTD.	This company's chairman and the Company's chairman were within the second degree of relationship
JOINT INTERESTS CO., LTD.	Other related party
ATTEND TECHNOLOGY INC	Other related party
GRAND-TEK TECHNOLOGY CO., LTD.	Associate
Directors, supervisors, general manager and vice presidents, etc.	Key management personnel of the Company

### (2) Significant related party transactions

#### A. Operating revenue:

	<u>For the three-month period ended September 30,</u>	
	<u>2024</u>	<u>2023</u>
Sales of goods:		
Associates	\$ 80	\$ -
Other related parties	279	454
Total	<u>\$ 359</u>	<u>\$ 454</u>

  

	<u>For the nine-month period ended September 30,</u>	
	<u>2024</u>	<u>2023</u>
Sales of goods:		
Associates	\$ 140	\$ -
Other related parties	706	3,103
Total	<u>\$ 846</u>	<u>\$ 3,103</u>

The aforementioned sales were executed based on general prices and conditions, and were collected within 90 days after monthly billings.

#### B. Purchases:

	<u>For the three-month period ended September 30,</u>	
	<u>2024</u>	<u>2023</u>
Purchases of goods:		
Associates	\$ 3	\$ -
Other related parties	234	293
Total	<u>\$ 237</u>	<u>\$ 293</u>

  

	<u>For the nine-month period ended September 30,</u>	
	<u>2024</u>	<u>2023</u>
Purchases of goods:		
Associates	\$ 3	\$ 128
Other related parties	1,129	1,246
Total	<u>\$ 1,132</u>	<u>\$ 1,374</u>

The aforementioned purchases were executed based on general prices and conditions, and were paid within 60 days after monthly billings.

C. Operating expenses

	For the three-month period ended September 30,	
	2024	2023
Associates	\$ -	\$ -
Other related parties	-	-
Total	<u>\$ -</u>	<u>\$ -</u>

  

	For the nine-month period ended September 30,	
	2024	2023
Associates	\$ -	\$ 22
Other related parties	-	13
Total	<u>\$ -</u>	<u>\$ 35</u>

D. Receivables from related parties:

	September 30, 2024	December 31, 2023	September 30, 2023
Accounts receivable:			
Associates	84	-	-
Other related parties	304	344	683
Total	<u>\$ 388</u>	<u>\$ 344</u>	<u>\$ 683</u>

E. Payables to related parties:

	September 30, 2024	December 31, 2023	September 30, 2023
Accounts payable:			
Associates	4	-	-
Other related parties	299	311	403
Total	<u>\$ 303</u>	<u>\$ 311</u>	<u>\$ 403</u>

(3) Key management compensation

	For the three-month period ended September 30,	
	2024	2023
Salaries and other short-term employee	\$ 5,615	\$ 7,845
Post-employment benefits	167	167
Total	<u>\$ 5,782</u>	<u>\$ 8,012</u>

  

	For the nine-month period ended September 30,	
	2024	2023
Salaries and other short-term employee	\$ 19,180	\$ 20,453
Post-employment benefits	501	501
Total	<u>\$ 19,681</u>	<u>\$ 20,954</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, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>	
Property, plant and equipment				
Land	\$ 13,100	\$ 13,100	\$ 13,100	Short-term loan facility
Buildings and structures	12,655	12,936	13,030	"

## 9. Significant Commitments and Contingencies

### (1) Contingencies

None.

### (2) Commitments

Capital expenditure contracted for at the balance sheet date but not yet incurred is as follows:

	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Property, plant and equipment	<u>\$ 26,627</u>	<u>\$ 17,418</u>	<u>\$ 19,975</u>

## 10. Significant Disaster Loss

None.

## 11. Significant Events after the Balance Sheet Date

None.

## 12. Others

### (1) Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. The Group monitors capital on the basis of the debt ratio. This ratio is calculated as total liabilities divided by total assets.

During the nine-month period ended September 30, 2024, the Group's strategy, which was unchanged from 2023, was to maintain the debt ratio below 40%. The debt ratios at September 30, 2024, December 31, 2023 and September 30, 2023 were as follows:

	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Total liabilities	\$ 1,262,320	\$ 1,157,673	\$ 490,676
Total assets	3,876,388	3,675,022	2,979,114
Debt ratio	33%	31%	16%

(2) Financial instruments

A. Financial instruments by category

	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
<u>Financial assets</u>			
Financial assets at fair value through profit or loss			
Financial assets mandatorily measured at fair value through profit or loss	\$ <u>29,019</u>	\$ <u>9,444</u>	\$ <u>9,249</u>
Financial assets at fair value through other comprehensive income			
Designation of equity instrument	\$ 303,338	\$ 299,047	\$ 334,732
Qualifying debt instrument	<u>318,927</u>	<u>-</u>	<u>-</u>
	<u>\$ 622,265</u>	<u>\$ 299,047</u>	<u>\$ 334,732</u>
Financial assets at amortised cost/Loans and			
Cash and cash equivalents	\$ 731,513	\$ 1,101,081	\$ 814,161
Financial assets at amortised cost	720,000	681,000	225,000
Notes receivable	3,195	2,160	1,394
Accounts receivable (including related parties)	445,871	341,842	314,225
Other receivables	4,319	327	3,092
Refundable deposits (shown as other non-current assets)	<u>9,202</u>	<u>7,494</u>	<u>7,589</u>
	<u>\$ 1,914,100</u>	<u>\$ 2,133,904</u>	<u>\$ 1,365,461</u>

