

WPG HOLDINGS LIMITED AND SUBSIDIARIES
CONSOLIDATED FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS' REPORT
DECEMBER 31, 2023 AND 2022

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

INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Stockholders of WPG Holdings Limited

Opinion

We have audited the accompanying consolidated balance sheets of WPG Holdings Limited and its subsidiaries (the “Group”) as at December 31, 2023 and 2022, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of material accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2023 and 2022, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission.

Basis for opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the consolidated financial statements section of our report. We are independent of the Group in accordance with the Norm of Professional Ethics for Certified Public Accountants of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Group's 2023 consolidated financial statements. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and, in forming our opinion

thereon, we do not provide a separate opinion on these matters.

Key audit matters for the Group's 2023 consolidated financial statements are stated as follows:

Impairment assessment of goodwill

Description

Refer to Note 4(19) for accounting policy on goodwill impairment, Note 5(2) for uncertainty of accounting estimates and assumptions in relation to goodwill impairment, and Note 6(13) for details of intangible assets.

The Group acquired shares of stock of target companies by cash or through exchange of shares of stock. The difference between the acquisition price and the carrying amount of the net identifiable assets is allocated in accordance with the accounting policies on business combinations. The Group uses the estimated future cash flows of each cash-generating unit and proper discount rate to determine recoverable amount of goodwill, and assesses whether goodwill may be impaired. Given that the assumptions used in the calculation of recoverable amount requires significant management judgement with respect to the discount rate and the underlying cash flows, we considered impairment assessment of goodwill a key audit matter.

How our audit addressed the matter

Our audit procedures in relation to the above key audit matter included:

1. Assessing the process in which management evaluates the estimated future cash flows of each cash generating unit, and reconciling the input data used in the valuation model to the approved operational plan by management.
2. Evaluating the reasonableness of the estimated growth rate, gross rate, discount rate and other significant assumptions used in the valuation model, by:
 - (1) Comparing estimated growth rate and gross rate with historical data and our knowledge of the business and industry;
 - (2) Comparing discount rate assumptions with respect to cash generating units' capital cost and similar return on assets; and
 - (3) Checking the setting of valuation model's calculation formula.
3. Comparing the recoverable value and book value of each cash-generating unit.

Valuation of allowance for uncollectible accounts receivable

Description

Refer to Note 4(10) for accounting policy on accounts receivable, Note 5(2) for uncertainty of accounting estimates and assumptions in relation to provision for uncollectible accounts receivable, and Notes 6(5)(14) for details of accounts receivable and overdue receivables.

The Group assesses the collectability of accounts receivable based on historical experience with its customers. As the estimation of allowance for uncollectible accounts is subject to management's judgment in estimating future recovery, such as management's assessment of customer's credit risk, we considered the valuation of allowance for uncollectible accounts receivable a key audit matter.

How our audit addressed the matter

Our audit procedures in relation to the above key audit matter included:

1. Obtaining an understanding of, and evaluating the formal approval process for the customer's credit limit application.
2. Checking the provision policy on allowance for uncollectible accounts, and assessing the reasonableness of provision policy.
3. Checking the adequacy of the loss rate calculation by sampling the historical accounts receivable aging data and verifying the formula for the calculation of expected credit loss rate.
4. Comparing the classification of accounts receivable aging with current year and prior year, and checking subsequent collections after the balance sheet date to confirm recovery of outstanding receivables.
5. For those accounts receivable specifically identified by management to have been impaired, evaluating propriety of impairment assessment against related supporting documents.

Recognition of purchase discounts and allowances

Description

Refer to Note 4(13) for accounting policy on recognition of purchase discounts and allowances.

The Group is engaged in operating sales channel for various electronic components. In line with industry practice, the Group has entered into purchase discounts and allowances agreements with suppliers for various kinds and quantities of inventories. The Group calculates and recognizes the amount of purchase discounts and allowances in accordance with the agreement. The Group negotiates

the amount with the supplier, and after receiving credit note from supplier, the Group pays the net amount.

The discounts and allowances from the supplier are calculated either automatically by the system or manually. The Group has to gather a lot of information to input in the system, such as the items subject to discount and corresponding discount rate, etc. Given that the Group has a large volume of purchases, and has entered into various purchase discounts and allowances agreements with terms and conditions that vary with each argument, we considered the recognition of purchase discounts and allowances a key audit matter.

How our audit addressed the matter

Our audit procedures in relation to the above key audit matter included:

1. Understanding the process in recognizing purchase discounts and allowances, evaluating related internal control procedures and testing its effectiveness, checking the basic information set up in the computer system with respect to discount and allowance calculation randomly, and selecting samples to determine whether purchase discounts and allowances recognized were reviewed by an authorized supervisor.
2. Selecting samples of purchase discounts and allowances, obtaining confirmed documents and approved credit note from supplier for selected commodity's part number, and checking whether the part number and discount and allowance amount in obtained vouchers were consistent with the amounts recognized.
3. Performing confirmation of selected material accounts payable, checking whether there is a difference between the amount of purchase discounts and allowances recognized based on credit note from supplier with the amount confirmed by the supplier, and investigating differences, if any. Selecting samples of outstanding accounts payable and checking whether subsequent payments were made after the balance sheet date.

Other matter – Parent company only financial reports

We have audited and expressed an unqualified opinion on the parent company only financial statements of WPG Holdings Limited as at and for the years ended December 31, 2023 and 2022.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance, including the Audit Committee, are responsible for overseeing the Group's financial reporting process.

Auditors' responsibilities for the audit of the consolidated financial statements

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

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

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Lin, Yi-fan

Chou, Chien-hung

For and on behalf of PricewaterhouseCoopers, Taiwan

February 29, 2024

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 review 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' 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.

As the consolidated financial statements are the responsibility of the management, PricewaterhouseCoopers cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

WPG HOLDINGS LIMITED AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2023 AND 2022
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

Assets	Notes	December 31, 2023		December 31, 2022		January 1, 2022		
		Amount	%	Amount	%	Amount	%	
Current assets								
1100	Cash and cash equivalents	6(1)	\$ 21,796,345	7	\$ 17,949,659	6	\$ 15,626,831	5
1110	Financial assets at fair value	6(2)						
	through profit or loss - current		1,856	-	5,875	-	8,396	-
1136	Financial assets at amortized cost	6(4) and 8						
	- current		555,567	-	522,496	-	439,541	-
1150	Notes receivable, net	6(5)	2,273,589	1	2,427,415	1	2,741,202	1
1170	Accounts receivable, net	6(5)(6) and 8	128,323,979	41	118,037,849	37	131,368,328	46
1180	Accounts receivable - related	7(3)						
	parties, net		317,399	-	202,091	-	282,617	-
1200	Other receivables	6(7)	11,794,314	4	19,967,189	6	7,174,281	2
1210	Other receivables - related parties	7(3)	31,095	-	42,788	-	3,691	-
1220	Current income tax assets		81,989	-	34,375	-	14,366	-
130X	Inventories	6(8)	103,538,637	33	111,737,091	35	86,214,706	30
1410	Prepayments		2,648,220	1	2,687,011	1	2,477,747	1
1470	Other current assets		1,666,171	-	2,394,926	1	1,535,588	-
11XX	Total current assets		<u>273,029,161</u>	<u>87</u>	<u>276,008,765</u>	<u>87</u>	<u>247,887,294</u>	<u>85</u>
Non-current assets								
1510	Financial assets at fair value	6(2) and 8						
	through profit or loss -							
	non-current		3,343,573	1	1,724,617	1	1,920,100	1
1517	Financial assets at fair value	6(3)						
	through other comprehensive							
	income - non-current		3,434,477	1	3,341,083	1	3,321,562	1
1550	Investments accounted for using	6(9)						
	equity method		11,923,531	4	12,617,898	4	13,453,324	5
1600	Property, plant and equipment	6(10) and 8	11,978,731	4	11,970,875	4	11,911,715	4
1755	Right-of-use assets	6(11)	2,446,912	1	2,686,605	1	1,544,289	1
1760	Investment property, net	6(12) and 8	1,514,843	-	1,566,675	-	1,579,944	1
1780	Intangible assets	6(13)	5,481,907	2	5,180,570	2	5,220,647	2
1840	Deferred income tax assets	6(31)	876,842	-	741,592	-	631,086	-
1960	Prepayments for investments		-	-	25,043	-	-	-
1990	Other non-current assets	6(14)	340,630	-	355,917	-	268,663	-
15XX	Total non-current assets		<u>41,341,446</u>	<u>13</u>	<u>40,210,875</u>	<u>13</u>	<u>39,851,330</u>	<u>15</u>
1XXX	Total assets		<u>\$314,370,607</u>	<u>100</u>	<u>\$316,219,640</u>	<u>100</u>	<u>\$287,738,624</u>	<u>100</u>

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WPG HOLDINGS LIMITED AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2023 AND 2022
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

	Liabilities and Equity	Notes	December 31, 2023		December 31, 2022		January 1, 2022	
			Amount	%	(Adjusted) Amount	(Adjusted) %	(Adjusted) Amount	(Adjusted) %
	Current liabilities							
2100	Short-term borrowings	6(6)(15)	\$ 82,601,125	27	\$ 80,518,991	25	\$ 82,334,562	29
2110	Short-term notes and bills payable	6(16)	8,224,982	3	5,342,259	2	7,444,815	3
2120	Financial liabilities at fair value	6(2)						
	through profit or loss - current		5,289	-	4,148	-	7,068	-
2150	Notes payable		18,520	-	15,456	-	21,484	-
2170	Accounts payable		85,867,016	28	81,177,435	26	75,552,919	26
2180	Accounts payable - related parties	7(3)	126,114	-	159,704	-	362,228	-
2200	Other payables		10,366,261	3	12,961,435	4	10,598,704	4
2230	Current income tax liabilities		1,343,635	-	1,317,492	-	1,227,511	-
2280	Current lease liabilities		360,295	-	371,320	-	282,588	-
2300	Other current liabilities	6(17)(18)	<u>16,370,357</u>	<u>5</u>	<u>15,187,581</u>	<u>5</u>	<u>4,392,160</u>	<u>2</u>
21XX	Total current liabilities		<u>205,283,594</u>	<u>66</u>	<u>197,055,821</u>	<u>62</u>	<u>182,224,039</u>	<u>64</u>
	Non-current liabilities							
2540	Long-term borrowings	6(17)	20,369,472	6	33,532,103	11	31,478,246	11
2570	Deferred income tax liabilities	6(31)	1,128,233	-	621,462	-	628,638	-
2580	Non-current lease liabilities		2,148,857	1	2,315,509	1	1,216,340	-
2600	Other non-current liabilities	6(19)(33)	<u>796,487</u>	<u>-</u>	<u>781,442</u>	<u>-</u>	<u>966,015</u>	<u>-</u>
25XX	Total non-current liabilities		<u>24,443,049</u>	<u>7</u>	<u>37,250,516</u>	<u>12</u>	<u>34,289,239</u>	<u>11</u>
2XXX	Total liabilities		<u>229,726,643</u>	<u>73</u>	<u>234,306,337</u>	<u>74</u>	<u>216,513,278</u>	<u>75</u>
	Equity							
	Capital	1 and 6(20)						
3110	Common stock		16,790,568	6	16,790,568	5	16,790,568	6
3120	Preference stock		2,000,000	1	2,000,000	1	2,000,000	1
	Capital reserve	6(21)						
3200	Capital reserve		28,449,804	9	28,633,916	9	28,724,498	10
	Retained earnings	6(22)						
3310	Legal reserve		9,716,441	3	8,658,903	3	7,483,640	3
3320	Special reserve		3,477,886	1	9,926,105	3	8,832,794	3
3350	Unappropriated earnings		25,492,557	8	18,524,643	6	16,494,533	6
	Other equity interest							
3400	Other equity interest	6(23)	(2,282,716)	(1)	(3,477,885)	(1)	(9,926,104)	(4)
31XX	Equity attributable to owners							
	of the parent		83,644,540	27	81,056,250	26	70,399,929	25
36XX	Non-controlling interest	4	<u>999,424</u>	<u>-</u>	<u>857,053</u>	<u>-</u>	<u>825,417</u>	<u>-</u>
3XXX	Total equity		<u>84,643,964</u>	<u>27</u>	<u>81,913,303</u>	<u>26</u>	<u>71,225,346</u>	<u>25</u>
	Significant contingent liabilities and unrecognized contract commitments	7(3) and 9						
3X2X	Total liabilities and equity		<u>\$314,370,607</u>	<u>100</u>	<u>\$316,219,640</u>	<u>100</u>	<u>\$287,738,624</u>	<u>100</u>

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

WPG HOLDINGS LIMITED AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2023 AND 2022

(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS, EXCEPT EARNINGS PER SHARE DATA)

Items	Notes	Years ended December 31,			
		2023		2022	
		Amount	%	Amount	%
4000 Operating revenues	6(24) and 7(3)	\$ 671,888,131	100	\$ 775,232,422	100
5000 Operating costs	6(8) and 7(3)	(646,502,451)	(96)	(745,644,021)	(96)
5950 Gross profit		<u>25,385,680</u>	<u>4</u>	<u>29,588,401</u>	<u>4</u>
Operating expenses	6(29)(30) and 7(3)				
6100 Selling and marketing expenses		(10,025,323)	(1)	(9,941,007)	(1)
6200 General and administrative expenses		(4,611,271)	(1)	(4,815,649)	(1)
6450 Expected credit impairment loss		(354,378)	-	(131,612)	-
6000 Total operating expenses		(14,990,972)	(2)	(14,888,268)	(2)
6900 Operating profit		<u>10,394,708</u>	<u>2</u>	<u>14,700,133</u>	<u>2</u>
Non-operating income and expenses					
7100 Interest income	6(25)	368,597	-	104,814	-
7010 Other income	6(26)	775,262	-	691,427	-
7020 Other gains or losses	6(27)	4,667,442	1	292,590	-
7050 Financial costs	6(28)	(6,680,457)	(1)	(4,736,235)	(1)
7060 Share of profit of associates and joint ventures accounted for using the equity method		<u>756,656</u>	<u>-</u>	<u>1,657,603</u>	<u>-</u>
7000 Total non-operating income and expenses		(112,500)	-	(1,989,801)	(1)
7900 Income before income tax		10,282,208	2	12,710,332	1
7950 Income tax expense	6(31)	(2,084,471)	-	(2,132,898)	-
8200 Consolidated net income		<u>\$ 8,197,737</u>	<u>2</u>	<u>\$ 10,577,434</u>	<u>1</u>

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WPG HOLDINGS LIMITED AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2023 AND 2022

(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS, EXCEPT EARNINGS PER SHARE DATA)

	Items	Notes	Years ended December 31,			
			2023		2022	
			Amount	%	Amount	%
	Other comprehensive income / (loss), net					
	Components of other comprehensive income (loss) that will not be reclassified to profit or loss					
8311	Loss on remeasurement of defined benefit plan	6(19)	\$ 120,344	-	(\$ 11,912)	-
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	6(3)(23)	70,093	-	(998,984)	-
8320	Share of other comprehensive income (loss) of subsidiaries, associates and joint ventures accounted for using equity method		2,014,052	-	(2,507,198)	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(31)	(24,069)	-	2,382	-
8310	Other comprehensive income (loss) that will not be reclassified to profit or loss		<u>2,180,420</u>	<u>-</u>	<u>(3,515,712)</u>	<u>-</u>
	Components of other comprehensive income (loss) that will be reclassified to profit or loss					
8361	Exchange differences on translation of foreign financial statements		(360,152)	-	9,034,481	1
8370	Share of other comprehensive income of associates and joint ventures accounted for using equity method	6(23)(31)	63,441	-	962,077	-
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	6(31)	7,820	-	(11,840)	-
8360	Other comprehensive income (loss) that will be reclassified to profit or loss		<u>(288,891)</u>	<u>-</u>	<u>9,984,718</u>	<u>1</u>
8300	Other comprehensive income, net		<u>\$ 1,891,529</u>	<u>-</u>	<u>\$ 6,469,006</u>	<u>1</u>
8500	Total comprehensive income		<u>\$ 10,089,266</u>	<u>2</u>	<u>\$ 17,046,440</u>	<u>2</u>
	Consolidated net income attributable to:					
8610	Owners of the parent		\$ 8,109,407	1	\$ 10,512,466	1
8620	Non-controlling interest		88,330	-	64,968	-
			<u>\$ 8,197,737</u>	<u>1</u>	<u>\$ 10,577,434</u>	<u>1</u>
	Comprehensive income attributable to:					
8710	Owners of the parent		\$ 10,009,282	1	\$ 16,951,405	2
8720	Non-controlling interest		79,984	-	95,035	-
			<u>\$ 10,089,266</u>	<u>1</u>	<u>\$ 17,046,440</u>	<u>2</u>
	Earnings per share (in dollars)					
9750	Basic earnings per share	6(32)		4.59		6.02
9850	Diluted earnings per share			4.59		6.02

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

WPG HOLDINGS LIMITED AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2023 AND 2022
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

	Notes	Equity attributable to owners of the parent										Non-controlling interest	Total equity
		Share Capital		Retained Earnings					Other Equity Interest					Total
		Common stock	Preference stock	Capital surplus	Legal reserve	Special reserve	Unappropriated earnings	Exchange differences of foreign financial statements	Unrealized gains (losses) on financial assets at fair value through other comprehensive income	Others			
Year ended December 31, 2022													
Balance at January 1, 2022		\$ 16,790,568	\$ 2,000,000	\$ 28,724,498	\$ 7,483,640	\$ 8,832,794	\$ 16,494,533	(\$ 13,385,541)	\$ 3,459,437	\$ -	\$ 70,399,929	\$ 825,417	\$ 71,225,346
Total consolidated profit		-	-	-	-	-	10,512,466	-	-	-	10,512,466	64,968	10,577,434
Net other comprehensive income (loss)	6(23)	-	-	-	-	-	(9,280)	9,954,653	(3,506,434)	-	6,438,939	30,067	6,469,006
Total comprehensive income (loss)		-	-	-	-	-	10,503,186	9,954,653	(3,506,434)	-	16,951,405	95,035	17,046,440
Appropriations of 2021 retained earnings	6(22)	-	-	-	-	-	-	-	-	-	-	-	-
Legal reserve		-	-	-	1,175,263	-	(1,175,263)	-	-	-	-	-	-
Special reserve		-	-	-	-	1,093,311	(1,093,311)	-	-	-	-	-	-
Cash dividends for common stock		-	-	-	-	-	(5,876,699)	-	-	-	(5,876,699)	-	(5,876,699)
Cash dividends for preferred stock		-	-	-	-	-	(400,000)	-	-	-	(400,000)	-	(400,000)
Changes in equity of associates and joint ventures accounted for using the equity method	6(21)	-	-	(91,345)	-	-	72,197	-	-	-	(19,148)	-	(19,148)
Changes in ownership interests in subsidiaries	6(21)	-	-	763	-	-	-	-	-	-	763	-	763
Changes in non-controlling interests		-	-	-	-	-	-	-	-	-	-	(63,399)	(63,399)
Balance at December 31, 2022		\$ 16,790,568	\$ 2,000,000	\$ 28,633,916	\$ 8,658,903	\$ 9,926,105	\$ 18,524,643	(\$ 3,430,888)	(\$ 46,997)	\$ -	\$ 81,056,250	\$ 857,053	\$ 81,913,303
Year ended December 31, 2023													
Balance at January 1, 2023		\$ 16,790,568	\$ 2,000,000	\$ 28,633,916	\$ 8,658,903	\$ 9,926,105	\$ 18,524,643	(\$ 3,430,888)	(\$ 46,997)	\$ -	\$ 81,056,250	\$ 857,053	\$ 81,913,303
Total consolidated profit		-	-	-	-	-	8,109,407	-	-	-	8,109,407	88,330	8,197,737
Net other comprehensive income (loss)	6(23)	-	-	-	-	-	96,658	(280,748)	2,083,965	-	1,899,875	(8,346)	1,891,529
Total comprehensive income (loss)		-	-	-	-	-	8,206,065	(280,748)	2,083,965	-	10,009,282	79,984	10,089,266
Appropriations of 2022 retained earnings	6(22)	-	-	-	-	-	-	-	-	-	-	-	-
Legal reserve		-	-	-	1,057,538	-	(1,057,538)	-	-	-	-	-	-
Special reserve		-	-	-	-	(6,448,219)	6,448,219	-	-	-	-	-	-
Cash dividends for common stock		-	-	-	-	-	(6,464,369)	-	-	-	(6,464,369)	-	(6,464,369)
Cash dividends for preferred stock		-	-	-	-	-	(400,000)	-	-	-	(400,000)	-	(400,000)
Disposal of investments in equity instruments designated at fair value through other comprehensive income by associates and subsidiaries	6(3)	-	-	-	-	-	11,427	-	(11,427)	-	-	-	-
Changes in equity of associates and joint ventures accounted for using the equity method	6(21)	-	-	83,083	-	-	3,350	-	-	-	86,433	-	86,433
Proceeds from disposal of investments accounted for using equity method	6(9)	-	-	(265,624)	-	-	220,760	(219,378)	(220,760)	-	(485,002)	-	(485,002)
Changes in ownership interests in subsidiaries	6(21)	-	-	(1,571)	-	-	-	-	-	-	(1,571)	-	(1,571)
Effect from recognition of put option of non-controlling interests due to acquisition of subsidiaries	6(23)(33)	-	-	-	-	-	-	-	-	(156,483)	(156,483)	-	(156,483)
Changes in non-controlling interests		-	-	-	-	-	-	-	-	-	-	62,387	62,387
Balance at December 31, 2023		\$ 16,790,568	\$ 2,000,000	\$ 28,449,804	\$ 9,716,441	\$ 3,477,886	\$ 25,492,557	(\$ 3,931,014)	\$ 1,804,781	(\$ 156,483)	\$ 83,644,540	\$ 999,424	\$ 84,643,964

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

WPG HOLDINGS LIMITED AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

	Notes	Years ended December 31,	
		2023	2022 (Adjusted)
<u>Cash flows from operating activities</u>			
Profit before income tax		\$ 10,282,208	\$ 12,710,332
Adjustments			
Income and expenses			
Depreciation	6(29)	1,008,493	933,236
Amortization	6(13)(29)	116,674	89,646
Expected credit impairment loss		354,378	131,612
Interest expense	6(28)	6,680,457	4,736,235
Net gain on financial assets or liabilities at fair value	6(27)		
through profit or loss		(1,882,074)	(3,299)
Interest income	6(25)	(368,597)	(104,814)
Dividend income	6(26)	(341,817)	(368,210)
Share of profit of associates and joint ventures			
accounted for using the equity method		(756,656)	(1,657,603)
Loss on disposal of property, plant and equipment	6(27)	5,872	2,051
Gain on lease modification	6(27)	(1,801)	(9,055)
Gain on disposal of investment	6(27)	(2,435,730)	(1,054)
Impairment loss	6(27)	773	54,263
Changes in assets/liabilities relating to operating activities			
Changes in assets relating to operating activities			
Financial assets (liabilities) at fair value through			
profit or loss - current		175,696	171,129
Notes receivable		154,472	313,791
Accounts receivable		(9,903,777)	13,150,134
Accounts receivable - related parties, net		(115,308)	80,526
Other receivables		8,179,809	(12,784,205)
Other receivables - related parties		(1,290)	29
Inventories		8,841,667	(25,527,889)
Prepayments		59,842	(209,264)
Other current assets		700,048	96,407
Changes in liabilities relating to operating activities			
Notes payable		(13,691)	(6,028)
Accounts payable		4,340,245	5,624,516
Accounts payable - related parties		(33,590)	(202,524)
Other payables		(3,282,033)	1,477,244
Other current liabilities		917,962	(19,531)
Other non-current liabilities		(91,047)	(94,670)
Cash inflow (outflow) generated from operations		22,591,185	(1,416,995)
Interest paid		(6,195,181)	(3,815,624)
Income tax paid		(1,704,541)	(2,224,135)
Interest received		362,413	99,470
Dividends received		1,149,678	1,268,930
Net cash used in operating activities		<u>16,203,554</u>	<u>(6,088,354)</u>

(Continued)

WPG HOLDINGS LIMITED AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

	Notes	Years ended December 31,	
		2023	2022 (Adjusted)
Cash flows from investing activities			
Acquisition of financial assets at fair value through other comprehensive income		(\$ 3,681)	(\$ 1,018,505)
Proceeds from disposal of financial assets at fair value through other comprehensive income		5,422	-
Increase in financial assets at amortized cost		(331,074)	(86,595)
Decrease in financial assets at amortized cost		297,457	15,365
Acquisition of financial assets at fair value through profit or loss		-	(44,285)
Proceeds from disposal of financial assets at fair value through profit or loss		20,458	5,824
Proceeds from capital reduction of financial assets at fair value through profit or loss		27,790	83,418
Acquisition of investments accounted for using the equity method		-	(11,609)
Proceeds from disposal of investments accounted for using equity method		5,052,400	-
Decrease in cash from disposal of subsidiary		(163,542)	-
Net cash flow from acquisition of subsidiaries		(282,181)	-
Prepayments for investments		-	(25,043)
Acquisition of property, plant and equipment and intangible assets	6(34)	(645,774)	(568,371)
Proceeds from disposal of property, plant and equipment and intangible assets		2,928	4,621
Increase in guarantee deposits paid		(19,662)	(84,485)
Decrease in guarantee deposits paid		26,556	28,368
Increase in other financial assets - current		-	(955,736)
Decrease in other financial assets - current		39,449	-
Decrease in other non-current assets		216	27,402
Net cash used in investing activities		<u>4,026,762</u>	<u>(2,629,631)</u>
Cash flows from financing activities			
Principal repayment of lease liability	6(35)	(419,288)	(435,552)
Increase in short-term borrowings	6(35)	784,731,694	778,151,113
Decrease in short-term borrowings	6(35)	(783,270,896)	(779,966,684)
Increase in long-term borrowings (including current portion of long-term liabilities)	6(35)	50,263,670	39,147,256
Decrease in long-term borrowings (including current portion of long-term liabilities)	6(35)	(61,983,222)	(26,278,449)
Increase in short-term notes and bills payable	6(35)	67,197,779	50,556,144
Decrease in short-term notes and bills payable	6(35)	(65,678,879)	(52,658,700)
Increase in guarantee deposits received		70,225	34,911
Decrease in guarantee deposits received		(25,945)	(158,989)
Distribution of cash dividends	6(22)	(6,864,369)	(6,276,699)
Changes in non-controlling interests		(51,624)	(63,399)
Issuance of common stock to non-controlling interest		54,000	-
Net cash (used in) provided by financing activities		<u>(15,976,855)</u>	<u>2,050,952</u>
Effect of exchange rate changes on cash and cash equivalents		(406,775)	8,989,861
Net increase in cash and cash equivalents		3,846,686	2,322,828
Cash and cash equivalents at beginning of year		17,949,659	15,626,831
Cash and cash equivalents at end of year		<u>\$ 21,796,345</u>	<u>\$ 17,949,659</u>

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

WPG HOLDINGS LIMITED AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS,
EXCEPT AS OTHERWISE INDICATED)

1. HISTORY AND ORGANIZATION

- (1) WPG Holdings Limited (the Company) was incorporated as a company limited by shares under the provisions of the Company Law of the Republic of China, and as a holding company of World Peace Industrial Co., Ltd. and Silicon Application Corporation by exchanging shares of common stock on November 9, 2005. The Company's shares were listed on the Taiwan Stock Exchange (TSE) and approved by the Financial Supervisory Commission, Executive Yuan, Securities and Futures Bureau on the same date. After restructuring, Richpower Electronic Devices Co., Ltd. became the Company's subsidiary on January 1, 2008. The Company acquired Pernas Electronics Co., Ltd., Asian Information Technology Inc., Yosun Industrial Corp. and AECO Technology Co., Ltd. by exchanging shares of common stock on July 16, 2008, February 6, 2009, November 15, 2010 and March 1, 2012, respectively. After the Company's organization restructuring on January 1, 2014, World Peace Industrial Co., Ltd., Silicon Application Corp. and Yosun Industrial Corp. acquired 100% shares in AECO Technology Co., Ltd., Pernas Electronics Co., Ltd. and Richpower Electronic Devices Co., Ltd. through share exchange, and consequently, AECO Technology Co., Ltd., Pernas Electronics Co., Ltd. and Richpower Electronic Devices Co., Ltd. became indirectly owned subsidiaries. The Company originally evaluated Genuine C&C, Inc. using the equity method. The Company acquired partial stocks of Genuine C&C, Inc. on April 8, 2015 and completed the purchase on April 15, 2015. After the purchase, the Company held 60.5% shares of Genuine C&C, Inc. which became the Company's directly owned subsidiary. On September 1, 2017, the stock swap between Trigold Holdings Limited (Trigold) and the shareholders who previously owned Genuine C&C, Inc. was conducted at a stock swap ratio of 1:1. On the same day, Trigold was established and began OTC trading whereas Genuine C&C, Inc. was unlisted at OTC. The Company and subsidiaries owned a total of 60.51% equity of Trigold after the stock swap. The Company and the subsidiaries included in these consolidated financial statements are collectively referred as the "Group".
- (2) The Company was organized to create the management mechanism of the group, supervise the subsidiaries, integrate the whole group and improve operational efficiency. The Company's subsidiaries are mainly engaged in the distribution and sales of electronic / electrical components, sales of computer software and electrical products and sales of electronic / electrical components.

(3) As of December 31, 2023, the Company’s authorized capital was \$25,000,000 (certain shares can be issued as preference shares, and \$500,000 is reserved for employee stock option certificates, restricted stocks to employees, convertible preferred stock and convertible bonds), and the paid-in capital was \$18,790,568 with a par value of \$10 (in dollars) per share.

2. THE DATE OF AUTHORIZATION FOR ISSUANCE OF THE CONSOLIDATED FINANCIAL STATEMENTS AND PROCEDURES FOR AUTHORIZATION

These consolidated financial statements were authorized for issuance by the Board of Directors on February 29, 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 the FSC and became effective from 2023 are as follows:

<u>New Standards, Interpretations and Amendments</u>	<u>Effective date by International Accounting Standards Board</u>
Amendments to IAS 1, ‘Disclosure of accounting policies’	January 1, 2023
Amendments to IAS 8, ‘Definition of accounting estimates’	January 1, 2023
Amendments to IAS 12, ‘Deferred tax related to assets and liabilities arising from a single transaction’	January 1, 2023
Amendments to IAS 12, ‘International tax reform - pillar two model rules’	May 23, 2023

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.

Amendments to IAS 12, ‘International tax reform - pillar two model rules’

The amendments give companies temporary relief from accounting for deferred income taxes arising from tax law enacted or substantively enacted to implement the Pillar Two model rules published by the Organisation for Economic Co-operation and Development (OECD). An entity shall neither recognize nor disclose information about deferred tax assets and liabilities related to Pillar Two income taxes.

(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 and will become effective from 2024 are as follows:

<u>New Standards, Interpretations and Amendments</u>	<u>Effective date by International Accounting Standards Board</u>
Amendments to IFRS 16, ‘Lease liability in a sale and leaseback’	January 1, 2024
Amendments to IAS 1, ‘Classification of liabilities as current or non-current’	January 1, 2024
Amendments to IAS 1, ‘Non-current liabilities with covenants’	January 1, 2024
Amendments to IAS 7 and IFRS 7, ‘Supplier finance arrangements’	January 1, 2024
The above standards and interpretations have no significant impact to the Group’s financial condition and financial performance based on the Group’s assessment.	

(3) 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 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 10 and IAS 28, ‘Sale or contribution of assets between an investor and its associate or joint venture’	To be determined by International Accounting Standards Board
IFRS 17, ‘Insurance contracts’	January 1, 2023
Amendments to IFRS 17, ‘Insurance contracts’	January 1, 2023
Amendment to IFRS 17, ‘Initial application of IFRS 17 and IFRS 9 - comparative information’	January 1, 2023
Amendments to IAS 21, ‘Lack of exchangeability’	January 1, 2025

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

4. SUMMARY OF 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

The consolidated financial statements of the Group have been prepared in accordance with the “Regulations Governing the Preparation of Financial Reports by Securities Issuers”, 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”).

(2) Basis of preparation

A. Except for the following items, these consolidated financial statements have been prepared under the historical cost convention:

- (a) Financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.
 - (b) Financial assets at fair value through other comprehensive income measured at fair value.
 - (c) Defined benefit liabilities recognized 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 IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5.

(3) Basis of consolidation

A. Basis for preparation of consolidated financial statements:

- (a) All subsidiaries are included in the Group's consolidated financial statements. Subsidiaries are all entities (including structured entities) controlled by the Group. The Group controls an entity when the Group is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Consolidation of subsidiaries begins from the date the Group obtains control of the subsidiaries and ceases when the Group loses control of the subsidiaries.
- (b) Inter-company transactions, balances and unrealized gains or losses on transactions between companies within the Group are eliminated. Accounting policies of subsidiaries have been adjusted where necessary to ensure consistency with the policies adopted by the Group.
- (c) Profit or loss and each component of other comprehensive income are attributed to the owners of the parent and to the non-controlling interests. Total comprehensive income is attributed to the owners of the parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.
- (d) Changes in a parent's ownership interest in a subsidiary that do not result in the parent losing control of the subsidiary (transactions with non-controlling interests) are accounted for as equity transactions, i.e. transactions with owners in their capacity as owners. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity.
- (e) When the Group loses control of a subsidiary, the Group remeasures any investment retained in the former subsidiary at its fair value. That fair value is regarded as the fair value on initial recognition of a financial asset or the cost on initial recognition of the associate or joint venture. Any difference between fair value and carrying amount is

recognized in profit or loss. All amounts previously recognized in other comprehensive income in relation to the subsidiary are reclassified to profit or loss on the same basis as would be required if the related assets or liabilities were disposed of. That is, when the Group loses control of a subsidiary, all gains or losses previously recognized in other comprehensive income in relation to the subsidiary should be reclassified from equity to profit or loss, if such gains or losses would be reclassified to profit or loss when the related assets or liabilities are disposed of.

B. Subsidiaries included in the consolidated financial statements:

Name of investor	Name of subsidiary	Main business activities	Ownership (%)		Description
			December 31, 2023	December 31, 2022	
WPG Holdings Limited	World Peace Industrial Co., Ltd.	Agent and sales of electronic / electrical components	100.00	100.00	
WPG Holdings Limited	Silicon Application Corporation	Sales of computer software, hardware and electronic products	100.00	100.00	
WPG Holdings Limited	WPG Korea Co., Ltd.	Agent and sales of electronic / electrical components	100.00	100.00	
WPG Holdings Limited	WPG Electronics Limited	Warehousing services	100.00	100.00	
WPG Holdings Limited	WPG International (CI) Limited	Holding company	100.00	100.00	
WPG Holdings Limited	Asian Information Technology Inc.	Sales of electronic / electrical components	100.00	100.00	
WPG Holdings Limited	Yosun Industrial Corp.	"	100.00	100.00	
WPG Holdings Limited	WPG Investment Co., Ltd.	Investment company	100.00	100.00	
WPG Holdings Limited	Trigold Holdings Limited	Holding company	58.86	58.86	
WPG Holdings Limited	WPG EMEA B.V.	Sales of electronic / electrical components	100.00	100.00	
WPG Holdings Limited	WPG Electronics (Hong Kong) Limited	Agent and sales of electronic / electrical components	100.00	100.00	Note 13
WPG Holdings Limited	WPG South Asia Pte. Ltd.	Sales of electronic / electrical components	100.00	100.00	Note 14
WPG Investment Co., Ltd.	Trigold Holdings Limited	Holding company	1.74	1.74	
WPG Investment Co., Ltd.	LaaS Holdings (Samoa) Limited	"	100.00	100.00	

Name of investor	Name of subsidiary	Main business activities	Ownership (%)		Description
			December 31, 2023	December 31, 2022	
LaaS Holdings (Samoa) Limited	LaaS Holdings (HK) Limited	Holding company	100.00	100.00	
LaaS Holdings (HK) Limited	LaaS (Dongguan) Supply Chain Management Limited	Intelligent warehousing enhanced services	100.00	100.00	
World Peace Industrial Co., Ltd.	WPI International (South Asia) Pte. Ltd.	Agent and sales of electronic / electrical components	100.00	100.00	
World Peace Industrial Co., Ltd.	WPI Technology Pte. Ltd.	"	100.00	100.00	Notes 9 and 10
World Peace Industrial Co., Ltd.	Longview Technology Inc.	"	100.00	100.00	
World Peace Industrial Co., Ltd.	AECO Technology Co., Ltd.	"	100.00	100.00	
AECO Technology Co., Ltd.	Teco Enterprise Holding (BVI) Co., Ltd.	Investment company	100.00	100.00	
Teco Enterprise Holding (BVI) Co., Ltd.	AECO Electronic Co., Ltd.	Trading of electronic / electrical products	100.00	100.00	
WPI International (South Asia) Pte. Ltd.	World Peace International Pte. Ltd.	Holding company	0.00	0.00	Note 7
WPI International (South Asia) Pte. Ltd.	Genuine C&C (Indo China) Pte. Ltd.	Agent and sales of electronic / electrical components	80.00	80.00	Note 7
WPI International (South Asia) Pte. Ltd.	WPG Americas Inc.	"	4.31	4.31	Notes 2 and 7
WPI International (South Asia) Pte. Ltd.	World Peace International (South Asia) Pte. Ltd.	"	100.00	100.00	Note 7
World Peace International Pte. Ltd.	Genuine C&C (Indo China) Pte. Ltd.	"	0.00	0.00	Note 7
World Peace International Pte. Ltd.	WPG Americas Inc.	"	0.00	0.00	Notes 2 and 7
World Peace International Pte. Ltd.	World Peace International (South Asia) Pte Ltd.	"	0.00	0.00	Note 7
World Peace International (South Asia) Pte Ltd.	World Peace International (India) Pvt., Ltd.	"	100.00	100.00	

Name of investor	Name of subsidiary	Main business activities	Ownership (%)		Description
			December 31, 2023	December 31, 2022	
World Peace International (South Asia) Pte Ltd.	WPG C&C (Malaysia) Sdn. Bhd	Agent and sales of electronic / electrical components	100.00	100.00	
World Peace International (South Asia) Pte Ltd.	WPG C&C (Thailand) Co., Ltd.	Agent and sales of information products	100.00	100.00	Note 3
World Peace International (South Asia) Pte Ltd.	WPG C&C Computers And Peripheral (India) Private Limited	Agent and sales of electronic / electrical components	100.00	100.00	
WPI Technology Pte. Ltd.	WPI International (Hong Kong) Limited	"	100.00	100.00	Notes 9 and 10
WPI International (Hong Kong) Limited	WPG C&C Limited	Agent and sales of information products	100.00	100.00	
Longview Technology Inc.	Longview Technology GC Limited	Holding company	100.00	100.00	
Longview Technology Inc.	Long-Think International Co., Ltd.	Agent and sales of electronic / electrical components	0.00	100.00	Note 11
Longview Technology GC Limited	Long-Think International (Hong Kong) Limited	"	100.00	100.00	
Silicon Application Corporation	Silicon Application (BVI) Corp.	Holding company	100.00	100.00	
Silicon Application Corporation	Win-Win Systems Ltd.	"	100.00	100.00	
Silicon Application Corporation	SAC Components (South Asia) Pte. Ltd.	Sales of computer software, hardware and electronic products	100.00	100.00	
Silicon Application Corporation	Pernas Electronic Co., Ltd.	Agent and sales of electronic / electrical components	100.00	100.00	
Silicon Application Corporation	Vsell Enterprise Co., Ltd.	"	70.00	0.00	Note 16
Silicon Application Corporation	Vsell Enterprise Co., Ltd. (Shanghai)	"	100.00	0.00	Note 17
Silicon Application Corporation	Maojie Trading (Shenzhen) Co., Ltd.	"	100.00	0.00	Note 18
Pernas Electronics Co., Ltd.	Everwiner Enterprise Co., Ltd.	"	100.00	100.00	

Name of investor	Name of subsidiary	Main business activities	Ownership (%)		Description
			December 31, 2023	December 31, 2022	
Silicon Application (BVI) Corp.	Silicon Application Company Limited	Sales of computer software, hardware and electronic products	100.00	100.00	
WPG Korea Co., Ltd.	Apache Communication Inc. (B.V.I.)	Investment company	100.00	100.00	
Apache Communication Inc. (B.V.I.)	Apache Korea Corp.	Sales of electronic / electrical components	100.00	100.00	
WPG International (CI) Limited	WPG International (Hong Kong) Limited	Holding company	100.00	100.00	
WPG International (CI) Limited	WPG Americas Inc.	Agent and sales of electronic / electrical components	95.69	95.69	Note 2
WPG International (CI) Limited	WPG South Asia Pte. Ltd.	Sales of electronic / electrical components	0.00	0.00	Note 14
WPG International (CI) Limited	WPG Cloud Service Limited	General trading	100.00	100.00	
WPG International (CI) Limited	WPG Gain Tune Ltd.	Agent and sales of electronic / electrical components	100.00	100.00	
WPG International (Hong Kong) Limited	WPG Electronics (Hong Kong) Limited	"	0.00	0.00	Note 13
WPG International (Hong Kong) Limited	WPG China Inc.	"	100.00	100.00	
WPG International (Hong Kong) Limited	WPG China (SZ) Inc.	Sales of computer software, hardware and electronic products	100.00	100.00	
WPG South Asia Pte. Ltd.	WPG Malaysia Sdn. Bhd	Agent and sales of electronic / electrical components	100.00	100.00	
WPG South Asia Pte. Ltd.	WPG (Thailand) Co., Ltd.	"	100.00	100.00	Note 5
WPG South Asia Pte. Ltd.	WPG India Electronics Pvt. Ltd.	"	99.99	99.99	Note 6
WPG South Asia Pte. Ltd.	WPG Electronics (Philippines) Inc.	"	100.00	100.00	Note 4
WPG South Asia Pte. Ltd.	WPG SCM Limited	"	100.00	100.00	
WPG South Asia Pte. Ltd.	WPG Vietnam Co., Ltd.	"	100.00	100.00	

Name of investor	Name of subsidiary	Main business activities	Ownership (%)		Description
			December 31, 2023	December 31, 2022	
WPG South Asia Pte. Ltd.	Yosun Singapore Pte. Ltd.	Sales of electronic / electrical components	100.00	100.00	Note 15
WPG Malaysia Sdn. Bhd	WPG India Electronics Pvt Ltd.	Agent and sales of electronic / electrical components	0.01	0.01	Note 6
Asian Information Technology Inc.	Apache Communication Inc.	Sales of electronic / electrical products	100.00	100.00	
Asian Information Technology Inc.	Henshen Electric Trading Co., Ltd.	"	100.00	100.00	
Asian Information Technology Inc.	Frontek Technology Corporation	"	100.00	100.00	
Asian Information Technology Inc.	Fame Hall International Co., Ltd.	Investment company	100.00	100.00	
Frontek Technology Corporation	Frontek International Limited	"	100.00	100.00	
Fame Hall International Co., Ltd.	AIT Japan Inc.	Sales of electronic / electrical products	48.98	100.00	Note 20
Frontek International Limited	Gather Technology Incorporation Limited	Sales of electronic electrical components	100.00	100.00	
Yosun Industrial Corp.	Sertek Incorporated	"	100.00	100.00	
Yosun Industrial Corp.	Suntop Investments Limited	Investment company	100.00	100.00	
Yosun Industrial Corp.	Richpower Electronic Devices Co., Ltd.	Sales of electronic / electrical components	100.00	100.00	
Richpower Electronic Devices Co., Ltd.	Richpower Electronic Devices Co., Limited	Sales of electronic / electrical products	100.00	100.00	
Richpower Electronic Devices Co., Ltd.	Richpower Electronic Devices Pte. Ltd.	"	100.00	100.00	
Sertek Incorporated	Sertek Limited	Sales of electronic / electrical components	100.00	100.00	
Suntop Investments Limited	Yosun Hong Kong Corp. Ltd.	"	100.00	100.00	
Suntop Investments Limited	Yosun Singapore Pte. Ltd.	"	0.00	0.00	Note 15
Yosun Hong Kong Corp. Ltd.	Yosun South China Corp. Ltd.	"	100.00	100.00	

Name of investor	Name of subsidiary	Main business activities	Ownership (%)		Description
			December 31, 2023	December 31, 2022	
Yosun Hong Kong Corp. Ltd.	Yosun Shanghai Corp. Ltd.	Warehouse business and sales of electronic components	100.00	100.00	
Trigold Holdings Limited	Genuine C&C Inc.	Sales of computer and its peripherals	100.00	100.00	
Trigold Holdings Limited	Trigold (Hong Kong) Company Limited	Holding company	100.00	100.00	
Trigold Holdings Limited	Peng Yu Trigold Limited	Sales of electronic / electrical products	100.00	100.00	Note 8
Trigold (Hong Kong) Company Limited	Peng Yu (Shanghai) Digital Technology Co., Ltd.	"	100.00	100.00	
Trigold (Hong Kong) Company Limited	WPG C&C Shanghai Co., Ltd.	"	100.00	100.00	
Trigold (Hong Kong) Company Limited	Trigolduo (Shanghai) Industrial Development Ltd.	Children's indoor amusement park	70.00	70.00	
Trigold (Hong Kong) Company Limited	Peng Yu Trigold Limited	Sales of electronic/ electrical products	0.00	0.00	Note 8
Trigolduo (Shanghai) Industrial Development Ltd.	Trigold Tongle (Shanghai) Industrial Development Ltd.	Children's indoor amusement park	100.00	100.00	
Genuine C&C, Inc.	Hoban Inc.	An E-commerce company which operates B2C and O2O businesses	100.00	100.00	
Genuine C&C, Inc.	Genuine C&C Holding Inc. (Seychelles)	Holding company	0.00	100.00	Note 19
Peng Yu (Shanghai) Digital Technology Co., Ltd.	Peng Yu International Limited	Sales of electronic/electrical products	100.00	100.00	
WPG EMEA B.V.	WPG EMEA UK LIMITED	Sales of electronic / electrical components	100.00	100.00	Note 12

Note 1: The combined ownership percentage of common shares held by the Company and its subsidiaries is more than 50% or has control power.

