

ICHIA TECHNOLOGIES INC.  
and subsidiaries

Consolidated Financial Statements  
and Independent Auditor's Review  
Report.  
For the First Quarter in 2024 and 2023

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## **Auditors' Review Report**

To the Board of Directors and Shareholders of ICHIA TECHNOLOGIES INC.:

### **Foreword**

We have reviewed the accompanying consolidated balance sheet of ICHIA TECHNOLOGIES INC. and subsidiaries as of March 31, 2024 and 2023, and the related consolidated comprehensive income statements, consolidated statement of changes in equity, consolidated cash flow statements, and notes to the consolidated financial statements (including significant accounting policies) for the three months then ended. 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 International Accounting Standard 34 “Interim Financial Reporting” endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

### **Scope**

Except as stated in the Basis for Qualified Conclusion paragraph, we conducted our reviews in accordance with the Standard on Review Engagements (SRE) 2410 “Review of Financial Information Performed by the Independent Auditor of the Entity.” A review of consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### **Basis for qualified conclusion**

As mentioned in Note 12 to the consolidated financial statements, the financial statements of non-material subsidiaries for the same period included in the above consolidated financial statements have not been reviewed by CPAs, and their total assets as of March 31, 2024 and 2023 were NTD 1,276,162 thousand and NTD 1,078,767 thousand, respectively, accounting for

11.17% and 11.09% of the consolidated total assets; the total liabilities were NTD 298,261 thousand and NTD 191,477 thousand, respectively, accounting for 5.69% and 4.91% of the consolidated total liabilities, respectively; the total comprehensive income as of March 31, 2024 and 2023 were NTD 2,018 thousand and (NTD 2,635) thousand, respectively, accounting for 0.60% and (4.92)%.

### **Qualified Conclusion**

According to our review results, except for the impact of possible adjustments to the consolidated financial statements if the financial statements of the non-significant subsidiaries mentioned in the basis of the qualified conclusion paragraph have been reviewed by the accountants, we did not find any differences in all the consolidated financial statements above. In material respects, the Company prepared the financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS No. 34 "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission, which presented a fair representation of ICHIA TECHNOLOGIES INC. and its subsidiaries on its consolidated financial position as of March 31, 2024 and 2023 and consolidated financial performance and consolidated cash flow for the three months ended March 31, 2024 and 2023.

Deloitte Touche Tohmatsu Limited

CPA Steven Hsieh

CPA Liu Shu-Lin

Financial Supervisory Commission  
approval document  
Jin-Guan-Zheng-Shen-Zi No.  
1000028068

Approval No. from the Financial Supervisory  
Commission:  
Jin-Guan-Zheng-Shen-Zi No. 1050024633

May 9, 2024

ICHIA TECHNOLOGIES INC. and subsidiaries  
Consolidated Balance Sheet  
March 31, 2024, December 31, 2023 and March 31, 2023

Unit: NT\$ Thousand

Code	Assets	March 31, 2024		December 31, 2023		March 31, 2023	
		Amount	%	Amount	%	Amount	%
	Current asset						
1100	Cash and cash equivalents (Notes 6)	\$ 2,204,085	19	\$ 1,802,295	18	\$ 1,900,177	20
1110	Financial assets measured at fair value through profit or loss – current (Notes 7)	20,043	-	44,949	-	40,900	-
1136	Financial assets measured at amortized cost – current (Notes 9 and 29)	406,399	4	21,493	-	165,544	2
1170	Accounts receivable - net (Notes 10)	3,210,840	28	3,302,151	33	2,863,626	30
1220	Current income tax assets	3,403	-	25	-	32,120	-
130X	Inventory (Notes 11)	1,076,811	10	1,096,733	11	1,174,793	12
1470	Other current assets (Note 16)	157,073	1	138,378	1	122,072	1
11XX	Total current assets	<u>7,078,654</u>	<u>62</u>	<u>6,406,024</u>	<u>63</u>	<u>6,299,232</u>	<u>65</u>
	Noncurrent assets						
1517	Financial assets measured at fair value through other comprehensive income - non-current (Notes 8)	-	-	-	-	12,000	-
1535	Financial assets measured at amortized cost – non-current (Notes 9 and 29)	960,994	8	576,966	6	233,721	3
1600	Property, plant and equipment (Notes 13)	2,422,326	21	2,357,057	23	2,434,674	25
1755	Right-of-use assets (Note 14)	287,599	3	117,973	1	125,861	1
1760	Investment property (Note 15 and 29)	383,289	3	381,574	4	302,494	3
1840	Deferred tax assets	104,061	1	94,907	1	97,929	1
1975	Net defined benefit assets -non-current (Note 4)	24,437	-	24,374	-	18,364	-
1990	Other non-current assets (Note 16)	164,661	2	157,884	2	199,054	2
15XX	Total non-current assets	<u>4,347,367</u>	<u>38</u>	<u>3,710,735</u>	<u>37</u>	<u>3,424,097</u>	<u>35</u>
1XXX	Total assets	<u>\$ 11,426,021</u>	<u>100</u>	<u>\$ 10,116,759</u>	<u>100</u>	<u>\$ 9,723,329</u>	<u>100</u>
	Liabilities and equity						
	Current liabilities						
2100	Short-term loans (Note 17)	\$ 2,030,121	18	\$ 897,106	9	\$ 886,826	9
2120	Financial liabilities measured at fair value through profit or loss – current (Note 7)	6,969	-	31	-	332	-
2130	Contract liabilities – current (Note 22)	2,793	-	6,674	-	18,695	-
2170	Accounts payable – non-related parties (Note 18)	1,787,304	16	1,907,286	19	1,698,784	18
2200	Other payables (Note 19)	667,074	6	323,191	3	538,456	6
2230	Current tax liabilities	52,177	-	48,202	-	14,558	-
2280	Lease liabilities - current (Note 14)	151,285	1	2,135	-	2,440	-
2320	Long-term liabilities due within one year or one operating cycle (Note 17)	113,356	1	274,221	3	392,247	4
2399	Other current liabilities (Note 19)	11,550	-	11,939	-	15,881	-
21XX	Total current liabilities	<u>4,822,629</u>	<u>42</u>	<u>3,470,785</u>	<u>34</u>	<u>3,568,219</u>	<u>37</u>
	Non-current liabilities						
2541	Long-term borrowings (Note 17)	203,584	2	222,511	3	307,496	3
2542	Long-term notes payable (Note 17)	199,865	2	199,799	2	-	-
2570	Deferred tax liabilities	3,537	-	4,223	-	5,195	-
2580	Lease liabilities - non-current (Note 14)	2,151	-	1,624	-	3,228	-
2600	to other non-current liabilities	12,250	-	11,285	-	11,763	-
25XX	Total non-current liabilities	<u>421,387</u>	<u>4</u>	<u>439,442</u>	<u>5</u>	<u>327,682</u>	<u>3</u>
2XXX	Total liabilities	<u>5,244,016</u>	<u>46</u>	<u>3,910,227</u>	<u>39</u>	<u>3,895,901</u>	<u>40</u>
	Equity (Note 21)						
3110	Common stock	3,075,366	27	3,075,366	30	3,075,366	32
3200	Capital surplus	2,086,436	18	2,086,436	20	2,054,098	21
3300	Retained earnings						
3310	Legal reserve	643,458	6	643,458	7	607,392	6
3320	Special reserve	208,624	2	208,624	2	335,891	4
3350	Undistributed earnings	364,191	3	633,415	6	108,477	1
	Total retained earnings	1,216,273	11	1,485,497	15	1,051,760	11
3490	Other equities	( 75,648 )	( 1 )	( 320,345 )	( 3 )	( 192,468 )	( 2 )
3500	Treasury stock	( 120,422 )	( 1 )	( 120,422 )	( 1 )	( 161,328 )	( 2 )
3XXX	Total equity	<u>6,182,005</u>	<u>54</u>	<u>6,206,532</u>	<u>61</u>	<u>5,827,428</u>	<u>60</u>
	Total liabilities and equity	<u>\$ 11,426,021</u>	<u>100</u>	<u>\$ 10,116,759</u>	<u>100</u>	<u>\$ 9,723,329</u>	<u>100</u>