	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
<u>Financial liabilities</u>			
Financial liabilities at amortised cost			
Short-term borrowings	\$ 5,000	\$ 5,000	\$ 5,000
Notes payable	326	805	1,541
Accounts payable (including related parties)	236,091	148,904	164,481
Other accounts payable	155,535	129,172	116,327
Bonds payable	680,795	668,173	101
Guarantee deposits received (shown as other non-current liabilities)	3,966	3,518	3,590
	<u>\$ 1,081,713</u>	<u>\$ 955,572</u>	<u>\$ 291,040</u>
Lease liability	<u>\$ 87,526</u>	<u>\$ 59,376</u>	<u>\$ 64,107</u>

#### B. Financial risk management policies

- (a) The Group's book value of financial instruments not at fair value (including cash and cash equivalents, notes receivable, accounts receivable, accounts receivable due from related parties, other receivables, notes payable, accounts payable, accounts payable to related parties, other payables) approximated its fair value. Additionally, refer to Note 12(3) for fair value information of financial instruments measured at fair value.
- (b) Risk management is carried out by a central treasury department (Group treasury) under policies approved by the Board of Directors. Group treasury identifies, evaluates and hedges financial risks in close co-operation with the Group's operating units. The Board provides written principles for overall risk management, as well as written policies covering specific areas and matters, such as foreign exchange risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

#### 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: RMB) and would be materially affected by the exchange rate fluctuations.
- ii. The Group operates internationally and is exposed to exchange rate risk arising from various currency, primarily with respect to the USD, RMB and HKD. Foreign exchange rate risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations.
- iii. Management has set up a policy to require group companies to manage their foreign exchange risk against their functional currency. The companies are required to hedge their entire foreign exchange risk exposure with the Group treasury. The group companies used forward foreign exchange contracts through the Group treasury to manage the exchange rate risk arising from future commercial transactions, and recognised assets and liabilities. Foreign exchange risk arises when future commercial transactions or recognised assets or liabilities are denominated in a currency that is not the entity's functional currency.

iv. The Group has certain investments in foreign operations, whose net assets are exposed to foreign currency translation risk.

September 30, 2024				
	Foreign currency amount (In thousands)		Exchange rate	Book value (NTD)
<b>(Foreign currency: functional currency)</b>				
<u>Financial assets</u>				
<u>Monetary items</u>				
USD:NTD	\$	12,632	31.65	\$ 399,803
RMB:NTD		12,904	4.52	58,326
USD:RMB		63	6.99	440
<u>Financial liabilities</u>				
<u>Monetary items</u>				
USD:NTD	\$	2,528	31.65	\$ 80,011
RMB:NTD		11,009	4.52	49,761
USD:RMB		14	6.99	98
December 31, 2023				
	Foreign currency amount (In thousands)		Exchange rate	Book value (NTD)
<b>(Foreign currency: functional currency)</b>				
<u>Financial assets</u>				
<u>Monetary items</u>				
USD:NTD	\$	11,797	30.71	\$ 362,286
RMB:NTD		25,756	4.33	111,523
<u>Financial liabilities</u>				
<u>Monetary items</u>				
USD:NTD	\$	2,935	30.71	\$ 90,134
RMB:NTD		787	4.33	3,408



September 30, 2023				
Foreign currency		Exchange rate	Book value (NTD)	
amount (In thousands)				
(Foreign currency: functional currency)				
Financial assets				
Monetary items				
USD:NTD	\$	8,344	32.27	\$ 269,261
RMB:NTD		32,045	4.42	141,639
Financial liabilities				
Monetary items				
USD:NTD	\$	2,262	32.27	\$ 72,995
RMB:NTD		883	4.42	3,903

v. The unrealised exchange gain (loss) arising from significant foreign exchange variation on the monetary items held by the Group for the three-month and nine-month periods ended September 30, 2024 and 2023, amounted to (\$10,026), (\$2,681), (\$6,203) and \$6,215, respectively.

vi. Analysis of foreign currency market risk arising from significant foreign exchange variation:

For the nine-month period ended September 30,2024				
Sensitivity analysis				
	Degree of variation	Effect on profit or loss	Effect on other comprehensive income	
(Foreign currency: functional currency)				
Financial assets				
Monetary items				
USD:NTD	3%	\$	11,994	-
RMB:NTD	3%		1,750	-
USD:RMB	3%		13	-
Financial liabilities				
Monetary items				
USD:NTD	3%	\$	2,400	-
RMB:NTD	3%		1,493	-
USD:RMB	3%		3	-

For the nine-month period ended September 30, 2023			
Sensitivity analysis			
	Degree of variation	Effect on profit or loss	Effect on other comprehensive income
<b>(Foreign currency: functional currency)</b>			
<u>Financial assets</u>			
<u>Monetary items</u>			
USD:NTD	3%	\$ 8,078	-
RMB:NTD	3%	4,249	-
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD:NTD	3%	\$ 2,190	-
RMB:NTD	3%	117	-

#### 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. Diversification of the portfolio is done in accordance with the limits set by the Group.
- ii. The Group's investments in equity securities comprise shares and open-end funds issued by the domestic 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-month period ended September 30, 2024 and 2023 would have increased/decreased by \$290 and \$92, respectively, as a result of gains/losses on equity securities classified as at fair value through profit or loss. Other components of equity would have increased/decreased by \$3,033 and \$3,347, respectively, as a result of other comprehensive income classified as equity investment at fair value through other comprehensive income.