Note 2: World Peace Industrial Co., Ltd. totally held 4.31% of shares of WPG Americas Inc. through World Peace International (South Asia) Pte Ltd. and WPI International (Hong Kong) Limited. Along with shares of WPG Americas Inc. held by WPG International (CI) Limited, the total shareholding ratio is 100%.

Note 3: Due to restriction of local regulations, the Company holds 51% ownership

which is under the name of other individuals. The substantial ownership held by the Company is 100%.

- Note 4: Due to restriction of local regulations, the Company holds 62% ownership which is under the name of other individuals. The substantial ownership held by the Company is 100%.
- Note 5: Due to restriction of local regulations, the Company holds 61% ownership which is under the name of other individuals. The substantial ownership held by the Company is 100%.
- Note 6: WPG South Asia Pte. Ltd. and WPG Malaysia Sdn. Bhd. separately hold 99.99% and 0.01% of shares of the subsidiary, respectively, and both companies together hold 100% of shares of the subsidiary.
- Note 7: WPI International (South Asia) Pte. Ltd. merged with World Peace International Pte. Ltd., and the effective date for the merger was set on January 1, 2022. Under the merger, WPI International (South Asia) Pte. Ltd. was the surviving company while World Peace International Pte. Ltd. was the dissolved company. The equity interests held by World Peace International Pte. Ltd. was transferred to WPI International (South Asia) Pte. Ltd.
- Note 8: The Board of Directors of Trigold Holdings Limited resolved to acquire a 100% equity interest in Peng Yu Trigold Limited from Trigold (Hong Kong) Company Limited, and the effective date for the transaction was set on January 1, 2022.
- Note 9: The subsidiary, WPI Investment Holding (BVI) Company Ltd., was renamed to WPI Investment Holding Company Pte. Ltd. in March 2022.
- Note 10: The subsidiary, WPI Investment Holding Company Pte. Ltd., was renamed to WPI Technology Pte. Ltd. in August 2022.
- Note 11: In December 2022, the subsidiary, Long-Think International Co., Ltd., was dissolved and liquidated, and the liquidation completion date was set on January 30, 2024.
- Note 12: The subsidiary was established in November 2022.
- Note 13: In October 2022, WPG International (CI) Limited acquired a 100% equity interest in WPG Electronics (Hong Kong) Limited from WPG International (Hong Kong) Limited, and the effective date for the transaction was set on October 1, 2022. Additionally, in December 2022, the Company acquired a 100% equity interest in WPG Electronics (Hong Kong) Limited from WPG International (CI) Limited, and the effective date for the transaction was set on December 1, 2022.
- Note 14: The Board of Directors of the Group resolved to acquire a 100% equity interest in WPG South Asia Pte. Ltd. from WPG International (CI) Limited, and the

effective date for the transaction was set on December 1, 2022.

Note 15: In December 2022, WPG South Asia Pte. Ltd. acquired a 100% equity interest in Yosun Singapore Pte. Ltd. from Suntop Investments Limited, and the effective date for the transaction was set on December 31, 2022.

Note 16: The Board of Directors of the subsidiary, Silicon Application Corporation, resolved to acquire a 70% equity interest in Vsell Enterprise Co., Ltd., and the effective date for the transaction was set on May 1, 2023.

Note 17: The Board of Directors of the subsidiary, Silicon Application Corporation, resolved to acquire a 100% equity interest in Vsell Enterprise Co., Ltd. (Shanghai), and the effective date for the transaction was set on May 1, 2023.

Note 18: The Board of Directors of the subsidiary, Silicon Application Corporation, resolved to acquire a 100% equity interest in Maojie Trading (Shenzhen) Co., Ltd., and the effective date for the transaction was set on May 1, 2023.

Note 19: The subsidiary, Genuine C&C Holding Inc. (Seychelles), has completed liquidation process on March 29, 2023.

Note 20: The subsidiary, AIT Japan Inc., increased its capital by issuing new shares in July 2023. As the subsidiary, Asian Information Technology Inc., did not subscribe to the capital increase proportionately to its equity interest, then the shareholding ratio of AIT Japan Inc. decreased to 48.98%, and lost control of AIT Japan Inc. Therefore, AIT Japan Inc. was not included in the consolidated financial statements as of and for the year ended December 31, 2023.

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:

As of December 31, 2023 and 2022, the non-controlling interest amounted to \$999,424 and \$857,053, respectively. The information on non-controlling interest and respective subsidiaries is as follows:

<u>Name of subsidiary</u>	<u>Principal place of business</u>	<u>Non-controlling interest</u>			
		<u>December 31, 2023</u>		<u>December 31, 2022</u>	
		<u>Amount</u>	<u>Ownership</u>	<u>Amount</u>	<u>Ownership</u>
Trigold Holdings Limited and its subsidiaries (Note)	Taiwan	\$ 820,747	39.40%	\$ 815,604	39.40%

Note: Details of equity interest in Trigold Holdings Limited held by the Company are provided in Note 1(1).

Summarized financial information of the subsidiaries:

(a) Balance sheets

	<u>Trigold Holdings Limited and its subsidiaries</u>	
	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Current assets	\$ 7,363,538	\$ 7,572,748
Non-current assets	340,196	402,516
Current liabilities	(5,421,715)	(5,722,719)
Non-current liabilities	(215,143)	(185,964)
Total net assets	2,066,876	2,066,581
Less: Non-controlling interest	(16,242)	(3,484)
Equity attributable to owners of the parent company	<u>\$ 2,083,118</u>	<u>\$ 2,070,065</u>

(b) Statements of comprehensive income

	<u>Trigold Holdings Limited and its subsidiaries</u>	
	<u>Years ended December 31,</u>	
	<u>2023</u>	<u>2022</u>
Revenue	\$ 21,293,483	\$ 20,382,375
Profit before tax	194,952	241,981
Income tax expense	(73,184)	(67,178)
Profit for the year	121,768	174,803
Other comprehensive (loss) income, net of tax	(21,589)	65,439
Total comprehensive income	<u>\$ 100,179</u>	<u>\$ 240,242</u>
Total comprehensive loss attributable to non-controlling interest	(12,758)	(9,281)
Dividends paid to non-controlling interests	<u>\$ 39,624</u>	<u>\$ 63,399</u>

(c) Statements of cash flows

	<u>Trigold Holdings Limited and its subsidiaries</u>	
	<u>Years ended December 31,</u>	
	<u>2023</u>	<u>2022</u>
Net cash provided by (used in) operating activities	\$ 710,153	(\$ 2,064,160)
Net cash used in investing activities	(834,493)	(207,429)
Net cash (used in) provided by financing activities	(343,392)	2,122,311
Effect of exchange rates on cash and cash equivalents	3,474	105,475
Decrease in cash and cash equivalents	(464,258)	(43,803)
Cash and cash equivalents, beginning of year	<u>1,556,798</u>	<u>1,600,601</u>
Cash and cash equivalents, end of year	<u>\$ 1,092,540</u>	<u>\$ 1,556,798</u>

(4) Foreign currency translation

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

A. Foreign currency transactions and balances

- (a) Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions are recognized in profit or loss in the period in which they arise.
- (b) Monetary assets and liabilities denominated in foreign currencies at the period end are re-translated at the exchange rates prevailing at the balance sheet date. Exchange differences arising upon re-translation at the balance sheet date are recognized in profit or loss.
- (c) Non-monetary assets and liabilities denominated in foreign currencies held at fair value through profit or loss are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognized in profit or loss. Non-monetary assets and liabilities denominated in foreign currencies held at fair value through other comprehensive income are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognized in other comprehensive income. However, non-monetary assets and liabilities denominated in foreign currencies that are not measured at fair value are translated using the historical exchange rates at the dates of the initial transactions.
- (d) All foreign exchange gains and losses are presented in the statement of comprehensive income within 'other gains and losses'.

B. Translation of foreign operations

- (a) The operating results and financial position of all the group entities and associates that have a functional currency different from the presentation currency are translated into the presentation currency as follows:
 - i. Assets and liabilities presented in each balance sheet are translated at the closing exchange rate at the date of that balance sheet;
 - ii. Income and expense presented in each comprehensive income statement are translated at average exchange rates of that period.
 - iii. All resulting exchange differences are recognized in other comprehensive income.
- (b) The operating results and financial position of foreign branches that have a functional currency different from the presentation currency are translated into the presentation currency as follows:
 - i. Assets and liabilities for each balance sheet presented are translated at the closing exchange rate at the date of that balance sheet;

- ii. Income and expenses for each statement of comprehensive income are translated at average exchange rates of that period; and
 - iii. Accounts with head office and operating capital are translated at historical exchange rate; and
 - iv. Differences arising from translation of overseas branches' financial statements are shown as 'other equity–exchange differences on translation of foreign financial statements' under shareholders' equity.
- (c) When the foreign operation partially disposed of or sold is an associate, exchange differences that were recorded in other comprehensive income are proportionately reclassified to profit or loss as part of the gain or loss on sale. In addition, even when the Group retains partial interest in the former foreign associate after losing significant influence over the former foreign associate, such transactions should be accounted for as disposal of all interest in these foreign operations.
- (d) When the foreign operation partially disposed of or sold is a subsidiary, cumulative exchange differences that were recorded in other comprehensive income are proportionately transferred to the non-controlling interest in this foreign operation. In addition, even when the Group retains partial interest in the former foreign subsidiary after losing control of the former foreign subsidiary, such transactions should be accounted for as disposal of all interest in the foreign operation.
- (e) Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing exchange rates at the balance sheet date.

(5) Classification of current and non-current items

- A. Assets that meet one of the following criteria are classified as current assets; otherwise they are classified as non-current assets:
- (a) Assets arising from operating activities that are expected to be realized, or are intended to be sold or consumed within the normal operating cycle;
 - (b) Assets held mainly for trading purposes;
 - (c) Assets that are expected to be realized within twelve months from the balance sheet date;
 - (d) Cash and cash equivalents, excluding restricted cash and cash equivalents and those that are to be exchanged or used to settle liabilities more than twelve months after the balance sheet date.
- B. Liabilities that meet one of the following criteria are classified as current liabilities; otherwise they are classified as non-current liabilities:
- (a) Liabilities that are expected to be settled within the normal operating cycle;
 - (b) Liabilities arising mainly from trading activities;
 - (c) Liabilities that are to be settled within twelve months from the balance sheet date;

- (d) Liabilities for which the repayment date cannot be deferred unconditionally for at least twelve months after the balance sheet date.
- (6) Cash equivalents
Cash equivalents refer to short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Time deposits that meet the definition above and are held for the purpose of meeting short-term cash commitments in operations are classified as cash equivalents.
- (7) Financial assets at fair value through profit or loss
A. Financial assets at fair value through profit or loss are financial assets that are not measured at amortized cost or fair value through other comprehensive income. Derivatives are also categorized as financial assets held for trading unless they are designated as hedges.
B. On a regular way purchase or sale basis, financial assets at fair value through profit or loss are recognized and derecognized using trade date accounting.
C. At initial recognition, the Group measures the financial assets at fair value and recognizes the transaction costs in profit or loss. The Group subsequently measures the financial assets at fair value, and recognizes the gain or loss in profit or loss.
D. The Group recognizes the dividend income when the right to receive payment is established, future economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.
- (8) Financial assets at fair value through other comprehensive income
A. Financial assets at fair value through other comprehensive income comprise equity securities which are not held for trading, and for which the Group has made an irrevocable election at initial recognition to recognize changes in fair value in other comprehensive income.
B. On a regular way purchase or sale basis, financial assets at fair value through other comprehensive income are recognized and derecognized using trade date accounting.
C. Financial assets are initially recognized at fair value plus transaction costs. These financial assets are subsequently remeasured and stated at fair value. The changes in fair value of equity investments that were recognized in other comprehensive income are reclassified to retained earnings and are not reclassified to profit or loss following the derecognition of the investment. Dividends are recognized as revenue when the right to receive payment is established, future economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.
- (9) Financial assets at amortized cost
The Group's time deposits which do not fall under cash equivalents are those with a short maturity period and are measured at initial investment amount as the effect of discounting is immaterial.

(10) Accounts and notes receivable

- A. Accounts and notes receivable entitle the Group a legal right to receive consideration in exchange for transferred goods or rendered services.
- B. The short-term accounts and notes receivable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.

(11) Impairment of financial assets

For financial assets at amortized cost including accounts and notes receivable, at each reporting date, the Group recognizes the impairment provision for 12 months expected credit losses if there has not been a significant increase in credit risk since initial recognition or recognizes the impairment provision for the lifetime expected credit losses (ECLs) if such credit risk has increased since initial recognition after taking into consideration all reasonable and verifiable information that includes forecasts. On the other hand, for accounts receivable that do not contain a significant financing component, the Group recognizes the impairment provision for lifetime ECLs.

(12) Derecognition of financial assets

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

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

(13) Inventories

- A. The cost of inventories includes the purchase price, import duties and other costs directly attributable to the acquisition of goods. The discount, allowance and others alike should be deducted from the cost.
- B. Inventories are stated at the lower of cost and net realizable value. Cost is determined using the weighted-average method. The item by item approach is used in applying the lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

(14) Investments accounted for using equity method / associates

- A. Associates are all entities over which the Group has significant influence but not control. In general, it is presumed that the investor has significant influence, if an investor holds, directly or indirectly 20 percent or more of the voting power of the investee. Investments in associates are accounted for using the equity method and are initially recognized at cost.
- B. The Group's share of its associates' post-acquisition profits or losses is recognized in profit or loss, and its share of post-acquisition movements in other comprehensive income

is recognized in other comprehensive income. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognize further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

- C. When changes in an associate's equity do not arise from profit or loss or other comprehensive income and such changes do not affect the Group's ownership percentage of the associate, the Group recognizes change in ownership interests of the associate in 'capital reserve' in proportion to its ownership.
- D. Significant unrealized gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been adjusted where necessary to ensure consistency with the policies adopted by the Group.
- E. In the case that an associate issues new shares and the Group does not subscribe or acquire new shares proportionately, which results in a change in the Group's ownership percentage of the associate but maintains significant influence on the associate, then 'capital reserve' and 'investments accounted for using equity method' shall be adjusted for the increase or decrease of its share of equity interest. If the above condition causes a decrease in the Company's ownership percentage of the associate, in addition to the above adjustment, the amounts previously recognized in other comprehensive income in relation to the associate are reclassified to profit or loss proportionately on the same basis as would be required if the relevant assets or liabilities were disposed of.
- F. Upon loss of significant influence over an associate, the Group remeasures any investment retained in the former associate at its fair value. Any difference between fair value and carrying amount is recognized in profit or loss.
- G. When the Group disposes its investment in an associate and loses significant influence over this associate, the amounts previously recognized in other comprehensive income in relation to the associate, are reclassified to profit or loss, on the same basis as would be required if the relevant assets or liabilities were disposed of. If it retains significant influence over this associate, the amounts previously recognized in other comprehensive income in relation to the associate are reclassified to profit or loss proportionately in accordance with the aforementioned approach.
- H. When the Group disposes its investment in an associate and loses significant influence over this associate, the amounts previously recognized as capital reserve in relation to the associate are transferred to profit or loss. If it retains significant influence over this associate, the amounts previously recognized as capital reserve in relation to the associate are transferred to profit or loss proportionately.

(15) Property, plant and equipment

- A. Property, plant and equipment are initially recorded at cost. Borrowing costs incurred

- during the construction period are capitalized.
- B. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.
 - C. Property, plant and equipment are measured at cost model subsequently. Land is not depreciated. Other property, plant and equipment are depreciated using the straight-line method over their estimated useful lives. Each part of an item of property, plant, and equipment with a cost that is significant in relation to the total cost of the item must be depreciated separately.
 - D. The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each financial year-end. If expectations for the assets' residual values and useful lives differ from previous estimates or the patterns of consumption of the assets' future economic benefits embodied in the assets have changed significantly, any change is accounted for as a change in estimate under IAS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors', from the date of the change. The estimated useful lives of property, plant and equipment are as follows:

Buildings and structures	3 ~55 years
Transportation equipment	3~10 years
Office equipment	3~13 years
Leasehold improvements	1~17 years
Others	3~11 years

(16) Leasing arrangements (lessee) – right-of-use assets/lease liabilities

- A. Leases are recognized as a right-of-use asset and a corresponding lease liability at the date at which the leased asset is available for use by the Group. For short-term leases or leases of low-value assets, lease payments are recognized as an expense on a straight-line basis over the lease term.
- B. Lease liabilities include the net present value of the remaining lease payments at the commencement date, discounted using the incremental borrowing interest rate. Lease payments are comprised of the following:
 - (a) Fixed payments, less any lease incentives receivable;
 - (b) Amounts expected to be payable by the lessee under residual value guarantees;
 - (c) The exercise price of a purchase option, if the lessee is reasonably certain to exercise that option; and
 - (d) Payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option. The Group subsequently measures the lease liability at amortized cost using the interest method and recognizes interest expense over the lease term. The lease liability is remeasured and the amount of remeasurement is

recognized as an adjustment to the right-of-use asset when there are changes in the lease term or lease payments and such changes do not arise from contract modifications.

- C. At the commencement date, the right-of-use asset is stated at cost comprising the following:
- (a) The amount of the initial measurement of lease liability;
 - (b) Any lease payments made at or before the commencement date;
 - (c) Any initial direct costs incurred by the lessee; and
 - (d) An estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

The right-of-use asset is measured subsequently using the cost model and is depreciated from the commencement date to the earlier of the end of the asset's useful life or the end of the lease term. When the lease liability is remeasured, the amount of remeasurement is recognized as an adjustment to the right-of-use asset.

(17) Investment property

An investment property is stated initially at its cost and measured subsequently using the cost model. Except for land, investment property is depreciated on a straight-line basis over its estimated useful life of 5 ~ 50 years.

(18) Intangible assets

A. Goodwill

Goodwill arises in a business combination accounted for by applying the acquisition method.

- B. Except for goodwill, intangible assets, mainly computer software and operating right, are stated at cost and amortized on a straight-line basis over their estimated useful lives of 1 ~ 5 years.

(19) Impairment of non-financial assets

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

C. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash-generating units, or groups of cash-generating units, that is/are expected to benefit from the synergies of the business combination.

(20) Borrowings

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

B. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a pre-payment for liquidity services and amortized over the period of the facility to which it relates.

(21) Accounts and notes payable

A. Accounts payable are liabilities for purchases of raw materials, goods or services and notes payable are those resulting from operating and non-operating activities.

B. The short-term accounts and notes payable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.

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

A. Financial liabilities are classified in this category of held for trading if acquired principally for the purpose of repurchasing in the short-term. Derivatives are also categorised as financial liabilities held for trading unless they are designated as hedges.

B. At initial recognition, the Group measures the financial liabilities at fair value. All related transaction costs are recognized in profit or loss. The Group subsequently measures these financial liabilities at fair value with any gain or loss recognized in profit or loss.

(23) Derecognition of financial liabilities

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

(24) Offsetting financial instruments

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

(25) Non-hedging derivatives

Non-hedging derivatives are initially recognized at fair value on the date a derivative contract is entered into and recorded as financial assets or financial liabilities at fair value through profit or loss. They are subsequently remeasured at fair value and the gains or losses are

recognized in profit or loss.

(26) Employee benefits

A. Short-term employee benefits

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

B. Pensions

(a) Defined contribution plans

For defined contribution plans, the contributions are recognized as pension expenses when they are due on an accrual basis. Prepaid contributions are recognized as an asset to the extent of a cash refund or a reduction in the future payments.

(b) Defined benefit plans

i. Net obligation under a defined benefit plan is defined as the present value of an amount of pension benefits that employees will receive on retirement for their services with the Group in current period or prior periods. The liability recognized in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets. The net defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The rate used to discount is determined by using interest rates of government bonds (at the balance sheet date) of a currency and term consistent with the currency and term of the employment benefit obligations.

ii. Remeasurements arising on defined benefit plans are recognized in other comprehensive income in the period in which they arise and are recorded as retained earnings.

C. Employees' compensation and directors' remuneration

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

(27) Income tax

A. The tax expense for the period comprises current and deferred tax. Tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or items recognized directly in equity, in which cases the tax is recognized in other comprehensive income or equity.

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

(28) Share capital

Ordinary shares are classified as equity. The classification of preference shares is determined by assessing the particular rights attached to the preference shares based on the substance of the contract and the definition of financial liabilities and equity instruments. Preference shares are classified as liabilities when they have the fundamental characteristic of financial liabilities; otherwise, they are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

(29) Dividends

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

(30) Revenue recognition

- A. The Group sells electrical components and related products. Sales are recognized when control of the products has transferred, being when the products are delivered to the customer, and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract, or the Group has objective evidence that all criteria for acceptance have been satisfied.
- B. Sales revenue was recognized based on the contract price net of volume discounts or sales discount. Accumulated experience is used to estimate and provide for the volume discounts or sales discounts, and revenue is only recognized to the extent that it is highly probable that a significant reversal will not occur. The estimation is subject to an assessment at each reporting date. A refund liability is recognized for expected volume discounts or sales discounts payable to customers in relation to sales made until the end of the reporting period.
- C. A receivable is recognized when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

(31) Business combinations

- A. The Group uses the acquisition method to account for business combinations. The consideration transferred for an acquisition is measured at the fair value of the assets transferred, liabilities incurred or assumed and equity instruments issued at the acquisition date, plus the fair value of any assets and liabilities resulting from a contingent consideration arrangement. All acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. For each business combination, the Group measures at the acquisition date components of non-controlling interests in the acquiree that are present ownership interests and entitle their holders to the proportionate share of the entity's net assets in the event of liquidation at either fair value or the present ownership instruments' proportionate share in the recognized amounts of the acquiree's identifiable net assets. All other non-controlling interests should be measured at the acquisition-date fair value.
- B. The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of any previous equity interest in the acquiree over the fair

value of the identifiable assets acquired and the liabilities assumed is recorded as goodwill at the acquisition date. If the total of consideration transferred, non-controlling interest in the acquiree recognized and the fair value of previously held equity interest in the acquiree is less than the fair value of the identifiable assets acquired and the liabilities assumed, the difference is recognized directly in profit or loss on the acquisition date.

(32) Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Group's chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments.

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

Revenue recognition on a net/gross basis

The Group determines whether the nature of its performance obligation is to provide the specified goods or services itself (i.e. the Group is a principal) or to arrange for the other party to provide those goods or services (i.e. the Group is an agent) based on the transaction model and its economic substance. The Group is a principal if it controls a promised good or service before it transfers the good or service to a customer. The Group recognizes revenue at gross amount of consideration to which it expects to be entitled in exchange for those goods or services transferred. The Group is an agent if its performance obligation is to arrange for the provision of goods or services by another party. The Group recognizes revenue at the amount of any fee or commission to which it expects to be entitled in exchange for arranging for the other party to provide its goods or services.

Indicators that the Group controls the good or service before it is provided to a customer include the following:

- A. The Group is primarily responsible for the provision of goods or services.
- B. The Group assumes the inventory risk before transferring the specified goods or services to the customer or after transferring control of the goods or services to the customer.
- C. The Group has discretion in establishing prices for the goods or services.

(2) Critical accounting estimates and assumptions

A. Impairment assessment of goodwill

The impairment assessment of goodwill relies on the Group's subjective judgement,

including identifying cash-generating units, allocating assets and liabilities as well as goodwill to related cash-generating units, and determining the recoverable amounts of related cash-generating units. Refer to Note 6(13) for the information on goodwill impairment.

B. Valuation of provision for allowance for accounts receivable

In the process of assessing uncollectible accounts, the Group must use judgements and assumptions to determine the collectability of accounts receivable. The collectability is affected by various factors: customers' financial conditions, the Company's internal credit ratings, historical experience, current economic conditions, etc. When sales are not expected to be collected, the Group recognizes a specific allowance for doubtful receivables after the assessment. The assumptions and estimates of allowance for uncollectible accounts are based on concerning future events as that on the balance sheet date. Assumptions and estimates may differ from the actual results which may result in a material adjustment. Refer to Note 12(2) for the information on assessing uncollectible accounts for doubtful receivables.

6. DETAILS OF SIGNIFICANT ACCOUNTS

(1) Cash and cash equivalents

	<u>December 31, 2023</u>	<u>December 31, 2022</u> <u>(Adjusted)</u>	<u>January 1, 2022</u> <u>(Adjusted)</u>
Petty cash and cash on hand	\$ 9,620	\$ 9,245	\$ 7,147
Checking accounts deposits	3,596,932	3,269,467	2,969,222
Demand deposits	17,157,508	13,080,158	11,668,888
Time deposits	<u>1,032,285</u>	<u>1,590,789</u>	<u>981,574</u>
	<u>\$ 21,796,345</u>	<u>\$ 17,949,659</u>	<u>\$ 15,626,831</u>

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

B. There were no cash and cash equivalents pledged to others.

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

<u>Items</u>	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Current items:		
Financial assets mandatorily measured at fair value through profit or loss		
Derivatives	\$ 333	\$ 4,652
Valuation adjustment	<u>1,523</u>	<u>1,223</u>
	<u>\$ 1,856</u>	<u>\$ 5,875</u>
Financial liabilities held for trading		
Derivatives	<u>\$ 5,289</u>	<u>\$ 4,148</u>

Items	December 31, 2023	December 31, 2022
Non-current items:		
Financial assets mandatorily measured at fair value through profit or loss		
Listed stocks	\$ 638,324	\$ 177,849
Unlisted stocks	913,373	1,495,281
Preference stocks of non-public companies	34,200	34,200
	<u>1,585,897</u>	<u>1,707,330</u>
Valuation adjustment	1,757,676	17,287
	<u>\$ 3,343,573</u>	<u>\$ 1,724,617</u>

A. Amounts recognized in profit (loss) in relation to financial assets/liabilities at fair value through profit or loss are listed below:

	Years ended December 31,	
	2023	2022
Financial assets / liabilities mandatorily measured at fair value through profit or loss		
Equity instruments	\$ 1,711,841	(\$ 173,878)
Derivatives	170,233	177,177
	<u>\$ 1,882,074</u>	<u>\$ 3,299</u>

B. The Group entered into contracts relating to derivative financial assets/liabilities which were not accounted for under hedge accounting. The information is listed below:

Derivative financial instruments	December 31, 2023	
	Contract amount (notional principal) (Note)	Contract period
Current items:		
Forward foreign exchange contracts		
- Sell	RMB 51,000	2023.11.27~2024.02.20
- Buy	USD 23,150	2023.12.01~2024.02.15
Futures	\$ 3,575	2023.12.28~2024.01.17
Derivative financial instruments	December 31, 2022	
	Contract amount (notional principal) (Note)	Contract period
Current items:		
Forward foreign exchange contracts		
- Sell	USD 3,700	2022.12.06~2023.02.28
	EUR 800	2022.11.08~2023.02.06
	RMB 65,000	2022.12.23~2023.03.23

<u>Derivative financial instruments</u>	<u>December 31, 2022</u>		
		<u>Contract amount (notional principal) (Note)</u>	<u>Contract period</u>
- Sell-SWAP	USD	3,000	2022.12.23~2023.01.13
- Buy	USD	22,936	2022.09.29~2023.01.30
Futures	\$	2,828	2022.12.30~2023.01.30

Note: Amounts are expressed in thousands.

(a) Forward foreign exchange contracts

The Group entered into forward exchange contracts to manage exposures to foreign exchange rate fluctuations of import or export sales. However, the forward exchange contracts did not meet the criteria for hedge accounting. Therefore, the Group did not apply hedge accounting.

(b) Futures

The futures which are owned by the Group are stock index futures aiming to earn the spread. As of December 31, 2023 and 2022, the balance of margin in the account were \$3,910 and \$3,372, and the amount of excess margin were \$3,576 and \$3,188, respectively.

C. Details of the Group's financial assets at fair value through profit or loss pledged to others as collateral are provided in Note 8.

D. Information relating to fair value of financial assets / liabilities at fair value through profit or loss is provided in Note 12(3).

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

<u>Items</u>	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Non-current items:		
Equity instruments		
Listed stocks	\$ 2,903,855	\$ 2,903,556
Unlisted stocks	253,050	228,006
	3,156,905	3,131,562
Valuation adjustment	277,572	209,521
	<u>\$ 3,434,477</u>	<u>\$ 3,341,083</u>

A. The Group has elected to classify equity investments 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 \$3,434,477 and \$3,341,083 as at December 31, 2023 and 2022, respectively.

B. Amounts recognized in profit or loss and other comprehensive income in relation to the financial assets at fair value through other comprehensive income are listed below:

	<u>Years ended December 31,</u>	
	<u>2023</u>	<u>2022</u>
<u>Financial assets at fair value through other comprehensive income</u>		
Fair value change recognized in other comprehensive income (loss)	\$ <u>70,093</u>	(\$ <u>998,984</u>)
Cumulative gains reclassified to retained earnings due to derecognition	\$ <u>2,042</u>	\$ <u>-</u>

- C. As at December 31, 2023 and 2022, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the financial assets at fair value through other comprehensive income held by the Group amounted to \$3,156,905 and \$3,131,562, respectively.
- D. The Group has no financial assets at fair value through other comprehensive income pledged to others as collateral.
- E. Information relating to fair value of financial assets at fair value through other comprehensive income is provided in Note 12(3).

(4) Financial assets at amortized cost

<u>Items</u>	<u>December 31, 2023</u>	<u>December 31, 2022</u> <u>(Adjusted)</u>	<u>January 1, 2022</u> <u>(Adjusted)</u>
Current items:			
Pledged time deposits	\$ 2,801	\$ 2,672	\$ -
Time deposits	<u>552,766</u>	<u>519,824</u>	<u>439,541</u>
	<u>\$ 555,567</u>	<u>\$ 522,496</u>	<u>\$ 439,541</u>

- A. Amounts recognized in profit or loss in relation to financial assets at amortized cost are listed below:

	<u>Years ended December 31,</u>	
	<u>2023</u>	<u>2022</u>
Interest income	\$ <u>28,395</u>	\$ <u>6,088</u>

- B. The Group's certain offshore funds are restricted under the Management, Utilization, and Taxation of Repatriated Offshore Funds Act, and were reclassified as "financial assets at amortized cost-non-current" as the offshore funds cannot be used arbitrarily. However, according to IFRS Q&A amended by the competent authority on January 5, 2024, the Group reclassified the undrawn balance of deposits account for offshore funds of \$1,595,410 which applied "The Management, Utilization, and Taxation of Repatriated Offshore Funds Act" from financial assets at amortized cost-non-current to cash and cash equivalents and financial assets at amortized cost-current amounting to \$1,352,098 and \$243,312, respectively, which was retrospectively adjusted to January 1, 2022. Accordingly, the 'beginning balance of cash and cash equivalents' in the statement of cash

flows for the year ended December 31, 2022 was changed from \$14,407,940 to \$15,626,831; while the 'ending balance of cash and cash equivalents' in the statement of cash flows for the year ended December 31, 2022 was changed from \$16,597,342 to \$17,949,659.

- C. Details of the Group's financial assets at amortized cost pledged to others as collateral are provided in Note 8.
- D. Information relating to credit risk of financial assets at amortized cost is provided in Note 12(2).

(5) Notes and accounts receivable

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Notes receivable	\$ 2,273,594	\$ 2,427,415
Less: Allowance for uncollectible accounts	(5)	-
	<u>\$ 2,273,589</u>	<u>\$ 2,427,415</u>
Accounts receivable	\$ 129,319,438	\$ 118,681,279
Less: Allowance for uncollectible accounts	(995,459)	(643,430)
	<u>\$ 128,323,979</u>	<u>\$ 118,037,849</u>

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

	<u>December 31, 2023</u>		<u>December 31, 2022</u>	
	<u>Accounts receivable</u>	<u>Notes receivable</u>	<u>Accounts receivable</u>	<u>Notes receivable</u>
Not past due	\$114,505,547	\$ 2,273,594	\$109,565,300	\$ 2,421,010
One month	13,025,933	-	7,863,041	6,405
Two months	998,517	-	603,621	-
Three months	42,661	-	178,671	-
Four months	106,115	-	42,819	-
Over four months	640,665	-	427,827	-
	<u>\$129,319,438</u>	<u>\$ 2,273,594</u>	<u>\$118,681,279</u>	<u>\$ 2,427,415</u>

The above ageing analysis was based on the number of months past due.

- B. As of December 31, 2023, December 31, 2022 and January 1, 2022, the Group's receivables (including notes receivable) arising from contracts with customers amounted to \$131,593,032, \$121,108,694 and \$134,781,458, respectively.
- C. The Group has no notes and accounts receivable pledged to others as collateral. Further, information on accounts receivable that were pledged to others as collateral is provided in Note 8.
- D. As at December 31, 2023 and 2022, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the Group's notes receivable was \$2,273,589 and \$2,427,415, and accounts receivable was \$128,323,979 and \$118,037,849, respectively.
- E. Information relating to credit risk of accounts receivable and notes receivable is provided

in Note 12(2).

(6) Transfer of financial assets

A. Transferred financial assets that are derecognized in their entirety

The Group entered into factoring of accounts receivable with banks. In accordance with the contract requirements, the Group shall only be liable for the losses incurred on any commercial dispute and did not assume the risk of uncollectible accounts receivable. The Group does not have any continuing involvement in the transferred accounts receivable. The derecognized amounts had already deducted the estimated commercial disputes. The commercial papers and time deposits pledged to the banks are for losses incurred only on commercial disputes or for the banks' practice of accounts receivable factoring. The pledged commercial papers and time deposits do not cover losses other than those arising from commercial disputes. As of December 31, 2023 and 2022, outstanding accounts receivable were as follows:

December 31, 2023							
<u>Purchaser of accounts receivable</u>	<u>Accounts receivable transferred</u>	<u>Amount derecognized</u>	<u>Facilities (In thousands)</u>	<u>Amount advanced</u>	<u>Interest rate of amount advanced</u>	<u>Pledged assets</u>	
Cathay United Bank	\$ 396,223	\$ 396,223	USD 27,000	\$ 396,223	5.89%~6.31%	None	
Mega International Commercial Bank	810,412	810,412	USD 129,500	433,892	6.45%~6.76%	Note 1	
CTBC Bank	4,735,982	4,735,982	USD 441,200	1,104,558	5.78%~6.6%	Note 2	
E. SUN Commercial Bank	2,425,971	2,425,971	USD 245,700	1,614,755	6.25%~6.66%	Note 3	
Taipei Fubon Commercial Bank	1,264,141	1,264,141	USD 120,000	1,256,936	5.86~6.41%	Note 4	
Yuanta Commercial Bank	114,293	114,293	USD 24,000	-	-	Note 5	
The Hong Kong and Shanghai Banking Corporation Limited	5,542,043	5,542,043	USD 382,900	4,112,370	6.18%~6.19%	Note 6	
Standard Chartered Bank	22,919	22,919	USD 3,000	-	-	None	
Taishin International Bank	3,461,680	3,461,680	USD 15,000	1,807,012	1.73%~6.68%	Note 7	
Bank SinoPac	2,331,909	2,331,909	USD 140,000	1,708,153	1.7%~6.52%	Note 8	
Far Eastern International Bank	304,867	304,867	USD 19,000	227,929	6.37%~6.55%	Note 9	
Chang Hwa Bank	652,980	652,980	USD 85,000	426,982	6.35%~6.78%	Note 10	
DBS Bank	7,982,409	7,982,409	USD 602,500	7,197,469	6%~6.42%	Note 11	
Taiwan Cooperative Bank	19,174	19,174	USD 2,500	-	-	Note 12	
Hang Seng Bank	6,653,743	6,653,743	USD 301,280	6,561,249	6.21%~6.56%	None	
KGI Bank	646,961	646,961	USD 53,000	256,310	6.01%~6.4%	Note 13	
Bank of Taiwan	18,880	18,880	USD 13,000	18,880	6.61%	Note 14	

December 31, 2023

Purchaser of accounts receivable	Accounts receivable transferred	Amount derecognized	Facilities (In thousands)	Amount advanced	Interest rate of amount advanced	Pledged assets
Mizuho Bank	\$ -	\$ -	USD 80,000	\$ -	-	Note 15
United Overseas Bank	308,285	308,285	USD 20,000	308,285	6.49%~6.54%	None

Note 1: The Group has signed commercial papers amounting to USD 129,500 thousand and \$690,000 that were pledged to others as collateral.