The attached notes are part of the consolidated financial statements.  
(Please see the Review Report of Deloitte Touche Tohmatsu Limited on May 9, 2024)

Chairman: HUANG CHIU YUNG

Manager: Tseng Kung-Sheng

Accounting officer: Cheng Ching-Yi

ICHIA TECHNOLOGIES INC. and subsidiaries

Consolidated Comprehensive Income Statement

January 1 to March 31, 2024 and 2023

Unit: NTD thousands; earnings per share: NTD dollar

Code		January 1 to March 31, 2024		January 1 to March 31, 2023	
		Amount	%	Amount	%
	Operating revenues				
4110	Sales revenue (Note 22)	\$ 2,023,322	101	\$ 1,933,056	100
4170	Sales return	( 1,267 )	-	( 1,678 )	-
4190	Sales discount	( 22,615 )	( 1 )	( 8,408 )	-
4000	Total operating revenue	1,999,440	100	1,922,970	100
5000	Operating cost (Note 11 and 23)	( 1,724,424 )	( 86 )	( 1,701,664 )	( 89 )
5900	Operating gross profits	275,016	14	221,306	11
	Operating expenses (Note 23)				
6100	Promotional expenses	45,990	3	53,197	3
6200	Administrative expenses	83,775	4	58,267	3
6300	R&D expenses	62,424	3	62,605	3
6450	Expected credit impairment loss (gain)	659	-	( 352 )	-
6000	Total operating expenses	192,848	10	173,717	9
6900	Operating income	82,168	4	47,589	2
	Non-operating incomes and expenses (Notes 23)				
7100	Interest incomes	13,986	1	7,294	-
7010	Other incomes	18,853	1	19,165	1
7020	Other gains and losses	6,832	1	( 20,474 )	( 1 )
7050	Financial costs	( 14,861 )	( 1 )	( 9,707 )	-
7000	Total non-operating incomes and expenses	24,810	2	( 3,722 )	-
7900	Net profits before tax	106,978	6	43,867	2
7950	Income tax expenses (Notes 4 and 24)	( 16,115 )	( 1 )	( 6,465 )	-
8200	Net profits for the period	90,863	5	37,402	2

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Code		January 1 to March 31, 2024		January 1 to March 31, 2023	
		Amount	%	Amount	%
	Other comprehensive income				
8360	Titles likely to be reclassified to profit or loss subsequently				
8361	Exchange differences in the financial statement translation of foreign operations	\$ 244,697	12	\$ 16,156	1
8300	Other comprehensive income for the period (net after tax)	244,697	12	16,156	1
8500	Total comprehensive income for the period	\$ 335,560	17	\$ 53,558	3
	Earnings per share (Note 25)				
9710	Basic	\$ 0.30		\$ 0.13	
9810	Diluted	\$ 0.30		\$ 0.13	

The attached notes are part of the consolidated financial statements.

(Please see the Review Report of Deloitte Touche Tohmatsu Limited on May 9, 2024)

Chairman: HUANG CHIU YUNG

Manager: Tseng  
Kung-Sheng

Accounting officer: Cheng Ching-Yi

ICHIA TECHNOLOGIES INC. and subsidiaries  
Consolidated Statement of Changes in Equity  
January 1 to March 31, 2024 and 2023

Unit: NT\$ Thousand

								Other equity items			
		Share capital			Retained earnings			Exchange differences in the financial statement translation of foreign operations	Gain/loss on valuation of financial assets measured at fair value through other comprehensive income	Treasury stock	Total equity
Code		Number of shares (thousand shares)	Amount	Capital surplus	Legal reserve	Special reserve	Undistributed earnings				
A1	Balance as of January 1, 2023	307,536	\$ 3,075,366	\$ 2,054,098	\$ 607,392	\$ 335,891	\$ 368,612	(\$ 208,624)	\$ -	(\$ 161,328)	\$ 6,071,407
	Allocation and distribution of earnings in 2022										
B5	Cash dividend for shareholders	-	-	-	-	-	( 297,537)	-	-	-	( 297,537)
D1	Net income for the three months ended March 31, 2023	-	-	-	-	-	37,402	-	-	-	37,402
D3	Other comprehensive income after tax for the three months ended March 31, 2023	-	-	-	-	-	-	16,156	-	-	16,156
D5	Total comprehensive income for the three months ended March 31, 2023	-	-	-	-	-	37,402	16,156	-	-	53,558
Z1	Balance as of March 31, 2023	307,536	\$ 3,075,366	\$ 2,054,098	\$ 607,392	\$ 335,891	\$ 108,477	(\$ 192,468)	\$ -	(\$ 161,328)	\$ 5,827,428
A1	Balance as of January 1, 2024	307,536	\$ 3,075,366	\$ 2,086,436	\$ 643,458	\$ 208,624	\$ 633,415	(\$ 308,345)	(\$ 12,000)	(\$ 120,422)	\$ 6,206,532
	Allocation and distribution of earnings in 2023										
B5	Cash dividend for shareholders	-	-	-	-	-	( 360,087)	-	-	-	( 360,087)
D1	Net income for the three months ended March 31, 2024	-	-	-	-	-	90,863	-	-	-	90,863
D3	Other comprehensive income after tax for the three months ended March 31, 2024	-	-	-	-	-	-	244,697	-	-	244,697
D5	Total comprehensive income for the three months ended March 31, 2024	-	-	-	-	-	90,863	244,697	-	-	335,560
Z1	Balance as of March 31, 2024	307,536	\$ 3,075,366	\$ 2,086,436	\$ 643,458	\$ 208,624	\$ 364,191	(\$ 63,648)	(\$ 12,000)	(\$ 120,422)	\$ 6,182,005

The accompanying notes are an integral part of this financial statement.