#### **(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.
- ii. The Group manages its credit risk taking into consideration the entire group's concern. For banks and financial institutions, only independently rated parties with a minimum rating of 'A' are accepted. 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. Individual risk limits are set based on internal or external ratings in accordance with limits set by the Board of Directors. The utilisation of credit limits is regularly monitored.
- iii. The Group adopts the assumptions under IFRS 9, that is, the default occurs when the contract payments are past due over 181 days.
- iv. The Group adopts following assumption under IFRS 9 to assess whether there has been a significant increase in credit risk on that instrument since initial recognition:  
If the contract payments were past due over 30 days based on the terms, there has been a significant increase in credit risk on that instrument since initial recognition.

v. 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 reorganisation 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.

vi. The Group classifies customers' accounts receivable, contract assets and rents receivable in accordance with credit rating of customer. The Group applies the modified approach using a provision matrix to estimate the expected credit loss.

vii. 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.

viii. The Group used the forecastability of Taiwan Institute of Economic Research boom observation report to adjust historical and timely information to assess the default possibility of accounts receivable. On September 30, 2024, December 31, 2023 and September 30, 2023, the provision matrix is as follows:

	Not past due	1 to 30 days	31 to 90 days	91 to 180 days	Over 181 days	Total
<u>At September 30, 2024</u>						
Expected loss rate	0%	0%-0.11%	0%-0.63%	0%-4.83%	100%	
Total book value	\$ 447,753	\$ 904	\$ 159	\$ 269	\$ 1,406	\$ 450,491
Loss allowance	\$ 4	\$ 1	\$ 1	\$ 13	\$ 1,406	\$ 1,425
	Not past due	1 to 30 days	31 to 90 days	91 to 180 days	Over 181 days	Total
<u>At December 31, 2023</u>						
Expected loss rate	0%	0%-0.04%	0%	0%	100%	
Total book value	\$ 341,227	\$ 2,634	\$ 128	\$ 18	\$ 1,406	\$ 345,413
Loss allowance	\$ 4	\$ 1	\$ -	\$ -	\$ 1,406	\$ 1,411
	Not past due	1 to 30 days	31 to 90 days	91 to 180 days	Over 181 days	Total
<u>At September 30, 2023</u>						
Expected loss rate	0%-0.01%	0%-0.05%	0%-0.1%	0%	100%	
Total book value	\$ 311,126	\$ 2,601	\$ 1,925	\$ -	\$ 1,447	\$ 317,099
Loss allowance	\$ 30	\$ 1	\$ 2	\$ -	\$ 1,447	\$ 1,480

ix. Movements in relation to the Group applying the modified approach to provide loss allowance for accounts receivable, contract assets and lease payments receivable are as follows:

	2024	
	Accounts receivable	Notes receivable
At January 1	\$ 1,411	\$ -
Provision for impairment	14	-
At September 30	\$ 1,425	\$ -

	2023	
	Accounts receivable	Notes receivable
At January 1	\$ 2,537	\$ -
Provision for impairment	(1,057)	-
At September 30	<u>\$ 1,480</u>	<u>\$ -</u>

(c) Liquidity risk

- i. Cash flow forecasting is performed in the operating entities of the Group and aggregated by Group treasury. Group treasury monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Group does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities. Such forecasting takes into consideration the Group's debt financing plans, covenant compliance, compliance with internal balance sheet ratio targets.
- ii. Group treasury invests surplus cash in interest bearing current accounts and time deposits, choosing instruments with appropriate maturities or sufficient liquidity to provide sufficient head-room as determined by the above-mentioned forecasts. As at September 30, 2024, December 31, 2023 and September 30, 2023, the Group held money market position of \$1,449,530, \$1,780,632 and \$1,037,355, respectively, that are expected to readily generate cash inflows for managing liquidity risk.
- iii. 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. The amounts disclosed in the table are the contractual undiscounted cash flows.

September 30, 2024		Between 3	Between 1	
Non-derivative financial liabilities	Less than 3 months	months and 1 year	and 2 years	Between 2 and 5 years
Short-term borrowings	\$ 5,031	\$ -	\$ -	\$ -
Notes payable	326	-	-	-
Accounts payable				
(including related parties)	213,383	22,708	-	-
Other payables	78,696	76,839	-	-
Lease liability	5,922	16,734	19,522	45,842
Bonds payable				
(including current portion)	10,425	-	10,425	715,850
December 31, 2023		Between 3	Between 1	
Non-derivative financial liabilities	Less than 3 months	months and 1 year	and 2 years	Between 2 and 5 years
Short-term borrowings	\$ 5,019	\$ -	\$ -	\$ -
Notes payable	805	-	-	-
Accounts payable				
(including related parties)	127,932	20,972	-	-
Other payables	86,216	42,956	-	-
Lease liability	4,744	12,827	14,907	27,453
Bonds payable				
(including current portion)	-	10,425	10,425	715,850