Note 2: The Group has signed commercial papers amounting to USD 44,420 thousand that were pledged to others as collateral.

Note 3: The Group has signed commercial papers amounting to USD 247,800 thousand that were pledged to others as collateral.

Note 4: The Group has signed commercial papers amounting to USD 500 thousand that were pledged to others as collateral.

Note 5: The Group has signed commercial papers amounting to USD 29,000 thousand that were pledged to others as collateral.

Note 6: The Group has signed commercial papers amounting to USD 371,410 thousand that were pledged to others as collateral.

Note 7: The Group has signed commercial papers amounting to USD 1,500 thousand and \$11,553,000 that were pledged to others as collateral.

Note 8: The Group has signed commercial papers amounting to USD 97,000 thousand that were pledged to others as collateral.

Note 9: The Group has signed commercial papers amounting to USD 19,000 thousand and \$400,000 that were pledged to others as collateral.

Note 10: The Group has signed commercial papers amounting to USD 85,000 thousand that were pledged to others as collateral.

Note 11: The Group has signed commercial papers amounting to USD 388,100 thousand that were pledged to others as collateral.

Note 12: The Group has signed commercial papers amounting to USD 2,500 thousand and \$10,000 that were pledged to others as collateral.

Note 13: The Group has signed commercial papers amounting to USD 4,600 thousand and \$800,000 that were pledged to others as collateral.

Note 14: The Group has signed commercial papers amounting to USD 13,000 thousand that were pledged to others as collateral.

Note 15: The Group has signed commercial papers amounting to USD 80,000 thousand that were pledged to others as collateral.

December 31, 2022

Purchaser of accounts receivable	Accounts receivable transferred	Amount derecognized	Facilities (In thousands)	Amount advanced	Interest rate of amount advanced	Pledged assets
Cathay United Bank	\$ 373,179	\$ 373,179	USD 27,000	\$ 373,179	2.91%~5.07%	None
Mega International Commercial Bank	1,677,607	1,677,607	USD 125,500 \$ 690,000	1,366,154	4.36%~6.22%	Note 1
CTBC Bank	5,184,203	5,184,203	USD 429,200	2,515,265	2.28%~5.22%	Note 2
E. SUN Commercial Bank	2,859,109	2,859,109	USD 275,000 \$ 20,000	1,911,492	3.03%~6.19%	Note 3
Taipei Fubon Commercial Bank	1,364,525	1,364,525	USD 112,500	988,277	3.07%~5.35%	Note 4
Yuanta Commercial Bank	296,629	296,629	USD 29,000	59,337	5.84%~5.92%	Note 5
The Hong Kong and Shanghai Banking Corporation Limited	7,380,004	7,380,004	USD 362,900	5,393,161	4.67%~5.17%	Note 6
Standard Chartered Bank	43,737	43,737	USD 3,000	-	-	None
Taishin International Bank	3,696,211	3,696,211	USD 21,000 \$ 11,510,000	2,906,118	4.2%~5.49%	Note 7
Bank SinoPac	1,727,485	1,727,485	USD 140,000	609,567	1.53%~5.87%	Note 8
Far Eastern International Bank	333,992	333,992	USD 19,000 \$ 400,000	122,681	4.9%~6.2%	Note 9
Chang Hwa Bank	1,084,361	1,084,361	USD 85,000	965,772	3.17%~5.71%	Note 10
DBS Bank	8,024,964	8,024,964	USD 618,000	5,182,014	2.13%~5.73%	Note 11
Taiwan Cooperative Bank	54,827	54,827	USD 2,500 \$ 10,000	-	-	Note 12
Hang Seng Bank	11,942,053	11,942,053	USD 476,280	11,756,996	3.32%~4.94%	None
KGI Bank	690,530	690,530	USD 76,000 \$ 750,000	113	4.25%	Note 13
Bank of Taiwan	108,525	108,525	USD 20,000	108,525	4.65%~6.08%	Note 14
Mizuho Bank	1,916,481	1,916,481	USD 135,000	1,916,481	4.18%~5.43%	Note 15

Note 1: The Group has signed commercial papers amounting to USD 125,500 thousand and \$690,000 that were pledged to others as collateral.

Note 2: The Group has signed commercial papers amounting to USD 49,370 thousand that were pledged to others as collateral.

Note 3: The Group has signed commercial papers amounting to USD 275,000 thousand and \$20,000 that were pledged to others as collateral.

Note 4: The Group has signed commercial papers amounting to USD 3,000 thousand that were pledged to others as collateral.

Note 5: The Group has signed commercial papers amounting to USD 29,000 thousand that were pledged to others as collateral.

Note 6: The Group has signed commercial papers amounting to USD 349,610 thousand that were pledged to others as collateral.

Note 7: The Group has signed commercial papers amounting to USD 2,100 thousand and

\$11,330,000 that were pledged to others as collateral.

Note 8: The Group has signed commercial papers amounting to USD 110,000 thousand that were pledged to others as collateral.

Note 9: The Group has signed commercial papers amounting to USD 19,000 thousand and \$400,000 that were pledged to others as collateral.

Note 10: The Group has signed commercial papers amounting to USD 85,000 thousand that were pledged to others as collateral.

Note 11: The Group has signed commercial papers amounting to USD 402,600 thousand that were pledged to others as collateral.

Note 12: The Group has signed commercial papers amounting to USD 2,500 thousand and \$10,000 that were pledged to others as collateral.

Note 13: The Group has signed commercial papers amounting to USD 7,600 thousand and \$750,000 that were pledged to others as collateral.

Note 14: The Group has signed commercial papers amounting to USD 20,000 thousand that were pledged to others as collateral.

Note 15: The Group has signed commercial papers amounting to USD 135,000 thousand that were pledged to others as collateral.

B. Transferred financial assets that are not derecognized in their entirety

a. The Group entered into factoring agreements with financial institutions to sell its accounts receivable. Under the agreement, the Group can transfer non-L/C accounts receivable financing to financial institutions, and the banks have the right of recourse to the transferred accounts receivable. For accounts receivable that will not be recovered in the specific period, the Group will retain risk and returns of such accounts receivable. Accordingly, the Group did not derecognize the accounts receivable where the banks have the right of recourse, and related advance payments were listed in ‘short-term borrowings’.

b. As of December 31, 2023, the information on the total carrying amount of the original assets before the transfer (same as carrying amount of the assets that the entity continue to recognize) and associated liabilities of transferred accounts receivable that continued to be recognized is as follows. There was no such transaction as of December 31, 2022.

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Fair value of accounts receivable factoring	\$ 363,860	\$ -
Fair value of advanced payments	(284,641)	-
Net position	<u>\$ 79,219</u>	<u>\$ -</u>

(7) Other receivables

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Retention amount of factoring accounts receivable	\$ 10,261,869	\$ 12,583,290
VAT refund	368,576	567,282
Others	<u>1,163,869</u>	<u>6,816,617</u>
	<u>\$ 11,794,314</u>	<u>\$ 19,967,189</u>

(8) Inventories

	<u>December 31, 2023</u>		
	<u>Cost</u>	<u>Allowance for valuation</u>	<u>Book value</u>
Inventories	\$ 95,738,980	(\$ 2,846,550)	\$ 92,892,430
Inventories in transit	<u>10,646,207</u>	<u>-</u>	<u>10,646,207</u>
	<u>\$ 106,385,187</u>	<u>(\$ 2,846,550)</u>	<u>\$ 103,538,637</u>

	<u>December 31, 2022</u>		
	<u>Cost</u>	<u>Allowance for valuation</u>	<u>Book value</u>
Inventories	\$ 108,191,637	(\$ 2,304,180)	\$ 105,887,457
Inventories in transit	<u>5,849,634</u>	<u>-</u>	<u>5,849,634</u>
	<u>\$ 114,041,271</u>	<u>(\$ 2,304,180)</u>	<u>\$ 111,737,091</u>

The cost of inventories recognized as expense for the year:

	<u>Years ended December 31,</u>	
	<u>2023</u>	<u>2022</u>
Cost of goods sold	\$ 645,500,227	\$ 744,627,103
Loss on price decline of inventory	1,003,287	1,012,993
(Gain) loss on physical inventory	(1,063)	3,925
Cost of goods sold	<u>\$ 646,502,451</u>	<u>\$ 745,644,021</u>

(9) Investments accounted for using equity method

A. Details of investments accounted for using the equity method:

<u>Investee company</u>	<u>December 31, 2023</u>	<u>December 31, 2022</u>
WT Microelectronics Co., Ltd. (WT)	\$ 11,016,733	\$ 11,952,982
AIT Japan Inc.	244,340	-
ChainPower Technology Corp. (ChainPower)	210,677	199,293
Sunrise Technology Co., Ltd.	49,109	46,009
Eesource Corp. (Eesource)	68,966	68,770
Suzhou Xinning Bonded Warehouse Co., Ltd.	58,519	69,957
Adivic Technology Co., Ltd.	18,110	17,640

<u>Investee company</u>	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Suzhou Xinning Logistics Co., Ltd.	\$ 44,593	\$ 48,473
Gain Tune Logistics (Shanghai) Co., Ltd.	29,867	36,500
VITEC WPG Limited	91,769	86,180
AutoSys Co., Ltd.	62,007	64,902
Beauteek Global Wellness Corporation Limited	23,003	18,031
Supply Consultants Limited	5,838	9,161
	<u>\$ 11,923,531</u>	<u>\$ 12,617,898</u>

B. The basic information on the associate that is material to the Group is as follows:

<u>Company name</u>	<u>Principal place of business</u>	<u>Shareholding ratio</u>		<u>Nature of relationship</u>	<u>Method of measurement</u>
		<u>December 31, 2023</u>	<u>December 31, 2022</u>		
WT	Taiwan	15.44%	20.05%	Significant influence	Equity method

The summarized financial information of the associate that is material to the Group is as follows:

Balance sheet

	<u>WT</u>	
	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Current assets	\$ 238,746,945	\$ 183,649,584
Non-current assets	25,687,740	15,994,600
Current liabilities	(177,888,805)	(124,816,197)
Non-current liabilities	(15,350,515)	(20,411,652)
Total net assets	<u>\$ 71,195,365</u>	<u>\$ 54,416,335</u>
Adjustments on fair value of other intangible and tangible assets	160,171	125,590
Total net assets after adjustments	<u>\$ 71,355,536</u>	<u>\$ 54,541,925</u>
Share in associate's net assets	\$ 10,175,098	\$ 10,865,811
Goodwill (Note)	841,635	1,087,171
Carrying amount of the associate	<u>\$ 11,016,733</u>	<u>\$ 11,952,982</u>

Note: In February 2020, the Group held 29.9% equity interest in WT through public tender offer. However, WT increased its capital by issuing new shares in order to exchange shares with ASMedia Technology Inc., and the effective date for this share exchange was set on April 21, 2020. The Group did not subscribe the shares proportionately to its equity interest.

In addition, the Board of Directors of the Group resolved to dispose certain equity interest in WT in the amount of 40,000 thousand shares in November 2023, and the proceeds from disposal amounted to \$5,052,400. For the year ended December 31, 2023, the Group recognized gain on disposal of investments amounting to

\$2,437,325, and derecognized exchange differences on translation of foreign financial statements, capital surplus and unrealised gains or losses on financial assets at fair value through other comprehensive income proportionately to its equity interest amounting to \$219,378, \$265,624 and \$220,760, respectively.

The convertible bonds WT issued were converted to common stock, and WT issued employees' stock option certificate and purchased treasury shares, however, the Group did not subscribe the shares proportionately to its equity interest.

As stated above, the Group's shareholding ratio in WT decreased to 15.44%, and its capital surplus increased by \$70,684 as the Group did not subscribe to the capital increase proportionately to its equity interest. The Group obtained purchase price allocation report issued by independent appraisal firm for goodwill which arose from acquiring the Company's equity interest.

Statement of comprehensive income

	<u>WT</u>	
	<u>Years ended December 31,</u>	
	<u>2023</u>	<u>2022</u>
Revenue	\$ 594,518,813	\$ 571,197,118
Profit for the year from continuing operations	\$ 3,786,534	\$ 7,408,064
Other comprehensive income (loss), net of tax	10,914,983	(7,069,962)
Total comprehensive income for the year	<u>\$ 14,701,517</u>	<u>\$ 338,102</u>
Dividends received from associates	<u>\$ 761,196</u>	<u>\$ 888,183</u>

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

As of December 31, 2023 and 2022, the carrying amount of the Group's individually immaterial associates amounted to \$906,798 and \$664,916, respectively.

	<u>Years ended December 31,</u>	
	<u>2023</u>	<u>2022</u>
Profit for the year from continuing operations	\$ 16,605	\$ 73,701
Other comprehensive (loss) income - net of tax	(31,854)	35,670
Total comprehensive (loss) income	<u>(\$ 15,249)</u>	<u>\$ 109,371</u>

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

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
WT Microelectronics Co., Ltd.	<u>\$ 15,424,875</u>	<u>\$ 10,821,421</u>

- E. There was no impairment on investments accounted for using equity method as of

December 31, 2023 and 2022.

- F. The Group is the single largest shareholder of ChainPower with a 39% equity interest. Given that a 40.49% equity interest in ChainPower is concentrated on other investors and a group vote of minority voting rights hold more shares than the Group, which indicate that the Group has no current ability to direct the relevant activities of ChainPower, the Group has no control, but only has significant influence, over the investee.
- G. The Group is the single largest shareholder of Eesource with a 40% equity interest. Given that a 43% equity interest in Eesource is concentrated on other investors and a group vote of minority voting rights hold more shares than the Group, which indicate that the Group has no current ability to direct the relevant activities of Eesource, the Group has no control, but only has significant influence, over the investee.

(10) Property, plant and equipment

	<u>Land</u>	<u>Buildings and structures</u>	<u>Transportation equipment</u>	<u>Office equipment</u>	<u>Leasehold improvements</u>	<u>Others</u>	<u>Total</u>
<u>Cost</u>							
At January 1, 2023	\$ 6,920,630	\$ 4,149,898	\$ 16,774	\$ 610,192	\$ 842,819	\$ 1,713,666	\$14,253,979
Additions	-	46,772	5,186	90,632	115,216	269,268	527,074
Acquired from business combinations	69,793	31,535	7,370	3,253	-	-	111,951
Disposals	-	(61,303)	(6,300)	(19,455)	(8,238)	(22,816)	(118,112)
Effect on decrease in business entities	(55,792)	(70,275)	-	(1,755)	(12,706)	-	(140,528)
Transfers (Note)	-	20,991	-	1,290	-	-	22,281
Effect due to changes in exchange rates	(3,819)	(18,544)	(1,123)	(2,517)	(8,305)	(23,449)	(57,757)
At December 31, 2023	<u>\$ 6,930,812</u>	<u>\$ 4,099,074</u>	<u>\$ 21,907</u>	<u>\$ 681,640</u>	<u>\$ 928,786</u>	<u>\$ 1,936,669</u>	<u>\$14,598,888</u>
<u>Accumulated depreciation and impairment</u>							
At January 1, 2023	\$ 1,582	\$ 781,386	\$ 12,753	\$ 431,302	\$ 623,578	\$ 432,503	\$ 2,283,104
Acquired from business combinations	-	1,642	6,792	2,504	-	-	10,938
Depreciation charge	-	176,356	3,224	70,343	53,136	182,465	485,524
Disposals	-	(61,303)	(6,300)	(19,053)	(5,749)	(16,907)	(109,312)
Effect on decrease in business entities	-	(27,827)	-	(1,413)	(7,150)	-	(36,390)
Transfer (Note)	-	4,566	-	-	-	-	4,566
Effect due to changes in exchange rates	-	(5,647)	(1,066)	(1,250)	(4,795)	(5,515)	(18,273)
At December 31, 2023	<u>\$ 1,582</u>	<u>\$ 869,173</u>	<u>\$ 15,403</u>	<u>\$ 482,433</u>	<u>\$ 659,020</u>	<u>\$ 592,546</u>	<u>\$ 2,620,157</u>
Closing net book amount as at December 31, 2023	<u>\$ 6,929,230</u>	<u>\$ 3,229,901</u>	<u>\$ 6,504</u>	<u>\$ 199,207</u>	<u>\$ 269,766</u>	<u>\$ 1,344,123</u>	<u>\$11,978,731</u>

Note: Inventories amounting to \$1,290 and investment property amounting to \$16,425 were transferred to property, plant and equipment.

	<u>Land</u>	<u>Buildings and structures</u>	<u>Transportation equipment</u>	<u>Office equipment</u>	<u>Leasehold improvements</u>	<u>Others</u>	<u>Construction in progress and equipment to be tested</u>	<u>Total</u>
<u>Cost</u>								
At January 1, 2022	\$ 6,886,813	\$4,015,647	\$ 14,997	\$ 576,415	\$ 748,915	\$ 731,604	\$ 770,274	\$13,744,665
Additions	33,545	41,021	2,667	34,454	63,678	104,188	158,626	438,179
Disposals	-	-	(1,542)	(19,828)	(9,655)	(9,739)	-	(40,764)
Transfers (Note)	-	76,838	-	6,399	6,942	857,343	(942,018)	5,504
Effect due to changes in exchange rates	<u>272</u>	<u>16,392</u>	<u>652</u>	<u>12,752</u>	<u>32,939</u>	<u>30,270</u>	<u>13,118</u>	<u>106,395</u>
At December 31, 2022	<u>\$ 6,920,630</u>	<u>\$4,149,898</u>	<u>\$ 16,774</u>	<u>\$ 610,192</u>	<u>\$ 842,819</u>	<u>\$ 1,713,666</u>	<u>\$ -</u>	<u>\$14,253,979</u>
<u>Accumulated depreciation and impairment</u>								
At January 1, 2022	\$ 1,582	\$ 614,642	\$ 12,516	\$ 372,188	\$ 548,644	\$ 283,378	\$ -	\$ 1,832,950
Depreciation charge	-	159,247	1,054	68,407	49,005	145,328	-	423,041
Disposals	-	-	(1,465)	(19,693)	(4,551)	(8,383)	-	(34,092)
Effect due to changes in exchange rates	<u>-</u>	<u>7,497</u>	<u>648</u>	<u>10,400</u>	<u>30,480</u>	<u>12,180</u>	<u>-</u>	<u>61,205</u>
At December 31, 2022	<u>\$ 1,582</u>	<u>\$ 781,386</u>	<u>\$ 12,753</u>	<u>\$ 431,302</u>	<u>\$ 623,578</u>	<u>\$ 432,503</u>	<u>\$ -</u>	<u>\$ 2,283,104</u>
Closing net book amount as at December 31, 2022	<u>\$ 6,919,048</u>	<u>\$3,368,512</u>	<u>\$ 4,021</u>	<u>\$ 178,890</u>	<u>\$ 219,241</u>	<u>\$ 1,281,163</u>	<u>\$ -</u>	<u>\$11,970,875</u>

Note: Inventories amounting to \$5,504 were transferred to property, plant and equipment.

- A. Amount of borrowing costs capitalized as part of property, plant and equipment and the range of the interest rates for such capitalization are as follows:

	<u>Years ended December 31,</u>	
	<u>2023</u>	<u>2022</u>
Amount capitalized	\$ -	\$ 439
Range of the interest rates for capitalization	-	0.94%~1.05%

- B. Information on property, plant and equipment that were pledged to others as collateral is provided in Note 8.

(11) Leasing arrangements-lessee

- A. The Group leases various assets including buildings, business vehicles and multifunction printers. Rental contracts are made for periods of 1 to 25 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 amounts of right-of-use assets are as follows:

	<u>Buildings and structures</u>	<u>Transportation equipment (Business vehicles)</u>	<u>Office equipment (Photocopiers)</u>	<u>Other equipment</u>	<u>Total</u>
<u>Cost</u>					
At January 1, 2023	\$ 3,115,039	\$ 116,942	\$ 80,665	\$ 153,667	\$3,466,313
Additions	342,954	21,734	3,794	18,446	386,928
Acquired from business combinations	546	8,109	-	-	8,655
Arising from lease modifications	-	-	(287)	-	(287)
Disposals	(356,283)	(20,102)	(4,146)	(16,369)	(396,900)
Effect due to changes in exchange rates	(23,068)	(358)	(27)	(2,253)	(25,706)
At December 31, 2023	<u>\$ 3,079,188</u>	<u>\$ 126,325</u>	<u>\$ 79,999</u>	<u>\$ 153,491</u>	<u>\$3,439,003</u>
<u>Accumulated depreciation</u>					
At January 1, 2023	\$ 680,661	\$ 47,379	\$ 10,809	\$ 40,859	\$ 779,708
Depreciation charge	406,156	47,409	9,464	28,567	491,596
Acquired from business combinations	542	3,637	-	-	4,179
Disposals	(237,266)	(18,548)	(3,979)	(15,734)	(275,527)
Effect due to changes in exchange rates	(6,705)	(419)	(18)	(723)	(7,865)
At December 31, 2023	<u>\$ 843,388</u>	<u>\$ 79,458</u>	<u>\$ 16,276</u>	<u>\$ 52,969</u>	<u>\$ 992,091</u>
Closing net book amount as at December 31, 2023	<u>\$ 2,235,800</u>	<u>\$ 46,867</u>	<u>\$ 63,723</u>	<u>\$ 100,522</u>	<u>\$2,446,912</u>

	<u>Buildings and structures</u>	<u>Transportation equipment (Business vehicles)</u>	<u>Office equipment (Photocopiers)</u>	<u>Other equipment</u>	<u>Total</u>
<u>Cost</u>					
At January 1, 2022	\$ 2,087,839	\$ 111,396	\$ 86,928	\$ 160,810	\$2,446,973
Additions	1,547,405	56,073	18,415	9,320	1,631,213
Disposals	(635,215)	(60,002)	(25,758)	(18,773)	(739,748)
Effect due to changes in exchange rates	<u>115,010</u>	<u>9,475</u>	<u>1,080</u>	<u>2,310</u>	<u>127,875</u>
At December 31, 2022	<u>\$ 3,115,039</u>	<u>\$ 116,942</u>	<u>\$ 80,665</u>	<u>\$ 153,667</u>	<u>\$3,466,313</u>
<u>Accumulated depreciation</u>					
At January 1, 2022	\$ 800,888	\$ 54,474	\$ 26,322	\$ 21,000	\$ 902,684
Depreciation charge	396,040	46,675	9,224	25,971	477,910
Disposals	(562,191)	(57,286)	(25,457)	(6,393)	(651,327)
Effect due to changes in exchange rates	<u>45,924</u>	<u>3,516</u>	<u>720</u>	<u>281</u>	<u>50,441</u>
At December 31, 2022	<u>\$ 680,661</u>	<u>\$ 47,379</u>	<u>\$ 10,809</u>	<u>\$ 40,859</u>	<u>\$ 779,708</u>
Closing net book amount as at December 31, 2022	<u>\$ 2,434,378</u>	<u>\$ 69,563</u>	<u>\$ 69,856</u>	<u>\$ 112,808</u>	<u>\$2,686,605</u>

C. For the years ended December 31, 2023 and 2022, the additions to right-of-use assets were \$386,928 and \$1,631,213, respectively.

D. Information on profit or loss in relation to lease contracts is as follows:

	<u>Years ended December 31,</u>	
	<u>2023</u>	<u>2022</u>
<u>Items affecting profit or loss</u>		
Interest expense on lease liabilities	\$ 65,698	\$ 61,841
Expense on short-term lease contracts	41,159	16,061
Expense on leases of low-value assets	15,498	12,380
Loss on lease modification	1,801	9,055

E. For the years ended December 31, 2023 and 2022, the Group's total cash outflow for leases were \$541,643 and \$525,834, respectively.

(12) Investment property

	<u>Land</u>	<u>Buildings and structures</u>	<u>Total</u>
<u>Cost</u>			
At January 1, 2023	\$ 609,427	\$ 1,448,059	\$ 2,057,486
Additions	-	7,776	7,776
Transfers (Note)	-	(20,991)	(20,991)
Effect due to changes in exchange rates	-	(16,440)	(16,440)
At December 31, 2023	<u>\$ 609,427</u>	<u>\$ 1,418,404</u>	<u>\$ 2,027,831</u>
<u>Accumulated depreciation</u>			
At January 1, 2023	\$ -	\$ 490,811	\$ 490,811
Depreciation charge	-	31,373	31,373
Transfers (Note)	-	(4,566)	(4,566)
Effect due to changes in exchange rates	-	(4,630)	(4,630)
At December 31, 2023	<u>\$ -</u>	<u>\$ 512,988</u>	<u>\$ 512,988</u>
Closing net book amount as at December 31, 2023	<u>\$ 609,427</u>	<u>\$ 905,416</u>	<u>\$ 1,514,843</u>

	<u>Land</u>	<u>Buildings and structures</u>	<u>Total</u>
<u>Cost</u>			
At January 1, 2022	\$ 609,427	\$ 1,425,918	\$ 2,035,345
Additions	-	8,898	8,898
Effect due to changes in exchange rates	-	13,243	13,243
At December 31, 2022	<u>\$ 609,427</u>	<u>\$ 1,448,059</u>	<u>\$ 2,057,486</u>
<u>Accumulated depreciation</u>			
At January 1, 2022	\$ -	\$ 455,401	\$ 455,401
Depreciation charge	-	32,285	32,285
Effect due to changes in exchange rates	-	3,125	3,125
At December 31, 2022	<u>\$ -</u>	<u>\$ 490,811</u>	<u>\$ 490,811</u>
Closing net book amount as at December 31, 2022	<u>\$ 609,427</u>	<u>\$ 957,248</u>	<u>\$ 1,566,675</u>

Note: Investment property amounting to \$16,425 were transferred to property, plant and equipment.

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

	<u>Years ended December 31,</u>	
	<u>2023</u>	<u>2022</u>
Rental revenue from investment property	\$ <u>89,631</u>	\$ <u>75,556</u>
Direct operating expenses arising from the investment property that generated rental income during the year	\$ <u>26,620</u>	\$ <u>25,635</u>
Direct operating expenses arising from the investment property that did not generate rental income during the year	\$ <u>9,370</u>	\$ <u>9,999</u>

- B. The fair value of the investment property held by the Group as of December 31, 2023 and 2022 was \$3,520,339 and \$3,354,387, respectively. The fair value as of December 31, 2023 and 2022 was based on independent appraisers' valuation, which was made using comparative method, weighted income approach and cost method. Comparison method is to compare the valuation target with similar property which is traded around the valuation period. Comparison method is categorized within Level 3 in the fair value hierarchy. Cost method is to calculate the fair value based on the price standard of Bulletin No. 4 issued by the National Federation of Real Estate Appraisers of the Republic of China. Valuations were made using the income approach with key assumptions as follows:

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Discount rate	2.28%~7.5%	2.28%~7.5%
Growth rate	0%~5.2%	0%~5%
Gross margin	1.84%~2.59%	1.84%~2.59%

- C. There is no impairment loss on investment property.
D. For investment property pledged for guarantee, refer to Note 8.

(13) Intangible assets

	<u>Operating right</u>	<u>Software</u>	<u>Goodwill</u>	<u>Others</u>	<u>Total</u>
<u>Cost</u>					
At January 1, 2023	\$ 278,474	\$ 498,195	\$ 5,576,209	\$ 26,271	\$6,379,149
Acquired separately	-	183,204	-	-	183,204
Acquired from business combinations	-	606	150,839	89,641	241,086
Disposals	-	(22,601)	(92,790)	-	(115,391)
Effect due to changes in exchange rates	(46)	(2,048)	(1,985)	(1,305)	(5,384)
At December 31, 2023	<u>\$ 278,428</u>	<u>\$ 657,356</u>	<u>\$ 5,632,273</u>	<u>\$ 114,607</u>	<u>\$6,682,664</u>
<u>Accumulated amortization and impairment</u>					
At January 1, 2023	\$ 278,474	\$ 398,172	\$ 517,423	\$ 4,510	\$1,198,579
Acquired from business combinations	-	606	-	-	606
Amortization charge	-	106,370	-	10,304	116,674
Disposals	-	(22,601)	(92,017)	-	(114,618)
Effect due to changes in exchange rates	(46)	(1,809)	1,371	-	(484)
At December 31, 2023	<u>\$ 278,428</u>	<u>\$ 480,738</u>	<u>\$ 426,777</u>	<u>\$ 14,814</u>	<u>\$1,200,757</u>
Closing net book amount as at December 31, 2023	<u>\$ -</u>	<u>\$ 176,618</u>	<u>\$ 5,205,496</u>	<u>\$ 99,793</u>	<u>\$5,481,907</u>
	<u>Operating right</u>	<u>Software</u>	<u>Goodwill</u>	<u>Others</u>	<u>Total</u>
<u>Cost</u>					
At January 1, 2022	\$ 266,560	\$ 433,754	\$ 5,552,585	\$ 59,810	\$6,312,709
Acquired separately	-	89,755	-	-	89,755
Disposals	(15,714)	(28,401)	-	(36,167)	(80,282)
Effect due to changes in exchange rates	27,628	3,087	23,624	2,628	56,967
At December 31, 2022	<u>\$ 278,474</u>	<u>\$ 498,195</u>	<u>\$ 5,576,209</u>	<u>\$ 26,271</u>	<u>\$6,379,149</u>
<u>Accumulated amortization and impairment</u>					
At January 1, 2022	\$ 266,560	\$ 334,594	\$ 452,859	\$ 38,049	\$1,092,062
Amortization charge	-	89,646	-	-	89,646
Impairment loss	-	-	54,263	-	54,263
Disposals	(15,714)	(28,401)	-	(36,167)	(80,282)
Effect due to changes in exchange rates	27,628	2,333	10,301	2,628	42,890
At December 31, 2022	<u>\$ 278,474</u>	<u>\$ 398,172</u>	<u>\$ 517,423</u>	<u>\$ 4,510</u>	<u>\$1,198,579</u>
Closing net book amount as at December 31, 2022	<u>\$ -</u>	<u>\$ 100,023</u>	<u>\$ 5,058,786</u>	<u>\$ 21,761</u>	<u>\$5,180,570</u>

The details of amortization charge are as follows:

	<u>Years ended December 31,</u>	
	<u>2023</u>	<u>2022</u>
Selling and marketing expenses	\$ 2,982	\$ 5,276
General and administrative expenses	113,692	84,370
	<u>\$ 116,674</u>	<u>\$ 89,646</u>

A. Goodwill is allocated as follows to the Group's cash-generating units identified according to operating segment:

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Yosun subgroup	\$ 3,592,944	\$ 3,683,601
World Peace subgroup	1,647,546	1,648,325
Others	391,783	244,283
	<u>5,632,273</u>	<u>5,576,509</u>
Accumulated impairment	(426,777)	(517,423)
	<u>\$ 5,205,496</u>	<u>\$ 5,058,786</u>

B. Goodwill is allocated to the Group's cash-generating units identified according to operating segment. The recoverable amount of all cash-generating units has been determined based on value-in-use calculations. These calculations use pre-tax cash flow projections based on financial budgets approved by the management.

Management determined budgeted gross margin based on past performance and its expectations of market development. The assumptions used for weighted average growth rates are based on past historical experience and expectations of the industry; the assumption used for discount rate is the weighted average capital cost of the Group. The assumption used for discount rate is the weighted average capital cost of each cash-generating unit. As of December 31, 2023 and 2022, the adopted pre-tax discount rates were 6.48%~8.79% and 6.42%~7.77%, respectively.

C. For the years ended December 31, 2023 and 2022, the Group recognized impairment loss of goodwill as shown below:

	<u>Year ended December 31,</u>			
	<u>2023</u>		<u>2022</u>	
	<u>Recognized in profit or loss</u>	<u>Recognized in other comprehensive income</u>	<u>Recognized in profit or loss</u>	<u>Recognized in other comprehensive income</u>
Impairment loss - Yosun subgroup	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 54,263</u>	<u>\$ -</u>

D. Goodwill allocated to the operating segment of Yosun Industrial Corp. subgroup was impaired because the recoverable amount was lower than its carrying amount. The recoverable amount was determined based on value-in-use calculations. The value-in-use was determined using the pre-tax cash flow projections based on financial budgets approved by the management covering a five-year period. The main assumptions used in

calculating recoverable amount are set out below.

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Growth rate	2.00%	2.00%
Discount rate	6.48%~7.73%	6.42%~6.89%
Gross margin	2.81%~4.20%	3.00%~6.02%

(14) Overdue receivables (shown as 'other non-current assets')

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Overdue receivables	\$ 776,656	\$ 779,582
Less: Allowance for doubtful accounts	(770,244)	(771,744)
	<u>\$ 6,412</u>	<u>\$ 7,838</u>

Movement analysis of financial assets that were impaired is as follows:

	<u>Individual provision</u>	
	<u>2023</u>	<u>2022</u>
At January 1	\$ 771,744	\$ 751,720
Reversal of impairment	(219)	(40,948)
Write-off of bad debts	(2,866)	(238,285)
Transferred from accounts receivable	1,939	232,346
Effect due to changes in exchange rates	(354)	66,911
At December 31	<u>\$ 770,244</u>	<u>\$ 771,744</u>

(15) Short-term borrowings

<u>Type of borrowings</u>	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Loans for overseas purchases	\$ 24,696,216	\$ 18,125,975
Short-term loans	57,904,909	62,393,016
	<u>\$ 82,601,125</u>	<u>\$ 80,518,991</u>
Annual interest rates	<u>1.67%~9.65%</u>	<u>0.95%~8.9%</u>

For information on pledged assets, refer to Note 8.

(16) Short-term notes and bills payable

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Commercial papers payable	\$ 8,229,400	\$ 5,350,000
Less: Unamortized discount	(4,418)	(7,741)
	<u>\$ 8,224,982</u>	<u>\$ 5,342,259</u>
Annual interest rates	<u>1.34%~2.54%</u>	<u>1%~2.39%</u>

The abovementioned short-term notes and bills payable are guaranteed by financial institutions.

(17) Long-term borrowings

<u>Type of borrowings</u>	<u>Borrowing period / repayment term</u>	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Secured bank borrowings (Notes 1, 5, 11 and 17)	2018.07.10~ 2041.08.26	\$ 6,279,627	\$ 6,280,465
Unsecured bank borrowings (Notes 2~4, 6~9, 12~16 and 18~19)	2020.06.24~ 2026.12.30	13,817,550	22,978,493
Commercial paper payable (Notes 7~10, 12 and 14)	2020.06.24~ 2025.02.18	<u>11,350,000</u>	<u>15,250,000</u>
		31,447,177	44,508,958
Less: Discount on long-term borrowings		(25,026)	(42,813)
Current portion of long-term borrowings (shown as 'other current liabilities')		(<u>11,052,679</u>)	(<u>10,934,042</u>)
		<u>\$ 20,369,472</u>	<u>\$ 33,532,103</u>
Interest rate range		<u>1.44%~6.61%</u>	<u>1.17%~5.95%</u>

For information on pledged assets, refer to Note 8.

Note 1: (a) The Company had entered into a long-term agreement for twenty years with a financial institution. The pledged assets are the Nangang new buildings with a grace period of three years. The principal is payable in equal monthly installments starting from April 2023.

(b) The interest rate is the index interest rate plus 0.34% from the borrowing day to March 31, 2022, and from March 31, 2022 onwards, the interest rate shall be the index rate plus 0.45%.

Note 2: The Company had entered into a long-term loan agreement for three years with a financial institution. The borrowing is payable in full at maturity in March 2023. The fixed interest rate is 1.43% from the borrowing day to March 10, 2022, and subsequently, the interest rate shall be the index interest rate plus 0.68% every three months from March 10, 2022. The Company terminated the agreement before the maturity and renewed the agreement on March 7, 2022. Details are provided in Note 3.

Note 3: The Company had entered into a long-term loan agreement for three years with a financial institution. The borrowing is payable in full at maturity in March 2025. The fixed interest rate is 1.48% from the borrowing day to March 11, 2024, and subsequently, the interest rate shall be the index interest rate plus 0.68% every three months from March 11, 2024.

Note 4: The Company had entered into a mid-term agreement for five years with a financial institution. The interest rate shall be the index interest rate plus 0.45% from the borrowing day. The principal is payable in equal monthly installments starting from

October 2020.

- Note 5: (a) The Company had entered into a long-term agreement for twenty years with a financial institution. The pledged assets are the Taoyuan plants with a grace period of three years. The principal is payable in equal monthly installments starting from September 2024.
- (b) The interest rate is the index interest rate plus 0.34% from the borrowing day to August 26, 2023, and from August 26, 2023 onwards, the interest rate shall be the index rate plus 0.45%.
- Note 6: The Company had entered into a long-term loan agreement for three years with a financial institution. The borrowing is payable in full at maturity in July 2025. The fixed interest rate is 1.99% from the borrowing day to July 12, 2024, and subsequently, the interest rate shall be the index interest rate plus 0.68% every three months from July 12, 2024.
- Note 7: Asian Information Technology Inc. and indirect subsidiaries, Frontek Technology Corporation and Apache Communication Inc., had entered into a syndicated credit agreement with Chang Hwa Bank, First Commercial Bank and Mega International Commercial Bank and other financial institutions on January 18, 2022. Under the agreement, they may re-utilize the loan and roll over commercial papers with the maximum maturity period of 6 months for each drawdown and issuance during the contract term. Therefore, the above borrowings were classified as long-term borrowings. The terms and conditions of the contract are as follows:
- (a) Contract term: Within three years from the first drawdown.
- (b) Facility and drawdown: The total drawdown facility must be less than USD150 million.
- i. Each drawdown amount must not be less than \$50,000 or USD 1.5 million, and the amount more than \$50,000 or USD 1.5 million shall be an integral multiple of \$10,000 or USD 300 thousand or shall be all the remaining undrawn facility, but not applicable to the amount approved by the lead bank. Each drawdown period shall be at least one month up to a maximum of six months. Each maturity date shall be within the contract term.
- ii. During the contract term, commercial paper can be rolled over within the total revolving credit facility of \$3,000,000 at 30, 60, 90 days maturity or the days agreed by both the lead bank and the Company with a limit of 180 days and each maturity date shall be within the contract term. Each issuance is limited to a maximum of two different maturities.
- (c) Repayment:
- i. For each drawdown, the matured principal must be repaid in full or directly repaid by a new drawdown of such tranche of credit facility on the repayment date, which is the maturity date stipulated on the application of

each drawdown. If the amount of drawdown is the same, the borrower, lead bank and each credit bank would not make an additional procedure for the remittance and loan. However, the principal, interest and related expenses of each drawdown must be repaid in full by the borrower at the end of the contract term.