Chairman: HUANG CHIU YUNG

(Please see the Review Report of Deloitte Touche Tohmatsu Limited on May 9, 2024)  
Manager: Tseng Kung-Sheng

Accounting officer: Cheng Ching-Yi



ICHIA TECHNOLOGIES INC. and subsidiaries  
Consolidated Cash Flow Statement  
January 1 to March 31, 2024 and 2023

Unit: NT\$ Thousand

Code		January 1 to March 31, 2024	January 1 to March 31, 2023
	Cash flow from operating activities		
A10000	Net profits before tax for the period	\$ 106,978	\$ 43,867
A20010	Profit and loss items		
A20300	Loss (reversal profit) from expected credit impairment	659	( 352 )
A20100	Depreciation expense	82,401	84,894
A20400	Net loss on financial assets and liabilities at fair value through profit or loss	7,016	3,785
A20900	Financial costs	14,861	9,707
A21200	Interest incomes	( 13,986 )	( 7,294 )
A23800	Inventory devaluation and obsolescence loss	6,901	10,942
A22500	Gain on disposal of property, plant and equipment	( 324 )	( 1,109 )
A30000	Net changes in operating assets and liabilities		
A31130	Accounts receivable	90,174	368,439
A31200	Inventories	4,890	183,378
A31240	Other current assets	( 8,455 )	18,570
A31990	Other operating assets	( 63 )	( 44 )
A32125	Contract liabilities	( 3,881 )	1,650
A32150	Accounts payable	( 119,982 )	( 260,835 )
A32180	Other payables	( 20,315 )	( 67,106 )
A32230	Other current liabilities	( 389 )	( 1,475 )
A33000	Cash generated from operations	146,485	387,017
A33100	Interest received	3,746	3,665
A33300	Interest paid	( 10,885 )	( 8,032 )
A33500	Income tax paid	( 25,358 )	( 45,918 )
AAAA	Net cash inflow from operating activities	<u>113,988</u>	<u>336,732</u>
	Cash flows from investment activities		
B00040	Acquisition of financial assets measured at amortized cost	( 745,277 )	( 387,104 )
B00050	Disposal of financial assets measured at amortized cost	-	51,698
B00100	Acquisition of financial assets measured at fair value through profit and loss	( 20,000 )	( 20,000 )
B00200	Disposal of financial assets measured at fair value through profit or loss	44,784	47,049

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Code		January 1 to March 31, 2024	January 1 to March 31, 2023
B02700	Purchase of property, plants, and equipment	(\$ 16,025)	(\$ 3,087)
B02800	Disposal of property, plant, and equipment	839	991
B03700	Increase in refundable deposit	( 690)	( 12)
B03800	Decrease in refundable deposit	-	4,449
B05350	Acquisition of right-of-use assets	( 16,994)	-
B06700	Increase in other non-current assets	( 870)	( 17,399)
B07100	Increase in prepayments for equipment	( 61,552)	( 65,403)
BBBB	Net cash outflow from investment	( 815,785)	( 388,818)
Cash flow from financing activities			
C00100	Increase in short-term loans	2,537,312	989,479
C00200	Decrease in short-term loans	( 1,421,941)	( 991,334)
C01600	Borrowing of long-term loans	-	155,092
C01700	Repayment of long-term loans	( 185,917)	-
C01800	Increase in long-term note payables	200,000	200,000
C01900	Decrease in long-term note payables	( 199,799)	( 199,980)
C03000	Collection of guarantee deposits received	679	444
C03100	Refund of guarantee deposits received	-	( 2,168)
C04020	Repayment of principal for lease	( 624)	( 852)
CCCC	Net cash inflow from financing activities	929,710	150,681
DDDD	Effect of changes in the exchange rate on cash and cash equivalents	173,877	6,900
EEEE	Net increase in cash and cash equivalents	401,790	105,495
E00100	Opening balance of cash and cash equivalents	1,802,295	1,794,682
E00200	Closing balance of cash and cash equivalents	\$ 2,204,085	\$ 1,900,177

The attached notes are part of the consolidated financial statements.

(Please see the Review Report of Deloitte Touche Tohmatsu Limited on May 9, 2024)

Chairman: HUANG CHIU YUNG

Manager: Tseng Kung-Sheng

Accounting officer: Cheng Ching-Yi

ICHIA TECHNOLOGIES INC. and subsidiaries  
Notes to the Consolidated Financial Statements  
January 1 to March 31, 2024 and 2023  
(Amounts NTD thousand, unless otherwise stated)

I. Company History

ICHIA TECHNOLOGIES INC. (hereinafter referred to as the Company) was established in November 1989 to manufacture, process, and trade various components (conductive silicone elastomers, plastic keys, keyboard assemblies, input devices, and flexible printed circuit boards) and materials for electronics, home appliances, electronical engineering, electrical equipment, communications (telecommunications), and computers, as well as to import and export domestic and foreign products and to engage in the agency, distribution, tender and quotation business.

The Company's shares have been listed on the Taiwan Stock Exchange since January 14, 2000.

The consolidated financial statements are presented in New Taiwan dollars (NTD), which is the functional currency of the Company.

II. Date and Procedure for Approval of Financial Statements

These consolidated financial statements were approved by the Board of Directors on May 9, 2024.

III. Application of New and Revised Standards and Interpretations

- (i). Initial application of International Financial Reporting Standards ("IFRSs"), International Accounting Standards ("IAS"), Interpretations ("IFRICs") and Interpretations ("SICs") (hereinafter referred to as "IFRSs") endorsed by the Financial Supervisory Commission ("FSC") and issued to be effective

The adoption of the amended IFRSs endorsed and issued into effect by the FSC will not result in significant changes in the Consolidated Company's accounting policies:

- (ii). The IFRSs released by the IASB but not yet endorsed and issued into effect by the FSC

The new/amended/revised standards or interpretations	Effective date of IASB publication (Note 1)
Amendment to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture"	To be determined

IFRS 17 "Insurance Contracts"	January 1, 2023
Amendment to IFRS 17	January 1, 2023
Amendment to IFRS 17, "Initial Application of IFRS 17 and IFRS 9 - Comparative Information"	January 1, 2023
IFRS 18 "Presentation and Disclosure in Financial Statements"	January 1, 2027
Amendments to IAS 21 "Lack of Exchangeability"	January 1, 2025 (Note 2)

Note 1: Unless otherwise stated, the aforementioned new/amended/revised standards or interpretation are effective for annual reporting periods beginning after the respective dates.

Note 2: Applicable to the annual reporting periods beginning after January 1, 2025. At the initial application of the amendment, comparative periods shall not be restated. Instead, the impact should be recognized in retained earnings or the cumulative translation adjustment of foreign operations (as applicable) and the related affected assets and liabilities as of the initial application date.