September 30, 2023		Between 3	Between 1	
<u>Non-derivative financial liabilities</u>	<u>Less than 3 months</u>	<u>months and 1 year</u>	<u>and 2 years</u>	<u>Between 2 and 5 years</u>
Short-term borrowings	\$ 5,019	\$ -	\$ -	\$ -
Notes payable	1,541	-	-	-
Accounts payable				
(including related parties)	146,105	18,376	-	-
Other payables	70,304	46,023	-	-
Lease liability	4,936	13,354	15,630	30,837
Bonds payable				
(including current portion)	101	-	-	-

(3) Fair value information

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

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. A market is regarded as active where a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The fair value of the Group's investment in listed stocks is included in Level 1.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. The fair value of the Group's investment in derivative instruments is included in Level 2.

Level 3: Unobservable inputs for the asset or liability.

B. The related information of financial and non-financial instruments measured at fair value by level on the basis of the nature, characteristics and risks of the assets and liabilities at September 30, 2024, December 31, 2023 and September 30, 2023 is as follow

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

<u>September 30, 2024</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Financial assets:				
<u>Recurring fair value measurements</u>				
Financial assets at fair value through profit or loss				
Beneficiary certificates	\$ 20,034	\$ -	\$ -	\$ 20,034
Hybrid instruments- convertible bonds	8,985	-	-	8,985
Financial assets at fair value through other comprehensive income				
Equity securities	281,554	-	21,784	303,338
Debt securities	318,927	-	-	318,927
Total	<u>\$ 629,500</u>	<u>\$ -</u>	<u>\$ 21,784</u>	<u>\$ 651,284</u>

December 31, 2023	Level 1	Level 2	Level 3	Total
Financial assets:				
<u>Recurring fair value measurements</u>				
Financial assets at fair value through profit or loss				
Equity securities	\$ 4,576	\$ -	\$ -	\$ 4,576
Hybrid instrument - convertible bonds	4,868	-	-	4,868
Financial assets at fair value through other comprehensive income				
Equity securities	254,452	-	34,141	288,593
Beneficiary certificates	10,454	-	-	10,454
Total	<u>\$ 274,350</u>	<u>\$ -</u>	<u>\$ 34,141</u>	<u>\$ 308,491</u>
September 30, 2023	Level 1	Level 2	Level 3	Total
Financial assets:				
<u>Recurring fair value measurements</u>				
Financial assets at fair value through profit or loss				
Equity securities	\$ 4,131	\$ -	\$ -	\$ 4,131
Hybrid instrument - convertible bonds	5,118	-	-	5,118
Financial assets at fair value through other comprehensive income				
Equity securities	285,290	-	38,968	324,258
Beneficiary certificates	10,474	-	-	10,474
Total	<u>\$ 305,013</u>	<u>\$ -</u>	<u>\$ 38,968</u>	<u>\$ 343,981</u>

C.The methods and assumptions the Group used to measure fair value are as follows:

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

	Listed shares	Open-end fund	Corporate bond
Market quoted price	Closing price	Net asset value	Weighted average

(b) When assessing non-standard and low-complexity financial instruments, for example, debt instruments without active market, interest rate swap contracts, foreign exchange swap contracts and options, 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.

(c)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.

D.For the nine-month period ended September 30, 2024 and 2023, there was no transfer between Level 1 and Level 2.

E.For the nine-month period ended September 30, 2024 and 2023, there was no transfer into or out from Level 3.

F.Management segment is in charge of valuation procedures for fair value measurements being categorised 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, confirming the resource of information is independent, reliable and in line with other resources and making any other necessary adjustments to the fair value. Investment property is valued through outsourced appraisal performed by the external valuer.

G.The following is the qualitative information of significant unobservable inputs and sensitivity analysis of changes in significant unobservable inputs to valuation model used in Level 3 fair value measurement:

	Fair value at September 30, 2024	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instrument:					
Unlisted shares	\$ <u>21,784</u>	Market comparable approach	Price to earnings ratio multiple, price to book ratio multiple and discount for lack of marketability	20%	The higher the multiple, the higher the fair value; the higher the discount for lack of marketability, the lower the fair value.
	Fair value at December 31, 2023	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instrument:					
Unlisted shares	\$ <u>34,141</u>	Market comparable approach	Price to earnings ratio multiple, price to book ratio multiple and discount for lack of marketability	20%	The higher the multiple, the higher the fair value; the higher the discount for lack of marketability, the lower the fair value.
	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	\$ <u>37,068</u>	Market comparable approach	Price to earnings ratio multiple, price to book ratio multiple and discount for lack of marketability	20%	The higher the multiple, the higher the fair value; the higher the discount for lack of marketability, the lower the fair value.
Unlisted shares	\$ <u>1,900</u>	Net asset value	Not applicable	Not applicable	Not applicable

H.The Company has carefully assessed the valuation models and assumptions used to measure fair value, thus, the valuation of fair value was reasonable. However, use of different valuation models or assumptions may result in different measurement.

### 13. Supplementary Disclosures

#### (1) Significant transactions information

The following transactions with subsidiaries had been written off when preparing the consolidated statements, information which was disclosed below only for reference:

A.Loans to others: None.

B.Provision of endorsements and guarantees to others: None.