- ii. When the commercial papers mature, the issuer shall settle each commercial paper at face value. However, the commercial papers can be rolled over prior to the end of the contract term, and the proceeds can be used to repay the existing commercial papers which are due. If the amount of issuance is the same, the issuer and the underwriting institution would not make an additional procedure for the remittance and loan. However, the guarantees advanced by the credit bank and other payables must be repaid in full by the issuer at the end of the contract term.
- (d) Loan covenant: The Company is required to maintain certain financial ratios based on annual consolidated financial statements during the contract period as follows: liquidity ratio should not be less than 100%, debt ratio should not be higher than 300%, time interest earned ratio should not be less than 3 and net value (net assets less intangible assets) should not be less than \$3,000,000. If the covenants are not met, one or all of the following actions will be taken directly by the lead bank or based on the resolution made by majority of the syndicated banks:
- i. Terminate any, part of or all the borrower's applications to draw down all or part of credit facilities.
 - ii. Cancel all or part of the undrawn facility under this agreement.
 - iii. Declare that any, part of or all the borrower's outstanding principal, interest, expenses and other payables under this agreement are, in whole or in part, expired immediately.
 - iv. The lead bank has the right to request the issuer to immediately deposit an amount in NTD, based on the balance of commercial papers with undischarged guaranteed obligations, as ready-to-use funds into the account designated by the lead bank, in case the holder of commercial paper requests to fulfill the guarantee obligations. Any remaining balance after deducting all the debts and expenses that the issuer should bear will be refunded without interest; or the issuer shall, by any other ways, make the holder of issued commercial paper agree to change the guarantor of the commercial papers and discharge the guarantee responsibility of each credit bank. If the issuer fails to comply with the aforementioned requirements, it shall immediately repay all the guarantees paid by each credit bank and pay delayed interest, penalty and related expenses in accordance with the

agreement.

- v. Request for payment using the commercial papers.
- vi. Exercise its rights such as the right to the pledge or contract transfer.
- vii. Exercise other rights of the lead bank and each credit bank conferred by the law, this contract or its related contract documents.
- viii. Other handling approaches approved in writing by a majority of the credit bank syndicate.

Asian Information Technology Inc. and indirect subsidiaries, Frontek Technology Corporation and Apache Communication Inc., met all the financial commitments stated in the contract.

Note 8: Silicon Application Corporation had entered into a syndicated borrowing agreement with Chang Hwa Commercial Bank and other financial institutions on June 9, 2020. The terms and conditions of the contract were as follows:

- (a) Contract term: Within three years from the first drawdown.
- (b) Facility and drawdown: The facility is \$2,600,000, could be multiple drawdowns or revolving, however, the total amount at any time cannot exceed the facility amount.
- (c) Repayment: For each drawdown, the principal and the interest payable must be repaid in full at the end of that specific drawdown's term. At the end of the contract term, the principal, interest payable and any related expense of each drawdown must be repaid in full.
- (d) Loan covenant: During the contract term, Silicon Application Corporation is required to maintain financial ratios as follows: the liquidity ratio should not be less than 100%, debt ratio should not be higher than 260%, time interest earned ratio should not be less than 2.5 and net value (net assets less intangible assets) should be maintained at or above \$3,000,000.

Silicon Application Corporation met all the financial commitments stated in the contract.

Note 9: Silicon Application Corporation had entered into a syndicated borrowing agreement with Taiwan Cooperative Bank and other financial institutions on January 14, 2022. The terms and conditions of the contract were as follows:

- (a) Contract term: Within three years from the first drawdown.
- (b) Facility and drawdown: The facility is \$3,600,000, could be multiple drawdowns or revolving; however, the total amount at any time cannot exceed the facility amount.
- (c) Repayment: For each drawdown, the principal and the interest payable must be repaid in full at the end of that specific drawdown's term. At the end of the contract term, the principal, interest payable and any related expense of each drawdown must be repaid in full.

- (d) Loan covenant: During the contract term, Silicon Application Corporation is required to maintain financial ratios as follows: the liquidity ratio should not be less than 100%, debt ratio should not be higher than 280%, time interest earned ratio should not be less than 3 and net value (net assets less intangible assets) should be maintained at or above \$3,000,000. If the above conditions are violated on the inspection day of the current year, the bank will give one year for improvements. If Silicon Application Corporation could not make improvement on the inspection day of the next year, it is considered to have violated the contract.

For the year ended December 31, 2023, certain financial ratios did not meet the above loan covenants. However, according to the credit facility agreement, it is still in the improvement period, and thus it would not be considered as a violation of the contract.

Note 10: Silicon Application Corporation had entered into a syndicated borrowing agreement with Hua Nan Bank and other financial institutions on May 15, 2023. The terms and conditions of the contract were as follows:

- (a) Contract term: Within three years from the first drawdown.
- (b) Facility and drawdown: The facility is \$3,900,000, could be multiple drawdowns or revolving; however, the total amount at any time cannot exceed the facility amount.
- (c) Repayment: For each drawdown, the principal and the interest payable must be repaid in full at the end of that specific drawdown's term. At the end of the contract term, the principal, interest payable and any related expense of each drawdown must be repaid in full.
- (d) Loan covenant: During the contract term, Silicon Application Corporation is required to maintain financial ratios as follows: the liquidity ratio should not be less than 100%, debt ratio should not be higher than 280%, time interest earned ratio should not be less than 2.5 and net value (net assets less intangible assets) should be maintained at or above \$3,000,000.

Certain financial ratios of Silicon Application Corporation did not meet the loan covenants specified in the contract. The credit line of the facility was \$3,900,000. Silicon Application Corporation had drawn down \$1,363,824. As the contract terms were not met, the bank has the right to ask Silicon Application Corporation to repay early the outstanding loan amounting to \$1,363,824. Therefore, this amount had been reclassified to 'short-term notes and bills payable'. However, Silicon Application Corporation had actively negotiated with the bank on matters related to applying for forgiveness for failure to meet the required covenants.

Note 11: Vsell Enterprise Co., Ltd., subsidiary of Silicon Application Corporation, had entered into a long-term secured agreement for twenty years with E. SUN Commercial Bank

on July 3, 2018. The facility is \$50,000 with property pledged. The contract term is one year, and the principal is payable in equal monthly installments. The floating rate is the fixed saving deposit index plus 0.43.

Vsell Enterprise Co., Ltd. have settled all payments on November 23, 2023.

Note 12: World Peace Industrial Co., Ltd. (WPI), the Company's subsidiary, had entered into a long-term loan agreement with Taiwan Cooperative Bank on August 18, 2020. The terms and conditions of the contract were as follows:

- (a) Contract term: Within three years from the first drawdown.
- (b) Facility and drawdown: The consolidated drawdown rate of the WPI's facility of \$10,000,000 and the facility of WPI International (Hong Kong) Limited of US\$200 million, and the loan can be re-utilized based on the credit term in the contract.
 - i. Each drawdown amount must not be less than \$50,000 or USD 1.5 million, and the amount more than \$50,000 or USD 1.5 million shall be an integral multiple of \$10,000 or USD 1 million or shall be the available facility during the credit period, but not available for the amount approved by the lead bank. The repayment period can be one, two, three, four, five or six month(s). However, each maturity date shall be within the contract term.
 - ii. The facility of commercial papers is \$7,500,000. Each drawdown amount must not be less than \$50,000, and the amount more than \$50,000 shall be an integral multiple of \$10,000 or shall be the available facility during the credit period, but not available for the amount approved by the lead bank. The issuance period for each drawdown can be 30, 60 and 90 days maturity or the days agreed by the lead bank and WPI with a limit of 180 days. However, each maturity date shall be within the contract term.
- (c) Repayment:
 - i. For each drawdown, the principal and interest must be repaid in full at the end of each drawdown's term. For re-utilization of the revolving loan after maturity date, application should be submitted to the lead bank five days before the maturity date. Based on the credit term in the contract, all or part of the loan will be re-utilized. If the amount of drawdown is the same as the last time, the syndicate of banks would not make an additional procedure of remittance and loan, as if the borrower has actually received the loan, and uses the loan contract as proof of receipt.
 - ii. When the commercial papers mature, the borrower shall settle the commercial papers at face value.
- (d) Loan covenant: WPI is required to maintain certain financial ratios based on annual consolidated financial statements during the contract period as follows: liquidity ratio should not be less than 100%, debt ratio should not be higher than

250%, time interest earned ratio should not be less than 2.5 and net value (net assets less intangible assets) should not be less than \$10,000,000. If the covenants are not met, right to drawdown is immediately terminated, and the following actions will be taken based on the resolution made by majority syndicated banks:

- i. Rescind part or all of the undrawn facility;
- ii. Request WPI to immediately repay all drawn principals, interest payable and other related payables as specified in the contract;
- iii. Demand the borrower to deposit the amounts that are equivalent to undischarged guaranteed obligations for drawdown facility of issued commercial papers under the agreement and (or) outstanding guarantees as reserve into the account designated by the bank consortium immediately;
- iv. Demand all rights of the promissory note obtained from signing of the contract.

This loan agreement has been extended on June 6, 2023, please referred to Note 15.

Note 13: World Peace Industrial Co., Ltd. (WPI), the Company's subsidiary, had entered into a financing agreement with DBS Bank on July 24, 2020. The terms and conditions of the contract were as follows:

- (a) Contract term: Within three years from the first drawdown.
- (b) Facility and drawdown: The facility must be less than USD 100 million.
- (c) Repayment: For each drawdown, the principal and interest must be repaid in full at the end of each drawdown's term.

World Peace Industrial Co., Ltd. have settled all payments on November 4, 2022.

Note 14: World Peace Industrial Co., Ltd. (WPI), the Company's subsidiary, had entered into a long-term loan agreement with Chang Hwa Bank and Taipei Fubon Bank on September 9, 2021. The terms and conditions of the contract were as follows:

- (a) Contract term: Within three years from the first drawdown.
- (b) Facility and drawdown: The consolidated drawdown rate of the WPI's facility is \$14,000,000 and the facility of WPI International (Hong Kong) Limited is US\$240 million. The loan can be re-utilized based on the credit term in the contract.
 - i. Each drawdown amount must not be less than \$50,000 or USD 1.5 million, and the amount more than \$50,000 or USD 1.5 million shall be an integral multiple of \$10,000 or USD 1 million or shall be the available facility during the credit period, but not available for the amount approved by the lead bank. The repayment period can be one, two, three, four, five or six month(s). However, each maturity date shall be within the contract term.
 - ii. The facility of commercial papers is \$8,400,000. Each drawdown amount

must not be less than \$50,000, and the amount more than \$50,000 shall be an integral multiple of \$10,000 or shall be the available facility during the credit period, but not available for the amount approved by the lead bank. The issuance period for each drawdown can be 30, 60 and 90 days maturity or the days agreed by the lead bank and WPI with a limit of 180 days. However, each maturity date shall be within the contract term.

(c) Repayment:

- i. Repayment: For each drawdown, the maturity date is the time when the borrowing is due, the principal must be repaid in full on the maturity date. If one of any maturity dates is not a bank working day, the maturity date will be delayed to the next bank working day, however, if the next bank working day will fall in the following month, the maturity date will be shifted to the earlier bank working day. However, the last maturity date can not exceed the credit term. For re-utilization of the revolving loan after maturity date, application should be submitted to the lead bank five days before the maturity date or other shorter term agreed by the lead bank. Based on the credit term in the contract, all or part of the loan will be re-utilized. If the amount of drawdown is the same, the syndicate of banks would not make an additional procedure of remittance and loan and uses the loan contract as proof of receipt. The re-utilization amount shall be repaid according to the contract.
- ii. When the commercial papers mature, the borrower shall settle the commercial papers at face value. However, the commercial papers can be re-utilized at the maturity date and used to directly repay the commercial papers which are due.

(d) Loan covenant: World Peace Industrial Co., Ltd. is required to maintain certain financial ratios based on annual consolidated financial statements during the contract period as follows: liquidity ratio should not be less than 100%, debt ratio should not be higher than 250%, time interest earned ratio should not be less than 2.5 and net value (net intangible assets) should not be less than \$10,000,000. If the covenants are not met, right to drawdown is immediately terminated, and one or all of the following actions will be taken directly by the lead bank or based on the resolution made by majority of the syndicated banks:

- i. Terminate part or all of the undrawn facility;
- ii. Request WPI to immediately repay all drawn principals, interest payable and other related payables as specified in the contract to the lead bank, related credit obligations of the syndicated banks based on the contract shall be immediately terminated;
- iii. Demand the borrower to deposit the amounts that are equivalent to

undischarged guaranteed obligations for drawdown facility of issued commercial papers under the agreement and (or) outstanding guarantees as reserve into the account designated by the bank consortium immediately;

- iv. Demand all rights of the promissory note obtained from signing of the contract.
- v. To the extent permitted by law, lead bank can exercise its rights based on law and contract according to the contract, security documents and related documents. The lead bank can exercise the right without any prompt, notice, summon exhortation, protest of bill or performing other legal requirements.

As of December 31, 2023, certain financial ratios of WPI in the consolidated financial statements did not meet the above restrictions. However, WPI had actively negotiated with the creditor bank for the related matters. In addition, as the balance of the loan matured in January 2024, it had been transferred to 'long-term liabilities, current portion' in current liabilities.

Note 15: World Peace Industrial Co., Ltd. (WPI), the Company's subsidiary, had entered into a first syndicated borrowing supplementary agreement with Taiwan Cooperative Bank on June 6, 2023. The terms and conditions of the contract were as follows:

- (a) Contract term: Within five years from the first drawdown.
- (b) Facility and drawdown: The consolidated drawdown rate of the WPI's facility is \$9,400,000 and the facility of WPI International (Hong Kong) Limited is US\$200 million, and the loan can be re-utilized based on the credit term in the contract.
 - i. Each drawdown amount must not be less than \$50,000 or USD 1.5 million, and the amount more than \$50,000 or USD 1.5 million shall be an integral multiple of \$10,000 or USD 1 million or shall be the available facility during the credit period, but not available for the amount approved by the lead bank. The repayment period can be one, two, three, four, five or six month(s). However, each maturity date shall be within the contract term.
 - ii. The facility of commercial papers is \$7,050,000. Each drawdown amount must not be less than \$50,000, and the amount more than \$50,000 shall be an integral multiple of \$10,000 or shall be the available facility during the credit period, but not available for the amount approved by the lead bank. The issuance period for each drawdown can be 30, 60 and 90 days maturity or the days agreed by the lead bank and WPI with a limit of 180 days. However, each maturity date shall be within the contract term.
- (c) Repayment:
 - i. For each drawdown, the principal and interest must be repaid in full at the end of each drawdown's term. For re-utilization of the revolving loan after maturity date, application should be submitted to the lead bank five days

before the maturity date. Based on the credit term in the contract, all or part of the loan will be re-utilized. If the amount of drawdown is the same as the last time, the syndicate of banks would not make an additional procedure of remittance and loan, as if the borrower has actually received the loan, and uses the loan contract as proof of receipt.

- ii. When the commercial papers mature, the borrower shall settle the commercial papers at face value.
- (d) Loan covenant: WPI is required to maintain certain financial ratios based on annual consolidated financial statements during the contract period as follows: liquidity ratio should not be less than 100%, debt ratio should not be higher than 250%, time interest earned ratio should not be less than 2.5 and net value (net assets less intangible assets) should not be less than \$10,000,000. If the covenants are not met, right to drawdown is immediately terminated, and the following actions will be taken based on the resolution made by majority syndicated banks:
- i. Rescind part or all of the undrawn facility;
 - ii. Request WPI to immediately repay all drawn principals, interest payable and other related payables as specified in the contract;
 - iii. Demand the borrower to deposit the amounts that are equivalent to undischarged guaranteed obligations for drawdown facility of issued commercial papers under the agreement and (or) outstanding guarantees as reserve into the account designated by the bank consortium immediately;
 - iv. Demand all rights of the promissory note obtained from signing of the contract.

As of December 31, 2023, certain financial ratios of WPI in the consolidated financial statements did not meet the above restrictions. However, WPI had actively negotiated with the creditor bank for the related matters and obtained a preliminary notice of forgiveness for failure to meet the required covenants on February 20, 2024, and thus there was no need to transfer the balance of the loan to 'long-term liabilities, current portion' in current liabilities.

Note 16: On July 10, 2019, WPG Korea Co., Ltd. entered into a long-term loan agreement with Kookmin Bank for a loan of KRW 3 billion until June 15, 2022. The principal is payable in 10 quarterly installments of KRW 300 million each starting from March 15, 2020. The interest is payable quarterly. WPG Korea Co., Ltd. have settled all payments on June 15, 2022.

Note 17: On June 29, 2022, WPG Korea Co., Ltd. entered into a long-term loan agreement with Kookmin Bank for a loan of KRW 2 billion until June 29, 2024. The interest is payable monthly. The principal shall be repaid in full at maturity, and the pledged asset is the office in Korea, which amount to \$30,469.

Note 18: Yosun Industrial Corp. and indirect subsidiaries, Yosun Hong Kong Corp. Ltd. had entered into a syndicated credit agreement with Mega International Commercial Bank and other financial institutions on December 9, 2021. Under the agreement, they may re-utilize the loan and roll over commercial papers during the contract term. The terms and conditions of the contract are as follows:

- (a) Contract term: Within three years from the first drawdown.
- (b) Facility and drawdown: The total drawdown facility is \$3,600,000.
 - i. Each drawdown amount must not be less than \$15,000 or USD 500 thousand, and the amount more than \$15,000 or USD 500 thousand shall be an integral multiple of \$3,000 or USD 100 thousand. Each drawdown period shall be at least one month up to a maximum of six months. Each maturity date shall be within the contract term.
 - ii. During the contract term, commercial paper can be rolled over within the total revolving credit facility of \$2,160,000 at 30 days maturity or the days agreed by both the lead bank and the Company with a limit of 180 days and each maturity date shall be within the contract term.
- (c) Repayment:
 - i. For each drawdown, the matured principal must be repaid in full or directly repaid by a new drawdown of such tranche of credit facility on the repayment date, which is the maturity date stipulated on the application of each drawdown.
 - ii. When the commercial papers mature, the issuer shall settle each commercial paper at face value. However, the commercial papers can be rolled over prior to the end of the contract term, and the proceeds can be used to repay the existing commercial papers which are due.
- (d) Loan covenant: The Company is required to maintain certain financial ratios based on annual consolidated financial statements during the contract period as follows: liquidity ratio should not be less than 100%, debt ratio should not be higher than 300%, time interest earned ratio should not be less than 2.5 and net value (net assets less intangible assets) should not be less than \$6,000,000.

For the year ended December 31, 2023, certain financial ratios did not meet the above loan covenants. However, according to the credit facility agreement, it is still in the improvement period, and thus it would not be considered as a violation of the contract.

Note 19: Richpower Electronic Devices Co., Ltd. and subsidiary, Richpower Electronic Devices Co., Limited, had entered into a syndicated credit agreement with Taiwan Cooperative Bank and other financial institutions on September 30, 2022. Under the agreement, they may re-utilize the loan and roll over commercial papers during the contract term. The terms and conditions of the contract are as follows:

- (a) Contract term: Within three years from the first drawdown.
- (b) Facility and drawdown: The total drawdown facility is \$2,000,000.
- i. Each drawdown amount must not be less than \$15,000 or USD 500 thousand, and the amount more than \$15,000 or USD 500 thousand shall be an integral multiple of \$3,000 or USD 100 thousand. Each drawdown period shall be at least one month up to a maximum of six months. Each maturity date shall be within the contract term.
 - ii. During the contract term, commercial paper can be rolled over within the total revolving credit facility of \$1,400,000 at 30 days maturity or the days agreed by both the lead bank and the Company with a limit of 180 days and each maturity date shall be within the contract term.
- (c) Repayment:
- i. For each drawdown, the matured principal must be repaid in full or repaid directly by a new drawdown of credit facility on the maturity date stipulated on the application of each drawdown. However, in any case, the outstanding principal, interest and other expenses payable must be repaid in full at the end of the contract term.
 - ii. The issuer shall settle the commercial papers at face value on the maturity date. However, the commercial papers can be re-utilized prior to the end of the contract term and the proceeds obtained can be used to directly repay the existing commercial papers which are due. However, in any case, the outstanding payment must be repaid in full by the issuer at the end of the contract term.
- (d) Loan covenant: The Company is required to maintain certain financial ratios based on annual consolidated financial statements during the contract period as follows: liquidity ratio should not be less than 100%, debt ratio should not be higher than 300%, time interest earned ratio should not be less than 2.5 and net value (net assets less intangible assets) should not be less than \$1,600,000.

For the year ended December 31, 2023, certain financial ratios did not meet the above loan covenants. However, according to the credit facility agreement, it is still in the improvement period, and thus it would not be considered as a violation of the contract.

(18) Other current liabilities

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Long-term borrowings-current portion	\$ 11,052,679	\$ 10,934,042
Refund liabilities	3,800,451	3,502,479
Contract liabilities	956,427	177,637
Others	560,800	573,423
	<u>\$ 16,370,357</u>	<u>\$ 15,187,581</u>

- A. Refund liabilities were generated from sales discounts which is shown as ‘other current liabilities’.
- B. Contract liabilities were generated from advance sales receipts which is shown as ‘other current liabilities’.

(19) Pensions

A. Defined benefit plans

(a) The Company and its domestic subsidiaries have a defined benefit pension plan in accordance with the Labor Standards Law, covering all regular employees’ service years prior to the enforcement of the Labor Pension Act on July 1, 2005 and service years thereafter of employees who chose to continue to be subject to the pension mechanism under the Law. Under the defined benefit pension plan, two units are accrued for each year of service for the first 15 years and one unit for each additional year thereafter, subject to a maximum of 45 units. Pension benefits are based on the number of units accrued and the average monthly salaries and wages of the last 6 months prior to retirement. The Company and its domestic subsidiaries contribute monthly an amount equal to 2% of the employees’ monthly salaries and wages to the retirement fund deposited with Bank of Taiwan, the trustee, under the name of the independent retirement fund committee. Also, the Company 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 not enough 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 contribution for the deficit by next March.

Effective January 1, 2010, the Company and certain subsidiaries have funded defined benefit pension plans in accordance with the “Regulations on pensions of managers”, covering all managers appointed by the Company. Under the defined benefit pension plan, one unit is accrued for each year of service, subject to a maximum of 45 units. Pension benefits are based on the number of units accrued and the remuneration per unit ratified during the appointed period.

(b) The amounts recognized in the balance sheet are as follows:

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Present value of defined benefit obligations	\$ 1,027,587	\$ 1,184,280
Fair value of plan assets	(<u>699,714</u>)	(<u>624,464</u>)
Net defined benefit liability (shown as “other non-current liabilities”)	<u>\$ 327,873</u>	<u>\$ 559,816</u>

(c) Movements in net defined benefit liabilities are as follows:

	2023		
	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit liability
At January 1	\$ 1,184,280	(\$ 624,464)	\$ 559,816
Current service cost	8,795	(101)	8,694
Interest expense (income)	<u>11,859</u>	<u>(6,608)</u>	<u>5,251</u>
	<u>1,204,934</u>	<u>(631,173)</u>	<u>573,761</u>
Remeasurements:			
Returns on plan assets	-	(1,935)	(1,935)
Change in financial assumptions	4,731	-	4,731
Experience adjustments	<u>(123,582)</u>	<u>(396)</u>	<u>(123,978)</u>
	<u>(118,851)</u>	<u>(2,331)</u>	<u>(121,182)</u>
Paid pension	(56,705)	56,705	-
Direct payments charged to company's account	(7,079)	-	(7,709)
Effect of business combination	-	(118,510)	(118,510)
Pension fund contribution	<u>5,288</u>	<u>(4,405)</u>	<u>883</u>
At December 31	<u>\$ 1,027,587</u>	<u>(\$ 699,714)</u>	<u>\$ 327,873</u>
	2022		
	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit liability
At January 1	\$ 1,159,809	(\$ 519,251)	\$ 640,558
Current service cost	12,059	(3,607)	8,452
Interest expense (income)	<u>7,337</u>	<u>(3,308)</u>	<u>4,029</u>
	<u>1,179,205</u>	<u>(526,166)</u>	<u>653,039</u>
Remeasurements:			
Returns on plan assets	-	(33,656)	(33,656)
Change in financial assumptions	(52,486)	-	(52,486)
Experience adjustments	<u>103,152</u>	<u>(5,098)</u>	<u>98,054</u>
	<u>50,666</u>	<u>(38,754)</u>	<u>11,912</u>
Paid pension	(39,929)	39,929	-
Direct payments charged to company's account	(5,662)	-	(5,662)
Pension fund contribution	<u>-</u>	<u>(99,473)</u>	<u>(99,473)</u>
At December 31	<u>\$ 1,184,280</u>	<u>(\$ 624,464)</u>	<u>\$ 559,816</u>

- (d) The Bank of Taiwan was commissioned to manage the fund of the Company's and domestic subsidiaries' defined benefit pension plan assets in accordance with the Fund's annual investment and utilisation plan and the "Regulations for Revenues, Expenditures, Safeguard and Utilisation of the Labor Retirement Fund" (Article 6: The scope of utilisation for the Fund includes deposit in domestic or foreign financial institutions, investment in domestic or foreign listed, over-the-counter, or private placement equity securities, investment in domestic or foreign real estate securitisation products, etc.). With regard to the utilisation of the Fund, its minimum earnings in the annual distributions on the final financial statements shall be no less than the earnings attainable from the amounts accrued from two-year time deposits with the interest rates offered by local banks. If the earnings is less than aforementioned rates, government shall make payment for the deficit after being authorised by the Regulator. The Company and domestic subsidiaries have no right to participate in managing and operating that Fund and therefore, the Company and domestic subsidiaries are unable to disclose the classification of plan assets fair value in accordance with IAS 19 paragraph 142. The composition of fair value of plan assets as of December 31, 2023 and 2022 is given in the Annual Labor Retirement Fund Utilisation Report announced by the government.
- (e) The principal actuarial assumptions used were as follows:

	<u>Years ended December 31,</u>	
	<u>2023</u>	<u>2022</u>
Discount rate	<u>1.2%</u>	<u>1.2%~1.3%</u>
Future salary increases	<u>2.50%~4.00%</u>	<u>2.50%~4.00%</u>

Assumptions regarding future mortality experience are set based on future mortality rate was estimated based on the 6th Taiwan Standard Ordinary Experience Mortality Table and experience.

Sensitivity analysis of the effect on present value of defined benefit obligation due from the changes of main actuarial assumptions was as follows:

	<u>Discount rate</u>		<u>Future salary increases</u>	
	<u>Increase 1%</u>	<u>Decrease 1%</u>	<u>Increase 1%</u>	<u>Decrease 1%</u>
December 31, 2023				
Effect on present value of defined benefit obligation	(\$ <u>63,987</u>)	<u>\$ 65,811</u>	<u>\$ 49,885</u>	(\$ <u>48,801</u>)
December 31, 2022				
Effect on present value of defined benefit obligation	(\$ <u>42,785</u>)	<u>\$ 44,082</u>	<u>\$ 36,510</u>	(\$ <u>35,673</u>)

The sensitivity analysis above is based on one assumption which changed while the other conditions remain unchanged. In practice, more than one assumption may

change all at once. The method utilised in sensitivity analysis is the same as the method utilised in calculating net pension liability on the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis were consistent with previous period.

- (f) Expected contributions to the defined benefit pension plans of the Group for the year ending December 31, 2024 are \$19,610.
 - (g) As of December 31, 2023, the weighted average duration of the retirement plan is 6~11 years.
- B. Defined contribution plans
- (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 not less than 6% of the employees’ monthly salaries and wages to the employees’ individual pension accounts at the Bureau of Labor Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment.
 - (b) Other overseas companies have defined contribution plans. Contributions for pensions and retirement allowance to independent fund administered by the government in accordance with the local pension regulations are based on a certain percentage of employees’ monthly salaries and wages. Other than the monthly contributions, the companies have no further obligations.
 - (c) The pension costs of the Group under the defined contribution pension plans for the years ended December 31, 2023 and 2022 were \$470,529 and \$423,021, respectively.

(20) Share capital

- A. The Company’s authorized capital was \$25,000,000, of which certain shares can be issued as preference shares. The above authorized capital includes \$500,000 reserved for employee stock option certificates, restricted stocks to employees, convertible preferred stock and convertible bonds. As of December 31, 2023, the paid-in capital was \$18,790,568 with a par value of \$10 (in dollars) per share. All proceeds from shares issued have been collected.
- B. Movements in the number of the Company’s ordinary shares outstanding (in thousands of shares) for the years ended December 31, 2023 and 2022 are as follows:

	2023	2022
At January 1 and December 31	1,679,057	1,679,057

- C. On June 28, 2019, the Board of Directors resolved to increase its capital by issuing 200 million shares of Class A preferred stocks at the price of \$50 (in dollars) per share with the effective date set on September 18, 2019 for repayment of borrowings to financial institutions and strengthening the Company’s working capital. The registration of issuance

has been completed on October 3, 2019. The rights and obligations of the issuance are as follows:

- (a) Expiration date: The Company's Class A preferred stocks are perpetual but all or certain parts are callable at any time from the next day of five years after issuance at the actual issue price.
- (b) Dividends: Dividends are calculated at 4% (five-year IRS rate: 0.605%+3.395%) per annum based on the issue price per share. The five-year IRS rate will be reset on the next business day of five years since issuance and every subsequent five years and the pricing effective date for rate reset is two Taipei financial industry business days prior to the IRS rate reset date. The rate index, five-year IRS rate, is the arithmetic mean of five-year IRS rates appearing on Reuters pages "TAIFXIRS" and "COSMOS3" at 11:00 a.m. (Taipei time) on the relevant pricing effective date of rate reset. If such rate cannot be obtained, the Company will determine the rate based on the reasonable market price with good faith.
- (c) Dividend distribution: Dividends are distributed once per year in the form of cash. The current year's earnings, if any, shall first be used to pay all taxes and offset prior years' operating losses and then shall be set aside as legal reserve in accordance with the Articles of Incorporation and set aside or reverse as special reserve in accordance with the Articles of Incorporation or regulations of regulatory authority. The remaining amount, if any, shall be preferentially distributed as dividends of Class A preferred stocks.
The Company has discretion in dividend distribution of Class A preferred stocks. The Company could choose not to distribute dividends of preferred stocks when resolved by the stockholders, which would not be able to lead to default if the Company has no or has insufficient current year's earnings for distribution or has other necessary considerations. In addition, the amounts of undistributed dividends or insufficient distributed dividends will not become deferred payments in future years when the Company has earnings.
- (d) Excess dividend distribution: Besides the aforementioned dividends, the stockholders of Class A preferred stocks could not participate in the distribution of cash and capitalized assets for common stocks derived from earnings and capital surplus.
- (e) Residual property distribution: The stockholders of Class A preferred stocks have priority over stockholders of common stocks in distributing the Company's residual property but the limit is the amount calculated by shares of outstanding preferred stocks issued and the issue price when distributing.
- (f) Right to vote and be elected: The stockholders of Class A preferred stocks have no right to vote and be elected in the stockholders' meeting of the Company but have right to vote in the stockholders' meeting for stockholders of Class A preferred stocks only and stockholders' meeting regarding unfavourable matters to rights and

obligations of stockholders of Class A preferred stocks.

- (g) Conversion to common stocks: Class A preferred stocks could not be converted to common stocks and the stockholders of Class A preferred stocks could not request the Company to retire the preferred stocks they held.
- (h) The preemptive rights for stockholders of Class A preferred stocks are the same as that common stocks when the Company increases its capital by issuing new shares.
- D. On September 18, 2020, the Board of Directors of the Company resolved to increase its capital by issuing series B preference shares, and the issuance price is tentatively set at NT\$50 per share, and the expected total issuance amounted to \$5,000,000. The capital increase was approved by the FSC on October 21, 2020. However, in consideration of preference shares' capital market and the Company's overall maximum benefits, the Board of Directors of WPG Holdings Limited resolved to revoke and cancel the proposed capital increase of series B preference shares on March 30, 2021. The cancellation was approved by the FSC on April 6, 2021.

(21) Capital surplus

A. Pursuant to the R.O.C. Company Law, 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 Law requires that the amount of capital surplus to be capitalized as 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.

B. Details of capital reserve - stock options are as follows:

	2023					
	Common stock share premium	Preferred stock share premium	Treasury share transaction	Recognized changes in subsidiaries' equity	Changes in associates' net equity	Total
January 1	\$19,387,285	\$ 7,994,638	\$ 45,177	\$ 14,619	\$ 1,192,197	\$ 28,633,916
Changes in equity of associates and joint ventures accounted for using the equity method	-	-	-	-	83,083	83,083
Proceeds from disposal of investments accounted for using equity method	-	-	-	-	(265,624)	(265,624)
Changes in ownership interests in subsidiaries	-	-	-	(1,571)	-	(1,571)
December 31	<u>\$19,387,285</u>	<u>\$ 7,994,638</u>	<u>\$ 45,177</u>	<u>\$ 13,048</u>	<u>\$ 1,009,656</u>	<u>\$ 28,449,804</u>

	2022					
	Common stock share premium	Preferred stock share premium	Treasury share transaction	Recognized changes in subsidiaries' equity	Changes in associates' net equity	Total
January 1	\$19,387,285	\$ 7,994,638	\$ 45,177	\$ 13,856	\$ 1,283,542	\$ 28,724,498
Changes in equity of associates and joint ventures accounted for using the equity method	-	-	-	-	(91,345)	(91,345)
Changes in ownership interests in subsidiaries	-	-	-	763	-	763
December 31	<u>\$19,387,285</u>	<u>\$ 7,994,638</u>	<u>\$ 45,177</u>	<u>\$ 14,619</u>	<u>\$ 1,192,197</u>	<u>\$ 28,633,916</u>

(22) Retained earnings

A. Under the Company's Articles of Incorporation, the current year's earnings, if any, shall be used to set aside as legal reserve, and set aside as special reserve in accordance with Article 41 of Securities and Exchange Act. The remainder, if any, to be appropriated shall be proposed by the Board of Directors. If cash dividends are distributed, they shall account for at least 20% of the total dividends distributed.

Employees of the Company's subsidiaries are entitled to receive the distribution of earnings. The terms shall be defined by the Board of Directors.

B. Legal reserve can only be used to cover accumulated losses or issue new shares or cash to shareholders in proportion to their share ownership, provided that the balance of the reserve exceeds 25% of the Company's paid-in capital.

C. 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.

D. The appropriations of 2022 and 2021 earnings had been resolved at the shareholders' meeting on May 31, 2023 and May 26, 2022. Details are summarised below:

	Years ended December 31,			
	2022		2021	
	Amount	Dividend per share (in dollars)	Amount	Dividend per share (in dollars)
Legal reserve (Reversal of)	\$ 1,057,538	\$ -	\$ 1,175,263	\$ -
provision for special reserve	(6,448,219)	-	1,093,311	-
Cash dividends	6,464,369	3.85	5,876,699	3.50
Cash dividends of preference stock	400,000	2.00	400,000	2.00
	<u>\$ 1,473,688</u>		<u>\$ 8,545,273</u>	

The appropriations of 2022 earnings which had been resolved by the shareholders and the appropriations of 2021 earnings which had been resolved after meeting the statutory voting threshold via the electronic voting platform during the shareholder's meeting and by the shareholders at their meeting were in line with the appropriations resolved by the Board of Directors.

E. As of February 29, 2024, the Board of Directors has not proposed and the stockholders have not resolved the distribution of earnings for 2023.

F. For the information relating to employees' compensation and directors' remuneration, refer to Note 6(30).

(23) Other equity items

	<u>2023</u>			
	Investments at fair value through comprehensive <u>income</u>	Currency <u>translation</u>	<u>Other</u>	<u>Total</u>
At January 1	(\$ 46,997)	(\$ 3,430,888)	\$ -	(\$ 3,477,885)
Revaluation-gross	70,092	-	-	70,092
Revaluation transferred to retained earnings	(2,042)	-	-	(2,042)
Revaluation-associates	2,017,798	-	-	2,017,798
Revaluation transferred to retained earnings - associates	(234,070)	-	-	(234,070)
Cumulative translation differences:				
- Group	-	(351,748)	-	(351,748)
- Tax on Group	-	7,820	-	7,820
- Associates	-	(156,198)	-	(156,198)
Other (Note)	-	-	(156,483)	(156,483)
At December 31	<u>\$ 1,804,781</u>	<u>(\$ 3,931,014)</u>	<u>(\$ 156,483)</u>	<u>(\$ 2,282,716)</u>

	2022		
	Investments at fair value through other comprehensive income	Currency translation	Total
At January 1	\$ 3,459,437	(\$ 13,385,541)	(\$ 9,926,104)
Revaluation-gross	(998,984)	-	(998,984)
Revaluation-associates	(2,445,659)	-	(2,445,659)
Revaluation transferred to retained earnings - associates	(61,791)	-	(61,791)
Cumulative translation differences:			
- Group	-	9,004,320	9,004,320
- Tax on Group	-	(11,840)	(11,840)
- Associates	-	962,173	962,173
At December 31	(\$ 46,997)	(\$ 3,430,888)	(\$ 3,477,885)

Note: The Group made an agreement with the original shareholders of Vsell Enterprise Co., Ltd. to acquire the remaining 30% equity interest in Vsell Enterprise Co., Ltd. in March 2025 and June 2025, respectively. Therefore, the Group recognized put options of non-controlling interests amounting to \$156,483.

(24) Operating revenue

	Years ended December 31,	
	2023	2022
Revenue from contracts with customers	\$ 671,888,131	\$ 775,232,422

Disaggregation of revenue from contracts with customers

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

	Years ended December 31,	
	2023	2022
Core components	\$ 256,862,106	\$ 279,342,947
Analog IC and mixed signal components	65,471,006	73,035,947
Discrete IC, logic IC	85,711,472	93,442,973
Memory	141,715,123	214,267,553
Optical components	66,998,345	63,621,903
Passive connector and magnetic components	38,651,883	35,004,053
Others	16,478,196	16,517,046
	\$ 671,888,131	\$ 775,232,422

(25) Interest income

	Years ended December 31,	
	2023	2022 (Adjusted)
Interest income from bank deposits	\$ 340,202	\$ 98,726
Interest income from financial assets measured at amortized cost	28,395	6,088
	<u>\$ 368,597</u>	<u>\$ 104,814</u>

(26) Other income

	Years ended December 31,	
	2023	2022
Rental revenue	\$ 98,437	\$ 85,606
Dividend income	341,817	368,210
Other income	335,008	237,611
	<u>\$ 775,262</u>	<u>\$ 691,427</u>

(27) Other gains and losses

	Years ended December 31,	
	2023	2022
Loss on disposal of property, plant and equipment	(\$ 5,872)	(\$ 2,051)
Gain on disposal of investments	2,435,730	1,054
Currency exchange gain	477,384	404,950
Gain on financial assets and liabilities at fair value through profit or loss	1,882,074	3,299
Gain arising from lease modifications	1,801	9,055
Depreciation on investment property	(31,373)	(32,285)
Impairment losses	(773)	(54,263)
Other losses	(91,529)	(37,169)
	<u>\$ 4,667,442</u>	<u>\$ 292,590</u>

(28) Finance costs

	Years ended December 31,	
	2023	2022
Interest expense:		
Bank borrowings	\$ 6,103,806	\$ 4,073,146
Less: Capitalization of qualifying assets	-	(439)
Redemption liabilities	3,857	-
Lease liabilities	65,698	61,841
Others	507,096	601,687
	<u>\$ 6,680,457</u>	<u>\$ 4,736,235</u>

(29) Additional information of expenses by nature

	Years ended December 31,	
	2023	2022
Employee benefit expense	<u>\$ 8,293,555</u>	<u>\$ 9,169,973</u>
Depreciation charges		
Depreciation on property, plant and equipment	\$ 485,524	\$ 423,041
Depreciation on investment property	31,373	32,285
Depreciation on right-of-use assets	<u>491,596</u>	<u>477,910</u>
	<u>\$ 1,008,493</u>	<u>\$ 933,236</u>
Amortization charges on intangible assets	<u>\$ 116,674</u>	<u>\$ 89,646</u>

(30) Employee benefit expense

	Years ended December 31,	
	2023	2022
Wages and salaries	\$ 6,903,923	\$ 7,886,806
Directors' remuneration	50,608	53,256
Labor and health insurance fees	471,090	431,959
Pension costs	484,474	435,502
Other personnel expenses	<u>383,460</u>	<u>362,450</u>
	<u>\$ 8,293,555</u>	<u>\$ 9,169,973</u>

- A. According to the Articles of Incorporation of the Company, a ratio of profit of the current year distributable, after covering accumulated losses, shall be distributed as employees' compensation and directors' remuneration. The ratio shall be between 0.01%~5% for employees' compensation and shall not be higher than 3% for directors' remuneration.
- B. The Company has established the audit committee, therefore, there was no remuneration paid to supervisors for the years ended December 31, 2023 and 2022.
- C. For the years ended December 31, 2023 and 2022, employees' compensation was accrued at \$28,483 and \$77,100, respectively; while directors' remuneration was accrued at \$48,608 and \$53,000, respectively. The aforementioned amounts were recognized in salary expenses.