#### IFRS 18 "Presentation and Disclosure in Financial Statements"

IFRS 18 will replace IAS 1 "Presentation of Financial Statements." The main changes in this standard include:

- The income statement should categorize income and expense items into operating, investing, financing, income tax, and discontinued operations.
- The income statement should report operating profit and loss, financing and pre-tax profit and loss, as well as the subtotals and totals of profit and loss.
- Provide guidelines to enhance aggregation and segmentation requirements: Consolidated company must identify assets, liabilities, equity, income, expenses, and cash flows arising from individual transactions or other events, and classify and aggregate them based on common characteristics, ensuring that each line item reported in the primary financial statements possesses at least one similar characteristic. Items with different characteristics should be disaggregated in the primary financial statements and in the notes. The consolidated company should label such items as "other" only when no more informative name can be found.
- Increase the disclosure of performance measures defined by management: When a consolidated company engages in public communication outside of financial statements, and when communicating management's perspective on a specific aspect of the consolidated company's overall financial performance to users of the financial statements, it should disclose information about performance measures

defined by management in a single note to the financial statements. This includes a description of the measure, how it is calculated, a reconciliation with subtotals or totals specified by IFRS accounting standards, and the impact of related reconciliation items on income tax and non-controlling interests.

The consolidated company will continue to evaluate the effect of the amendment to other IFRSs on the financial positions and performance of the consolidated company to the date the consolidated financial statements are approved and released and will make appropriate disclosure after the evaluation.

#### IV. Summary of Significant Accounting Policies

##### (i). Compliance Statement

The consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34 “Interim Financial Reporting” approved and released by the FSC. These consolidated financial statements do not include all the disclosures required by IFRS accounting standards for a full set of annual financial statements.

##### (ii). Basis of preparation

The consolidated financial statements were prepared on the historical cost basis, except for financial instruments measured at fair value and net defined benefit liabilities recognized at the present value of the defined benefit obligation less the fair value of plan assets.

The evaluation of fair value could be classified into Level 1 to Level 3 by the observable intensity and importance of the related input value:

1. Level 1 input value: refers to the quotation of the same asset or liability in an active market as of the evaluation date (before adjustment).
2. Level 2 input value: refers to the direct (the price) or indirect (inference of price) observable input value of asset or liability further to the quotation of Level 1.
3. Level 3 input value: the unobservable input value of asset or liability.

##### (iii). Basis of consolidation

The consolidated financial statements include the financial statements of the Company and entities controlled by the Company (subsidiaries). The subsidiaries’ financial statements have been properly adjusted to make the accounting policies consistent with the accounting policies of the Consolidated Company. In preparing

the consolidated financial statements, all inter-company transactions, account balances, gains and losses have been eliminated.

For details of subsidiaries, shareholding percentage and business scope, see Note 12 and Exhibit 5.

(iv) Other significant accounting policies

In addition to the following, please refer to the summary of significant accounting policies in the 2023 consolidated financial statements.

1. Standards in differentiating current and noncurrent assets and liabilities

Current assets include:

- (1). Assets held primarily for trading purposes;
- (2). Assets expected to be realized within 12 months of the balance sheet date; and
- (3). Cash and cash equivalents (excluding those restricted from being exchanged or settled more than 12 months after the balance sheet date).

Current liabilities include:

- (1). Liabilities held primarily for trading purposes;
- (2). Liabilities due for settlement within 12 months after the balance sheet date, and
- (3) Liabilities for which there is no substantive right to defer settlement beyond the balance sheet date to at least 12 months after the balance sheet date.

Those that are not current assets or liabilities above are classified as noncurrent assets or liabilities.

2. Retirement benefits

The interim pension cost is calculated for the period from the beginning to the end of the current period based on the pension cost rate determined by actuarial calculations at the end of the previous year, and is adjusted for major market fluctuations in the current period, as well as major plan amendments, repayments or other major one-off items.

3. Income tax expenses

Income tax expense is the sum of the current income tax and deferred income tax. The interim income tax is evaluated on an annual basis, and is calculated based on the interim pre-tax benefits at the tax rate applicable to the expected annual total earnings.

V. Significant Accounting Judgments and Estimations, and Main Sources of Assumption Uncertainties

For others, please refer to the explanations of the Significant Accounting Assumptions and Judgments and Major Sources of Estimates Uncertainty in the 2023 consolidated financial statements.

VI. Cash and cash equivalents

	March 31, 2024	December 31, 2023	March 31, 2023
Cash on hand and revolving funds	NT\$ 86	NT\$ 74	NT\$ 989
Bank checking accounts and demand deposits	1,750,818	1,350,443	1,128,305
Cash equivalents (investments with an original maturity of less than 3 months)			
Bank acceptance bills	103,796	65,553	55,179
Bank time deposits	349,385	386,225	697,434
Bonds with repurchase agreement	-	-	18,270
	NT\$ <u>2,204,085</u>	NT\$ <u>1,802,295</u>	NT\$ <u>1,900,177</u>

VII. Financial instruments at fair value through profit or loss

	March 31, 2024	December 31, 2023	March 31, 2023
<u>Financial assets - current</u>			
Mandatorily measured at fair value through profit or loss			
Derivatives (not designated for hedging)			
— Forward foreign exchange contracts (1)	NT\$ -	NT \$ 4,885	NT\$ 805
Non-derivative financial assets			
— Fund beneficiary certificates	<u>20,043</u>	<u>40,064</u>	<u>40,095</u>
	NT\$ <u>20,043</u>	NT\$ <u>44,949</u>	NT\$ <u>40,900</u>
<u>Financial liabilities - current</u>			
Mandatorily measured at fair value through profit or loss			
Derivatives (not designated for hedging)			
— Forward foreign exchange	NT\$ <u>6,969</u>	NT\$ <u>31</u>	NT\$ <u>332</u>

contracts (1)

- (i). Forward foreign exchange contracts not subject to hedge accounting and outstanding at the balance sheet date were as follows:

March 31, 2024

	Currency	Expiration Date	Contract Amount (Thousands)
Sale of forward foreign exchange	RMB to USD	November 21, 2023 to April 12, 2024	RMB35,183/USD5,000
Sale of forward foreign exchange	RMB to USD	December 1, 2023 to May 14, 2024	RMB35,110/USD5,000
Sale of forward foreign exchange	RMB to USD	December 1, 2023 to June 12, 2024	RMB35,010/USD5,000
Sale of forward foreign exchange	RMB to USD	March 8, 2024 to July 12, 2024	RMB35,530/USD5,000
Sale of forward foreign exchange	RMB to USD	March 22, 2024 to August 13, 2024	RMB35,578/USD5,000
Sale of forward foreign exchange	RMB to USD	December 1, 2023 to April 15, 2024	RMB7,035/USD1,000
Sale of forward foreign exchange	RMB to USD	February 20, 2024 to May 15, 2024	RMB7,136/USD1,000
Sale of forward foreign exchange	RMB to USD	March 22, 2024 to June 14, 2024	RMB7,155/USD1,000