C.Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures): Please refer to table 1.

D.Acquisition or sale of the same security with the accumulated cost exceeding \$300 million or 20% of the Company's paid-in capital: None.

E.Acquisition of real estate reaching \$300 million or 20% of paid-in capital or more: None.

F.Disposal of real estate reaching \$300 million or 20% of paid-in capital or more: None.

G. Purchases or sales of goods from or to related parties reaching \$100 million or 20% of paid-in capital or more: Please refer to table 2.

H.Receivables from related parties reaching \$100 million or 20% of paid-in capital or more: None.

I.Trading in derivative instruments undertaken during the reporting periods: None.

J.Significant inter-company transactions during the reporting periods: Please refer to table 3.

#### (2) Information on investees

Names, locations and other information of investee companies (not including investees in Mainland China) : Please refer to table 4.

#### (3) Information on investments in Mainland China

A.For information of reinvestment in China area: Please refer to table 5.

B.Significant transactions, either directly or indirectly through a third area, with investee companies in the Mainland Area: Please refer to table 3.

#### (4) Major shareholders information

Major shareholders information: Please refer to table 6.



#### 14. Segment Information

##### (1) General information

The Company and its subsidiaries were mainly engaged in the manufacturing and sales of connectors and cable wires. The chief operating decision-maker reviewed and evaluated performance of each operating segment based on the operating results of different sub-groups in the consolidated financial statements.

##### (2) Measurement of segment information

The Company's chief operating decision-maker measured the performance of operating segment with the revenue, gross profit and profit after tax of operating entities. The accounting policies of the operating segments are in agreement with the significant accounting policies summarised in Note 4.

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

The segment information provided to the chief operating decision-maker for the reportable segments is as follows:

	CHANT SINCERE CO., LTD.	AXMoo Investment Corp.	David Electronics Co., Ltd.	Adjustment	Total
For the nine-month period ended September 30, 2024					
Revenue from external customers	\$ 1,023,499	\$ -	\$ 59,114	\$ -	\$ 1,082,613
Inter-segment revenue	388,777	-	35,299	(424,076)	-
Total segment revenue	<u>\$ 1,412,276</u>	<u>\$ -</u>	<u>\$ 94,413</u>	<u>\$ (424,076)</u>	<u>\$ 1,082,613</u>
Segment income	<u>\$ 149,442</u>	<u>\$ 31,152</u>	<u>\$ 1,038</u>	<u>\$ 17</u>	<u>\$ 181,649</u>
Interest income	<u>\$ 16,377</u>	<u>\$ 462</u>	<u>\$ 141</u>	<u>\$ -</u>	<u>\$ 16,980</u>
Interest expense	<u>\$ 12,865</u>	<u>\$ 33</u>	<u>\$ 120</u>	<u>\$ (9)</u>	<u>\$ 13,009</u>
Depreciation and amortisation expenses	<u>\$ 50,180</u>	<u>\$ 859</u>	<u>\$ 3,052</u>	<u>\$ (373)</u>	<u>\$ 53,718</u>
Income tax expense	<u>\$ 42,597</u>	<u>\$ 1,659</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 44,256</u>
Segment assets	<u>\$ 3,538,765</u>	<u>\$ 298,867</u>	<u>\$ 112,943</u>	<u>\$ (74,187)</u>	<u>\$ 3,876,388</u>
	CHANT SINCERE CO., LTD.	AXMoo Investment Corp.	David Electronics Co., Ltd.	Adjustment	Total
For the nine-month period ended September 30, 2023					
Revenue from external customers	\$ 1,008,394	\$ -	\$ 55,256	\$ -	\$ 1,063,650
Inter-segment revenue	376,078	-	31,390	(407,468)	-
Total segment revenue	<u>\$ 1,384,472</u>	<u>\$ -</u>	<u>\$ 86,646</u>	<u>\$ (407,468)</u>	<u>\$ 1,063,650</u>
Segment income	<u>\$ 135,612</u>	<u>\$ 10,569</u>	<u>\$ (2,890)</u>	<u>\$ 4,096</u>	<u>\$ 147,387</u>
Interest income	<u>\$ 5,453</u>	<u>\$ 140</u>	<u>\$ 115</u>	<u>\$ -</u>	<u>\$ 5,708</u>
Interest expense	<u>\$ 641</u>	<u>\$ 50</u>	<u>\$ 133</u>	<u>\$ -</u>	<u>\$ 824</u>
Depreciation and amortisation expenses	<u>\$ 40,558</u>	<u>\$ 859</u>	<u>\$ 3,327</u>	<u>\$ -</u>	<u>\$ 44,744</u>
Income tax expense	<u>\$ 43,689</u>	<u>\$ 898</u>	<u>\$ 21</u>	<u>\$ -</u>	<u>\$ 44,608</u>
Segment assets	<u>\$ 2,678,076</u>	<u>\$ 280,963</u>	<u>\$ 114,877</u>	<u>\$ (94,802)</u>	<u>\$ 2,979,114</u>

##### (4) Reconciliation for segment income (loss)

Sales between segments are carried out at arm's length. 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.

The reportable segments income/(loss) which was reviewed by the decision-maker was the same as income/(loss) before tax from continuing operations of business.