The employees' compensation and directors' remuneration were estimated and accrued based on the profit of current year distributable for the year ended December 31, 2023, and the percentage as prescribed by the Company's Articles of Incorporation. As of February 29, 2024, this amount has not been resolved by the Board of Directors. Abovementioned employees' compensation will be distributed in the form of cash.

For 2022, the employees' compensation and directors' remuneration resolved by the Board of Directors during its meeting on March 28, 2023 amounted to \$48,110 and \$52,000, respectively, and the employees' compensation and directors' remuneration recognized in the 2022 financial statements amounted to \$77,100 and \$53,000, respectively. The

difference of \$28,990 and \$1,000 between the amounts resolved by the Board of Directors and the amounts recognized in the 2022 financial statements, mainly resulting from the decrease in employees' compensation and directors' remuneration, had been adjusted in profit or loss in the first quarter of 2023. The employees' compensation was distributed in the form of cash.

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

(31) Income tax

A. Income tax expense

(a) Components of income tax expense:

	<u>Years ended December 31,</u>	
	<u>2023</u>	<u>2022</u>
Current tax		
Current tax on profits for the year	\$ 1,145,382	\$ 2,144,850
Prior year income tax under (over) estimation	136,555	(67,008)
Tax on undistributed surplus earnings	<u>462,220</u>	<u>169,291</u>
Total current tax	<u>1,744,157</u>	<u>2,247,133</u>
Deferred tax		
Origination and reversal of temporary differences	<u>340,314</u>	(<u>114,235</u>)
Income tax expense	<u>\$ 2,084,471</u>	<u>\$ 2,132,898</u>

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

	<u>Years ended December 31,</u>	
	<u>2023</u>	<u>2022</u>
Currency translation differences	(\$ 7,820)	\$ 11,840
Remeasurement of defined benefit obligations	<u>24,069</u>	(<u>2,382</u>)
	<u>\$ 16,249</u>	<u>\$ 9,458</u>

B. Reconciliation between income tax expense and accounting profit

	<u>Years ended December 31,</u>	
	<u>2023</u>	<u>2022</u>
Income tax calculated by applying statutory rate to the profit before tax (Note)	\$ 3,874,870	\$ 5,119,521
Effects from items disallowed by tax regulation	(2,400,323)	(3,056,256)
Prior year income tax under (over) estimation	136,555	(67,008)
Tax on undistributed earnings	462,220	169,291
Others	<u>11,149</u>	<u>(32,650)</u>
Income tax expense	<u>\$ 2,084,471</u>	<u>\$ 2,132,898</u>

Note: The basis for computing the applicable tax rate are the rates applicable in the respective countries where the Group entities operate.

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

	<u>2023</u>					
	<u>At January 1</u>	<u>Recognized in profit or loss</u>	<u>Recognized in other comprehensive income</u>	<u>Effect of exchange rate changes</u>	<u>Business combination</u>	<u>At December 31</u>
Temporary differences:						
— Deferred tax assets:						
Unrealized inventory valuation loss	\$ 96,236	\$ 24,498	\$ -	(\$ 728)	\$ 3,162	\$ 123,168
Unrealized sales discounts and allowances	126,582	9,152	-	(545)	-	135,189
Unrealized exchange loss	47,121	9,576	-	(1)	-	56,696
Amount of allowance for loss in excess of the limit for tax purpose	40,318	(8,450)	-	(161)	-	31,707
Unrealized expenses	99,330	3,340	-	(548)	296	102,418
Investment losses	47,374	60,934	-	-	-	108,308
Pensions	106,077	(21,723)	(23,799)	-	-	60,555
Cumulative translation adjustment	15,120	-	6,560	-	-	21,680
Others	33,317	53,151	-	(485)	-	85,983
Tax losses	<u>130,117</u>	<u>21,349</u>	<u>-</u>	<u>(328)</u>	<u>-</u>	<u>151,138</u>
	<u>741,592</u>	<u>151,827</u>	<u>(17,239)</u>	<u>(2,796)</u>	<u>3,458</u>	<u>876,842</u>

2023						
	At January 1	Recognized in profit or loss	Recognized in other comprehensive income	Effect of exchange rate changes	Business combination	At December 31
Temporary differences:						
— Deferred tax liabilities:						
Investment income	(\$ 532,966)	(\$ 458,643)	\$ -	\$ 7,841	\$ -	(\$ 983,768)
Provision for building valuation increment	(23,905)	-	-	-	-	(23,905)
Land value increment tax	(30,156)	-	-	-	-	(30,156)
Pensions	(3,031)	1,467	(270)	-	-	(1,834)
Others	(31,404)	(34,965)	1,260	587	(24,048)	(88,570)
	(621,462)	(492,141)	990	8,428	(24,048)	(1,128,233)
Total	<u>\$ 120,130</u>	<u>(\$ 340,314)</u>	<u>(\$ 16,249)</u>	<u>\$ 5,632</u>	<u>(\$ 20,590)</u>	<u>(\$ 251,391)</u>
2022						
	At January 1	Recognized in profit or loss	Recognized in other comprehensive income	Effect of exchange rate changes		At December 31
Temporary differences:						
— Deferred tax assets:						
Unrealized inventory valuation loss	\$ 61,282	\$ 34,993	\$ -	(\$ 39)	\$ 96,236	
Unrealized sales discounts and allowances	97,878	28,694	-	10	126,582	
Unrealized exchange loss	7,316	39,805	-	-	47,121	
Amount of allowance for loss in excess of the limit for tax purpose	37,018	2,917	-	383	40,318	
Unrealized expenses	111,798	(12,917)	-	449	99,330	
Investment losses	25,027	22,347	-	-	47,374	
Pensions	119,595	(16,396)	2,878	-	106,077	
Cumulative translation adjustment	25,700	-	(10,580)	-	15,120	
Others	21,152	10,922	-	1,243	33,317	
Tax losses	<u>124,320</u>	<u>(7,459)</u>	<u>-</u>	<u>13,256</u>	<u>130,117</u>	
	<u>631,086</u>	<u>102,906</u>	<u>(7,702)</u>	<u>15,302</u>	<u>741,592</u>	
Temporary differences:						
— Deferred tax liabilities:						
Investment income	(553,134)	22,058	-	(1,890)	(532,966)	
Provision for building valuation increment	(23,905)	-	-	-	(23,905)	
Land value increment tax	(30,156)	-	-	-	(30,156)	
Pensions	(2,519)	(17)	(495)	-	(3,031)	
Others	(18,924)	(10,712)	(1,261)	(507)	(31,404)	
	(628,638)	11,329	(1,756)	(2,397)	(621,462)	
Total	<u>\$ 2,448</u>	<u>\$ 114,235</u>	<u>(\$ 9,458)</u>	<u>\$ 12,905</u>	<u>\$ 120,130</u>	

- D. The amounts of deductible temporary differences and tax losses that were not recognized as deferred tax assets are as follows:

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Deductible temporary differences	\$ 64,130	\$ 45,760
Tax losses	\$ 566,023	\$ 727,094

The deductible temporary differences belong to subsidiaries that cannot be realized as deferred tax assets in the near future.

- E. As of February 29, 2024, the Company's income tax returns through 2018 have been assessed and approved by the Tax Authority.
- F. The Group has applied the exception to recognizing and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes.
- G. The Group's exposure to Pillar Two income taxes arising from the Pillar Two legislation is as follows:

The Group is within the scope of the Pillar Two model rules published by the Organisation for Economic Co-operation and Development (OECD). Since Pillar Two legislation was enacted in several countries, including South Korea, the UK, the Netherlands and Vietnam, the jurisdictions in which certain subsidiaries are incorporated, and will come into effect from January 1, 2024, the Group has no related current tax exposure as of December 31, 2023.

Under the Pillar Two legislation, the Group is liable to pay a top-up tax for the difference between its GloBE effective tax rate per jurisdiction and the 15% minimum rate.

For 2023, the average effective tax rate calculated in accordance with IAS 12 of those companies operating in jurisdictions, such as South Korea, the UK, the Netherlands and Vietnam, is 0%~3.06%, accounting for 2% of the Group's accounting profit.

The Group is in the process of assessing its exposure to the Pillar Two legislation for when it comes into effect. This assessment indicates for the above jurisdictions, such as South Korea, the UK, the Netherlands and Vietnam, that the average effective tax rate based on accounting profit is lower than 15% for the year ended December 31, 2023. However, due to the complexities in applying the legislation and calculating GloBE income as well as the impact of specific adjustments envisaged in the Pillar Two legislation which give rise to different effective tax rates compared to those calculated in accordance with IAS 12, the quantitative impact of the enacted or substantively enacted legislation is not yet reasonably estimable. The Group is currently engaged with tax specialists to assist it with applying the legislation.

(33) Business combinations

- A. On May 1, 2023, the Group acquired 70%, 100% and 100% of the share capital of Vsell Enterprise Co., Ltd. (referred herein as “Vsell Enterprise”) , Vsell Enterprise Co., Ltd (Shanghai) (referred herein as “Vsell Enterprise (Shanghai)”) and Maojie Trading (Shenzhen) Co., Ltd. (referred herein as “Maojie Trading (Shenzhen)”) for \$151,128, \$263,246 and \$22,452, respectively, and obtained the control over the companies. In accordance with the contract, the Group shall acquire the remaining 30% of the shares in Vsell Enterprise Co., Ltd. in March 2025 and June 2025, respectively. The Group estimated the expected acquisition price based on the calculation method of acquisition price as agreed in the contract and recognized redemption liabilities amounting to \$156,483 (shown as ‘other non-current liabilities’) at the present value. The aforementioned companies have long been committed to operating the distribution market of passive component products and are proficient in the development of Design-in. As a result of the acquisition, the Group is expected to expand the market scale of the passive component product lines.
- B. The following table summarizes the consideration paid for Vsell Enterprise Co., Ltd., Vsell Enterprise Co., Ltd. (Shanghai) and Maojie Trading (Shenzhen) Co., Ltd. and the fair values of the assets acquired and liabilities assumed at the acquisition date, as well as the non-controlling interest’s proportionate share of the recognized amounts of acquiree’s identifiable net assets at the acquisition date:

				<u>May 1, 2023</u>
Purchase consideration				
Cash paid				\$ 436,826
Non-controlling interest's proportionate share of the recognized amount of acquiree's identifiable net assets				<u>60,011</u>
				<u>496,837</u>
				Vsell
				Enterprise
				Maojie Trading
	<u>Vsell Enterprise</u>	<u>(Shanghai)</u>	<u>(Shenzhen)</u>	
Fair value of the identifiable assets acquired and liabilities assumed				
Cash and cash equivalents	\$ 93,808	\$ 45,605	\$ 15,232	154,645
Notes receivable, net	651	-	-	651
Accounts receivable, net	723,820	122,384	28,280	874,484
Other receivables	-	2,848	-	2,848
Inventory	585,468	77,319	7,854	670,641
Prepayments	15,738	5,358	1,538	22,634
Other current assets	6	-	-	6
Property, plant and equipment	100,768	245	-	101,013
Right-of-use assets	3,873	-	603	4,476
Intangible assets	8,300	-	-	8,300
Customer relationships	21,414	59,163	764	81,341
Deferred income tax assets	3,458	-	-	3,458
Other non-current assets	8,050	153	123	8,326
Short-term borrowings	(621,336)	-	-	(621,336)
Notes payable	(16,755)	-	-	(16,755)
Accounts payable	(404,878)	(120,057)	(17,937)	(542,872)
Other payables	(113,732)	(57,244)	(3,336)	(174,312)
Current income tax liabilities	(3,478)	(1,070)	(63)	(4,611)
Current lease liabilities	(2,311)	-	(614)	(2,925)
Other current liabilities	(152,789)	(1,437)	(4,768)	(158,994)
Long-term borrowings	(39,381)	-	-	(39,381)
Deferred income tax liabilities	(9,066)	(14,791)	(191)	(24,048)
Non-current lease liabilities	(1,591)	-	-	(1,591)
Total identifiable net assets	<u>200,037</u>	<u>118,476</u>	<u>27,485</u>	<u>345,998</u>
Goodwill				<u>\$ 150,839</u>

- C. As of December 31, 2023, the allocations of acquisition price for acquiring 70% equity interest in Vsell Enterprise Co., Ltd., 100% equity interest in Vsell Enterprise Co., Ltd. (Shanghai) and 100% equity interest in Maojie Trading (Shenzhen) Co., Ltd. had been completed. The fair values of the acquired identifiable intangible assets and goodwill amounted to \$89,641 and \$150,839, respectively.
- D. The operating revenue included in the consolidated statement of comprehensive income since May 1, 2023 contributed by Vsell Enterprise Co., Ltd., Vsell Enterprise Co., Ltd. (Shanghai) and Maojie Trading (Shenzhen) Co., Ltd. was \$3,841,995 also contributed profit before income tax of \$196,301 over the same period. Had Vsell Enterprise Co., Ltd.,

Vsell Enterprise Co., Ltd. (Shanghai) and Maojie Trading (Shenzhen) Co., Ltd. been consolidated from January 1, 2023, the consolidated statement of comprehensive income would show operating revenue of \$672,837,060 and profit before income tax of \$10,286,126.

(34) Supplemental cash flow information

In addition to Note 6(33), other supplemental cash flow information were as follows:

Partial payment of cash from investing activities

	<u>Years ended December 31,</u>	
	<u>2023</u>	<u>2022</u>
Acquisition of property, plant and equipment, investment property and intangible assets	\$ 718,054	\$ 536,832
Add: Accounts payable at the beginning of the year	18,312	46,632
Prepayments for business facilities at the end of the year	3,000	4,846
Less: Accounts payable at the end of year	(88,746)	(18,312)
Prepayments for business facilities at the beginning of the year	(4,846)	(1,627)
Cash paid during the year	<u>\$ 645,774</u>	<u>\$ 568,371</u>

(35) Changes in liabilities from financing activities

	<u>Short-term borrowings</u>	<u>Short-term notes and bills payable</u>	<u>Long-term borrowings (Note)</u>	<u>Lease liabilities</u>	<u>Liabilities from financing activities-gross</u>
At January 1, 2023	\$80,518,991	\$5,342,259	\$44,466,145	\$2,686,829	\$133,014,224
Changes in cash flow from financing activities	1,460,798	1,518,900	(11,719,552)	(419,288)	(9,159,142)
Others	621,336	1,363,823	(1,324,442)	241,611	902,328
At December 31, 2023	<u>\$82,601,125</u>	<u>\$8,224,982</u>	<u>\$31,422,151</u>	<u>\$2,509,152</u>	<u>\$124,757,410</u>

	<u>Short-term borrowings</u>	<u>Short-term notes and bills payable</u>	<u>Long-term borrowings (Note)</u>	<u>Lease liabilities</u>	<u>Liabilities from financing activities-gross</u>
At January 1, 2022	\$82,334,562	\$7,444,815	\$31,597,338	\$1,498,928	\$122,875,643
Changes in cash flow from financing activities	(1,815,571)	(2,102,556)	12,868,807	(435,552)	8,515,128
Others	-	-	-	1,623,453	1,623,453
At December 31, 2022	<u>\$80,518,991</u>	<u>\$5,342,259</u>	<u>\$44,466,145</u>	<u>\$2,686,829</u>	<u>\$133,014,224</u>

Note: Including long-term borrowings-current portion less unamortized discounts.

7. RELATED PARTY TRANSACTIONS

(1) Parent and ultimate controlling party

The Group's shares are widely held so the Company has no ultimate parent and ultimate controlling party.

(2) Names of related parties and relationship

<u>Names of related parties</u>	<u>Relationship with the Group</u>
Chain Power Technology Corp.	Investee accounted for using equity method
Supply Consultants Limited	"
VITEC WPG Limited	"
Gain Tune Logistics (Shanghai) Co., Ltd.	"
Suzhou Xinning Logistics Co., Ltd.	"
Suzhou Xinning Bonded Warehouse Co., Ltd.	"
WT Microelectronics Co., Ltd.	"
Eesource Corp.	"
Sunrise Technology Co., Ltd.	"
AIT Japan Inc.	"
Kunmao (Shanghai) Enterprise Development Co., Ltd.	Other related party
Autosys (TW) Co., Ltd.	Subsidiary of investee accounted for using equity method
HongTech Electronics Co., Ltd.	"
Maxtek Technology Co., Ltd.	"
Morrihan International Corp.	"
WT Microelectronics (Hong Kong) Limited	"
NuVision Technology, Inc.	"
Excelpoint Systems (H.K.) Limited	"
WT Technology Korea Co., Ltd.	"
WPG P.T. Electrindo Jaya	Stockholder of the Group's subsidiary accounted for using equity method
WPG Holdings Education Foundation	One third of paid-in-capital was granted by the Group
Taiwan Industrial Holding Association	The chairman of the association and chairman of the Group are the same

(3) Significant transactions and balances with related parties

A. Operating revenues

	<u>Years ended December 31,</u>	
	<u>2023</u>	<u>2022</u>
Sales of goods		
Others	\$ 913,338	\$ 763,885
Associates	<u>807,837</u>	<u>1,654,976</u>
	<u>\$ 1,721,175</u>	<u>\$ 2,418,861</u>

The terms and sales prices with other related parties were negotiated in consideration of different factors including product, cost, market, competition and other conditions. The collection period was 90 days. Terms and sales prices with associates are in accordance with normal selling prices and terms of collection.

B. Purchases

	<u>Years ended December 31,</u>	
	<u>2023</u>	<u>2022</u>
Purchases of goods		
Associates	<u>\$ 3,458,708</u>	<u>\$ 1,985,326</u>

The purchase prices and terms of payment for associates including products, market competition and other conditions are the same as those for general suppliers.

C. Receivables from related parties

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Accounts receivable		
Others	\$ 232,746	\$ 5,105
Associates	<u>84,653</u>	<u>196,986</u>
	<u>\$ 317,399</u>	<u>\$ 202,091</u>

The receivables from related parties arise mainly from sales of goods. The receivables are due 30 to 90 days after the date of sale. The receivables are unsecured in nature and bear no interest. There is no allowance for doubtful accounts held against receivables from related parties.

D. Other receivables

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Other receivables		
Associates	<u>\$ 31,095</u>	<u>\$ 42,788</u>

Other receivables from associates refer to payments on behalf of others and purchases paid on behalf of others, etc.

E. Payables to related parties

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Accounts payable		
Associates	<u>\$ 126,114</u>	<u>\$ 159,704</u>

The payables to related parties arise mainly from purchases of goods. The payables are due

30 to 90 days after the date of purchase. The payables are unsecured in nature and bear no interest.

F. Endorsements and guarantees provided to related parties

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Associates		
VITEC WPG Limited	\$ 69,086	\$ 69,097
AIT Japan Inc.	24,564	-
	<u>\$ 93,650</u>	<u>\$ 69,097</u>

G. Others

	<u>Years ended December 31,</u>	
	<u>2023</u>	<u>2022</u>
Other related parties		
WPG Holding Education Foundation	\$ 6,170	\$ 6,150
Taiwan Industrial Holding Association	2,500	2,500
	<u>\$ 8,670</u>	<u>\$ 8,650</u>

(4) Key management compensation

	<u>Years ended December 31,</u>	
	<u>2023</u>	<u>2022</u>
Salaries and other short-term employee benefits	\$ 229,835	\$ 296,498
Post-employment benefits	4,196	4,465
	<u>\$ 234,031</u>	<u>\$ 300,963</u>

8. PLEDGED ASSETS

<u>Pledged assets (Note)</u>	<u>December 31, 2023</u>	<u>December 31, 2022</u>	<u>Purpose of Collateral</u>
Financial assets at amortized cost-current			
-Time deposits	\$ 54,909	\$ 45,926	Security for purchases and time deposit for performance bond
- Pledged time deposits	83,616	2,672	Performance guarantee
Accounts receivable, net			
- Pledged accounts receivable	363,860	-	Bank borrowings
Property, plant and equipment (including investment property)			
-Land	5,171,941	5,115,948	Long-term and short-term borrowings guarantee and security for purchases
-Buildings and structures	<u>2,329,327</u>	<u>2,446,465</u>	"
	<u>\$ 8,003,653</u>	<u>\$ 7,611,011</u>	

Note: The Company held 100% of shares of WPG Investment Co., Ltd., in which 8,999 thousand shares have been pledged for purchases as of December 31, 2023 and 2022.

9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED CONTRACT COMMITMENTS

In addition to Note 6(6), other commitments were as follows:

(1) Contingencies

None.

(2) Commitments

A. The Group's letters of credit issued but not negotiated are as follows:

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
\$	1,067,460	\$ 1,285,000
USD	132,172,000	USD 123,302,000

B. As of December 31, 2023, the remaining payments for the contract of non-fixed car park the Group entered into amounted to \$43,800.

C. As of December 31, 2023, the unpaid payables arising from the service contracts signed for computer facilities, internet and information security maintenance amounted to \$52,290.

10. SIGNIFICANT DISASTER LOSS

None.

11. SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

None.

12. OTHERS

(1) Capital risk 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 effectively use the working capital.

(2) Financial instruments

A. Financial instruments by category

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
<u>Financial assets</u>		
Financial assets measured at fair value through profit or loss		
Financial assets mandatorily measured at fair value through profit or loss	<u>\$ 3,345,429</u>	<u>\$ 1,730,492</u>
Financial assets at fair value through other comprehensive income		
Designation of equity instrument	<u>\$ 3,434,477</u>	<u>\$ 3,341,083</u>

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Financial assets at amortized cost		
Cash and cash equivalents	\$ 21,796,345	\$ 17,949,659
Financial assets at amortized cost	555,567	522,496
Notes receivable	2,273,589	2,427,415
Accounts receivable (including related parties)	128,641,378	118,239,940
Other receivables (including related parties)	11,825,409	20,009,977
Guarantee deposits paid	287,960	288,045
Other financial assets	1,601,175	1,640,624
	<u>\$ 166,981,423</u>	<u>\$ 161,078,156</u>
<u>Financial liabilities</u>		
Financial liabilities measured at fair value through profit or loss		
Financial liabilities held for trading	<u>\$ 5,289</u>	<u>\$ 4,148</u>
Financial liabilities at amortized cost		
Short-term borrowings	\$ 82,601,125	\$ 80,518,991
Short-term notes and bills payable	8,224,982	5,342,259
Notes payable	18,520	15,456
Accounts payable (including related parties)	85,993,130	81,337,139
Other payables	10,366,261	12,961,435
Long-term borrowings (including current portion)	31,422,151	44,466,145
Guarantee deposits received	184,815	145,123
	<u>\$ 218,810,984</u>	<u>\$ 224,786,548</u>
Lease liabilities	<u>\$ 2,509,152</u>	<u>\$ 2,686,829</u>

B. Risk management policies

- (a) The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. To minimize any adverse effects on the financial performance of the Group, derivative financial instruments, such as foreign exchange forward contracts, are used to hedge certain exchange rate risk. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments.
- (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 cooperation 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, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

- (c) Information about derivative financial instruments that are used to hedge certain exchange rate risk are provided in Note 6(2).

C. Significant financial risks and degrees of financial risks

(a) Market risk

Foreign exchange risk

- i. The Group operates internationally and is exposed to foreign exchange risk arising from the transactions of the Company and its subsidiaries used in various currency, primarily with respect to the USD and RMB. Exchange rate risk arises from future commercial transactions and recognized assets and liabilities.
- ii. 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. Exchange rate risk is measured through a forecast of highly probable USD and RMB expenditures. Forward foreign exchange contracts are adopted to minimize the volatility of the exchange rate affecting cost of forecast inventory purchase.
- iii. The Group hedges foreign exchange rate by using forward exchange contracts. However, the Group does not adopt hedging accounting. Details of financial assets or liabilities at fair value through profit or loss are provided in Note 6(2).
- iv. The Group's businesses involve some non-functional currency operations (the Company's and certain subsidiaries' functional currency: NTD; other certain foreign subsidiaries' functional currency: local currency). The information on assets and liabilities denominated in foreign currencies whose values would be materially affected by the exchange rate fluctuations is as follows:

December 31, 2023			
(Foreign currency: functional currency)	Foreign currency amount (in thousands)	Exchange rate	Book value (NTD)
<u>Financial assets</u>			
<u>Monetary items</u>			
USD : TWD	\$ 912,117	30.71	\$ 28,006,540
USD : RMB	21,775	7.10	668,588
USD : KRW	22,802	1,289.40	700,139
HKD : USD	51,146	0.13	200,954
RMB : USD	1,130,380	0.14	4,891,153
EUR : USD	3,018	1.11	102,551
<u>Non-monetary items</u>			
RMB : USD	30,732	0.14	132,979

December 31, 2023			
	Foreign currency amount (in thousands)	Exchange rate	Book value (NTD)
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD : TWD	\$ 821,076	30.71	\$ 25,211,152
USD : RMB	46,429	7.10	1,425,599
USD : KRW	16,338	1,289.40	501,644
USD : INR	20,384	83.14	625,901
HKD : USD	37,772	0.13	148,406
RMB : USD	927,695	0.14	4,014,137
EUR : USD	3,375	1.11	114,694
December 31, 2022			
	Foreign currency amount (in thousands)	Exchange rate	Book value (NTD)
(Foreign currency: functional currency)			
<u>Financial assets</u>			
<u>Monetary items</u>			
USD : TWD	\$ 787,750	30.71	\$ 24,191,791
USD : RMB	24,547	6.97	753,830
USD : KRW	32,422	1,267.30	995,668
USD : JPY	4,566	132.14	140,230
HKD : USD	53,895	0.13	212,238
RMB : TWD	60,553	4.41	266,917
RMB : USD	525,128	0.14	2,314,766
<u>Non-monetary items</u>			
RMB : USD	35,147	0.14	154,930
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD : TWD	781,311	30.71	23,994,067
USD : RMB	44,734	6.97	1,373,772
USD : KRW	23,683	1,267.30	727,318
USD : INR	11,672	82.75	358,453
HKD : USD	34,320	0.13	135,152
RMB : TWD	60,392	4.41	266,209
RMB : USD	167,901	0.14	740,107
EUR : USD	3,093	1.07	101,189

- v. The total exchange gain, including realized and unrealized arising from significant foreign exchange variation on the monetary items held by the Group for the years

ended December 31, 2023 and 2022 amounted to \$477,384 and \$404,950, respectively.

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

		<u>Year ended December 31, 2023</u>		
		<u>Sensitivity Analysis</u>		
		<u>Degree of</u>	<u>Effect on</u>	<u>Effect on Other</u>
		<u>Variation</u>	<u>Profit or Loss</u>	<u>Comprehensive</u>
				<u>Income</u>
(Foreign currency: functional currency)				
<u>Financial assets</u>				
<u>Monetary items</u>				
USD : TWD	1%	\$	280,065	\$ -
USD : RMB	1%		6,686	-
USD : KRW	1%		7,001	-
HKD : USD	1%		2,010	-
RMB : USD	1%		48,912	-
EUR : USD	1%		1,026	-
<u>Financial liabilities</u>				
<u>Monetary items</u>				
USD : TWD	1%		252,112	-
USD : RMB	1%		14,256	-
USD : KRW	1%		5,016	-
USD : INR	1%		6,259	-
HKD : USD	1%		1,484	-
RMB : USD	1%		40,141	-
EUR : USD	1%		1,147	-
		<u>Year ended December 31, 2022</u>		
		<u>Sensitivity Analysis</u>		
		<u>Degree of</u>	<u>Effect on</u>	<u>Effect on Other</u>
		<u>Variation</u>	<u>Profit or Loss</u>	<u>Comprehensive</u>
				<u>Income</u>
(Foreign currency: functional currency)				
<u>Financial assets</u>				
<u>Monetary items</u>				
USD : TWD	1%	\$	241,918	\$ -
USD : RMB	1%		7,538	-
USD : KRW	1%		9,957	-
USD : JPY	1%		1,402	-
HKD : USD	1%		2,122	-
RMB : TWD	1%		2,669	-
RMB : USD	1%		23,148	-

Year ended December 31, 2022

	Sensitivity Analysis		
	Degree of Variation	Effect on Profit or Loss	Effect on Other Comprehensive Income
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD : TWD	1%	\$ 239,941	-
USD : RMB	1%	13,738	-
USD : KRW	1%	7,273	-
USD : INR	1%	3,585	-
HKD : USD	1%	1,352	-
RMB : TWD	1%	2,662	-
RMB : USD	1%	7,401	-
EUR : USD	1%	1,012	-

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. Shares and open-end funds which the Group invested are issued by the domestic and foreign companies. The prices of equity securities would change due to the change of the future value of investee companies. If the prices of these equity securities had increased/decreased by 1% with all other variables held constant, post-tax profit for the years ended December 31, 2023 and 2022 would have increased/decreased by \$33,451 and \$17,258, 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 \$34,345 and \$33,411, respectively, as a result of other comprehensive income classified as equity investment at fair value through other comprehensive income.

Cash flow and fair value interest rate risk

- i. The Group's main interest rate risk arises from short-term borrowings with variable rates, which expose the Group to cash flow interest rate risk. For the years ended December 31, 2023 and 2022, the Group's borrowings at variable rate were mainly denominated in New Taiwan dollars, US dollars and Korean won.
- ii. If the borrowing interest rate had increased by 1% with all other variables held constant, profit, net of tax for the years ended December 31, 2023 and 2022 would have decreased by \$488,573 and \$428,231, respectively. The main factor is that changes in interest expense result from floating rate borrowings.

(b) Credit risk

- i. Credit risk refers to the risk of financial loss to the Group arising from default by the clients or counterparties of financial instruments on the contract obligations. The main factor is that counterparties could not repay in full the accounts receivable based on the agreed terms, and the contract cash flows of notes receivable.
- 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 good rating 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. The utilisation of credit limits is regularly monitored.
- iii. Under IFRS 9, if the contract payments are past due over one month based on the terms, there has been a significant increase in credit risk on that instrument since initial recognition.
- iv. The default occurs when the contract payments are past due more than five months.
- v. The Group classifies customer's accounts receivable in accordance with credit rating of customer and customer types. The Group applies the simplified approach using the provision matrix based on the loss rate methodology to estimate expected credit loss.
- vi. 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.
- vii. The Group used the forecastability to adjust historical and timely information to assess the default possibility of accounts receivable. On December 31, 2023 and 2022, the provision matrix and loss rate methodology are as follows:

(i) Accounts receivable from general customers:

	Not past due	One month past due	Two months past due	Three months past due	Four months past due	Over four months past due	Total
<u>December 31, 2023</u>							
Expected loss rate	0%~ 5.19%	0%~ 33.03%	1.8%~ 100%	9.17%~ 100%	40.9%~ 100%	100%	
Total book value	<u>\$ 50,652,174</u>	<u>\$ 3,338,123</u>	<u>\$ 753,213</u>	<u>\$ 22,067</u>	<u>\$ 94,393</u>	<u>\$ 584,573</u>	<u>\$ 55,444,543</u>
Loss allowance	<u>\$ 98,537</u>	<u>\$ 91,459</u>	<u>\$ 121,263</u>	<u>\$ 7,064</u>	<u>\$ 56,949</u>	<u>\$ 584,542</u>	<u>\$ 959,814</u>

	Not past due	One month past due	Two months past due	Three months past due	Four months past due	Over four months past due	Total
<u>December 31, 2022</u>							
Expected loss rate	0%~ 3.3%	0%~ 83.33%	1.2%~ 100%	4.68%~ 100%	40.9%~ 100%	100%	
Total book value	\$ 63,302,121	\$ 3,777,615	\$ 372,890	\$ 103,778	\$ 38,770	\$ 421,991	\$ 68,017,165
Loss allowance	\$ 66,103	\$ 61,780	\$ 48,654	\$ 31,581	\$ 15,286	\$ 420,026	\$ 643,430

(ii) Individually impaired and provisioned allowance for loss

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Total book value	\$ 71,996	\$ 5,549
Loss allowance	\$ 35,645	\$ -

(iii) For customers whose current ratio, debt ratio, earnings, etc. are within a certain range:

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Expected loss rate	0%	0%
Total book value	\$ 73,802,899	\$ 50,658,565
Loss allowance	\$ -	\$ -

viii. Movements in relation to the Group applying the simplified approach to provide loss allowance for notes and accounts receivable are as follows:

	2023				
	Notes receivable	Accounts receivable			
	Individual provision	Individual provision	Group provision	Subtotal	Total
At January 1	\$ -	\$ -	\$ 643,430	\$ 643,430	\$ 643,430
Provision for impairment	5	36,193	317,211	353,404	353,409
Write-offs during the year	-	-	(3,075)	(3,075)	(3,075)
Effect of foreign exchange	-	(548)	(6,265)	(6,813)	(6,813)
Transfers into overdue receivables	-	-	(1,939)	(1,939)	(1,939)
Acquired from business combinations	-	-	10,452	10,452	10,452
At December 31	\$ 5	\$ 35,645	\$ 959,814	\$ 995,459	\$ 995,464

2022

	Notes				
	receivable	Accounts receivable			
	Individual provision	Individual provision	Group provision	Subtotal	Total
At January 1	\$ 4	\$ 51,946	\$ 619,978	\$ 671,924	\$ 671,928
(Reversal of) provision for impairment	(4)	(36,408)	212,331	175,923	175,919
Write-offs during the year	-	-	(30,046)	(30,046)	(30,046)
Effect of foreign exchange	-	2,519	55,456	57,975	57,975
Transfers into overdue receivables	-	(18,057)	(214,289)	(232,346)	(232,346)
At December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 643,430</u>	<u>\$ 643,430</u>	<u>\$ 643,430</u>

(c) Liquidity risk

- i. Cash flow forecasting is performed in the operating entities of the Group. Each treasury department monitors rolling forecasts of the 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 and covenant compliance.
- ii. The table below analyses the Group's non-derivative financial liabilities and net-settled or gross-settled derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date for non-derivative financial liabilities and to the expected maturity date for derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows.

Non-derivative financial liabilities:

<u>December 31, 2023</u>	<u>Less than 1 year</u>	<u>Between 1 and 2 years</u>	<u>Between 2 and 5 years</u>	<u>Over 5 years</u>
Short-term borrowings	\$ 83,336,265	\$ -	\$ -	\$ -
Short-term notes and bills payable	8,229,400	-	-	-
Financial liabilities measured at fair value through profit or loss	5,289	-	-	-
Notes payable	18,520	-	-	-
Accounts payable	85,867,016	-	-	-
Accounts payable - related parties	126,114	-	-	-
Other payables	10,366,261	-	-	-
Lease liabilities	403,761	352,873	707,747	1,464,531
Long-term borrowings (including current portion)	11,705,924	14,691,453	1,428,959	5,428,839

Non-derivative financial liabilities:

<u>December 31, 2022</u>	<u>Less than 1 year</u>	<u>Between 1 and 2 years</u>	<u>Between 2 and 5 years</u>	<u>Over 5 years</u>
Short-term borrowings	\$ 80,879,673	\$ -	\$ -	\$ -
Short-term notes and bills payable	5,350,000	-	-	-
Financial liabilities measured at fair value through profit or loss	4,148	-	-	-
Notes payable	15,456	-	-	-
Accounts payable	81,177,435	-	-	-
Accounts payable - related parties	159,704	-	-	-
Other payables	12,961,435	-	-	-
Lease liabilities	444,127	348,767	688,148	1,683,828
Long-term borrowings (including current portion)	11,967,186	16,855,520	12,784,508	5,569,609

(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: Inputs that are quoted prices (unadjusted) in active markets for identical assets or liabilities. A market is regarded as active if it meets all the following conditions: the items traded in the market are homogeneous; willing buyers and sellers can normally be found at any time; and prices are available to the public. 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 (that is, as prices) or indirectly (that is, derived from prices). The fair value of the Group's investment in emerging stocks, publicly traded equity investment, forward exchange, beneficiary certificates and swap contracts is included in Level 2.

Level 3: Inputs for the asset or liability that are not based on observable market data. The fair value of the Group's investment in equity investment without active market is included in Level 3.

B. Fair value information of investment property at cost is provided in Note 6(12).

C. The carrying amounts of financial instruments not measured at fair value including cash and cash equivalents, notes receivable, accounts receivable (including related parties), other receivables (including related parties), other financial assets, guarantee deposits paid, financial assets at amortized cost, short-term borrowings, short-term notes and bills payable, notes payable, accounts payable (including related parties), other payables, lease liabilities (including current and non-current), long-term borrowings-current portion, long-term borrowings and guarantee deposits received are approximate to their fair values.

D. The related information on 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 is as follows:

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

December 31, 2023	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>Assets</u>				
<u>Recurring fair value measurements</u>				
Financial assets at fair value through profit or loss				
Forward exchange contracts	\$ -	\$ 333	\$ -	\$ 333
Equity securities	2,731,560	-	613,536	3,345,096
Financial assets at fair value through other comprehensive income				
Equity securities	<u>3,190,624</u>	<u>-</u>	<u>243,853</u>	<u>3,434,477</u>
	<u>\$5,922,184</u>	<u>\$ 333</u>	<u>\$ 857,389</u>	<u>\$6,779,906</u>
<u>Liabilities</u>				
<u>Recurring fair value measurements</u>				
Financial liabilities held for trading				
Forward exchange contracts	<u>\$ -</u>	<u>\$ 5,289</u>	<u>\$ -</u>	<u>\$ 5,289</u>
December 31, 2022				
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>Assets</u>				
<u>Recurring fair value measurements</u>				
Financial assets at fair value through profit or loss				
Forward exchange contracts	\$ -	\$ 4,652	\$ -	\$ 4,652
Equity securities	382,582	-	1,343,258	1,725,840
Financial assets at fair value through other comprehensive income				
Equity securities	<u>3,121,989</u>	<u>-</u>	<u>219,094</u>	<u>3,341,083</u>
	<u>\$3,504,571</u>	<u>\$ 4,652</u>	<u>\$1,562,352</u>	<u>\$5,071,575</u>
<u>Liabilities</u>				
<u>Recurring fair value measurements</u>				
Financial liabilities held for trading				
Forward exchange contracts	<u>\$ -</u>	<u>\$ 4,148</u>	<u>\$ -</u>	<u>\$ 4,148</u>

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

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

- | | Listed shares | |
|---------------------|---|--|
| Market quoted price | Closing price | |
| ii. | Except for financial instruments with active markets, the fair value of other financial instruments is measured by using valuation techniques widely accepted in financial management. | |
| iii. | When assessing non-standard and low-complexity financial instruments, for example, foreign exchange swap contracts, 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. | |
| iv. | Forward exchange contracts are usually valued based on the current forward exchange rate. | |
| v. | The output of valuation model is an estimated value and the valuation technique may not be able to capture all relevant factors of the Group's financial and non-financial instruments. Therefore, the estimated value derived using valuation model is adjusted accordingly with additional inputs. In accordance with the Group's management policies and relevant control procedures relating to the valuation models used for fair value measurement, management believes adjustment to valuation is necessary in order to reasonably represent the fair value of financial and non-financial instruments at the consolidated balance sheet. The inputs and pricing information used during valuation are carefully assessed and adjusted based on current market conditions. | |
| vi. | The Group takes into account adjustments for credit risks to measure the fair value of financial and non-financial instruments to reflect credit risk of the counterparty and the Group's credit quality. | |

E. The following chart is the movement of Level 3 for the years ended December 31, 2023 and 2022:

	2023	2022
At January 1	\$ 1,562,352	\$ 1,432,739
Additions	25,043	200,218
Capital reduction	(27,790)	(92,822)
Disposal	(20,430)	-
Transfers out from level 3	(677,835)	-
Losses on valuation	(1,928)	11,385
Effect of foreign exchange	(2,023)	10,832
At December 31	\$ 857,389	\$ 1,562,352

F. For the year ended December 31, 2023, as the investee company became a public company, the Group transferred the fair value from Level 3 into Level 1 at the end of the month when the event occurred. For the year ended December 31, 2022, there was no transfer into or out from Level 3.

G. Finance and accounting department is in charge of valuation procedures for fair value measurements being categorized within Level 3, which is to verify independent fair value of financial instruments. Such assessment is to ensure the valuation results are reasonable by applying independent information to make results close to current market conditions and frequently reviewed.

Finance and accounting department sets up valuation policies, valuation processes and rules for measuring fair value of financial instruments and ensure compliance with the related requirements in IFRS. The related valuation results are reported to management monthly. Management is responsible for managing and reviewing valuation processes.