December 31, 2023

	Currency	Expiration Date	Contract Amount (Thousands)
Sale of forward foreign exchange	RMB to USD	August 11, 2023 to January 12, 2024	RMB35,564/USD5,000
Sale of forward foreign exchange	RMB to USD	September 19, 2023 to February 6, 2024	RMB36,000/USD5,000
Sale of forward foreign exchange	RMB to USD	September 28, 2023 to March 13, 2024	RMB36,000/USD5,000
Sale of forward foreign exchange	RMB to USD	November 21, 2023 to April 12, 2024	RMB35,183/USD5,000
Sale of forward foreign exchange	RMB to USD	December 1, 2023 to May 14, 2024	RMB35,110/USD5,000
Sale of forward foreign exchange	RMB to USD	December 1, 2023 to June 12, 2024	RMB35,010/USD5,000
Sale of forward foreign exchange	RMB to USD	January 21, 2023 to April 15, 2024	RMB7,097/USD1,000
Sale of forward foreign exchange	RMB to USD	January 21, 2023 to February 6, 2024	RMB7,084/USD1,000
Sale of forward foreign exchange	RMB to USD	December 1, 2023 to March 15, 2024	RMB7,057/USD1,000
Sale of forward foreign exchange	RMB to USD	December 1, 2023 to April 15, 2024	RMB7,035/USD1,000

March 31, 2023

Currency	Expiration Date	Contract Amount
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			(Thousands)
Sale of forward foreign exchange	RMB to USD	December 23, 2022 to April 14, 2023	RMB13,850/USD2,000
Sale of forward foreign exchange	RMB to USD	November 16, 2022 to April 14, 2023	RMB20,995/USD3,000
Sale of forward foreign exchange	RMB to USD	November 24, 2022 to May 13, 2023	RMB21,123/USD3,000
Sale of forward foreign exchange	RMB to USD	January 3, 2023 to June 15, 2024	RMB20,381/USD3,000
Sale of forward foreign exchange	RMB to USD	February 1, 2023 to June 15, 2024	RMB13,384/USD2,000
Sale of forward foreign exchange	RMB to USD	January 3, 2023 to July 14, 2024	RMB20,333/USD3,000
Sale of forward foreign exchange	RMB to USD	February 1, 2023 to August 14, 2024	RMB19,997/USD3,000
Sale of forward foreign exchange	RMB to USD	December 23, 2022 to April 17, 2023	RMB6,925/USD1,000
Sale of forward foreign exchange	RMB to USD	December 26, 2022 to May 15, 2023	RMB6,900/USD1,000
Sale of forward foreign exchange	RMB to USD	January 3, 2023 to June 15, 2024	RMB6,793/USD1,000
Sale of forward foreign exchange	RMB to USD	February 1, 2023 to July 17, 2024	RMB6,670/USD1,000

The purpose of the Consolidated Company's forward exchange transactions is to hedge the risk of foreign currency assets and liabilities arising from exchange rate fluctuations.

#### VIII. Financial assets measured at fair value through other comprehensive income

	March 31, 2024	December 31, 2023	March 31, 2023
<u>Current</u>			
Equity instrument			
investments measured at fair value through other comprehensive income			
Domestic investment			
Non-listed (non-OTC) stock—			
Common stock	NT\$ _____ -	NT\$ _____ -	NT\$ <u>12,000</u>

The purpose of the holding by the consolidated company is for long-term strategic investment and they have been designated as measured at fair value through other comprehensive income.

#### IX. Financial assets measured at amortized cost

	March 31, 2024	December 31, 2023	March 31, 2023
<u>Current</u>			
Time deposits with original	NT\$ <u>406,399</u>	NT\$ <u>21,493</u>	NT\$ <u>152,250</u>

maturity of more than 3 months (1)			
Pledge of time deposits (2)	-	-	13,294
	<u>NT\$ 406,399</u>	<u>NT\$ 21,493</u>	<u>NT\$ 165,544</u>

Non-current

Time deposits with original maturity of more than 1 year (1)	NT\$ 947,143	NT\$ 563,577	NT\$ 221,560
Pledge of time deposits (2)	<u>3,187</u>	<u>3,187</u>	<u>2,127</u>
Restricted foreign exchange deposits with offshore funds (3)	10,664	10,202	10,034
	<u>NT\$ 960,994</u>	<u>NT\$ 576,966</u>	<u>NT\$ 233,721</u>

- (i) As of March 31, 2024 and December 31, 2023 and March 31, 2023, the interest rate range of time deposits with original maturity over 3 months was 2.3% - 6.05% and 3.1% - 5% and 3.15% to 6.13%.
- (ii) As of March 31, 2024 and December 31, 2023 and March 31, 2023, the interest rate range of pledged time certificates of deposit was 1.58%, 1.58% and 1.46% respectively.
- (iii). On August 26, 2020, the Consolidated Company remitted NTD 146,285 thousand (USD 5,000 thousand) in accordance with the “The Management, Utilization, and Taxation of Repatriated Offshore Funds Act” and deposited the net amount after tax in a dedicated account for foreign exchange deposits, as approved by the National Taxation Bureau of the Northern Area, Ministry of Finance. The deposits in the dedicated account are subject to restrictions on the free use of the funds as prescribed by law, except for financial investments or real investments and part of the free use of the funds as prescribed by law, which can be withdrawn in three-year increments after five years from the date of deposit in the dedicated account.
- (iv). For information on pledges of financial assets measured at amortized cost, see Note 29.

X. Accounts receivable and overdue receivables

	March 31, 2024	December 31, 2023	March 31, 2023
<u>Accounts receivable</u>			
Measured at amortized cost			
Total carrying amount	NT\$3,216,025	NT\$3,306,575	NT\$2,864,266
Less: Allowance for loss	( <u>5,185</u> )	( <u>4,424</u> )	( <u>640</u> )
	<u>NT\$3,210,840</u>	<u>NT\$3,302,151</u>	<u>NT\$2,863,626</u>

Overdue receivablesMeasured at amortized cost

Total carrying amount	NT\$ 61,890	NT\$ 61,514	NT\$ 56,653
Less: Allowance for loss	( <u>61,890</u> )	( <u>61,514</u> )	( <u>56,653</u> )
	NT\$ <u>-</u>	NT\$ <u>-</u>	NT\$ <u>-</u>

Accounts receivable

The average credit period of the Consolidated Company's merchandise sales is 150 days. In determining the collectability of accounts receivable, the Consolidated Company considers any changes in the credit quality of the accounts receivable from the original credit grant date to the balance sheet date. To mitigate credit risk, the Consolidated Company's management has assigned a dedicated team to be responsible for credit limit determination, credit approval and other monitoring procedures to ensure that appropriate actions are taken to collect overdue accounts receivable. In addition, the Consolidated Company reviews the recoverable amounts of accounts receivable on a case-by-case basis at the balance sheet date to ensure that appropriate impairment losses have been recorded for uncollectible accounts receivable. Accordingly, the Consolidated Company's management believes that the Consolidated Company's credit risk has been significantly reduced.