CHANT SINCERE CO., LTD. AND SUBSIDIARIES  
Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures)  
September 30, 2024

Table 1

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, 2024				Footnote
				Number of shares	Book value	Ownership (%)	Fair value	
CHANT SINCERE CO., LTD.	NORTHSTAR SYSTEMS CORPORATION	None.	Non-current financial asset measured at fair value through other comprehensive income	39,391 shares	\$ -	0.09%	\$ -	
"	ATTEND TECHNOLOGY INC.	Other related parties	Non-current financial asset measured at fair value through other comprehensive income	778,400 shares	20,262	9.73%	20,262	
"	MSP Engineering Co.,Ltd.	None.	Non-current financial asset measured at fair value through other comprehensive income	79 shares	-	13.17%	-	
"	NEXTRONICS ENGINEERING CORP.	None.	Non-current financial asset measured at fair value through other comprehensive income	730,821 shares	91,718	1.85%	91,718	
"	Fubon Financial Holding Co Ltd. - Preferred share	None.	Non-current financial asset measured at fair value through other comprehensive income	475,000 shares	29,402	-	29,402	
"	Fubon Financial Holding Co Ltd. - Preferred share B	None.	Non-current financial asset measured at fair value through other comprehensive income	21,922 shares	1,315	-	1,315	
"	Cathay Financial Holding Co. Ltd. - Preferred share	None.	Non-current financial asset measured at fair value through other comprehensive income	629,000 shares	38,055	-	38,055	
"	Cathay Financial Holding Co. Ltd. - Preferred share B	None.	Non-current financial asset measured at fair value through other comprehensive income	26,293 shares	1,517	-	1,517	
"	P-TWO INDUSTRIES INC.	None.	Non-current financial asset measured at fair value through other comprehensive income	1,992,000 shares	60,557	3.62%	60,557	
"	Quanjie International PTE CO., LTD.	None.	Non-current financial asset measured at fair value through other comprehensive income	190,000 shares	1,522	19.00%	1,522	
"	TSMC ARIZONA CORP.DL-NOTES 2022(22/27)REG.S	None.	Non-current financial asset measured at fair value through other comprehensive income	3,000,000 units	94,903	-	94,903	
"	United States Treasury securitiesT4	None.	Non-current financial asset measured at fair value through other comprehensive income	3,010,000 units	95,770	-	95,770	
"	United States Treasury securitiesT2.75	None.	Non-current financial asset measured at fair value through other comprehensive income	3,080,000 units	95,790	-	95,790	
"	United States Treasury securitiesT2.65	None.	Non-current financial asset measured at fair value through other comprehensive income	1,050,000 units	32,464	-	32,464	
"	Taishin 1699 Money Market Fund	None.	Current financial assets at fair value through profit or loss	1,421,585.35 units	20,034	-	20,034	
"	SINTRONES TECHNOLOGY CORP.- Convertible bonds	None.	Current financial assets at fair value through profit or loss	55,000 shares	6,815	-	6,815	
"	WEIKENG INDUSTRIAL CO., LTD.- Convertible bonds	None.	Current financial assets at fair value through profit or loss	20,000 shares	2,170	-	2,170	
AXMoo Investment corp.	P-TWO INDUSTRIES INC.	None.	Current financial asset measured at fair value through other comprehensive income	620,439 shares	18,861	1.13%	18,861	
"	YOUNGTEK ELECTRONICS CORPORATION	None.	Current financial asset measured at fair value through other comprehensive income	240,000 shares	17,016	0.19%	17,016	
"	PAN-INTERNATIONAL INDUSTRIAL CORP.	None.	Current financial asset measured at fair value through other comprehensive income	250,000 shares	8,813	0.05%	8,813	
"	TERA AUTOTECH CORPORATION	None.	Current financial asset measured at fair value through other comprehensive income	240,000 shares	6,264	0.24%	6,264	
"	HO TA INDUSTRIAL MFG. CO., LTD.	None.	Current financial asset measured at fair value through other comprehensive income	140,000 shares	8,036	0.05%	8,036	

CHANT SINCERE CO., LTD. AND SUBSIDIARIES

Purchases or sales of goods from or to related parties reaching NT\$100 million or 20% of paid-in capital or more  
Nine-month period ended September 30, 2024

Table 2

Expressed in thousands of NTD  
(Except as otherwise indicated)

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction				Compared to third party transactions			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)		
Dongguan Quanrong Electronics Co., Ltd.	CHANT SINCERE CO., LTD.	Parent company	(Sales)	(\$ 346,522)	(32%)	Note 1	Note 1	Note 1		\$ 41,088	9%		

Note 1: The transaction price adopted cost-plus pricing approach as the pricing basis, and collected after monthly billings.