H. The following is the qualitative information on 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 December 31, 2023	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity:					
Equity investment without active market	\$ 823,189	Net asset value method	Net asset value	-	The higher the net asset value, the higher the fair value
Preferred share without active market	34,200	Market approach	Not applicable	-	Not applicable

	Fair value at December 31, 2022	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity:					
Equity investment without active market	\$ 1,528,152	Net asset value method	Net asset value	-	The higher the net asset value, the higher the fair value
Preferred share without active market	34,200	Market approach	Not applicable	-	Not applicable

I. The Group has carefully assessed the valuation models and assumptions used to measure fair value; therefore, the fair value measurement is reasonable. However, use of different valuation models or assumptions may result in different measurement. The following is the effect on profit or loss or on other comprehensive income from financial assets and

liabilities categorized within Level 3 if the inputs used to valuation models have changed:

			December 31, 2023			
			Recognized in profit or loss		Recognized in other comprehensive income	
	Input	Change	Favourable change	Unfavourable change	Favourable change	Unfavourable change
Financial assets						
Equity instrument	Net asset value	± 1%	\$ 6,135	(\$ 6,135)	\$ 2,439	(\$ 2,439)
			December 31, 2022			
			Recognized in profit or loss		Recognized in other comprehensive income	
	Input	Change	Favourable change	Unfavourable change	Favourable change	Unfavourable change
Financial assets						
Equity instrument	Net asset value	± 1%	\$ 13,433	(\$ 13,433)	\$ 2,191	(\$ 2,191)

13. SUPPLEMENTARY DISCLOSURES

(The transactions with subsidiaries disclosed below had been eliminated when preparing consolidated financial statements. The following disclosures are for reference only.)

(1) Significant transactions information

- A. Loans to others: Refer to table 1.
- B. Provision of endorsements and guarantees to others: Refer to table 2.
- C. Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures): Refer to table 3.
- D. Aggregate purchases or sales of the same securities reaching \$300 million or 20% of paid-in capital or more: Refer to table 4.
- 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: Refer to table 5.
- H. Receivables from related parties reaching \$100 million or 20% of paid-in capital or more: Refer to table 6.
- I. Derivative financial instruments undertaken during the reporting period: Refer to Notes 6(2)B. and 12(3).
- J. Significant inter-company transactions during the reporting period: Refer to table 7.

(2) Information on investee companies

Names, locations and other information of investee companies (excluding investees in Mainland China): Refer to table 8.

(3) Information on investments in Mainland China

A. Basic information: Refer to table 9.

B. Significant transactions, either directly or indirectly through a third area, with investee companies in the Mainland Area.

Any of the following significant transactions with investee companies in the Mainland Area, either directly or indirectly through a third area, and their prices, payment terms, and unrealized gains or losses: Information on significant transactions of the Company and subsidiary and investee company in Mainland China as of and for the year ended December 31, 2023 is provided in Note (1)J.

(4) Major shareholders information

Major shareholders information: Refer to table 10.

14. OPERATING SEGMENT INFORMATION

(1) General information

The Group is mainly engaged in the import and export of electronic components. The products include CPU, analog IC, discrete IC, logic IC, DRAM, Flash, optical component, etc. The chief operating decision-maker evaluates performance based on the separate net income of sub-groups.

(2) Measurement of segment information

The Group's chief operating decision-maker uses the net income as basis for assessing the performance of the Group's operating segments.

(3) Reconciliation for segment income (loss)

A. The net income reported to the chief operating decision-maker is measured in a manner consistent with revenues, costs and expenses in the statement of comprehensive income. As the amounts in the statement provided to the chief operating decision-maker for managing segment are in agreement with the amounts in the statements of segment income, reconciliation is not needed.

B. The segment information of the reportable segments provided to the chief operating decision-maker for the years ended December 31, 2023 and 2022 is as follows:

Year ended December 31, 2023:

	World Peace Industrial Co., Ltd. and its subsidiaries	Silicon Application Corp. and its subsidiaries	Asian Information Technology Inc. and its subsidiaries	Yosun Industrial Corp. and its subsidiaries	Trigold Holdings Limited	Others	Eliminations	Total
Revenue from external customers	\$ 316,089,167	\$ 73,689,590	\$ 84,626,889	\$ 94,696,280	\$ 19,148,217	\$ 83,637,988	\$ -	\$ 671,888,131
Revenue from internal customers	16,239,522	5,017,450	1,633,239	9,084,937	2,145,266	15,999,669	(50,120,083)	-
Total revenue	<u>\$ 332,328,689</u>	<u>\$ 78,707,040</u>	<u>\$ 86,260,128</u>	<u>\$ 103,781,217</u>	<u>\$ 21,293,483</u>	<u>\$ 99,637,657</u>	<u>(\$ 50,120,083)</u>	<u>\$ 671,888,131</u>
Segment profit	<u>\$ 5,899,448</u>	<u>\$ 1,368,174</u>	<u>\$ 1,971,525</u>	<u>\$ 2,281,797</u>	<u>\$ 471,365</u>	<u>\$ 195,690</u>	<u>\$ 3,172,358</u>	<u>\$ 15,360,357</u>
Net income	<u>\$ 1,830,766</u>	<u>\$ 142,410</u>	<u>\$ 1,043,857</u>	<u>\$ 741,903</u>	<u>\$ 122,014</u>	<u>\$ 2,592,558</u>	<u>\$ 1,724,229</u>	<u>\$ 8,197,737</u>

Year ended December 31, 2022:

	World Peace Industrial Co., Ltd. and its subsidiaries	Silicon Application Corp. and its subsidiaries	Asian Information Technology Inc. and its subsidiaries	Yosun Industrial Corp. and its subsidiaries	Trigold Holdings Limited and its subsidiaries	Others	Eliminations	Total
Revenue from external customers	\$ 392,638,175	\$ 80,865,184	\$ 90,188,621	\$ 121,707,685	\$ 17,097,554	\$ 72,735,203	\$ -	\$ 775,232,422
Revenue from internal customers	<u>16,535,245</u>	<u>6,137,384</u>	<u>1,739,498</u>	<u>7,034,760</u>	<u>3,284,821</u>	<u>18,430,525</u>	<u>(53,162,233)</u>	<u>-</u>
Total revenue	<u>\$ 409,173,420</u>	<u>\$ 87,002,568</u>	<u>\$ 91,928,119</u>	<u>\$ 128,742,445</u>	<u>\$ 20,382,375</u>	<u>\$ 91,165,728</u>	<u>(\$ 53,162,233)</u>	<u>\$ 775,232,422</u>
Segment profit	<u>\$ 8,386,094</u>	<u>\$ 1,958,528</u>	<u>\$ 2,234,620</u>	<u>\$ 2,878,926</u>	<u>\$ 544,682</u>	<u>\$ 398,095</u>	<u>\$ 3,246,449</u>	<u>\$ 19,647,394</u>
Net income	<u>\$ 4,147,303</u>	<u>\$ 1,106,664</u>	<u>\$ 1,385,097</u>	<u>\$ 1,455,001</u>	<u>\$ 177,131</u>	<u>\$ 474,043</u>	<u>\$ 1,832,195</u>	<u>\$ 10,577,434</u>

(4) Information on products and services

Revenue from external customers is mainly from trade and agent of electronic components.

Details of revenue are as follows:

	Years ended December 31,	
	2023	2022
Core components	\$ 256,862,106	\$ 279,342,947
Analog IC and mixed signal components	65,471,006	73,035,947
Discrete IC, logic IC	85,711,472	95,442,973
Memory	141,715,123	214,267,553
Optical components	66,998,345	63,621,903
Passive connector and magnetic components	38,651,883	35,004,053
Others	16,478,196	16,517,046
	<u>\$ 671,888,131</u>	<u>\$ 775,232,422</u>

(5) Geographical information

Geographical information for the years ended December 31, 2023 and 2022 is as follows:

	Years ended December 31,			
	2023		2022	
	Revenue	Non-current assets	Revenue	Non-current assets
Taiwan	\$ 98,239,449	\$ 16,489,411	\$ 106,998,393	\$ 17,681,981
Mainland China	508,445,730	4,528,634	608,698,934	3,444,620
Others	65,202,952	448,609	59,535,095	346,908
	<u>\$ 671,888,131</u>	<u>\$ 21,466,654</u>	<u>\$ 775,232,422</u>	<u>\$ 21,473,509</u>

(6) Major customer information

No single customer contributes more than 10% of the Group's total consolidated operating revenues for the years ended December 31, 2023 and 2022.

WPG Holdings Limited and Subsidiaries
Loans to others
Year ended December 31, 2023

Table 1

Expressed in thousands of NTD
(Except as otherwise indicated)

No.	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the year ended	Balance at	Actual amount drawn down	Interest rate	Nature of loan (Note 10)	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party	Ceiling on total loans granted	Footnote
					December 31, 2023	December 31, 2023							Item	Value			
1	Apache Korea Corp.	WPG Korea Co., Ltd.	Other receivables	Y	\$ 54,003	\$ 52,389	\$ 52,389	4.60	2	\$ -	Operations	\$ -	None	\$ -	\$ 75,795	\$ 75,795	Note 1
2	Genuine C&C (IndoChina) Pte Ltd.	World Peace International (South Asia) Pte Ltd.	Other receivables	Y	64,850	61,410	61,410	6.78	2	-	Operations	-	None	-	96,069	96,069	Note 3
3	Richpower Electronic Devices Pte., Ltd.	Yosun Singapore Pte Ltd.	Other receivables	Y	365,760	-	-	-	2	-	Operations	-	None	-	499,880	499,880	Note 4
3	Richpower Electronic Devices Pte., Ltd.	Yosun Hong Kong Corp. Ltd.	Other receivables	Y	248,479	237,964	237,964	6.74~6.78	2	-	Operations	-	None	-	499,880	499,880	Note 4
4	World Peace International (India) Pvt., Ltd.	WPG C&C Computers And Peripheral (India) Private Limited	Other receivables	Y	19,100	-	-	-	2	-	Operations	-	None	-	134,051	134,051	Note 8
5	World Peace International (South Asia) Pte Ltd.	WPG Americas Inc.	Other receivables	Y	322,700	-	-	-	2	-	Operations	-	None	-	7,627,483	7,627,483	Note 3
5	World Peace International (South Asia) Pte Ltd.	WPI Technology Pte Ltd.	Other receivables	Y	95,580	-	-	-	2	-	Operations	-	None	-	7,627,483	7,627,483	Note 3
6	WPG C&C Limited	WPI International (Hong Kong) Limited	Other receivables	Y	259,400	245,640	245,640	4.45	2	-	Operations	-	None	-	297,269	297,269	Note 5
7	WPG EMEA B.V.	WPG EMEA UK Limited	Other receivables	Y	6,251	6,141	-	-	2	-	Operations	-	None	-	70,090	70,090	Note 11
8	WPG India Electronics Pvt Ltd.	World Peace International (India) Pvt., Ltd.	Other receivables	Y	23,364	22,160	22,160	9.89	2	-	Operations	-	None	-	181,726	181,726	Note 3
9	WPG South Asia Pte. Ltd.	WPG Korea Co., Ltd.	Other receivables	Y	750,875	307,050	307,050	7.23	2	-	Operations	-	None	-	2,992,964	2,992,964	Note 8

No.	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the year ended	Balance at	Actual amount drawn down	Interest rate	Nature of loan (Note 10)	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party	Ceiling on total loans granted	Footnote
					December 31, 2023	December 31, 2023							Item	Value			
9	WPG South Asia Pte. Ltd.	WPG Americas Inc.	Other receivables	Y	\$ 304,800	\$ -	\$ -	-	2	\$ -	Operations	\$ -	None	\$ -	\$ 2,992,964	\$ 2,992,964	Note 8
9	WPG South Asia Pte. Ltd.	World Peace International (South Asia) Pte Ltd.	Other receivables	Y	162,125	-	-	-	2	-	Operations	-	None	-	2,992,964	2,992,964	Note 8
9	WPG South Asia Pte. Ltd.	Yosun Singapore Pte Ltd.	Other receivables	Y	810,625	767,625	92,115	6.59	2	-	Operations	-	None	-	2,992,964	2,992,964	Note 8
10	WPI International (South Asia) Pte Ltd.	World Peace International (South Asia) Pte Ltd.	Other receivables	Y	240,280	153,525	153,525	6.78	2	-	Operations	-	None	-	2,337,965	2,337,965	Note 3
11	Yosun Hong Kong Corp. Ltd.	Richpower Electronic Devices Co., Limited	Other receivables	Y	955,800	-	-	-	2	-	Operations	-	None	-	10,406,957	10,406,957	Note 4
11	Yosun Hong Kong Corp. Ltd.	Yosun Industrial Corp.	Other receivables	Y	266,700	-	-	-	2	-	Operations	-	None	-	2,081,391	10,406,957	Note 4
11	Yosun Hong Kong Corp. Ltd.	Yosun Shanghai Corp. Ltd.	Other receivables	Y	4,553,120	4,500,080	3,548,140	4.52~5.95	2	-	Operations	-	None	-	10,406,957	10,406,957	Note 4
11	Yosun Hong Kong Corp. Ltd.	Yosun Singapore Pte Ltd.	Other receivables	Y	252,984	-	-	-	2	-	Operations	-	None	-	10,406,957	10,406,957	Note 4
11	Yosun Hong Kong Corp. Ltd.	WPG Electronics (Hong Kong) Limited	Other receivables	Y	615,000	-	-	-	2	-	Operations	-	None	-	10,406,957	10,406,957	Note 4
12	Yosun Singapore Pte Ltd.	World Peace International (South Asia) Pte Ltd.	Other receivables	Y	304,800	-	-	-	2	-	Operations	-	None	-	1,741,875	1,741,875	Note 4
13	AECO Technology Co., Ltd.	World Peace Industrial Co., Ltd.	Other receivables	Y	39,000	39,000	27,000	1.30	2	-	Operations	-	None	-	413,658	413,658	Note 2
14	AECO Electronics Co., Ltd.	WPI International (Hong Kong) Limited	Other receivables	Y	778,200	736,920	736,920	4.25	2	-	Operations	-	None	-	865,332	865,332	Note 5
15	WPG SCM Limited	WPG Electronics (Hong Kong) Limited	Other receivables	Y	324,250	307,050	307,050	6.53	2	-	Operations	-	None	-	1,392,411	1,392,411	Note 8
15	WPG SCM Limited	WPG Korea Co., Ltd.	Other receivables	Y	213,360	-	-	-	2	-	Operations	-	None	-	1,392,411	1,392,411	Note 8
15	WPG SCM Limited	WPG Americas Inc.	Other receivables	Y	161,350	-	-	-	2	-	Operations	-	None	-	1,392,411	1,392,411	Note 8

No.	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the year ended	Balance at	Actual amount drawn down	Interest rate	Nature of loan (Note 10)	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party	Ceiling on total loans granted	Footnote
					December 31, 2023	December 31, 2023							Item	Value			
16	WPG China (SZ) Inc.	LaaS (Dongguan) Supply Chain Management Limited	Other receivables	Y	\$ 133,350	\$ -	\$ -	-	2	\$ -	Operations	\$ -	None	\$ -	\$ 1,254,069	\$ 1,254,069	Note 5
17	WPG China Inc.	LaaS (Dongguan) Supply Chain Management Limited	Other receivables	Y	22,225	21,635	21,635	3.90	2	-	Operations	-	None	-	4,999,425	4,999,425	Note 5
18	Yosun Industrial Corp.	Yosun Hong Kong Corp. Ltd.	Other receivables	Y	1,537,500	-	-	-	2	-	Operations	-	None	-	3,854,486	3,854,486	Note 2
18	Yosun Industrial Corp.	Richpower Electronic Devices Co., Ltd.	Other receivables	Y	300,000	-	-	-	2	-	Operations	-	None	-	3,854,486	3,854,486	Note 2
18	Yosun Industrial Corp.	Yosun Shanghai Corp. Ltd.	Other receivables	Y	266,700	-	-	-	2	-	Operations	-	None	-	3,854,486	3,854,486	Note 2
19	Yosun South China Corp. Ltd.	Yosun Shanghai Corp. Ltd.	Other receivables	Y	200,025	64,905	64,905	2.80	2	-	Operations	-	None	-	220,681	220,681	Note 5
19	Yosun South China Corp. Ltd.	WPG China (SZ) Inc.	Other receivables	Y	132,660	129,810	129,810	2.80	2	-	Operations	-	None	-	220,681	220,681	Note 5
20	WPG Investment Co., Ltd.	WPG Electronics Limited	Other receivables	Y	80,000	-	-	-	2	-	Operations	-	None	-	857,390	857,390	Note 2
21	WPG C&C Shanghai Co., Ltd.	Trigolduo (Shanghai) Industrial Development Ltd.	Other receivables	Y	62,742	62,742	62,742	3.80~4.00	2	-	Operations	-	None	-	260,920	652,299	Note 5
21	WPG C&C Shanghai Co., Ltd.	Trigold Tongle (Shanghai) Industrial Development Ltd.	Other receivables	Y	19,236	18,822	18,822	3.80~4.10	2	-	Operations	-	None	-	652,299	652,299	Note 5
21	WPG C&C Shanghai Co., Ltd.	LaaS (Dongguan) Supply Chain Management Limited	Other receivables	Y	302,260	237,985	237,985	3.80	2	-	Operations	-	None	-	652,299	652,299	Note 5
21	WPG C&C Shanghai Co., Ltd.	Yosun Shanghai Corp. Ltd.	Other receivables	Y	88,900	-	-	-	2	-	Operations	-	None	-	652,299	652,299	Note 5
21	WPG C&C Shanghai Co., Ltd.	Vsell Enterprise Co., Ltd. (Shanghai)	Other receivables	Y	154,770	151,445	151,445	3.80	2	-	Operations	-	None	-	652,299	652,299	Note 5

No.	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the year ended	Balance at	Actual amount drawn down	Interest rate	Nature of loan (Note 10)	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party	Ceiling on total loans granted	Footnote
					December 31, 2023	December 31, 2023							Item	Value			
22	WPI International (Hong Kong) Limited	WPG Electronics (Hong Kong) Limited	Other receivables	Y	\$ 4,876,800	\$ 2,916,975	\$ 2,916,975	6.33	2	\$ -	Operations	\$ -	None	\$ -	\$ 29,039,500	\$ 29,039,500	Note 5
22	WPI International (Hong Kong) Limited	AECO Technology Co., Ltd.	Other receivables	Y	11,349	10,747	4,606	6.33	2	-	Operations	-	None	-	11,615,800	29,039,500	Note 5
22	WPI International (Hong Kong) Limited	WPG Americas Inc.	Other receivables	Y	1,219,200	-	-	-	2	-	Operations	-	None	-	29,039,500	29,039,500	Note 5
22	WPI International (Hong Kong) Limited	WPG China Inc.	Other receivables	Y	422,275	-	-	-	2	-	Operations	-	None	-	29,039,500	29,039,500	Note 5
22	WPI International (Hong Kong) Limited	World Peace Industrial Co., Ltd.	Other receivables	Y	2,594,000	2,456,400	1,228,200	6.33	2	-	Operations	-	None	-	11,615,800	29,039,500	Note 5
22	WPI International (Hong Kong) Limited	Silicon Application Corp.	Other receivables	Y	1,070,025	1,013,265	1,013,265	6.30	2	-	Operations	-	None	-	11,615,800	29,039,500	Note 5
23	World Peace Industrial Co., Ltd.	Longview Technology Inc.	Other receivables	Y	131,425	129,705	48,042	2.80~6.80	2	-	Operations	-	None	-	9,128,506	12,171,341	Note 6
23	World Peace Industrial Co., Ltd.	WPG Electronics (Hong Kong) Limited	Other receivables	Y	914,400	-	-	-	2	-	Operations	-	None	-	9,128,506	12,171,341	Note 6
24	Silicon Application Corporation	Vsell Enterprise Co., Ltd.	Other receivables	Y	648,500	614,100	614,100	6.30	2	-	Operations	-	None	-	3,504,587	3,504,587	Note 2
25	Silicon Application Company Limited	WPG Electronics (Hong Kong) Limited	Other receivables	Y	1,070,025	1,013,265	1,013,265	6.30	2	-	Operations	-	None	-	1,909,188	1,909,188	Note 5
25	Silicon Application Company Limited	Silicon Application Corp.	Other receivables	Y	745,775	706,215	706,215	5.20	2	-	Operations	-	None	-	763,675	1,909,188	Note 5
26	Sertek Limited	Yosun Hong Kong Corp. Ltd.	Other receivables	Y	80,675	76,763	76,763	4.25	2	-	Operations	-	None	-	84,786	84,786	Note 5
27	Sertek Incorporated	Richpower Electronic Devices Co., Ltd.	Other receivables	Y	571,525	549,165	399,165	6.25~6.39	2	-	Operations	-	None	-	659,876	659,876	Note 2

No.	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the year ended	Balance at	Actual amount drawn down	Interest rate	Nature of loan (Note 10)	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party	Ceiling on total loans granted	Footnote
					December 31, 2023	December 31, 2023							Item	Value			
28	Apache Communication Inc.	Henshen Electric Trading Co., Ltd.	Other receivables	Y	\$ 357,885	\$ -	\$ -	-	2	\$ -	Operations	\$ -	None	\$ -	\$ 572,429	\$ 915,887	Note 7
28	Apache Communication Inc.	Frontek Technology Corporation	Other receivables	Y	457,200	300,000	300,000	1.85	2	-	Operations	-	None	-	572,429	915,887	Note 7
28	Apache Communication Inc.	Asian Information Technology Inc.	Other receivables	Y	300,000	300,000	300,000	1.85	2	-	Operations	-	None	-	572,429	915,887	Note 7
29	Pernas Electronics Co., Ltd.	Everwiner Enterprise Co., Ltd.	Other receivables	Y	200,000	150,000	150,000	2.00	2	-	Operations	-	None	-	530,402	530,402	Note 2
30	Long-Think International (Hong Kong) Limited	WPI International (Hong Kong) Limited	Other receivables	Y	486,375	460,575	460,575	4.25~4.45	2	-	Operations	-	None	-	592,119	592,119	Note 5
31	Peng Yu (Shanghai) Digital Technology Co., Ltd.	WPG C&C Shanghai Co., Ltd.	Other receivables	Y	90,651	88,704	88,704	3.80~3.90	2	-	Operations	-	None	-	434,935	434,935	Note 5
31	Peng Yu (Shanghai) Digital Technology Co., Ltd.	LaaS (Dongguan) Supply Chain Management Limited	Other receivables	Y	88,900	86,540	86,540	4.10	2	-	Operations	-	None	-	434,935	434,935	Note 5
32	Peng Yu International Limited	Peng Yu Trigold Limited	Other receivables	Y	191,160	-	-	-	2	-	Operations	-	None	-	270,576	270,576	Note 5
32	Peng Yu International Limited	WPG Electronics (Hong Kong) Limited	Other receivables	Y	194,550	184,230	184,230	6.59	2	-	Operations	-	None	-	270,576	270,576	Note 5
33	Vsell Enterprise Co., Ltd. (Shanghai)	Maojie Trading (Shenzhen) Co., Ltd.	Other receivables	Y	13,266	12,981	12,981	4.35	2	-	Operations	-	None	-	242,764	242,764	Note 5
34	Trigold (Hong Kong) Company Limited	Peng Yu Trigold Limited	Other receivables	Y	77,820	73,692	73,692	5.27	2	-	Operations	-	None	-	1,134,727	1,134,727	Note 5
35	Trigold Holdings Limited	Peng Yu Trigold Limited	Other receivables	Y	162,125	-	-	-	2	-	Operations	-	None	-	842,624	842,624	Note 2
36	Peng Yu Trigold Limited	WPG Electronics (Hong Kong) Limited	Other receivables	Y	648,500	614,100	614,100	6.59~7.00	2	-	Operations	-	None	-	876,672	876,672	Note 11

Note 1: Ceiling on total loans to others should not exceed the creditor's net assets. For short-term financing, ceiling on loans to a single party should not exceed the creditor's net assets.

Note 2: Accumulated financing activities to any company or person should not be in excess of 40% of creditor's net assets. Limit on loans to a single company is as follows:

- (1) For business transaction to the creditor, the individual limit should not exceed the amount of business transactions; the amount of business transactions means the higher between sales and purchases.
- (2) For short-term financing, financing activities to a single company should not be in excess of 40% of creditor's net assets.
- Note 3: (1) For those borrowers which are not 100% held investee company, the individual limit amount and the accumulated financing activities to those borrowers should not be in excess of 40% of the creditor's net assets.
- (2) For those borrowers which are 100% held investee company, the individual limit amount and the accumulated financing activities to those borrowers should not be in excess of 200% of the creditor's net assets.
- (3) The total limit of (1) and (2) should not exceed 200% of the creditor's net assets.
- Note 4: Accumulated financing activities to any company or person should not be in excess of 200% of creditor's net assets. Limit on loans to a single company is as follows:
- (1) For business transaction to the creditor, the individual limit should not exceed the amount of business transactions; the amount of business transactions means the higher between sales and purchases.
- (2) For short-term financing, the financing activities to an overseas company which is 100% directly or indirectly held by ultimate parent company should not be in excess of 200% of creditor's net assets.
- For borrower not fulfilling said criteria, the limit should not exceed 40% of the creditor's net assets.
- Note 5: Accumulated financing activities to any company or person should not be in excess of 100% of creditor's net assets. Limit on loans to a single company is as follows:
- (1) For business transaction to the creditor, the individual limit should not exceed the amount of business transactions; the amount of business transactions means the higher between sales and purchases.
- (2) For short-term financing, the financing activities to an overseas company or ultimate parent company which is 100% directly or indirectly held by ultimate parent company should not be in excess of 100% of creditor's net assets. For borrower not fulfilling said criteria, the limit should not exceed 40% of the creditor's net assets.
- Note 6: Accumulated financing activities to any company or person should not be in excess of 40% of creditor's net assets. Limit on loans to a single company is as follows:
- (1) For business transaction to the creditor, the individual limit should not exceed the amount of business transactions; the amount of business transactions means the higher between sales and purchases.
- (2) For short-term financing, the financing activities to a single company should not be in excess of 30% of creditor's assets.
- Note 7: Accumulated financing activities to any company or person should not be in excess of 40% of creditor's net assets. Limit on loans to a single company is as follows:
- (1) For business transaction to the creditor, the individual limit should not exceed the amount of business transactions; the amount of business transactions means the higher between sales and purchases.
- (2) For short-term financing, the financing activities to a single company should not be in excess of 25% of creditor's net assets.
- Note 8: (1) The financing activities to an overseas company which is 100% directly or indirectly held by ultimate parent company should not be in excess of 200% of creditor's net assets. Ceilings on accumulated short-term financing should not exceed 200% of the creditor's net assets.
- (2) The individual limit amount should not exceed 40% of the creditor's net assets and the accumulated financing activities to those borrowers should not be in excess of 40% of the creditor's net assets.
- Note 9: Accumulated financing activities to any company or person should not be in excess of 40% of creditor's net assets. Limit on loans to a single company is as follows:
- (1) For business transaction to the creditor, ceiling on the individual loans from others should not exceed 40% of the creditor's net assets, and the individual limit should not exceed the amount of business transactions within one year; the amount of business transactions means the higher between sales and purchases.
- (2) For short-term financing, financing activities to a single company should not be in excess of 40% of creditor's net assets.
- (3) Ceiling on total loans granted between foreign companies whose voting shares are 100% held by the Company directly or indirectly, or on loans granted to the Company by such foreign companies was excluded in the aforementioned limits.
- Note 10: Accumulated financing activities to any company or person should not be in excess of 40% of creditor's net assets. Limit on loans to a single company is as follows:
- (1) For business transaction to the creditor, the individual limit should not exceed the amount of business transactions; the amount of business transactions means the higher between sales and purchases.
- (2) For short-term financing, the financing activities to an overseas company which is 100% directly or indirectly held by ultimate parent company should not be in excess of 300% of creditor's net assets.
- For borrower not fulfilling said criteria, the limit should not exceed 40% of the creditor's net assets.
- Note 11: Accumulated financing activities to any company or person should not be in excess of 300% of creditor's net assets. Limit on loans to a single company is as follows:
- (1) For business transaction to the creditor, the individual limit should not exceed the amount of business transactions; the amount of business transactions means the higher between sales and purchases.
- (2) For short-term financing, the financing activities to an overseas company which is 100% directly or indirectly held by ultimate parent company should not be in excess of 300% of creditor's net assets.
- For borrower not fulfilling said criteria, the limit should not exceed 40% of the creditor's net assets.
- Note 12: The column of 'Nature of loan' shall fill in 1. 'Business transaction or 2. 'Short-term financing'.

WPG Holdings Limited and Subsidiaries
Provision of endorsements and guarantees to others
Year ended December 31, 2023

Table 2

Expressed in thousands of NTD
(Except as otherwise indicated)

Number	Endorser/ guarantor	Party being endorsed/guaranteed Company name	Relationship with the endorser/ guarantor (Note 1)	Limit on endorsements/ guarantees provided for a single party	Maximum outstanding endorsement/ guarantee amount as of December 31, 2023	Outstanding endorsement/ guarantee amount as of December 31, 2023	Actual amount drawn down	Amount of endorsements/ guarantees secured with collateral	Ratio of accumulated endorsement/ guarantee amount to net asset value of the endorser/ guarantor company	Ceiling on total amount of endorsements/ guarantees provided	Provision of endorsements/ guarantees by parent company to subsidiary	Provision of endorsements/ guarantees by subsidiary to parent company	Provision of endorsements/ guarantees to the party in Mainland China	Footnote
0	WPG Holdings Limited	World Peace Industrial Co., Ltd.	2	\$ 41,822,270	\$ 176,828	\$ 86,058	\$ 86,058	\$ 91,853	0.10	\$ 41,822,270	Y	N	N	Notes 2 and 3
1	World Peace International (South Asia) Pte Ltd.	WPG C&C Computers And Peripheral (India) Private Limited	2	8,023,596	81,063	-	-	-	-	8,023,596	N	N	N	Note 5
2	WPI International (South Asia) Pte Ltd.	WPG Americas Inc.	4	8,818,593	169,125	-	-	-	-	8,818,593	N	N	N	Note 5
3	Yosun Hong Kong Corp. Ltd.	Yosun Shanghai Corp. Ltd.	2	5,203,484	2,211	2,164	-	-	0.04	10,406,968	N	N	Y	Note 12
4	Yosun Industrial Corp.	Yosun Singapore Pte Ltd.	4	9,636,216	1,248,363	1,182,143	702,939	-	12.27	19,272,431	N	N	N	Note 9
4	Yosun Industrial Corp.	Yosun Hong Kong Corp. Ltd.	2	9,636,216	1,265,046	1,265,046	151,116	-	13.13	19,272,431	N	N	N	Note 9
4	Yosun Industrial Corp.	Richpower Electronic Devices Co., Ltd	2	9,636,216	1,681,560	829,035	-	-	8.60	19,272,431	N	N	N	Note 9
4	Yosun Industrial Corp.	Yosun Shanghai Corp. Ltd.	2	9,636,216	2,269,750	2,149,350	240,277	-	22.30	19,272,431	N	N	Y	Note 9
4	Yosun Industrial Corp.	Sertek Incorporated	2	9,636,216	2,594,000	2,456,400	654,349	-	25.49	19,272,431	N	N	N	Note 9
4	Yosun Industrial Corp.	Richpower Electronic Devices Co., Limited	2	9,636,216	1,885,557	1,885,557	408,612	-	19.57	19,272,431	N	N	N	Note 9
5	World Peace Industrial Co., Ltd.	WPI International (Hong Kong) Limited	2	15,214,177	3,254,190	3,024,944	1,394,865	-	9.94	24,342,682	N	N	N	Note 4
5	World Peace Industrial Co., Ltd.	Vitec WPG Limited	6	15,214,177	72,956	69,086	15,353	-	0.23	24,342,682	N	N	N	Note 4
5	World Peace Industrial Co., Ltd.	World Peace International (South Asia) Pte Ltd	2	15,214,177	1,083,222	861,651	663,866	-	2.83	24,342,682	N	N	N	Note 4

Number	Endorser/ guarantor	Party being endorsed/guaranteed Company name	Relationship with the endorser/ guarantor (Note 1)	Limit on endorsements/ guarantees provided for a single party	Maximum outstanding endorsement/ guarantee amount as of December 31, 2023	Outstanding endorsement/ guarantee amount as of December 31, 2023	Actual amount drawn down	Amount of endorsements/ guarantees secured with collateral	Ratio of accumulated endorsement/ guarantee amount to net asset value of the endorser/ guarantor company	Ceiling on total amount of endorsements/ guarantees provided	Provision of endorsements/ guarantees by parent company to subsidiary	Provision of endorsements/ guarantees by subsidiary to parent company	Provision of endorsements/ guarantees to the party in Mainland China	Footnote
5	World Peace Industrial Co., Ltd.	WPG Electronics (Hong Kong) Limited	4	\$ 15,214,177	\$ 1,131,120	\$ 921,150	\$ 216,795	\$ -	3.03	\$ 24,342,682	N	N	N	Note 4
5	World Peace Industrial Co., Ltd.	WPG Korea Co., Ltd.	4	15,214,177	60,000	60,000	15,185	-	0.20	24,342,682	N	N	N	Note 4
5	World Peace Industrial Co., Ltd.	WPG China (SZ) Inc.	4	15,214,177	184,440	92,115	92,115	-	0.30	24,342,682	N	N	Y	Note 4
6	Apache Communication Inc.	Asian Information Technology Inc.	3	915,887	302,125	253,525	192,845	-	11.07	1,144,858	N	N	N	Note 8
7	Frontek Technology Corporation	Asian Information Technology Inc.	3	1,214,228	556,275	553,525	511,798	-	18.23	1,517,785	N	N	N	Note 8
8	Pernas Electronics Co., Ltd.	Silicon Application Corp.	3	663,002	200,000	-	-	-	-	663,002	N	N	N	Note 6
9	Asian Information Technology Inc.	Apache Communication Inc.	2	3,095,902	486,375	460,575	384,150	-	5.95	3,869,877	N	N	N	Note 7
9	Asian Information Technology Inc.	Frontek Technology Corporation	2	3,095,902	931,383	882,363	187,672	-	11.40	3,869,877	N	N	N	Note 7
9	Asian Information Technology Inc.	AIT Japan Inc.	2	3,095,902	41,418	24,564	1,969	-	0.32	3,869,877	N	N	N	Note 7
9	Asian Information Technology Inc.	Henshen Electric Trading Co., Ltd.	2	3,095,902	400,000	400,000	10,280	-	5.17	3,869,877	N	N	N	Note 7
9	Asian Information Technology Inc.	Peng Yu Trigold Limited	4	3,095,902	324,250	307,050	59,402	-	3.97	3,869,877	N	N	N	Note 7
10	Vsell Enterprise Co., Ltd.	VSELL ENTERPRISE CO., LTD. (SAMOA)		358,112	61,410	-	-	-	-	447,640	N	N	N	Note 11
11	Trigold Holdings Limited	Peng Yu Trigold Limited	2	1,053,280	614,100	614,100	214,935	-	29.15	1,053,280	N	N	N	Note 10
11	Trigold Holdings Limited	WPG C&C Shanghai Co., Ltd.	2	1,053,280	44,450	43,270	43,270	-	2.05	1,053,280	N	N	Y	Note 10

Note 1: Relationship between the endorser/guarantor and the party being endorsed/guaranteed is classified into the following seven categories:

- (1) Having business relationship.
- (2) The endorser/guarantor parent company owns directly and indirectly more than 50% voting shares of the endorsed/guaranteed subsidiary.
- (3) The endorsed/guaranteed company owns directly and indirectly more than 50% voting shares of the endorser/guarantor parent company.
- (4) The endorser/guarantor parent company owns directly and indirectly more than 90% voting shares of the endorsed/guaranteed company.
- (5) Mutual guarantee of the trade made by the endorsed/guaranteed company or joint contractor as required under the construction contract.

(6) Due to joint venture, all shareholders provide endorsements/guarantees to the endorsed/guaranteed company in proportion to its ownership.

(7) Joint guarantee of the performance guarantee for pre-sold home sales contract as required under the Consumer Protection Act.

Note 2: The guarantee amount should not exceed 50% of guarantor's net assets; the limit to a single company should not exceed 50% of the Company's stockholder's equity. For business transaction with the Company, the guarantee amount should not exceed the amount of business transaction, which is the higher between sales and purchases. The limit on the Company and its subsidiaries' total loan to other companies is less than 60% of the Company's net assets; limited to a single company should not exceed 50% of the Company's net assets. The guarantee amount to a subsidiary which is 90%~100% directly or indirectly held by the Company should not exceed 10% of the Company's net assets, which is based on the latest audited or reviewed financial statements.

Note 3: There are 8,999 thousand shares of WPG Investment Co., Ltd. which have been pledged for purchases for World Peace Industrial Co., Ltd. The book value of those pledged investments is \$91,853.

Note 4: The cumulative guarantee amount to others should not be in excess of 80% of guarantor's net assets. The guarantee amount to a single company should not be in excess of 50% of guarantor's net assets. For business transaction with the guarantor, the guarantee amount should not exceed the amount of business transaction, which is the higher between sales and purchases. The net asset value is based on the latest audited or reviewed financial statements. For the guarantees provided by World Peace Industrial Co., Ltd. to WPI International (Hong Kong) Limited, the outstanding endorsement/guarantee amount at the end of the period was calculated by adding the old and new guarantee amounts due to the early approval by the chairman.

Note 5: The cumulative guarantee amount to others should not be in excess of 200% of the Company's net assets. The guarantee amount to a single company should not be in excess of 200% of Company's net assets. For business transaction with the Company, the guarantee amount should not exceed the amount of business transaction, which is the higher between sales and purchases. The guarantee amount to a subsidiary which is 90%~100% directly or indirectly held by the Company should not exceed 10% of the Company's net assets.

Note 6: The cumulative guarantee amount to others should not be in excess of 50% (not including 50%) of the Company's net assets; the limit to a single company should not exceed 50% of the Company's net assets. For business transaction with the Company, the guarantee amount should not exceed the amount of business transaction, which is the higher between sales and purchases. Ceiling on total endorsements/guarantees granted by the Company and subsidiaries shall be less than 50% (not including 50%) of the Company's net assets. Ceiling on total endorsements/guarantees granted by the Company, the Company's ultimate parent company and subsidiaries to a single party is 50% of the Company's net assets. The guarantee amount to a subsidiary which is 90%~100% directly or indirectly held by the Company's ultimate parent company should not exceed 10% of the net assets of the Company's ultimate parent company. The net assets referred to above are based on the latest audited or reviewed financial statements.

Note 7: The guarantee amount should not exceed 50% of guarantor's net assets; the limit to a single company should not exceed 40% of the Company's net assets. For business transaction with the Company, the guarantee amount should not exceed the amount of business transaction, which is the higher between sales and purchases. Net assets is based on the latest audited or reviewed financial statements. Ceiling on total endorsements/guarantees granted by the Company and subsidiaries shall be less than 50% (not including 50%) of the Company's net assets. The Company's and its subsidiaries' guarantee amount to a single company should not be in excess of 50% of the Company's net assets. The guarantee amount to a subsidiary which is 90%~100% directly or indirectly held by the Company's ultimate parent company should not exceed 10% of the net assets of the Company's ultimate parent company. The net assets referred to above are based on the latest audited or reviewed financial statements.

Note 8: The guarantee amount should not exceed 50% of guarantor's net assets; the limit to a single company should not exceed 40% of the Company's net assets. For business transaction with the Company, the guarantee amount should not exceed the amount of business transaction, which is the higher between sales and purchases. Net assets is based on the latest audited or reviewed financial statements. The guarantee amount to a subsidiary which is 90%~100% directly or indirectly held by the Company's ultimate parent company should not exceed 10% of the net assets of the Company's ultimate parent company. The net assets referred to above are based on the latest audited or reviewed financial statements.

Note 9: The cumulative guarantee amount to others should not be in excess of 200% (excluding) of the Company's net assets. The guarantee amount to a single company should not be in excess of 100% of Company's net assets. For business transaction with the Company, the guarantee amount should not exceed the amount of business transaction, which is the higher between sales and purchases. The guarantee amount to a subsidiary which is 90%~100% directly or indirectly held by the Company's ultimate parent company should not exceed 10% of the net assets of the Company's ultimate parent company. The net assets referred to above are based on the latest audited or reviewed financial statements.

Note 10: The cumulative guarantee amount to others should not be in excess of 50% (not including 50%) of the Company's net assets. The guarantee amount to a single company should not be in excess of 50% (not including 50%) of Company's net assets. For business transaction with the Company, the guarantee amount should not exceed the amount of business transaction, which is the higher between sales and purchases. The Company's and its subsidiaries' cumulative guarantee amount to others should not be in excess 50% (not including 50%) of the Company's net assets. The guarantee amount to a single company should not be in excess of 50% (not including 50%) of the Company's net assets. The Company's and its subsidiaries' guarantee amount to a subsidiary which is 90%~100% directly or indirectly held by the Company should not exceed 10% of the Company's net assets. The guarantee amount to a subsidiary which is 100% directly or indirectly held by the Company should not exceed 50% (not including 50%) of the Company's net assets. The net assets value is based on the latest audit or reviewed financial statements.