The Consolidated Company recognizes the allowance for loss of accounts receivable based on the expected credit loss over the duration. Expected credit losses for the duration are calculated using an allowance matrix, which takes into account the customer's past default history and current financial condition, the economic situation of the industry, as well as GDP forecasts and industry outlook. Since the Consolidated Company's credit loss history shows that there is no significant difference in the loss patterns of different customer groups, therefore, instead of further differentiating the customer groups, the allowance matrix only sets the expected credit loss rate based on the number of days past due on accounts receivable.

If there is evidence that the counterparty is in serious financial difficulty and the Consolidated Company cannot reasonably expect to recover the amount, for example, if the counterparty is in liquidation or the debt is overdue for more than 365 days, the Consolidated Company reclassifies the amount directly to overdue receivable and continues the collection activities, and the amount recovered is offset against the related overdue receivable.

The Consolidated Company estimated the allowance for losses on accounts receivable based on the allowance matrix as follows:

Accounts receivable

March 31, 2024

	Not overdue	Overdue 1 to 180 days	Overdue 181 to 365 days	Total
Expected credit loss rate	0%	0.71%	21.34%	-
Total carrying amount	NT\$2,946,230	NT\$ 254,006	NT\$ 15,789	NT\$3,216,025
Allowance for loss (Expected credit losses over the duration)	-	( 1,816 )	( 3,369 )	( 5,185 )
Amortized cost	NT\$2,946,230	NT\$ 252,190	NT\$ 12,420	NT\$3,210,840

December 31, 2023

	Not overdue	Overdue 1 to 180 days	Overdue 181 to 365 days	Total
Expected credit loss rate	0%	0.8%	22.28%	-
Total carrying amount	NT\$3,028,965	NT\$ 267,338	NT\$ 10,272	NT\$3,306,575
Allowance for loss (Expected credit losses over the duration)	-	( 2,135 )	( 2,289 )	( 4,424 )
Amortized cost	NT\$3,028,965	NT\$ 265,203	NT\$ 7,983	NT\$3,302,151

March 31, 2023

	Not overdue	Overdue 1 to 180 days	Overdue 181 to 365 days	Total
Expected credit loss rate	0%	0.23%	7.54%	-
Total carrying amount	NT\$2,610,355	NT\$ 253,155	NT\$ 756	NT\$2,864,266
Allowance for loss (Expected credit losses over the duration)	-	( 583 )	( 57 )	( 640 )
Amortized cost	NT\$2,610,355	NT\$ 252,572	NT\$ 699	NT\$2,863,626

Information on the changes in the allowance for losses on accounts receivable is as follows:

	January 1 to March 31, 2024	January 1 to March 31, 2023
Balance - beginning of the period	NT\$ 4,424	NT\$ 570
Add: Provision for impairment loss for the current period	659	2,361
Less: Actual write off for the current period	-	-
Less: Transfer-out due to reclassification for the current period	-	( 2,291 )
Foreign currency translation difference	102	-

Balance at the end of the period	NT\$ <u>5,185</u>	NT\$ <u>640</u>
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Information on the changes in the allowance for losses on overdue receivables is as follows:

	January 1 to March 31, 2024	January 1 to March 31, 2023
Balance - beginning of the period	NT\$ 61,514	NT\$ 57,358
Add: Transfer-in due to reclassification in the current period	-	2,291
Less: Actual write off for the current period	-	( 259)
Less: Impairment loss reversed in current period	-	( 2,713)
Foreign currency translation difference	<u>376</u>	( <u>24</u> )
Balance at the end of the period	NT\$ <u>61,890</u>	NT\$ <u>56,653</u>

#### XI. Inventory

	March 31, 2024	December 31, 2023	March 31, 2023
Finished goods	NT\$ 218,232	NT\$ 251,826	NT\$ 288,160
Semi-finished goods	62,548	74,826	69,550
Work in progress	184,589	179,899	196,802
Raw materials	546,951	500,584	562,441
In-transit	<u>64,491</u>	<u>89,598</u>	<u>57,840</u>
	NT\$ <u>1,076,811</u>	NT\$ <u>1,096,733</u>	NT\$ <u>1,174,793</u>

The nature of cost of goods sold is as follows:

	January 1 to March 31, 2024	January 1 to March 31, 2023
Cost of inventories sold	NT\$ 1,730,238	NT\$ 1,702,505
Inventory devaluation and obsolescence loss	6,901	10,942
Others	( <u>12,715</u> )	( <u>11,783</u> )
	NT\$ <u>1,724,424</u>	NT\$ <u>1,701,664</u>

#### XII. Subsidiary

##### Subsidiaries Included in Consolidated Financial Statements

Entities covered by the consolidated financial statements are as follows:

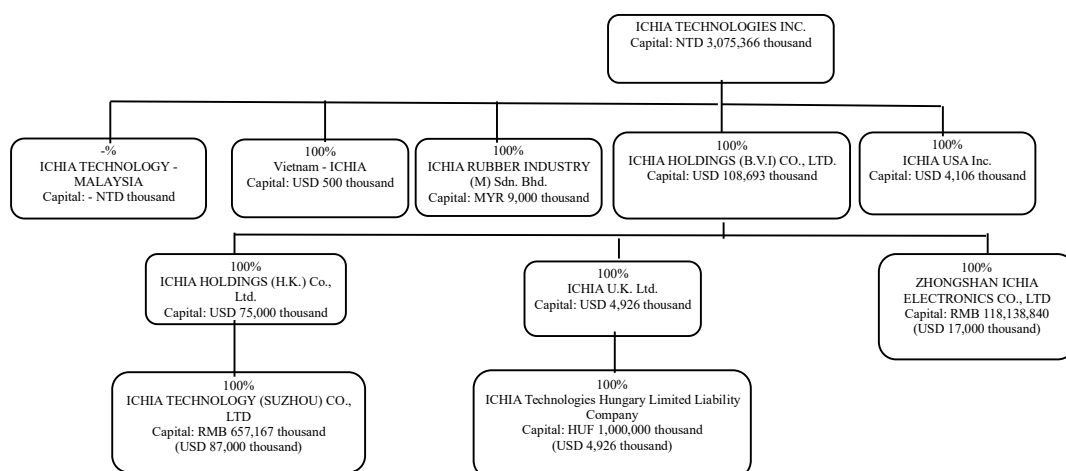
Investor	Subsidiary name	Business nature	Shareholding percentage			Description
			March 31, 2024	December 31, 2023	March 31, 2023	
ICHIA TECHNOLOGIES INC.	ICHIA USA INC. (hereafter referred to as ICHIA USA).	Manufacturing, processing and trading of various electronic components and	100%	100%	100%	1