CHANT SINCERE CO., LTD. AND SUBSIDIARIES  
Significant inter-company transactions during the reporting periods  
Nine-month period ended September 30, 2024

Table 3

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)
2	Dongguan Quanrong Electronics Co., Ltd.	CHANT SINCERE CO., LTD.	2	Sales revenue	\$ 346,522	Note 4	32%
2	Dongguan Quanrong Electronics Co., Ltd.	Kunshan Chant Sincere Electronics Ltd.	3	Sales revenue	38,316	Note 5	4%
2	Dongguan Quanrong Electronics Co., Ltd.	CHANT SINCERE CO., LTD.	2	Accounts receivable	41,088	-	1%
2	Dongguan Quanrong Electronics Co., Ltd.	Kunshan Chant Sincere Electronics Ltd.	3	Accounts receivable	10,976	-	0%
4	Zhuhai David Electronics Company Limited	DAVID ELECTRONICS CO., LTD.	2	Sales revenue	23,456	-	2%
3	DAVID ELECTRONICS COMPANY (BVI), LTD.	DAVID ELECTRONICS CO., LTD.	2	Accounts receivable	46,004	-	1%
4	Zhuhai David Electronics Company Limited	DAVID ELECTRONICS COMPANY (BVI), LTD.	3	Accounts receivable	26,434	-	1%

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; fill in the number of category each case belongs to (If transactions between parent company and subsidiaries or between subsidiaries refer to the same transaction, it is not required to disclose twice. For example, if the parent company has already disclosed its transaction with a subsidiary, then the subsidiary is not required to disclose the transaction; for transactions between two subsidiaries, if one of the subsidiaries has disclosed the transaction, then the other is not required to disclose the transaction.):

(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 transaction price adopted cost-plus pricing approach as the pricing basis, and collected after monthly billing.

Note 5: The transaction price adopted cost-plus pricing approach as the pricing basis, and collected in 90 days after monthly billings.

Note 6: For the nine-month period ended September 30, 2024, another side of transactions among the Company and subsidiaries were not disclosed due to the direction of transaction was in reversal. Additionally, the threshold of significant transactions

CHANT SINCERE CO., LTD. AND SUBSIDIARIES  
Information on investees (not including investees in Mainland China)  
Nine-month period ended September 30, 2024

Table 4

Expressed in thousands of NTD  
(Except as otherwise indicated)

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at September 30, 2024			Net income of investee as of September 30, 2024	income(loss) recognised by the Company for the nine-month period ended September 30, 2024		Footnote
				Balance as at September 30, 2024	Balance as at December 31, 2023	Number of shares	Ownership (%)	Book value				
CHANT SINCERE CO.,	CHANT SINCERE TECHNOLOGY CO.,LTD.	American Samoa	General investment	\$ 6,764	\$ 6,764	210,000	100%	\$ 9,315	( 2,472)	( 2,472)		Subsidiary
"	AXMoo Investment corp.	Taiwan	General investment	200,000	200,000	23,200,000	100%	290,023	31,152	31,152		Subsidiary
"	DAVID ELECTRONICS CO., LTD.	Taiwan	Manufacture, sales and process of conductor joints and connectors	19,054	19,054	4,236,042	86.89%	68,033	1,038	( 54)		Subsidiary
"	A&H INTERNATIONAL CO.,LTD.	British Virgin	General investment	15,381	15,381	50,500	100%	152,691	16,013	17,129		Subsidiary
"	GRAND-TEK TECHNOLOGY CO., LTD.	Taiwan	Research, manufacture and sales of high frequency connector wire, wireless communication integration subsystem	332,915	332,915	6,946,166	23.15%	346,189	51,082	11,059		Associate
DAVID ELECTRONICS CO., LTD.	DAVID ELECTRONICS COMPANY (BVI), LTD.	British Virgin Islands	Manufacture, process and sales of electronic components	89,937	89,937	2,000,339	100%	38,954	3,659	Not applicable		Second-tier subsidiary

CHANT SINCERE CO., LTD. AND SUBSIDIARIES  
Information on investments in Mainland China  
Nine-month period ended September 30, 2024

Table 5

Expressed in thousands of NTD  
(Except as otherwise indicated)

Investee in Mainland China	Main business activities	Paid-in capital	Investment method	Amount remitted from Taiwan to Mainland			Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2024	Remitted to Mainland China	Remitted back to Taiwan	Accumulated amount of remittance from Taiwan to Mainland China as of September 30, 2024	Net income of investee as of September 30, 2024	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the nine-month period ended September 30, 2024	Book value of investments in Mainland China as of September	Accumulated amount of investment income remitted back to Taiwan as of September 30, 2024	Footnote
Kunshan Chant Sincere Electronics Ltd.	Sales of electronic components	\$ 6,679 (USD 210 thousand)	CNANT SINCERE TECHNOLOGY CO.,LTD. (Note 1)	\$ 6,679 (USD 210 thousand)	\$ -	\$ -	\$ 6,679 (USD 210 thousand)			\$ 6,679 (USD 210 thousand)	(\$ 3,042)	100%	(\$ 3,042) (Note2)	\$ 13,815	\$ 83,578 (RMB 18,560 thousand)	
Dongguan Quanrong Electronics Co., Ltd.	Manufacture, process and sales of electronic components	28,179 (USD 900 thousand)	A&H INTERNATIONAL CO., LTD. (Note 1)	28,179 (USD 900 thousand)	-	-	28,179 (USD 900 thousand)			28,179 (USD 900 thousand)	14,786	100%	14,786 (Note 2)	165,120	84,005 (RMB 19,000 thousand)	
Zhuhai David Electronics Company Limited	Manufacture and sales of electronic components	31,491 (USD 1,000 thousand)	DAVID ELECTRONICS COMPANY(BVI) LTD.(Note 1)	31,491 (USD 1,000 thousand)	-	-	31,491 (USD 1,000 thousand)			31,491 (USD 1,000 thousand)	3,150	86.89%	2,737	11,665	-	

Company name	Accumulated amount of remittance from Taiwan to Mainland China as of September 30, 2024	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
CHANT SINCERE CO.,	\$ 110,663 US\$3,447 thousand (Note 3)	\$ 109,098 US\$3,447 thousand (Note 4, Note 5 and Note 7)	\$ 1,568,441
DAVID ELECTRONICS CO., LTD.	\$ 49,254 US\$1,638 thousand (Note 3)	\$ 51,843 US\$1,638 thousand (Note 4 and Note 6)	\$ 80,000

Note 1: Through investing in an existing company in the third area, which then invested in the investee in Mainland China.