Note 11: Vsell Enterprise Co., Ltd. and VSELL ENTERPRISE CO., LTD. (SAMOA) were originally 100% owned by the same shareholders. Since Silicon Application Corp. acquired 70% of Vsell Enterprise Co., Ltd. on May 1, 2023, because Vsell Enterprise Co., Ltd. did not formulate a method before it was obtained on May 1, 2023. After it was obtained, it needed to be approved by the board of directors and the shareholders during their meeting, so it was calculated in accordance with the parent company's policy. The cumulative guarantee amount to others should not be in excess 100% of the Company's net assets. The guarantee amount to a single company should not be in excess 80% of the Company's net assets. The net assets referred to above are based on the latest audited or reviewed financial statements. There are no endorsements and guarantees on December 31, 2023.

Note 12: The cumulative guarantee amount to others should not be in excess of 200% (excluding) of the Company's net assets. The guarantee amount to a single company should not be in excess of 100% of Company's net assets. For business transaction with the Company, the guarantee amount should not exceed the amount of business transaction, which is the higher between sales and purchases. The guarantee amount to a subsidiary which is 90%~100% directly or indirectly held by the Company's ultimate parent company should not exceed 10% of the net assets of the Company's ultimate parent company. The net assets referred to above are based on the latest audited or reviewed financial statements.

WPG Holdings Limited and Subsidiaries

Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures)

Year ended December 31, 2023

Table 3

Expressed in thousands of NTD

(Except as otherwise indicated)

Securities held by	Marketable securities	Relationship with the securities issuer	General ledger account	As of December 31, 2023				Footnote
				Number of shares (in thousands)	Book value	Ownership (%)	Fair value (Note 1)	
WPG Holdings Limited	Restar Holdings Corporation	None	Financial assets at fair value through profit or loss - non-current	230	\$ 140,876	0.76	\$ 140,876	Note 2
WPG Holdings Limited	Tyche Partners L.P. - Funds	None	Financial assets at fair value through profit or loss - non-current	-	356,160	-	356,160	
WPG Holdings Limited	CDIB CME Fund Ltd., ... etc. - Equity securities	None	Financial assets at fair value through profit or loss - non-current	-	59,263	-	59,263	
WPG Holdings Limited	T3EX Global Holdings Corp. ... etc. - Equity securities	None	Financial assets at fair value through other comprehensive income - non-current	-	1,623,508	-	1,623,508	
WPG Holdings Limited	WT Microelectronics Co., Ltd.-Preference shares	The Group's investment accounted for using the equity method	Financial assets at fair value through other comprehensive income - non-current	24,284	1,108,559	17.99	1,108,599	Note 3
Silicon Application Corp.	Kingmax Technology Inc., ... etc. - Equity securities	None	Financial assets at fair value through profit or loss - non-current	-	11,539	-	11,539	
World Peace Industrial Co., Ltd.	Prohubs International Corp. ...etc. - Equity securities	None	Financial assets at fair value through profit or loss - non-current	-	4,668	-	4,668	
World Peace Industrial Co., Ltd.	Vesper Technologies Inc.	None	Financial assets at fair value through other comprehensive income - non-current	-	31,050	-	31,050	
AECO Technology Co., Ltd.	Hua-Jie (Taiwan) Corp. - Equity securities	None	Financial assets at fair value through profit or loss - non-current	668	6,684	3.32	6,684	
Yosun Industrial Corp.	Fortend Taiwan Scientific Corp., ... etc. - Equity securities	None	Financial assets at fair value through profit or loss - non-current	-	31,069	-	31,069	
Yosun Industrial Corp.	Golf club memberships of Ta Shee Resort Co., Ltd.	None	Financial assets at fair value through profit or loss - non-current	-	17,100	-	17,100	
Genuine C&C Inc.	Systemweb Technology - Equity securities	None	Financial assets at fair value through profit or loss - non-current	700	19,392	7.00	19,392	
Richpower Electronic Devices Co., Ltd.	Chipmast Technology Co., Ltd. - Equity securities	None	Financial assets at fair value through profit or loss - non-current	72	344	1.48	344	
WPG Investment Co., Ltd.	Dimerco Express Corporation - Equity securities	None	Financial assets at fair value through profit or loss - current	18	1,523	0.01	1,523	

Securities held by	Marketable securities	Relationship with the securities issuer	General ledger account	As of December 31, 2023				Footnote
				Number of shares (in thousands)	Book value	Ownership (%)	Fair value (Note 1)	
WPG Investment Co., Ltd.	CDIB CME Fund Ltd., ... etc. - Equity securities	None	Financial assets at fair value through profit or loss - non-current	-	\$ 10,733	-	\$ 10,733	
WPG Investment Co., Ltd.	Nichidenbo Corporation ... etc. - Equity securities	None	Financial assets at fair value through other comprehensive income - non-current	-	671,360	-	671,360	
Asian Information Technology Inc.	Golf club memberships of Ta Shee Resort Co., Ltd.	None	Financial assets at fair value through profit or loss – non-current	-	17,100	-	17,100	
Win-Win Systems Ltd.	Silicon Electronics Company(s) Pte. Ltd. - Equity securities	None	Financial assets at fair value through profit or loss - non-current	180	-	10.00	-	
WPG South Asia Pte. Ltd.	ViMOS Technologies GmbH - Equity securities	None	Financial assets at fair value through profit or loss - non-current	20	664	9.00	664	
WPG China Inc.	CECI Technology Co. Ltd. ... etc. - Equity securities	None	Financial assets at fair value through profit or loss - non-current	-	2,575,364	-	2,575,364	
WPG China Inc.	Yiwu Weihao Chuangxin Phase I Equity Investment Partnership (Limited Partnership)	None	Financial assets at fair value through profit or loss - non-current	-	92,616	-	92,616	

Note 1: Fill in the amount after adjusted at fair value and deducted by accumulated impairment for the marketable securities measured at fair value; fill in the acquisition cost or amortized cost deducted by accumulated impairment for the marketable securities not measured at fair value.

Note 2: The original investee company, Vitec Holdings Co., Ltd., was delisted on March 27, 2019. Vitec Holdings Co., Ltd. merged with UKC Holdings whereby a new company, Restar Holdings Corporation, was established. The effective date for this merger was April 1, 2019, and the name of the held marketable securities was changed.

Note 3: On September 18, 2020, the Board of Directors of the Group resolved to subscribe WT's series A preference shares in the amount of 24,283,867 shares with a par value of NT\$50 per share, with total consideration of \$1,214,193, based on the shareholding ratio at the effective date of the capital increase in accordance with the application for shares. As of October 15, 2020 (effective date of the capital increase), the Group's shareholding ratio in WT is 17.99% of total outstanding preference shares after subscribing WT's series A preference shares.

WPG Holdings Limited and Subsidiaries

Acquisition or sale of the same security with the accumulated cost exceeding \$300 million or 20% of the Company's paid-in capital

Year ended December 31, 2023

Table 4

Expressed in thousands of NTD

(Except as otherwise indicated)

Investor	Marketable securities	General ledger account	Counterparty	Relationship with the counterparty	Balance as at January 1, 2023		Addition		Disposal			Gain (loss) on disposal	Balance as at December 31, 2023	
					No. of shares (in thousands)	Amount	No. of shares (in thousands)	Amount	No. of shares (in thousands)	Selling price	Book value		No. of shares (in thousands)	Amount
WPG Holdings Limited	WT Microelectronics Co., Ltd.	Note 1	Stock exchange market	None	177,110	\$ 11,952,982	-	\$ -	40,000	\$ 5,052,400	\$ 3,100,077	\$ 2,437,325	137,110	\$ 11,016,733
WPG Holdings Limited	WPG South Asia Pte. Ltd.	Note 1	WPG South Asia Pte. Ltd.	Same ultimate parent company	34,119	1,156,440	29,917	705,026	-	-	-	-	64,036	2,124,839

Note 1: It is recorded as investments accounted for under equity method.

WPG Holdings Limited and Subsidiaries
Purchases or sales of goods from or to related parties reaching \$100 million or 20% of paid-in capital or more
Year ended December 31, 2023

Table 5

Expressed in thousands of NTD
(Except as otherwise indicated)

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction			Differences in transaction terms 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)	
WPG Holdings Limited	World Peace Industrial Co., Ltd.	Same ultimate parent company	Sales	(\$ 858,060)	(50.32)	Note 5	Note 5	Note 5	\$ 59,852	47.23	
"	Silicon Application Corporation	"	"	(237,510)	(13.93)	"	"	"	22,530	17.78	
"	Asian Information Technology Inc.	"	"	(268,734)	(15.76)	"	"	"	27,469	21.68	
"	Yosun Industrial Corp.	"	"	(306,253)	(17.96)	"	"	"	15,518	12.24	
World Peace Industrial Co., Ltd.	WPI Technology Pte. Ltd.	"	"	(4,680,047)	(3.38)	Note 3	Note 3	Note 3	137,408	0.62	
"	WPI International (Hong Kong) Limited	"	"	(12,028,381)	(8.69)	"	"	"	1,416,807	6.39	
"	WPG China (SZ) Inc.	"	"	(190,650)	(0.14)	"	"	"	41,814	0.19	
"	WPG China Inc.	"	"	(181,261)	(0.13)	"	"	"	34,043	0.15	
"	Genuine C&C, Inc.	"	"	(135,027)	(0.10)	"	"	"	27,377	0.12	
"	WT Microelectronics Co., Ltd.	Investee accounted for using equity method	"	(208,923)	(0.15)	"	"	"	42,114	0.19	
"	World Peace International (South Asia) Pte Ltd.	Same ultimate parent company	"	(252,549)	(0.18)	"	"	"	12,695	0.06	
"	WPG Electronics (Hong Kong) Limited	"	"	(1,662,001)	(1.20)	"	"	"	637,195	2.88	
"	WPG SCM Limited	"	"	(107,031)	(0.08)	"	"	"	33,821	0.15	
WPI International (South Asia) Pte. Ltd.	World Peace Industrial Co., Ltd.	"	"	(343,342)	(13.96)	"	"	"	-	-	
Genuine C&C (IndoChina) Pte Ltd.	WPG PT Electrindo Jaya	An investee which accounted for associates using the equity method	"	(401,757)	(98.47)	"	"	"	90,281	100.00	
World Peace International (South Asia) Pte Ltd.	World Peace Industrial Co., Ltd.	Same ultimate parent company	"	(1,400,989)	(4.97)	"	"	"	77,194	1.47	

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction		Differences in transaction terms 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)
World Peace International (South Asia) Pte Ltd.	WPI International (Hong Kong) Limited	Same ultimate parent company	Sales	(\$ 182,711) (	0.65)	Note 3	Note 3	Note 3	\$ 17,095	0.33	
"	WPG PT Electrindo Jaya	An investee which accounted for associates using the equity method	"	(523,260) (	1.85)	"	"	"	142,465	2.71	
"	World Peace International (India) Pvt., Ltd.	Same ultimate parent company	"	(159,838) (	0.57)	"	"	"	28,851	0.55	
"	WPG C&C Comuters and Peripheral (India) Private Limited	"	"	(1,851,313) (	6.56)	"	"	"	658,461	12.54	
"	WPG C&C (Malaysia) Sdn. Bhd	"	"	(743,442) (	2.64)	"	"	"	790	0.02	
"	WPG C&C (Thailand) Co., Ltd.	"	"	(140,556) (	0.50)	"	"	"	9,213	0.18	
"	WPI International (South Asia) Pte. Ltd.	"	"	(2,435,224) (	8.63)	"	"	"	-	-	
"	WPG South Asia Pte. Ltd.	"	"	(1,311,702) (	4.65)	"	"	"	804,492	15.32	
"	WPG SCM Limited	"	"	(3,502,131) (	12.41)	"	"	"	538,705	10.26	
WPI Technology Pte. Ltd.	World Peace Industrial Co., Ltd.	"	"	(707,566) (	3.52)	"	"	"	406,970	40.74	
"	WPI International (Hong Kong) Limited	"	"	(1,747,615) (	8.70)	"	"	"	573,496	57.41	
WPI International (Hong Kong) Limited	World Peace Industrial Co., Ltd.	"	"	(7,102,136) (	3.83)	"	"	"	728,453	2.09	
"	WPI Technology Pte. Ltd.	"	"	(12,256,925) (	6.61)	"	"	"	284,418	0.82	
"	WPG China (SZ) Inc.	"	"	(2,818,220) (	1.52)	"	"	"	291,642	0.84	
"	WPG China Inc.	"	"	(2,144,688) (	1.16)	"	"	"	204,401	0.59	
"	WPG Korea Co., Ltd.	"	"	(572,421) (	0.31)	"	"	"	22,357	0.06	
"	Vitec WPG Limited	Investee accounted for using the equity method	"	(218,239) (	0.12)	"	"	"	18,433	0.05	
"	World Peace International (South Asia) Pte Ltd.	Same ultimate parent company	"	(967,951) (	0.52)	"	"	"	49,985	0.14	
"	WPG Electronics (Hong Kong) Limited	"	"	(1,595,765) (	0.86)	"	"	"	310,951	0.89	
"	WPG SCM Limited	"	"	(1,769,617) (	0.95)	"	"	"	142,598	0.41	

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction				Differences in transaction terms 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)	
Silicon Application Corp.	Pernas Electronics Co., Ltd.	Same ultimate parent company	Sales	(\$ 431,663)	(0.64)	30 days after monthly billings	Note 4	Note 4	\$ 43,903	0.27	
"	WPG China (SZ) Inc.	"	"	(1,124,289)	(1.66)	90 days after monthly billings	"	"	208,626	1.30	
"	WPG China Inc.	"	"	(332,230)	(0.49)	"	"	"	85,995	0.54	
"	WPG Electronics (Hong Kong) Limited	"	"	(3,376,668)	(4.98)	"	"	"	1,155,479	7.20	
Pernas Electronics Co., Ltd.	Silicon Application Corp.	"	"	(1,344,986)	(27.96)	30 days after monthly billings	"	"	102,839	10.61	
"	Everwiner Enterprise Co., Ltd.	"	"	(154,740)	(3.22)	Note 2	"	"	7,845	0.81	
Everwiner Enterprise Co., Ltd.	Silicon Application Corp.	"	"	(1,682,339)	(23.42)	30 days after monthly billings	"	"	183,448	8.82	
"	Pernas Electronics Co., Ltd.	"	"	(1,391,670)	(19.37)	Note 2	"	"	236,011	11.34	
Asian Information Technology Inc.	World Peace Industrial Co., Ltd.	"	"	(224,866)	(0.53)	"	Note 2	Note 2	-	-	
"	Frontek Technology Corporation	"	"	(6,087,344)	(14.36)	"	"	"	2,330,438	23.90	
"	Apache Communication Inc.	"	"	(1,219,760)	(2.88)	"	"	"	191,918	1.97	
"	WPG China (SZ) Inc.	"	"	(121,073)	(0.29)	"	"	"	25,516	0.26	
"	WPG Electronics (Hong Kong) Limited	"	"	(177,008)	(0.42)	"	"	"	58,731	0.60	
Frontek Technology Corporation	Asian Information Technology Inc.	"	"	(4,218,776)	(14.62)	"	"	"	422,850	5.79	
"	WPG China Inc.	"	"	(130,493)	(0.45)	"	"	"	31,247	0.43	
"	Yosun Hong Kong Corp. Ltd.	"	"	(258,421)	(0.90)	"	"	"	16,870	0.23	
"	WPG Electronics (Hong Kong) Limited	"	"	(456,915)	(1.58)	"	"	"	209,588	2.87	
Apache Communication Inc.	Asian Information Technology Inc.	"	"	(834,134)	(3.17)	"	"	"	27,534	0.84	
WPG China (SZ) Inc.	WPG China Inc.	"	"	(287,550)	(2.69)	Note 6	Note 6	Note 6	-	-	
"	Yosun Hong Kong Corp. Ltd.	"	"	(156,099)	(1.46)	"	"	"	58,481	1.57	
WPG China Inc.	WPG China (SZ) Inc.	"	"	(1,166,979)	(11.91)	Note 3	Note 4	Note 4	280,420	9.04	
"	Yosun Shanghai Corp. Ltd.	"	"	(188,559)	(1.92)	"	"	"	20,522	0.66	
WPG Americas Inc.	World Peace Industrial Co., Ltd.	"	"	(682,722)	(2.78)	"	Note 3	Note 3	21,064	0.29	
"	Yosun Industrial Corp.	"	"	(279,904)	(1.14)	"	"	"	1	-	

Table 5, Page 3

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction		Differences in transaction terms 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)
Yosun Industrial Corp.	WPG China (SZ) Inc.	Same ultimate parent company	Sales	(\$ 484,383)	(1.72)	Note 6	Note 6	Note 6	\$ 78,515	2.03	
"	WPG China Inc.	"	"	(343,249)	(1.22)	Note 6	Note 6	Note 6	89,261	2.31	
"	Yosun Hong Kong Corp. Ltd.	"	"	(4,456,423)	(15.81)	Note 3	Note 3	Note 3	575,403	14.88	
"	Yosun Shanghai Corp. Ltd.	"	"	(113,960)	(0.40)	Note 6	Note 6	Note 6	20,434	0.53	
"	Sertek Incorporated	"	"	(399,999)	(1.42)	Note 3	Note 3	Note 3	381	0.01	
Yosun Hong Kong Corp. Ltd.	WPG China (SZ) Inc.	"	"	(178,148)	(0.44)	Note 6	Note 6	Note 6	26,869	0.44	
"	WPG China Inc.	"	"	(385,192)	(0.96)	"	"	"	67,440	1.10	
"	Yosun Industrial Corp.	"	"	(551,248)	(1.37)	Note 3	Note 3	Note 3	57,868	0.94	
"	Yosun Shanghai Corp. Ltd.	"	"	(697,123)	(1.73)	Note 6	Note 6	Note 6	174,821	2.85	
"	Richpower Electronic Devices Co., Limited	"	"	(2,421,535)	(6.02)	Note 3	Note 3	Note 3	231,124	3.76	
Yosun Shanghai Corp. Ltd.	WPG China Inc.	"	"	(380,098)	(7.56)	Note 6	Note 6	Note 6	-	-	
Sertek Incorporated	World Peace Industrial Co., Ltd.	"	"	(109,691)	(0.95)	Note 3	Note 3	Note 3	43	0.01	
"	Yosun Industrial Corp.	"	"	(541,606)	(4.70)	"	"	"	39,206	11.88	
"	Yosun Hong Kong Corp. Ltd.	"	"	(547,375)	(4.75)	"	"	"	49,879	15.11	
Richpower Electronic Devices Co., Ltd.	Silicon Application Corp.	"	"	(1,224,155)	(8.81)	"	"	"	101,046	4.94	
"	Yosun Industrial Corp.	"	"	(669,073)	(4.82)	"	"	"	13,548	0.66	
"	Yosun Hong Kong Corp. Ltd.	"	"	(102,142)	(0.74)	"	"	"	7,919	0.39	
"	WPG Electronics (Hong Kong) Limited	"	"	(1,000,361)	(7.20)	Note 6	Note 6	Note 6	343,767	16.80	
Richpower Electronic Devices Co., Limited	WPI International (Hong Kong) Limited	"	"	(3,398,234)	(15.32)	Note 3	Note 3	Note 3	11,430	0.26	
"	WPG China Inc.	"	"	(667,860)	(3.01)	Note 6	Note 6	Note 6	647,687	14.55	
"	Yosun Industrial Corp.	"	"	(768,097)	(3.46)	Note 3	Note 3	Note 3	16,365	0.37	
"	Yosun Hong Kong Corp. Ltd.	"	"	(5,112,012)	(23.04)	"	"	"	641,289	14.41	
"	Richpower Electronic Devices Co., Ltd.	"	"	(626,701)	(2.82)	"	"	"	52,029	1.17	
"	Peng Yu Trigold Limited	"	"	(457,766)	(2.06)	"	"	"	1,122	0.03	
Peng Yu Trigold Limited	WPI International (Hong Kong) Limited	"	"	(860,066)	(11.29)	"	"	"	19,066	5.46	
"	Richpower Electronic Devices Co., Limited	"	"	(510,755)	(6.71)	"	"	"	266	0.08	

Table 5, Page 4

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction			Differences in transaction terms 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)	
Peng Yu Trigold Limited	WPG C&C Shanghai Co., Ltd.	Same ultimate parent company	Sales	(\$ 2,962,375)	(38.90)	Note 3	Note 3	Note 3	\$ 161,554	46.23	
"	WPG Electronics (Hong Kong) Limited	"	"	(654,915)	(8.60)	"	"	"	-	-	
WPG Electronics (Hong Kong) Limited	World Peace Industrial Co., Ltd.	"	"	(2,830,896)	(10.11)	"	"	"	281,326	5.97	
"	WPI International (Hong Kong) Limited	"	"	(7,785,968)	(27.81)	"	"	"	1,920,720	40.74	
"	Richpower Electronic Devices Co., Limited	"	"	(108,697)	(0.39)	"	"	"	654	0.01	
"	Peng Yu Trigold Limited	"	"	(1,916,745)	(6.85)	"	"	"	43,699	0.93	
WPG South Asia Pte. Ltd.	World Peace Industrial Co., Ltd.	"	"	(446,347)	(13.51)	"	"	"	439,430	40.25	
"	World Peace International (South Asia) Pte Ltd.	"	"	(560,322)	(16.96)	"	"	"	-	-	
"	Yosun Singapore Pte Ltd.	"	"	(148,158)	(4.48)	"	"	"	-	-	
Yosun Singapore Pte . Ltd.	Yosun Hong Kong Corp. Ltd.	"	"	(116,317)	(1.04)	"	"	"	-	-	
"	WPG South Asia Pte. Ltd.	"	"	(487,564)	(4.38)	"	"	"	306,744	26.96	
"	WPG SCM Limited	"	"	(416,363)	(3.74)	"	"	"	11,268	0.99	

Note 1: As the related party transactions of consolidated subsidiaries exceeding \$100 million are voluminous, the related information disclosed here is from the sales aspect.

Note 2: The terms and sales prices were negotiated in consideration of different factors including product, cost, market and competition. The collection period is 30~120 days from the end of the month of sales.

Note 3: The terms and sales prices were negotiated in consideration of different factors including product, cost, market and competition. The collection period is 30~90 days from the end of the month of sales.

Note 4: The terms and sales prices were negotiated in consideration of different factors including product, cost, market and competition.

Note 5: The income arose from the provision of administrative resources and management services, and the sales price and terms were determined by the parties.

Note 6: The terms and sales prices were negotiated in consideration of different factors including product, cost, market and competition. The collection period is 60~120 days from the end of the month of sales.

WPG Holdings Limited and Subsidiaries
Receivables from related parties reaching \$100 million or 20% of paid-in capital or more
Year ended December 31, 2023

Table 6

Expressed in thousands of NTD
(Except as otherwise indicated)

Creditor	Counterparty	Relationship with the counterparty	Balance as at December 31, 2023 (Note 1)	Turnover rate (Note 2)	Overdue receivables		Amount collected subsequent to the balance sheet date (Note 3)	Allowance for doubtful accounts
					Amount	Action taken		
World Peace Industrial Co., Ltd.	WPI Technology Pte. Ltd.	Same ultimate parent company	\$ 137,408	68.12	\$ -	-	\$ 137,408	\$ -
World Peace Industrial Co., Ltd.	WPI International (Hong Kong) Limited	"	1,416,807	11.65	98	-	1,416,800	-
World Peace Industrial Co., Ltd.	WPG Electronics (Hong Kong) Limited	"	637,195	2.49	36,884	-	152,859	-
World Peace International (South Asia) Pte Ltd.	WPG PT Electrindo Jaya	An investee which accounted for associates using the equity method	142,465	7.14	-	-	30,192	-
World Peace International (South Asia) Pte Ltd.	WPG C&C Computers And Peripheral (India) Private Limited	Same ultimate parent company	658,461	3.83	-	-	213,201	-
World Peace International (South Asia) Pte Ltd.	WPG South Asia Pte. Ltd.	"	804,492	3.26	-	-	789,451	-
World Peace International (South Asia) Pte Ltd.	WPG SCM Limited	"	538,705	5.14	-	-	307,050	-
WPI Technology Pte. Ltd.	World Peace Industrial Co., Ltd.	"	406,970	3.48	-	-	406,970	-
WPI Technology Pte. Ltd.	WPI International (Hong Kong) Limited	"	573,496	6.09	-	-	573,496	-
WPI International (Hong Kong) Limited	World Peace Industrial Co., Ltd.	"	728,453	10.85	-	-	725,828	-
WPI International (Hong Kong) Limited	WPI Technology Pte. Ltd.	"	284,418	86.19	-	-	284,418	-
WPI International (Hong Kong) Limited	WPG China (SZ) Inc.	"	291,642	7.06	-	-	1,912	-
WPI International (Hong Kong) Limited	WPG China Inc.	"	204,401	7.36	-	-	204,384	-
WPI International (Hong Kong) Limited	WPG Electronics (Hong Kong) Limited	"	310,951	3.62	-	-	95,305	-
WPI International (Hong Kong) Limited	WPG SCM Limited	"	142,598	13.38	-	-	142,598	-
Silicon Application Corp.	WPG China (SZ) Inc.	"	208,626	4.44	4,444	-	133,120	-
Silicon Application Corp.	WPG Electronics (Hong Kong) Limited	"	1,155,479	2.75	35,190	-	406,790	-
Pernas Electronics Co., Ltd.	Silicon Application Corp.	"	102,839	11.07	-	-	102,839	-
Everwiner Enterprise Co., Ltd.	Silicon Application Corp.	"	183,448	13.77	-	-	183,448	-
Everwiner Enterprise Co., Ltd.	Pernas Electronics Co., Ltd.	"	236,011	5.66	-	-	119,780	-
Asian Information Technology Inc.	Frontek Technology Corporation	"	2,330,438	2.77	307,933	-	1,121,590	-
Asian Information Technology Inc.	Apache Communication Inc.	"	191,918	5.93	-	-	191,918	-

Creditor	Counterparty	Relationship with the counterparty	Balance as at December 31, 2023 (Note 1)	Turnover rate (Note 2)	Overdue receivables		Amount collected subsequent to the balance sheet date (Note 3)	Allowance for doubtful accounts
					Amount	Action taken		
Frontek Technology Corporation	Asian Information Technology Inc.	Same ultimate parent company	\$ 422,850	17.87	\$ 529	-	\$ 90,051	\$ -
Frontek Technology Corporation	WPG Electronics (Hong Kong) Limited	"	209,588	2.35	-	-	53,913	-
WPG China Inc.	WPG China (SZ) Inc.	"	280,420	5.18	-	-	-	-
Yosun Industrial Corp.	Yosun Hong Kong Corp. Ltd.	"	575,403	10.11	-	-	575,403	-
Yosun Hong Kong Corp. Ltd.	Yosun Shanghai Corp. Ltd.	"	174,821	4.36	48,153	-	55,179	-
Yosun Hong Kong Corp. Ltd.	Richpower Electronic Devices Co., Limited	"	231,124	16.16	-	-	231,124	-
Richpower Electronic Devices Co., Ltd	Silicon Application Corporation	"	101,046	16.32	-	-	101,046	-
Richpower Electronic Devices Co., Ltd	WPG Electronics (Hong Kong) Limited	"	343,767	3.18	20,669	-	192,015	-
Richpower Electronic Devices Co., Limited	WPG China Inc	"	647,687	2.05	-	-	309,383	-
Richpower Electronic Devices Co., Limited	Yosun Hong Kong Corp. Ltd.	"	641,289	11.40	-	-	641,289	-
Peng Yu Trigold Limited	WPG C&C Shanghai Co., Ltd.	"	161,554	34.43	-	-	161,554	-
WPG Electronics (Hong Kong) Limited	World Peace Industrial Co., Ltd.	"	281,326	3.35	-	-	93,459	-
WPG Electronics (Hong Kong) Limited	WPI International (Hong Kong) Limited	"	1,920,720	3.48	-	-	698,118	-
WPG South Asia Pte. Ltd.	World Peace Industrial Co., Ltd.	"	439,430	2.03	-	-	439,430	-
Yosun Singapore Pte Ltd.	WPG South Asia Pte. Ltd.	"	306,744	3.18	-	-	144,244	-
WPG Holdings Limited	Asian Information Technology Inc.	"	140,763	0.00	-	-	-	-
WPI International (South Asia) Pte. Ltd.	World Peace International (South Asia) Pte Ltd.	"	154,421	0.00	-	-	896	-
World Peace International (South Asia) Pte Ltd.	WPG South Asia Pte. Ltd.	"	240,313	0.00	-	-	235,820	-
WPI International (Hong Kong) Limited	World Peace Industrial Co., Ltd.	"	1,288,798	0.00	-	-	1,288,798	-
WPI International (Hong Kong) Limited	Silicon Application Corporation	"	1,015,038	0.00	-	-	-	-
WPI International (Hong Kong) Limited	Richpower Electronic Devices Co., Limited	"	136,535	0.00	-	-	136,535	-
WPI International (Hong Kong) Limited	World Peace International (South Asia) Pte Ltd.	"	449,381	0.00	-	-	214,896	-
WPI International (Hong Kong) Limited	WPG Electronics (Hong Kong) Limited	"	2,991,034	0.00	-	-	1,574,342	-
WPG C&C Limited	WPI International (Hong Kong) Limited	"	248,950	0.00	-	-	-	-
Long-Think International (Hong Kong) Limited	WPI International (Hong Kong) Limited	"	469,953	0.00	-	-	-	-
AECO Electronics Co., Ltd.	WPI International (Hong Kong) Limited	"	754,153	0.00	-	-	317,381	-
Silicon Application Corporation	Vsell Enterprise Co., Ltd.	"	634,165	0.00	-	-	493,132	-
Silicon Application Company Limited	Silicon Application Corp.	"	713,204	0.00	-	-	3,112	-

Table 6, Page 2

Creditor	Counterparty	Relationship with the counterparty	Balance as at December 31, 2023 (Note 1)	Turnover rate (Note 2)	Overdue receivables		Amount collected subsequent to the balance sheet date (Note 3)	Allowance for doubtful accounts
					Amount	Action taken		
Silicon Application Company Limited	WPG Electronics (Hong Kong) Limited	Same ultimate parent company	\$ 1,019,020	0.00	\$ -	-	\$ -	\$ -
Pernas Electronic Co., Ltd.	Everwiner Enterprise Co., Ltd.	"	153,242	0.00	-	-	2,873	-
Apache Communication Inc.	Asian Information Technology Inc.	"	300,960	0.00	-	-	382	-
Apache Communication Inc.	Frontek Technology Corporation	"	300,258	0.00	-	-	-	-
Yosun Hong Kong Corp. Ltd.	Yosun Shanghai Corp. Ltd.	"	3,596,266	0.00	-	-	259,620	-
Yosun South China Corp. Ltd.	WPG China (SZ) Inc.	"	132,102	0.00	-	-	-	-
Sertek Incorporated	Richpower Electronic Devices Co., Ltd	"	412,473	0.00	-	-	162,081	-
Richpower Electronic Devices Pte Ltd.	Yosun Hong Kong Corp. Ltd.	"	238,725	0.00	-	-	-	-
Peng Yu International Limited	WPG Electronics (Hong Kong) Limited	"	187,906	0.00	-	-	-	-
WPG C&C Shanghai Co., Ltd.	LaaS (Dongguan) Supply Chain Management Limited	"	239,184	0.00	-	-	-	-
WPG C&C Shanghai Co., Ltd.	Vsell Enterprise Co., Ltd. (Shanghai)	"	152,612	0.00	-	-	-	-
Peng Yu Trigold Limited	WPG Electronics (Hong Kong) Limited	"	632,684	0.00	-	-	632,684	-
WPG South Asia Pte. Ltd.	WPG Korea Co., Ltd.	"	309,023	0.00	-	-	-	-
WPG South Asia Pte. Ltd.	Yosun Singapore Pte Ltd.	"	196,937	0.00	-	-	9,531	-
WPG SCM Limited	WPG Electronics (Hong Kong) Limited	"	308,777	0.00	-	-	1,727	-

Note 1: Balance as at December 31, 2023 includes other receivables that exceed \$100,000.

Note 2: Turnover rate of 0.00 was caused by the receivables amount recorded as other receivables, and thus the turnover rate is not applicable. The nature of certain other receivables pertains to loans to others, refer to table 1 for details.

Note 3: The subsequent collections are those receivables collected as of February 15, 2024.

WPG Holdings Limited and Subsidiaries
Significant inter-company transactions during the reporting period
Year ended December 31, 2023

Table 7

Expressed in thousands of NTD
(Except as otherwise indicated)

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			Percentage of consolidated total operating revenues or total assets (Note 3)
				General ledger account	Amount	Transaction terms	
0	WPG Holdings Limited	World Peace Industrial Co., Ltd.	1	Sales	\$ 858,060	Note 11	0.13
0	WPG Holdings Limited	Silicon Application Corporation	1	"	237,510	Note 11	0.04
0	WPG Holdings Limited	Asian Information Technology Inc.	1	"	268,734	Note 11	0.04
0	WPG Holdings Limited	Yosun Industrial Corp.	1	"	306,253	Note 11	0.05
1	World Peace Industrial Co., Ltd.	WPI Technology Pte. Ltd.	3	"	4,680,047	Note 5	0.70
1	World Peace Industrial Co., Ltd.	WPI International (Hong Kong) Limited	3	"	12,028,381	Note 5	1.79
1	World Peace Industrial Co., Ltd.	WPG China (SZ) Inc.	3	"	190,650	Note 5	0.03
1	World Peace Industrial Co., Ltd.	WPG China Inc.	3	"	181,261	Note 5	0.03
1	World Peace Industrial Co., Ltd.	Genuine C&C, Inc.	3	"	135,027	Note 5	0.02
1	World Peace Industrial Co., Ltd.	World Peace International (South Asia) Pte Ltd.	3	"	252,549	Note 5	0.04
1	World Peace Industrial Co., Ltd.	WPG Electronics (Hong Kong) Limited	3	"	1,662,001	Note 5	0.25
1	World Peace Industrial Co., Ltd.	WPG SCM Limited	3	"	107,031	Note 5	0.02
2	WPI International (South Asia) Pte. Ltd.	World Peace Industrial Co., Ltd.	3	"	343,342	Note 5	0.05
3	World Peace International (South Asia) Pte Ltd.	World Peace Industrial Co., Ltd.	3	"	1,400,989	Note 5	0.21
3	World Peace International (South Asia) Pte Ltd.	WPI International (Hong Kong) Limited	3	"	182,711	Note 5	0.03
3	World Peace International (South Asia) Pte Ltd.	World Peace International (India) Pvt., Ltd.	3	"	159,838	Note 5	0.02
3	World Peace International (South Asia) Pte Ltd.	WPG C&C Computers And Peripheral (India) Private Limited	3	"	1,851,313	Note 5	0.28
3	World Peace International (South Asia) Pte Ltd.	WPG C&C (Malaysia) Sdn. Bhd	3	"	743,442	Note 5	0.11
3	World Peace International (South Asia) Pte Ltd.	WPG C&C (Thailand) Co., Ltd.	3	"	140,556	Note 5	0.02

Transaction							
Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	General ledger account	Amount	Transaction terms	Percentage of consolidated total operating revenues or total assets (Note 3)
3	World Peace International (South Asia) Pte Ltd.	WPI International (South Asia) Pte. Ltd.	3	Sales	\$ 2,435,224	Note 5	0.36
3	World Peace International (South Asia) Pte Ltd.	WPG South Asia Pte. Ltd.	3	"	1,311,702	Note 5	0.20
3	World Peace International (South Asia) Pte Ltd.	WPG SCM Limited	3	"	3,502,131	Note 5	0.52
4	WPI Technology Pte. Ltd.	World Peace Industrial Co., Ltd.	3	"	707,566	Note 5	0.11
4	WPI Technology Pte. Ltd.	WPI International (Hong Kong) Limited	3	"	1,747,615	Note 5	0.26
5	WPI International (Hong Kong) Limited	World Peace Industrial Co., Ltd.	3	"	7,102,136	Note 5	1.06
5	WPI International (Hong Kong) Limited	WPI Technology Pte. Ltd.	3	"	12,256,925	Note 5	1.82
5	WPI International (Hong Kong) Limited	WPG China (SZ) Inc.	3	"	2,818,220	Note 5	0.42
5	WPI International (Hong Kong) Limited	WPG China Inc.	3	"	2,144,688	Note 5	0.32
5	WPI International (Hong Kong) Limited	WPG Korea Co., Ltd.	3	"	572,421	Note 5	0.09
5	WPI International (Hong Kong) Limited	World Peace International (South Asia) Pte Ltd.	3	"	967,951	Note 5	0.14
5	WPI International (Hong Kong) Limited	WPG Electronics (Hong Kong) Limited	3	"	1,595,765	Note 5	0.24
5	WPI International (Hong Kong) Limited	WPG SCM Limited	3	"	1,769,617	Note 5	0.26
6	Silicon Application Corp.	Pernas Electronics Co., Ltd.	3	"	431,663	Notes 9 and 11	0.06
6	Silicon Application Corp.	WPG China (SZ) Inc.	3	"	1,124,289	Notes 9 and 12	0.17
6	Silicon Application Corp.	WPG China Inc.	3	"	332,230	Notes 9 and 12	0.05
6	Silicon Application Corp.	WPG Electronics (Hong Kong) Limited	3	"	3,376,668	Notes 9 and 12	0.50
7	Pernas Electronics Co., Ltd.	Silicon Application Corp.	3	"	1,344,986	Notes 9 and 11	0.20
7	Pernas Electronics Co., Ltd.	Everwiner Enterprise Co., Ltd.	3	"	154,740	Note 4	0.02
8	Everwiner Enterprise Co., Ltd.	Silicon Application Corp.	3	"	1,682,339	Notes 9 and 11	0.25
8	Everwiner Enterprise Co., Ltd.	Pernas Electronics Co., Ltd.	3	"	1,391,670	Note 4	0.21
9	Asian Information Technology Inc.	World Peace Industrial Co., Ltd.	3	"	224,866	Note 4	0.03
9	Asian Information Technology Inc.	Frontek Technology Corporation	3	"	6,087,344	Note 4	0.91
9	Asian Information Technology Inc.	Apache Communication Inc.	3	"	1,219,760	Note 4	0.18

Table 7, Page 2

Transaction							Percentage of consolidated total operating revenues or total assets (Note 3)
Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	General ledger account	Amount	Transaction terms	
9	Asian Information Technology Inc.	WPG China (SZ) Inc.	3	Sales	\$ 121,073	Note 4	0.02
9	Asian Information Technology Inc.	WPG Electronics (Hong Kong) Limited	3	"	177,008	Note 4	0.03
10	Frontek Technology Corporation	Asian Information Technology Inc.	3	"	4,218,776	Note 4	0.63
10	Frontek Technology Corporation	WPG China Inc.	3	"	130,493	Note 4	0.02
10	Frontek Technology Corporation	Yosun Hong Kong Corp. Ltd.	3	"	258,421	Note 4	0.04
10	Frontek Technology Corporation	WPG Electronics (Hong Kong) Limited	3	"	456,915	Note 4	0.07
11	Apache Communication Inc.	Asian Information Technology Inc.	3	"	834,134	Note 4	0.12
12	WPG China (SZ) Inc.	WPG China Inc.	3	"	287,550	Note 8	0.04
12	WPG China (SZ) Inc.	Yosun Hong Kong Corp. Ltd.	3	"	156,099	Note 8	0.02
13	WPG China Inc.	WPG China (SZ) Inc.	3	"	1,166,979	Note 5	0.17
13	WPG China Inc.	Yosun Shanghai Corp. Ltd.	3	"	188,559	Note 5	0.03
14	WPG Americas Inc.	World Peace Industrial Co., Ltd.	3	"	682,722	Note 5	0.10
14	WPG Americas Inc.	Yosun Industrial Corp.	3	"	279,904	Note 5	0.04
15	Yosun Industrial Corp.	WPG China (SZ) Inc.	3	"	484,383	Note 8	0.07
15	Yosun Industrial Corp.	WPG China Inc.	3	"	343,249	Note 8	0.05
15	Yosun Industrial Corp.	Yosun Hong Kong Corp. Ltd.	3	"	4,456,423	Note 5	0.66
15	Yosun Industrial Corp.	Yosun Shanghai Corp. Ltd.	3	"	113,960	Note 8	0.02
15	Yosun Industrial Corp.	Sertek Incorporated	3	"	399,999	Note 5	0.06
16	Yosun Hong Kong Corp. Ltd.	WPG China (SZ) Inc.	3	"	178,148	Note 8	0.03
16	Yosun Hong Kong Corp. Ltd.	WPG China Inc.	3	"	385,192	Note 8	0.06
16	Yosun Hong Kong Corp. Ltd.	Yosun Industrial Corp.	3	"	551,248	Note 5	0.08
16	Yosun Hong Kong Corp. Ltd.	Yosun Shanghai Corp. Ltd.	3	"	697,123	Note 8	0.10
16	Yosun Hong Kong Corp. Ltd.	Richpower Electronic Devices Co., Limited	3	"	2,421,535	Note 5	0.36
17	Yosun Shanghai Corp. Ltd.	WPG China Inc.	3	"	380,098	Note 8	0.06
18	Sertek Incorporated	World Peace Industrial Co., Ltd.	3	"	109,691	Note 5	0.02
18	Sertek Incorporated	Yosun Industrial Corp.	3	"	541,606	Note 5	0.08