	ICHIA HOLDINGS (B.V.I) CO., LTD. (hereafter referred to as BVI-ICHIA)	materials	100%	100%	100%	-
	ICHIA RUBBER INDUSTRY (M) SDN BHD (hereinafter referred to as ICHIA Malaysia)	Manufacturing, processing and trading of various electronic components and materials	100%	100%	100%	1
	ICHIA TECHNOLOGY VIETNAM COMPANY LIMITED (hereinafter referred to as Vietnam - ICHIA)	Trading of various electronic components and materials	100%	100%	-	1、2
	ICHIA TECHNOLOGY MALAYSIA SND.BHD. (hereafter referred to as ICHIA TECHNOLOGY-Malaysia)	Manufacturing, processing and trading of various electronic components and materials	-	-	-	3
BVI-ICHIA	ICHIA UK LTD.	Various investment businesses	100%	100%	100%	1
	ICHIA HOLDINGS (H.K.) CO., LTD. (hereafter referred to as ICHIA H.K.)	Various investment businesses	100%	100%	100%	-
	ZHONGSHAN ICHIA ELECTRONICS CO., LTD. (hereafter referred to as ZHONGSHAN ICHIA)	Manufacturing, processing and trading of rubber and plastic keypads	100%	100%	100%	1
ICHIA U.K. LTD.	Ichia Hungary Ltd. (hereafter referred to as ICHIA Hungary)	Manufacturing, processing and trading of rubber and plastic keypads	100%	100%	100%	1
ICHIA H.K.	ICHIA TECHNOLOGY (SUZHOU) CO., LTD. (hereafter referred to as ICHIA SUZHOU)	Manufacturing, processing and trading of rubber and plastic keypads and flexible printed circuit boards	100%	100%	100%	-

Remarks:

- The financial statements of non-material subsidiaries have not been reviewed by CPAs.

As of March 31, 2024, the Company's investment relationships and shareholdings with its investees over which it has control are shown as below:



2. The Board of Directors meeting in 2023 approved the establishment of a subsidiary. On October 2, 2023, a capital of USD 500,000 was invested and the formal registration was completed.
3. The incorporation and registration were completed in January 2024, and no capital has been invested yet.

The Company and the above investees included in the consolidated financial statements are collectively referred to as the Consolidated Company.

### XIII. Property, plant, and equipment

	Self-owned land	Buildings	Machinery and equipment	Other equipment	Total
<u>Cost</u>					
Balance as of January 1, 2024	NT\$ 296,867	NT\$2,296,890	NT\$3,395,767	NT\$ 1,057,082	NT\$ 7,046,606
Addition	-	15,919	-	106	16,025
Disposal	-	( 415 )	( 49,916 )	( 4,742 )	( 55,073 )
Reclassification	-	-	49,460	6,997	56,457
Net exchange differences	349	67,910	116,962	31,753	216,974
Balance as of March 31, 2024	NT\$ 297,216	NT\$2,380,304	NT\$ 3,512,273	NT\$ 1,091,196	NT\$ 7,280,989
<u>Accumulated depreciation</u>					
Balance as of January 1, 2024	NT\$ -	NT\$ 1,559,311	NT\$2,258,575	NT\$ 871,663	NT\$ 4,689,549
Disposal	-	( 415 )	( 49,143 )	( 4,742 )	( 54,300 )
Depreciation expense	-	19,097	48,228	13,164	80,489
Benefit from government subsidies	-	-	( 1,431 )	-	( 1,431 )
Net exchange differences	-	44,261	73,698	26,397	144,356
Balance as of March 31, 2024	NT\$ -	NT\$ 1,622,254	NT\$ 2,329,927	NT\$ 906,482	NT\$ 4,858,663
Net as of March 31, 2024	NT\$ 297,216	NT\$ 758,050	NT\$ 1,182,346	NT\$ 184,714	NT\$ 2,422,326
Net amount at December 31, 2023 and January 1, 2024	NT\$ 296,867	NT\$ 737,579	NT\$ 1,137,192	NT\$ 185,419	NT\$ 2,357,057
<u>Cost</u>					
Balance as of January 1, 2023	NT\$ 296,869	NT\$ 2,436,564	NT\$ 3,443,187	NT\$ 1,004,740	NT\$ 7,181,360
Addition	-	-	718	2,369	3,087
Disposal	-	( 6,552 )	( 70,077 )	( 3,057 )	( 79,686 )
Reclassification	-	-	55,952	33,061	89,013
Net exchange differences	( 70 )	11,927	14,526	3,700	30,083
Balance as of March 31, 2023	NT\$ 296,799	NT\$2,441,939	NT\$ 3,444,306	NT\$ 1,040,813	NT\$ 7,223,857
<u>Accumulated depreciation</u>					
Balance as of January 1, 2023	NT\$ -	NT\$ 1,604,404	NT\$ 2,309,495	NT\$ 853,738	NT\$ 4,767,637
Disposal	-	( 6,552 )	( 70,017 )	( 3,052 )	( 79,621 )
Depreciation expense	-	18,777	52,408	12,260	83,445
Benefit from government subsidies	-	-	( 1,436 )	-	( 1,436 )
Net exchange differences	-	6,824	9,165	3,169	19,158
Balance as of March 31, 2023	NT\$ -	NT\$ 1,623,453	NT\$2,299,615	NT\$ 866,115	NT\$4,789,183
Net as of March 31, 2023	NT\$ 296,799	NT\$ 818,486	NT\$1,144,691	NT\$ 174,698	NT\$2,434,674

The Consolidated Company assesses the recoverable amount of assets for operating use as of the reporting date for impairment and uses the value in use as the basis for calculating the recoverable amount. The calculation of the value in use is based on the estimated cash flows of the Consolidated Company's future financial projections.

The consolidated company did not recognize or reverse an impairment loss in 2024 and from January 1 to March 31, 2023.

Depreciation expense is provided on a straight-line basis over the following useful life:

Building	
Main structure	51 years
Elevator equipment	16 years
Air conditioning system	26 years
Improvement to main structures	4 to 51 years
Machinery and equipment	13 years
Other equipment	16 years

XIV. Lease agreement

(i). Right-of-use assets.

	March 31, 2024	December 31, 2023	March 31, 2023
Carrying amount of right-of-use assets			
Land	NT\$ 282,782	NT\$ 114,252	NT\$ 120,225
Transportation equipment	<u>4,817</u>	<u>3,721</u>	<u>5,636</u>
	NT\$ <u>287,599</u>	NT\$ <u>117,973</u>	NT\$ <u>125,861</u>
	January 1 to March 31, 2024	January 1 to March 31, 2023	
Addition of right-of-use assets.			
Land	NT \$ 165,086	NT \$ -	
Transportation equipment	<u>1,723</u>	<u>-</u>	
	NT \$ <u>166,809</u>	NT \$ <u>-</u>	
Depreciation expense of right-of-use assets			
Land	NT \$ 1,145	NT \$ 1,150	
Transportation equipment	<u>627</u>	<u>853</u>	
	NT \$ <u>1,772</u>	NT \$ <u>2,003</u>	

Except for the additions and depreciation expenses recognized listed above, the consolidated company did not have any significant sublease or impairment of the right-of-use assets during the three months ended March 31, 2024 and 2023.