Note 2: The financial statements that are reviewed by R.O.C. parent company's CPA.

Note 3: The number of New Taiwan dollars was exchanged based on historical exchange rate.

Note 4: The number of New Taiwan dollars was exchanged based on the exchange rate at the balance sheet date.

Note 5: The amount approved by Investment Commission, MOEA, and the accumulated investment amount when the Company report to Investment Commission, MOEA both were USD 3,447 thousand. The difference of USD 2,055 thousand between reported amount and the total investment amount of USD 1,392 thousand (210 thousand + 900 thousand + 282 thousand) in Kunshan Chant Sincere Electronics Ltd., Dongguan Quanrong Electronics Co., Ltd. and Zhongshan Quanjie Wire Co., Ltd. were shown in the statement of Information on investments in Mainland China, the reasons were as follows:

A. In 1990, Investment Commission, MOEA approved by the Tou-Shen-II-Zi Letter No. 89002369, (1990), that British Virgin Islands outward investor, COXOC ELECTRONICS CO.,LTD., could lease plants in Shenzhen-Fuyong-Huaide in Mainland China, it is "Yonglong Electronics and Metal Factory", invested and operated it with equipment and components in the amount of USD 1,000 thousand in the way of processing on order. This processing plants was disposed in 2008, the Company had not cancelled the registration in Mainland China to the Investment Commission until now.

B. In 2004, Investment Commission, MOEA approved by the Tou-Shen-II-Zi Letter No. 092039335, that British Virgin Islands outward investor, COXOC ELECTRONICS CO.,LTD., could lease plants in Shenzhen-Baoan-Songgang in Mainland China, it is "Quanxin Electronics and Metal Factory", invested and operated it with equipment and components in the amount of USD 415 thousand in the way of processing on order. This processing plants was disposed in 2013, the Company had not cancelled the registration in Mainland China to the Investment Commission until now.

C. On October 5, 2006, the Investment Commission, MOEA approved by the Tou-Shen-II-Zi Letter No. 09500325340, that British Virgin Islands outward investor, COXOC ELECTRONICS CO.,LTD., could receive plants from A&H INFORMATION CO., LTD. who leased plants in Shenzhen-Baoan-Songgang in Mainland China, it is "Quansheng electric and hardware factory", invested and operated it with equipment and components in the amount of USD 415 thousand in the way of processing on order. This processing plants was disposed in 2013, the Company had not cancelled the registration in Mainland China to the Investment Commission until now.

Note 6: There was difference of USD 600 thousand between the amount of USD 1,400 thousand approved by the Investment Commission, MOEA, and the actual remitted amount of USD 800 thousand which was an investment in Hong Hsin Electronics (Shenzhen) Co., Ltd. by DAVID ELECTRONICS CO., LTD., the reasons were as follows: (1) the subsidiary, David Electronics Co.,(BVI)Ltd., invested with self-owned capital in the amount of \$498.96 thousand, and (2) investing with Mainland China investment of T.D.C Electronics and Metal Factory which was appraised to be USD \$101.04 thousand. This company had been disposed in December 2018, and had cancelled the registration on June 19, 2019 to the Investment Commission.

Note 7: In 2019, the Company directly invested USD 886 thousand in Zhongshan Quanjie Wire Co., Ltd. after the approval of the Investment Commission, MOEA by the Tou-Shen-II-Zi Letter No. 10800270660. In addition, a portion of the equity was sold for USD604 thousand in February 2022, and the transfer was completed with the approval of the Investment Commission, MOEA on October 27, 2022.

CHANT SINCERE CO., LTD. AND SUBSIDIARIES  
Major shareholders information  
September 30, 2024

Table 6

Name of major shareholders	Shares	
	Name of shares held	Ownership (%)
Wu LianXi	4,367,577	5.31%
Wu RongChun	4,115,912	5.00%

Note 1: The major shareholders' information was derived from the data using the Company issued common shares (including treasury shares) and preferred shares in dematerialised form which were registered and held by the shareholders above 5% on the last operating date of each quarter and was calculated by Taiwan Depository & Clearing Corporation. The share capital which was recorded on the financial statements may be different from the actual number of shares in dematerialised form due to the difference of calculation basis.

Note 2: If the aforementioned data contains shares which were kept in the trust by the shareholders, the data was disclosed as a separate account of the client which was set by the trustee. For shareholders who declare insider shareholdings with ownership greater than 10% in accordance with the Security and Exchange Act, the shareholdings include shares held by shareholders and those delivered to the trust over which shareholders have rights to determine the use of trust property. For information relating to insider shareholding declaration, refer to Market Observation Post System.