Table 7, Page 3

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			Percentage of consolidated total operating revenues or total assets (Note 3)
				General ledger account	Amount	Transaction terms	
18	Sertek Incorporated	Yosun Hong Kong Corp. Ltd.	3	Sales	\$ 547,375	Note 5	0.08
19	Richpower Electronic Devices Co., Ltd.	Silicon Application Corp.	3	"	1,224,155	Note 5	0.18
19	Richpower Electronic Devices Co., Ltd.	Yosun Industrial Corp.	3	"	669,073	Note 5	0.10
19	Richpower Electronic Devices Co., Ltd.	Yosun Hong Kong Corp. Ltd.	3	"	102,142	Note 5	0.02
19	Richpower Electronic Devices Co., Ltd.	WPG Electronics (Hong Kong) Limited	3	"	1,000,361	Note 8	0.15
20	Richpower Electronic Devices Co., Limited	WPI International (Hong Kong) Limited	3	"	3,398,234	Note 5	0.51
20	Richpower Electronic Devices Co., Limited	WPG China Inc.	3	"	667,860	Note 8	0.10
20	Richpower Electronic Devices Co., Limited	Yosun Industrial Corp.	3	"	768,097	Note 5	0.11
20	Richpower Electronic Devices Co., Limited	Yosun Hong Kong Corp. Ltd.	3	"	5,112,012	Note 5	0.76
20	Richpower Electronic Devices Co., Limited	Richpower Electronic Devices Co., Ltd.	3	"	626,701	Note 5	0.09
20	Richpower Electronic Devices Co., Limited	Peng Yu Trigold Limited	3	"	457,766	Note 5	0.07
21	Peng Yu Trigold Limited	WPI International (Hong Kong) Limited	3	"	860,066	Note 5	0.13
21	Peng Yu Trigold Limited	Richpower Electronic Devices Co., Limited	3	"	510,755	Note 5	0.08
21	Peng Yu Trigold Limited	WPG C&C Shanghai Co., Ltd.	3	"	2,962,375	Note 5	0.44
21	Peng Yu Trigold Limited	WPG Electronics (Hong Kong) Limited	3	"	654,915	Note 5	0.10
22	WPG Electronics (Hong Kong) Limited	World Peace Industrial Co., Ltd.	3	"	2,830,896	Note 5	0.42
22	WPG Electronics (Hong Kong) Limited	WPI International (Hong Kong) Limited	3	"	7,785,968	Note 5	1.16
22	WPG Electronics (Hong Kong) Limited	Richpower Electronic Devices Co., Limited	3	"	108,697	Note 5	0.02
22	WPG Electronics (Hong Kong) Limited	Peng Yu Trigold Limited	3	"	1,916,745	Note 5	0.29
23	WPG South Asia Pte. Ltd.	World Peace Industrial Co., Ltd.	3	"	446,347	Note 5	0.07
23	WPG South Asia Pte. Ltd.	World Peace International (South Asia) Pte Ltd.	1	"	560,322	Note 5	0.08
23	WPG South Asia Pte. Ltd.	Yosun Singapore Pte Ltd.	3	"	148,158	Note 5	0.02
24	Yosun Singapore Pte Ltd.	Yosun Hong Kong Corp. Ltd.	3	"	116,317	Note 5	0.02
24	Yosun Singapore Pte Ltd.	WPG South Asia Pte. Ltd.	3	"	487,564	Note 5	0.07
24	Yosun Singapore Pte Ltd.	WPG SCM Limited	3	"	416,363	Note 5	0.06
1	World Peace Industrial Co., Ltd.	WPI Technology Pte. Ltd.	3	Accounts receivable	137,408	Note 5	0.04

Table 7, Page 4

Transaction							Percentage of consolidated total operating revenues or total assets (Note 3)
Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	General ledger account	Amount	Transaction terms	
1	World Peace Industrial Co., Ltd.	WPI International (Hong Kong) Limited	3	Accounts receivable	\$ 1,416,807	Note 5	0.45
1	World Peace Industrial Co., Ltd.	WPG Electronics (Hong Kong) Limited	3	"	637,195	Note 5	0.20
3	World Peace International (South Asia) Pte Ltd.	WPG C&C Computers And Peripheral (India) Private Limited	3	"	658,461	Note 5	0.21
3	World Peace International (South Asia) Pte Ltd.	WPG South Asia Pte. Ltd.	3	"	804,492	Note 5	0.26
3	World Peace International (South Asia) Pte Ltd.	WPG SCM Limited	3	"	538,705	Note 5	0.17
4	WPI Technology Pte. Ltd.	World Peace Industrial Co., Ltd.	3	"	406,970	Note 5	0.13
4	WPI Technology Pte. Ltd.	WPI International (Hong Kong) Limited	3	"	573,496	Note 5	0.18
5	WPI International (Hong Kong) Limited	World Peace Industrial Co., Ltd.	3	"	728,453	Note 5	0.23
5	WPI International (Hong Kong) Limited	WPI Technology Pte. Ltd.	3	"	284,418	Note 5	0.09
5	WPI International (Hong Kong) Limited	WPG China (SZ) Inc.	3	"	291,642	Note 5	0.09
5	WPI International (Hong Kong) Limited	WPG China Inc.	3	"	204,401	Note 5	0.07
5	WPI International (Hong Kong) Limited	WPG Electronics (Hong Kong) Limited	3	"	310,951	Note 5	0.10
5	WPI International (Hong Kong) Limited	WPG SCM Limited	3	"	142,598	Note 5	0.05
6	Silicon Application Corp.	WPG China (SZ) Inc.	3	"	208,626	Notes 9 and 12	0.07
6	Silicon Application Corp.	WPG Electronics (Hong Kong) Limited	3	"	1,155,479	Notes 9 and 12	0.37
7	Pernas Electronics Co., Ltd.	Silicon Application Corp.	3	"	102,839	Notes 9 and 11	0.03
8	Everwiner Enterprise Co., Ltd.	Silicon Application Corp.	3	"	183,448	Notes 9 and 11	0.06
8	Everwiner Enterprise Co., Ltd.	Pernas Electronics Co., Ltd.	3	"	236,011	Note 4	0.08
9	Asian Information Technology Inc.	Frontek Technology Corporation	3	"	2,330,438	Note 4	0.74
9	Asian Information Technology Inc.	Apache Communication Inc.	3	"	191,918	Note 4	0.06
10	Frontek Technology Corporation	Asian Information Technology Inc.	3	"	422,850	Note 4	0.13
10	Frontek Technology Corporation	WPG Electronics (Hong Kong) Limited	3	"	209,588	Note 4	0.07
13	WPG China Inc.	WPG China (SZ) Inc.	3	"	280,420	Note 5	0.09
15	Yosun Industrial Corp.	Yosun Hong Kong Corp. Ltd.	3	"	575,403	Note 5	0.18
16	Yosun Hong Kong Corp. Ltd.	Yosun Shanghai Corp. Ltd.	3	"	174,821	Note 5	0.06

Table 7, Page 5

Transaction							
Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	General ledger account	Amount	Transaction terms	Percentage of consolidated total operating revenues or total assets (Note 3)
16	Yosun Hong Kong Corp. Ltd.	Richpower Electronic Devices Co., Limited	3	Accounts receivable	\$ 231,124	Note 5	0.07
19	Richpower Electronic Devices Co., Ltd.	Silicon Application Corporation	3	"	101,046	Note 5	0.03
19	Richpower Electronic Devices Co., Ltd.	WPG Electronics (Hong Kong) Limited	3	"	343,767	Note 8	0.11
20	Richpower Electronic Devices Co., Limited	WPG China Inc.	3	"	647,687	Note 5	0.21
20	Richpower Electronic Devices Co., Limited	Yosun Hong Kong Corp. Ltd.	3	"	641,289	Note 5	0.20
21	Peng Yu Trigold Limited	WPG C&C Shanghai Co., Ltd.	3	"	161,554	Note 5	0.05
22	WPG Electronics (Hong Kong) Limited	World Peace Industrial Co., Ltd.	3	"	281,326	Note 10	0.09
22	WPG Electronics (Hong Kong) Limited	WPI International (Hong Kong) Limited	3	"	1,920,720	Note 10	0.61
23	WPG South Asia Pte. Ltd.	World Peace Industrial Co., Ltd.	3	"	439,430	Note 5	0.14
24	Yosun Singapore Pte. Ltd.	WPG South Asia Pte. Ltd.	3	"	306,744	Note 5	0.10
0	WPG Holdings Limited	Asian Information Technology Inc.	1	Other receivables	140,763	Note 13	0.04
2	WPI International (South Asia) Pte. Ltd.	World Peace International (South Asia) Pte Ltd.	3	"	154,421	Note 7	0.05
3	World Peace International (South Asia) Pte Ltd.	WPG South Asia Pte. Ltd.	3	"	240,313	Note 6	0.08
5	WPI International (Hong Kong) Limited	World Peace Industrial Co., Ltd.	3	"	1,288,798	Note 7	0.41
5	WPI International (Hong Kong) Limited	Silicon Application Corporation	3	"	1,015,038	Note 7	0.32
5	WPI International (Hong Kong) Limited	Richpower Electronic Devices Co., Limited	3	"	136,535	Note 14	0.04
5	WPI International (Hong Kong) Limited	World Peace International (South Asia) Pte Ltd.	3	"	449,381	Note 14	0.14
5	WPI International (Hong Kong) Limited	WPG Electronics (Hong Kong) Limited	3	"	2,991,034	Note 7	0.95
25	WPG C&C Limited	WPI International (Hong Kong) Limited	3	"	248,950	Note 7	0.08
26	Long-Think International (Hong Kong) Limited	WPI International (Hong Kong) Limited	3	"	469,953	Note 7	0.15
27	AECO Electronics Co., Ltd.	WPI International (Hong Kong) Limited	3	"	754,153	Note 7	0.24
6	Silicon Application Corporation	Vsell Enterprise Co., Ltd.	3	"	634,165	Note 7	0.20
28	Silicon Application Company Limited	Silicon Application Corp.	3	"	713,204	Note 7	0.23
28	Silicon Application Company Limited	WPG Electronics (Hong Kong) Limited	3	"	1,019,020	Note 7	0.32

Table 7, Page 6

Transaction							Percentage of consolidated total operating revenues or total assets
Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	General ledger account	Amount	Transaction terms	(Note 3)
7	Pernas Electronic Co., Ltd.	Everwiner Enterprise Co., Ltd.	3	Other receivables	\$ 153,242	Note 7	0.05
11	Apache Communication Inc.	Asian Information Technology Inc.	3	"	300,960	Note 7	0.10
11	Apache Communication Inc.	Frontek Technology Corporation	3	"	300,258	Note 7	0.10
16	Yosun Hong Kong Corp. Ltd.	Yosun Shanghai Corp. Ltd.	3	"	3,596,266	Note 7	1.14
29	Yosun South China Corp. Ltd.	WPG China (SZ) Inc.	3	"	132,102	Note 7	0.04
18	Sertek Incorporated	Richpower Electronic Devices Co., Ltd.	3	"	412,473	Note 7	0.13
30	Richpower Electronic Devices Pte Ltd.	Yosun Hong Kong Corp. Ltd.	3	"	238,725	Note 7	0.08
31	Peng Yu International Limited	WPG Electronics (Hong Kong) Limited	3	"	187,906	Note 7	0.06
32	WPG C&C Shanghai Co., Ltd.	LaaS (Dongguan) Supply Chain Management Limited	3	"	239,184	Note 7	0.08
32	WPG C&C Shanghai Co., Ltd.	Vsell Enterprise Co., Ltd. (Shanghai)	3	"	152,612	Note 7	0.05
21	Peng Yu Trigold Limited	WPG Electronics (Hong Kong) Limited	3	"	632,684	Note 7	0.20
23	WPG South Asia Pte. Ltd.	WPG Korea Co., Ltd.	3	"	309,023	Note 7	0.10
23	WPG South Asia Pte. Ltd.	Yosun Singapore Pte Ltd.	3	"	196,937	Note 7	0.06
33	WPG SCM Limited	WPG Electronics (Hong Kong) Limited	3	"	308,777	Note 7	0.10

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

(1) Parent company is '0'.

(2) The subsidiaries are numbered in order starting from '1'.

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

(1) Parent company to subsidiary.

(2) Subsidiary to parent company.

(3) Subsidiary to subsidiary.

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

Note 4: The terms and sales prices were negotiated in consideration of different factors including product, cost, market and competition. The collection period is 30~120 days from the end of the month of sales.

Note 5: The terms and sales prices were negotiated in consideration of different factors including product, cost, market and competition. The collection period is 30~90 days from the end of the month of sales.

Note 6: The amount receivable pertains to receipts under custody.

Note 7: Mainly accrued financing charges.

Note 8: The terms and sales prices were negotiated in consideration of different factors including product, cost, market and competition. The collection period is 60~120 days from the end of the month of sales.

Note 9: The terms and sales prices were negotiated in consideration of different factors including product, cost, market and competition.

Note 10: The collection period is 60 days from the end of the month of sales.

Note 11: The collection period is 30 days from the end of the month of sales.

Note 12: The collection period is 90 days from the end of the month of sales.

Note 13: The amount receivable arose from filing of consolidated tax return.

Note 14: The receivable was due from a payment to supplier on behalf of associates.

WPG Holdings Limited and Subsidiaries
Information on investees (excluding information on investments in Mainland china)
Year ended December 31, 2023

Table 8

Expressed in thousands of NTD
(Except as otherwise indicated)

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at December 31, 2023			Net profit (loss) of the investee for the year ended December 31, 2023	Investment income (loss) recognized by the Company for the year ended December 31, 2023 (Note 1)	Footnote
				Balance as at December 31, 2023	Balance as at December 31, 2022	Number of shares	Ownership (%)	Book value			
WPG Holdings Limited	World Peace Industrial Co., Ltd.	Taiwan	Agent and sales of electronic/ electrical components	\$ 18,471,669	\$ 18,471,669	1,847,500,000	100.00	\$ 30,415,934	\$ 1,827,609	\$ 1,827,318	Note 4
WPG Holdings Limited	Asian Information Technology Inc.	Taiwan	Sales of electronic/ electrical components	4,863,464	4,863,464	643,029,000	100.00	7,739,754	1,043,857	1,043,857	Note 4
WPG Holdings Limited	Silicon Application Corp.	Taiwan	Sales of computer software, hardware and electronic products	5,717,962	5,717,962	677,090,000	100.00	8,761,469	97,326	97,326	Note 4
WPG Holdings Limited	WPG Electronics Limited	Taiwan	Warehousing services	305,535	14,735	33,000,000	100.00	334,185	5,464	6,508	Note 4
WPG Holdings Limited	WPG Korea Co., Ltd.	South Korea	Agent and sales of electronic/ electrical components	394,436	394,436	2,959,494	100.00	587,445	(172,772)	(172,772)	Note 4
WPG Holdings Limited	WPG International (CI) Limited	Cayman Islands	Holding company	3,157,824	5,120,481	88,251,659	100.00	7,851,870	1,595,768	1,529,869	Note 4
WPG Holdings Limited	Yosun Industrial Corp.	Taiwan	Sales of electronic/ electrical components	12,144,406	12,144,406	402,310,300	100.00	13,379,904	741,903	738,387	Note 4
WPG Holdings Limited	WPG Investment Co., Ltd.	Taiwan	Investment company	2,102,997	2,102,997	210,000,000	100.00	2,143,475	118,044	116,902	Note 4
WPG Holdings Limited	Trigold Holdings Limited	Taiwan	Investment company	940,141	940,141	59,195,189	58.86	1,282,468	135,032	82,566	Note 4
WPG Holdings Limited	WPG EMEA B.V.	Netherlands	Sales of electronic/ electrical components	140,500	140,500	5,000,000	100.00	13,788	(69,460)	(69,460)	Note 4
WPG Holdings Limited	WPG Electronics (Hong Kong) Limited	Hong Kong	Agent and sales of electronic/ electrical components	799,765	799,765	234,081,858	100.00	525,209	(295,768)	(295,768)	Note 4
WPG Holdings Limited	WPG South Asia Pte. Ltd.	Singapore	Sales of electronic/ electrical components	1,821,395	1,116,369	64,035,653	100.00	2,124,839	304,434	304,434	Note 4
WPG Holdings Limited	WT Microelectronics Co., Ltd.	Taiwan	Trading company	6,279,638	8,111,638	137,110,000	15.44	11,016,733	4,012,142	740,051	Note 6
World Peace Industrial Co., Ltd.	WPI International (South Asia) Pte Ltd.	Singapore	Agent and sales of electronic/ electrical components	1,132,162	1,132,162	34,196,393	100.00	4,576,647	72,829	-	Notes 2 and 5

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at December 31, 2023			Net profit (loss) of the investee for the year ended December 31, 2023	Investment income (loss) recognized by the Company for the year ended December 31, 2023 (Note 1)	Footnote
				Balance as at December 31, 2023	Balance as at December 31, 2022	Number of shares	Ownership (%)	Book value			
World Peace Industrial Co., Ltd.	WPI Technology Pte. Ltd.	Singapore	Agent and sales of electronic/ electrical components	\$ 2,774,146	\$ 2,774,146	83,179,435	100.00	\$ 29,392,760	\$ 1,674,248	\$ -	Notes 2 and 5
World Peace Industrial Co., Ltd.	Longview Technology Inc.	Taiwan	Agent and sales of electronic/ electrical components	364,290	364,290	33,900,000	100.00	549,550	11,214	-	Notes 2 and 5
World Peace Industrial Co., Ltd.	Chainpower Technology Corp.	Taiwan	Agent and sales of electronic/ electrical components	66,261	66,261	9,781,452	39.00	210,677	88,117	-	Notes 2 and 3
World Peace Industrial Co., Ltd.	AECO Technology Co., Ltd.	Taiwan	Agent and sales of electronic/ electrical components	1,468,555	1,468,555	94,600,000	100.00	1,538,123	16,551	-	Notes 2 and 5
WPI International (South Asia) Pte. Ltd.	Genuine C&C (IndoChina) Pte Ltd.	Singapore	Agent and sales of electronic/ electrical components	119,912	119,912	5,359,370	80.00	240,172	15,788	-	Notes 2 and 5
WPI International (South Asia) Pte. Ltd.	WPG Americas Inc.	U.S.A	Agent and sales of electronic/ electrical components	197,529	197,529	6,100,000	2.60	39,950	128,809	-	Notes 2 and 5
WPI International (South Asia) Pte. Ltd.	World Peace International (South Asia) Pte Ltd.	Singapore	Agent and sales of electronic/ electrical components	696,473	696,473	34,314,692	100.00	4,011,798	46,904	-	Notes 2 and 5
WPI Technology Pte. Ltd.	WPI International (Hong Kong) Limited	Hong Kong	Agent and sales of electronic/ electrical components	3,254,652	3,254,652	4,087,084,000	100.00	29,051,903	1,404,517	-	Notes 2 and 5
World Peace International (South Asia) Pte Ltd.	World Peace International (India) Pvt., Ltd.	India	Agent and sales of electronic/ electrical components	33,361	33,361	3,575,058	100.00	67,025	23,418	-	Notes 2 and 5
World Peace International (South Asia) Pte Ltd.	WPG C&C Computers And Peripheral (India) Private Limited	India	Agent and sales of electronic/ electrical components	241,140	241,140	48,420,000	100.00	288,869	6,982	-	Notes 2 and 5
World Peace International (South Asia) Pte Ltd.	WPG C&C (Malaysia) Sdn. Bhd	Malaysia	Agent and sales of electronic/ electrical components	-	-	11,250,000	100.00	80,056	10,964	-	Notes 2 and 5
World Peace International (South Asia) Pte Ltd.	WPG C&C (Thailand) Co., Ltd.	Thailand	Agent and sales of electronic/ electrical components	873	873	1,000,000	100.00	41,749	3,489	-	Notes 2 and 5
WPI International (Hong Kong) Limited	WPG C&C Limited	Hong Kong	Agent and sales of electronic/ electrical components	201,395	201,395	6,500,000	100.00	297,269	9,888	-	Notes 2 and 5

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at December 31, 2023			Net profit (loss) of the investee for the year ended December 31, 2023	Investment income (loss) recognized by the Company for the year ended December 31, 2023 (Note 1)	Footnote
				Balance as at December 31, 2023	Balance as at December 31, 2022	Number of shares	Ownership (%)	Book value			
WPI International (Hong Kong) Limited	WPG Americas Inc.	U.S.A	Agent and sales of electronic/ electrical components	\$ 132,216	\$ 132,216	4,000,000	1.71	\$ 26,174	\$ 129,809	\$ -	Notes 2 and 5
Longview Technology Inc.	Longview Technology GC Limited	British Virgin Islands	Holding company	335,328	335,328	11,300,000	100.00	591,888	15,927	-	Notes 2 and 5
Longview Technology Inc.	Long-Think International Co., Ltd.	Taiwan	Agent and sales of electronic/ electrical components	-	37,302	-	0.00	-	4,723	-	Notes 2 and 5
AECO Technology Co., Ltd.	Teco Enterprise Holding (BVI) Co., Ltd.	British Virgin Islands	Investment company	436,280	436,280	12,610,000	100.00	865,460	26,231	-	Notes 2 and 5
Silicon Application Corp.	Silicon Application (BVI) Corporation	British Virgin Islands	Holding company	706,402	706,402	22,000,000	100.00	1,913,475	93,313	-	Notes 2 and 5
Silicon Application Corp.	Win-Win Systems Ltd.	British Virgin Islands	Holding company	24,015	24,015	765,000	100.00	27,930	1,158	-	Notes 2 and 5
Silicon Application Corp.	SAC Components (South Asia) Pte. Ltd.	Singapore	Sales of computer software, hardware and electronic products	104,510	104,510	3,500,000	100.00	124,193	601	-	Notes 2 and 5
Silicon Application Corp.	Pernas Electronics Co., Ltd.	Taiwan	Agent and sales of electronic/ electrical components	959,504	959,504	90,000,000	100.00	1,326,004	75,135	-	Notes 2 and 5
Silicon Application Corp.	Vsell Enterprise Co., Ltd.	Taiwan	Agent and sales of electronic/ electrical components	277,128	-	14,000,000	70.00	353,830	164,947	-	Notes 2 and 5
Pernas Electronics Co., Ltd.	Everwiner Enterprise Co., Ltd.	Taiwan	Agent and sales of electronic/ electrical components	343,959	343,959	37,000,000	100.00	917,475	77,613	-	Notes 2 and 5
Asian Information Technology Inc.	Frontek Technology Corporation	Taiwan	Sales of electronic/ electrical components	1,515,256	1,515,256	280,000,000	100.00	3,035,570	225,264	-	Notes 2 and 5
Asian Information Technology Inc.	Apache Communication Inc.	Taiwan	Sales of electronic/ electrical components	980,313	980,313	219,300,000	100.00	2,289,716	285,118	-	Notes 2 and 5
Asian Information Technology Inc.	Henshen Electric Trading Co., Ltd.	Taiwan	Sales of electronic/ electrical components	223,121	223,121	20,000,000	100.00	218,155	1,063	-	Notes 2 and 5
Asian Information Technology Inc.	Adivic Technology Co., Ltd.	Taiwan	Import and export business for electronic components	206,200	206,200	4,410,000	16.33	18,110	(54,634)	-	Notes 2 and 3
Asian Information Technology Inc.	Fame Hall International Co., Ltd.	British Virgin Islands	Investment company	155,558	155,558	4,703,107	100.00	283,999	(1,788)	-	Notes 2 and 5
Frontek Technology Corporation	Frontek International Limited	British Virgin Islands	Investment company	101,862	101,862	2,970,000	100.00	140,109	5,043	-	Notes 2 and 5

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at December 31, 2023			Net profit (loss) of the investee for the year ended December 31, 2023	Investment income (loss) recognized by the Company for the year ended December 31, 2023 (Note 1)	Footnote
				Balance as at December 31, 2023	Balance as at December 31, 2022	Number of shares	Ownership (%)	Book value			
Yosun Industrial Corp.	Suntop Investments Limited	Cayman Islands	Investment company	\$ 1,812,188	\$ 1,812,188	29,200,000	100.00	\$ 5,214,115	(\$ 46,229)	\$ -	Notes 2 and 5
Yosun Industrial Corp.	Sertek Incorporated	Taiwan	Sales of electronic/electrical components	1,616,722	1,616,722	94,828,100	100.00	1,945,110	278,810	-	Notes 2 and 5
Yosun Industrial Corp.	Eesource Corp.	Taiwan	Sales of electronic/electrical components, office machinery and equipment	11,520	11,520	1,080,000	20.00	34,483	11,637	-	Notes 2 and 3
Yosun Industrial Corp.	Richpower Electronic Devices Co., Ltd	Taiwan	Sales of electronic/electrical components	2,092,631	2,092,631	120,900,000	100.00	2,780,782	274,369	-	Notes 2 and 5
Sertek Incorporated	Sertek Limited	Hong Kong	Sales of electronic/electrical components	83,494	83,494	19,500,000	100.00	84,786	2,144	-	Notes 2 and 5
Richpower Electronic Devices Co., Ltd	Richpower Electronic Devices Co., Limited	Hong Kong	Sales of electronic components	284,898	284,898	63,000,000	100.00	2,936,707	131,532	-	Notes 2 and 5
Richpower Electronic Devices Co., Ltd	Richpower Electronic Devices Pte Ltd.	Singapore	Sales of electronic components	1,988	1,988	10,000	100.00	249,940	10,251	-	Notes 2 and 5
WPG Investment Co., Ltd.	Eesource Corp.	Taiwan	Sales of electronic/electrical components, office machinery and equipment	11,520	11,520	1,080,000	20.00	34,483	11,637	-	Notes 2 and 3
WPG Investment Co., Ltd.	Sunrise Technology Co., Ltd.	Taiwan	Manufacturing of computer and its peripheral equipment	50,000	50,000	3,279,800	10.67	45,399	24,323	-	Notes 2 and 3
WPG Investment Co., Ltd.	Trigold Holdings Limited	Taiwan	Investment company	49,224	49,224	1,749,979	1.74	37,944	135,032	-	Notes 2 and 3
WPG Investment Co., Ltd.	AutoSys Co., Ltd.	Cayman Islands	Holding company	73,000	73,000	5,000,000	16.25	62,007	(38,071)	-	Notes 2 and 3
WPG Investment Co., Ltd.	Beauteek Global Wellness Corporation Limited	Hong Kong	Community e-commerce trading plat form and related services	25,273	25,273	630,044	19.34	23,003	20,097	-	Notes 2 and 3
WPG Investment Co., Ltd.	LaaS Holdings (Samoa) Limited	Samoa	Holding company	1,142,712	1,142,712	40,060,000	100.00	830,132	54,918	-	Notes 2 and 5
Trigold Holdings Limited	Genuine C&C Inc.	Taiwan	Sales of electronic products and its peripheral equipment	1,093,697	1,093,697	79,569,450	100.00	1,083,278	3,022	-	Notes 2 and 5
Trigold Holdings Limited	Trigold (Hong Kong) Company Limited	Hong Kong	Holding company	600,796	600,796	155,200,000	100.00	1,134,727	21,341	-	Notes 2 and 5
Trigold Holdings Limited	Peng Yu Trigold Limited	Hong Kong	Sales of electronic products	71,212	71,212	2,000,000	100.00	292,224	143,417	-	Notes 2 and 5

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at December 31, 2023			Net profit (loss) of the investee for the year ended December 31, 2023	Investment income (loss) recognized by the Company for the year ended December 31, 2023 (Note 1)	Footnote
				Balance as at December 31, 2023	Balance as at December 31, 2022	Number of shares	Ownership (%)	Book value			
Genuine C&C Inc.	Hoban Inc.	Taiwan	An E-commerce company which operates B2C and O2O businesses	\$ 199,999	\$ 129,999	20,000,000	100.00	\$ 77,168	(\$ 8,686)	\$ -	Notes 2 and 5
Genuine C&C Inc.	Genuine C&C Holding Inc. (Seychelles)	Seychelles	Holding company	-	193,870	-	-	-	10	-	Notes 2 and 5
Genuine C&C Inc.	Sunrise Technology Co., Ltd.	Taiwan	Manufacturing of computer and its peripheral equipment	12,636	12,636	1,682,151	5.47	3,710	24,323	-	Notes 2 and 3
WPG EMEA B.V.	WPG EMEA UK LIMITED	UK	Sales of electronic/electrical components	3,614	-	100,000	100.00	3,733	(9,723)	-	Notes 2 and 5
WPG South Asia Pte. Ltd.	WPG India Electronics Pvt. Ltd.	India	Agent and sales of electronic/electrical components	92,188	92,188	15,909,990	99.99	90,772	7,757	-	Notes 2 and 5
WPG South Asia Pte. Ltd.	WPG Malaysia Sdn. Bhd	Malaysia	Agent and sales of electronic/electrical components	17,427	17,427	1,010,800	100.00	26,389	2,267	-	Notes 2 and 5
WPG South Asia Pte. Ltd.	WPG Electronics (Philippines) Inc.	Philippines	Agent and sales of electronic/electrical components	1,543	1,543	10,000	100.00	8,529	1,764	-	Notes 2 and 5
WPG South Asia Pte. Ltd.	WPG (Thailand) Co., Ltd.	Thailand	Agent and sales of electronic/electrical components	11,560	11,560	103,720	100.00	47,205	29,468	-	Notes 2 and 5
WPG South Asia Pte. Ltd.	WPG SCM Limited	Hong Kong	Agent and sales of electronic/electrical components	319,640	319,640	12,800,000	100.00	696,205	30,959	-	Notes 2 and 5
WPG South Asia Pte. Ltd.	WPG Vietnam Company Limited	Vietnam	Agent and sales of electronic/electrical components	3,071	3,071	100,000	100.00	1,800	497	-	Notes 2 and 5
WPG South Asia Pte. Ltd.	Yosun Singapore Pte Ltd.	Singapore	Sales of electronic/electrical components	669,865	416,863	20,600,000	100.00	870,938	204,234	-	Notes 2 and 5
WPG Malaysia Sdn. Bhd	WPG India Electronics Pvt. Ltd.	India	Agent and sales of electronic/electrical components	-	-	10	0.01	9	7,757	-	Notes 2 and 5

Note 1: Investment income (loss) recognized by the company including realized (unrealized) gain or loss from upstream intercompany transactions and amortization of investment discount (premium).

Note 2: Investment income (loss) recognized by each subsidiary.

Note 3: An investee company accounted for using the equity method by subsidiary.

Note 4: A subsidiary.

Note 5: An indirect subsidiary.

Note 6: An investee company accounted for using the equity method by the Company.

WPG Holdings Limited and Subsidiaries
Information on investments in Mainland China
Year ended December 31, 2023

Table 9

Expressed in thousands of NTD
(Except as otherwise indicated)

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2023	Amount remitted from Taiwan to Mainland China / Amount remitted back to Taiwan for the year ended December 31, 2023		Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2023	Net income of investee for the year ended December 31, 2023	Ownership held by the Company (direct or indirect)	Investment income (loss) recognized by the Company for the year ended December 31, 2023 (Note 2)	Book value of investments in Mainland China as of December 31, 2023 (Note 5)	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2023	Footnote
					Remitted to Mainland China	Remitted back to Taiwan							
Vsell Enterprise Co., Ltd. (Shanghai)	Sales of semiconductor integrated circuit and electronic components	\$ 215,314	1	\$ -	\$ 416,471	\$ -	\$ 416,471	\$ 14,118	100.00	\$ 6,062	\$ 421,197	\$ -	
Maojie Trading (Shenzhen) Co., Ltd.	Sales of semiconductor integrated circuit and electronic components	22,355	1	-	22,427	-	22,427	1,886	100.00	(174)	21,744	-	
WPG China (SZ) Inc.	Sales of semiconductor integrated circuit and electronic components	145,319	2	106,515	-	-	106,515	7,173	100.00	7,173	1,254,072	-	Note 3
WPG China Inc.	Agent for selling electronic/electrical components	1,637,540	2	1,791,266	-	-	1,791,266	1,482,017	100.00	1,482,017	4,999,425	-	
Gain Tune Logistics (Shanghai) Co., Ltd.	Warehousing services / extra work	38,897	2	15,216	-	-	15,216	1,739	40.00	695	29,867	-	
Suzhou Xinning Logistics Co., Ltd.	Warehousing services	64,973	2	18,876	-	-	18,876	(10,502)	29.40	(3,088)	44,593	-	
Suzhou Xinning Bonded Warehouse Co., Ltd.	Warehousing services	30,705	2	28,811	-	-	28,811	(21,486)	49.00	(10,528)	58,519	-	
Yosun Shanghai Corp. Ltd.	Sales of electronic components and warehousing services	271,804	2	236,429	-	-	236,429	(91,121)	100.00	(91,121)	283,631	-	
Yosun South China Corp. Ltd.	Sales of electronic /electrical components	138,761	2	-	-	-	-	3,972	100.00	3,972	220,681	-	
Qegoo Technology Co., Ltd.	Business e-commerce platform	56,804	2	4,923	-	-	4,923	-	15.00	-	-	-	

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2023	Amount remitted from Taiwan to Mainland China / Amount remitted back to Taiwan for the year ended December 31, 2023		Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2023	Net income of investee for the year ended December 31, 2023	Ownership held by the Company (direct or indirect)	Investment income (loss) recognized by the Company for the year ended December 31, 2023 (Note 2)	Book value of investments in Mainland China as of December 31, 2023 (Note 5)	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2023	Footnote
					Remitted to Mainland China	Remitted back to Taiwan							
Beauteek (Shanghai) Global Wellness Corporation Limited	Community e-commerce trading platform and related services	\$ 82,904	2	\$ 13,968	\$ -	\$ -	\$ 13,968	\$ -	15.38	\$ -	\$ -	\$ -	
LaaS (Dongguan) Supply Chain Management Limited	Supply chain management, design and related businesses.	1,228,200	2	1,228,200	-	-	1,228,200	55,148	100.00	55,148	829,169	-	Note 8
Peng Yu (Shanghai) Digital Technology Co., Ltd	Sales of electronic/electrical products	97,358	2	199,998	-	-	199,998	8,240	100.00	4,993	263,571	-	
WPG C&C Shanghai Co., Ltd.	Sales of electronic/electrical products	229,923	2	263,054	-	-	263,054	44,808	100.00	27,153	395,293	-	Note 6
Trigolduo (Shanghai) Industrial Development Ltd.	Children's indoor amusement park	86,540	2	60,578	-	-	60,578	(43,395)	70.00	(18,408)	(22,966)	-	
Trigold Tongle (Shanghai) Industrial Development Ltd.	Children's indoor amusement park	6,491	2	-	-	-	(2,855)	70.00	(1,211)	(5,116)	-	-	Note 7

Note 1: The investment methods are classified into the following two categories:

- (1) Directly investing in Mainland China.
- (2) Through investing in companies in the third area, which then invested in the investee in Mainland China.

Note 2: Except for WPG China Inc., WPG China (SZ) Inc. and WPG C&C Shanghai Co., Ltd., the investment income / loss for the year ended December 31, 2023 that was recognized by the Company was based on the financial statements reviewed by international accounting firm which has cooperative relationship with accounting firm in R.O.C. The remaining investment income / loss was measured base on unreviewed financial statements of investee during the same period.

Note 3: WPG International (Hong Kong) Limited invested in WPG (SZ) Inc. in the amount of HKD 10 million, which is part of the distribution of earnings from WPG China Inc. The investment had been permitted by Investment Commission, and was excluded from the ceiling of investment amount in Mainland China.

Note 4: For paid-in capital, amount remitted from Taiwan to Mainland China/ amount remitted back to Taiwan for the period ended December 31, 2023, accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2023, book value of investments in Mainland China as of December 31, 2023, accumulated amount of investment income remitted back to Taiwan as of December 31, 2023, etc., the exchange rates used were USD 1: NTD 30.705 HKD 1:NTD 3.929 and RMB 1: NTD 4.327.

Note 5: The ending balance of investment was calculated based on combined ownership percentage held by the Company.

Note 6: The retirement of World Peace Industrial Co., Ltd.'s indirect investment in Mainland China, WPG C&C Shanghai Co., Ltd., has been approved by Investment Commission, Ministry of Economic Affairs on May 22, 2019 amounting to USD 11,650 thousand. World Peace Industrial Co., Ltd. will submit an application to Investment Commission, Ministry of Economic Affairs for deducting the accumulated amount of remittance from Taiwan to Mainland China when the consideration arising from transfer of equity interests is remitted back from the investment in the third area, WPI International (HK) Limited.

Note 7: Trigold Tongle (Shanghai) Industrial Development Ltd. is a wholly-owned subsidiary of Trigolduo (Shanghai) Industrial Development Ltd.

Note 8: WPG Investment Co., Ltd. acquired a 100% equity interest in Mainland China investee, LaaS (Dongguan) Supply Chain Management Limited, through a reinvestment, LaaS Holdings (HK) Limited, of WPG Investment Co., Ltd.'s investment in the third area, Samoa, on August 2, 2020. WPG Investment Co., Ltd. had received a post-approval from the MOEA.

Company name	Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2023	Investment amount approved by the Investment Commission of the Ministry of Economic Affairs (MOEA)	Ceiling on investments in Mainland China imposed by the Investment Commission of MOEA
WPG Holdings Limited	\$ 1,960,684	\$ 2,072,926	\$ 50,786,380
World Peace Industrial Co., Ltd. and its subsidiaries	382,068	463,935	18,285,833
Silicon Application Corp. and its subsidiaries (Note)	452,102	435,647	5,345,011
Yosun Industrial Corp. and its subsidiaries	257,461	545,447	5,781,729
WPG Investment Co., Ltd.	1,247,091	1,257,164	1,286,085
Trigold Holdings Limited	547,441	547,441	1,913,902

(1) Exchange rates as of December 31, 2023 were USD 1: NTD 30.705, HKD 1 : NTD 3.929 and RMB 1 : NTD 4.327.

(2) The ceiling of investment amount of the company is calculated based on the investor's net assets.

Note: Silicon Application Corp. and its subsidiaries investing Maojie Trading (Shenzhen) Co., Ltd. will be declared by after-the-fact verification, because the amount was under USD 1 million.

WPG Holdings Limited and Subsidiaries
Major shareholders information
December 31, 2023

Table 10

Name of major shareholders	Number of shares held	Shares	Ownership (%)
Independent accounts securities investment trust fund of Cathay MSCI Taiwan ESG Sustainability High Dividend Yield ETF (umbrella fund) entrusted to Taishin International Bank	125,286,000		6.66%

Description: If the company applies with Taiwan Depository & Clearing Corporation for the information of the table, the following can be explained in the notes of the table.

- (a) The major shareholders information was derived from the data that the Company issued common shares (including treasury shares) and preference 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 the Taiwan Depository & Clearing Corporation. The share capital which was recorded in the financial statements may be different from the actual number of shares in dematerialised form due to the difference in the calculation basis.
- (b) If the aforementioned data contains shares which were held in trust by the shareholders, the data is disclosed as a separate account of client which was set by the trustee. As for the shareholder who reports share equity as an insider whose shareholding ratio is greater than 10%, in accordance with the Securities and Exchange Act, the shareholding ratio includes the self-owned shares and shares held in trust, and at the same time, the shareholder has the power to decide how to allocate the trust assets. For the information on reported share equity of insider, please refer to Market Observation Post System.