(ii). Lease liabilities

	March 31, 2024	December 31, 2023	March 31, 2023
Carry amount of lease liabilities			
Current	NT\$ <u>151,285</u>	NT\$ <u>2,135</u>	NT\$ <u>2,440</u>
Non-current	NT\$ <u>2,151</u>	NT\$ <u>1,624</u>	NT\$ <u>3,228</u>



The discount rate range for lease liabilities is as follows:

	March 31, 2024	December 31, 2023	March 31, 2023
Transportation equipment	1.615%~2.182%	1.615%	1.615%~2.5%

(iii) Important leasing activities and terms and conditions

The consolidated company leases land and transportation equipment for business use. The right-of-use asset - land is located in Mainland China and Malaysia. In March 2024, the consolidated company acquired land use rights in Malaysia at an amount of MYR 25,413 thousand. As of March 31, 2024, the consolidated company had paid MYR 2,541 thousand and the remaining MYR 22,872 thousand had yet to be paid (accounted for under lease liabilities - current NTD 148,577 thousand). At the termination of the lease term, the consolidated company has no preferential right to acquire the land and transportation equipment leased.

(iv). Information on other leases

	January 1 to March 31, 2024	January 1 to March 31, 2023
Short-term lease expenses	NT\$ <u>1,129</u>	NT\$ <u>1,115</u>
Low-value asset lease expenses	NT\$ <u>155</u>	NT\$ <u>82</u>
Total cash (outflow) from leases	(NT\$ <u>1,929</u> )	(NT\$ <u>2,075</u> )

The Consolidated Company has no commitments to enter into leases for periods beginning after the balance sheet date.

XV. Investment property

	Completed investment properties
<u>Cost</u>	
Balance as of January 1, 2024	NT\$ 520,249
Net exchange differences	<u>5,801</u>
Balance as of March 31, 2024	NT\$ <u>526,050</u>
<u>Accumulated depreciation and impairment</u>	
Balance as of January 1, 2024	(NT\$ 138,675)
Depreciation expense	( 1,571)
Net exchange differences	( <u>2,515</u> )
Balance as of March 31, 2024	(NT\$ <u>142,761</u> )
Net as of March 31, 2024	NT\$ <u>383,289</u>

	<u>Completed investment properties</u>
<u>Cost</u>	
Balance as of January 1, 2023	NT\$ 376,549
Balance as of March 31, 2023	NT\$ <u>376,549</u>
<u>Accumulated depreciation and impairment</u>	
Balance as of January 1, 2023	(NT\$ 73,173)
Depreciation expense	( <u>882</u> )
Balance as of March 31, 2023	(NT\$ <u>74,055</u> )
Net as of March 31, 2023	NT\$ <u>302,494</u>

Depreciation expense of investment properties is provided on a straight-line basis over the following useful life:

Main structure	51 years
Elevator equipment	16 years
Air conditioning system	26 years
Improvement to main structures	4 to 49 years

The fair value of the investment property amounted to NTD 736,644 thousand as of March 31, 2023. This fair value has not been valued by a valuator. It is an estimate determined by the management of the Consolidated Company with reference to the market transaction price of similar properties in neighboring areas.

For the information on the amount of the investment property for secured loans, refer to Note 29.

XVI. Other assets

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
<u>Current</u>			
Tax overpaid retained	NT\$ 25,329	NT\$ 32,252	NT\$ 28,533
Prepaid expenses	67,307	60,037	63,125
Prepayments for goods	16,422	13,626	12,572
Business tax refund receivable	3,112	4,223	1,407
Non-operating receivables	19,913	9,673	3,944
Temporary payments	13,878	7,414	8,951
Others	<u>11,112</u>	<u>11,153</u>	<u>3,540</u>
	NT\$ <u>157,073</u>	NT\$ <u>138,378</u>	NT\$ <u>122,072</u>

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	March 31, 2024	December 31, 2023	March 31, 2023
<u>Non-current</u>			
Prepaid equipment (Note 30)	NT\$ 124,791	NT\$ 119,696	NT\$ 144,299
Refundable deposits	12,981	12,169	13,731
Long-term prepaid expenses	26,889	26,019	41,024
	<u>NT\$ 164,661</u>	<u>NT\$ 157,884</u>	<u>NT\$ 199,054</u>

## XVII. Borrowings

### (i). Short-term borrowings

	March 31, 2024	December 31, 2023	March 31, 2023
<u>Unsecured borrowings</u>			
Credit facility borrowings	NT\$ <u>2,030,121</u>	NT\$ <u>897,106</u>	NT\$ <u>886,826</u>

The interest rates of bank borrowings on March 31, 2024, December 31, 2023 and March 31, 2023 were 1.65% to 5.56%, 1.68% to 5.58%, and 1.575% to 5.115%, respectively.

### (ii). Long-term borrowings

	March 31, 2024	December 31, 2023	March 31, 2023
Secured borrowings (Note 29)			
Bank borrowings (1)	NT\$ 316,940	NT\$ 345,000	NT\$ 345,000
<u>Unsecured borrowings</u> (Note 29)			
Bank borrowings (2)	-	151,732	155,092
Less: Classified as due within 1 year	( <u>113,356</u> )	( <u>274,221</u> )	( <u>192,596</u> )
Long-term borrowings	<u>NT\$ 203,584</u>	<u>NT\$ 222,511</u>	<u>NT\$ 307,496</u>

- (1) The bank borrowings are secured by pledges of the consolidated company's self-owned land and buildings (see Note 29). As of March 31, 2024, and December 31, 2023 and March 31, 2023, interest rates were 1.885%, 1.76%, and 1.76%, respectively. The maturity date of the borrowings is December 13, 2026. The interest is paid every month during the period from the first to the second year and amortized together with the principal during the period from the third to the fifth year. The purpose of this drawdown is to raise funds for operating turnover.

- (2) The interest rate for the bank borrowings was 2.75% per annum effective as of December 31, 2023 and March 31, 2023.

The Consolidated Company's borrowings consist of:

	Maturity date	Major terms and conditions	Effective interest rate	March 31, 2024	December 31, 2023	March 31, 2023
Floating rate borrowings:	2026-12-13	Chang Hwa Commercial Bank, Ltd.				
		The borrowing amount is NT\$499,512 thousand to finance the medium-term operating turnover with an interest rate equal to one-year floating rate of postal savings plus 0.2%. The borrowing period is from December 13, 2021 to December 13, 2026, with monthly interest deductions. Repayment is made on the 13th day of each month, starting from December 13, 2023, in 36 equal installments of principal and interest.	1.76%~1.885%	NT\$ 316,940	NT\$345,000	NT\$ 345,000
	2024/1/31	China Construction Bank				
		The borrowing amount is RMB 35,000 thousand to finance the medium-term operating turnover. The borrowing period is from January 1, 2023 to January 31, 2024.	2.75%	-	151,732	155,092
		Less: Classified as due within 1 year		( <u>113,356</u> )	( <u>274,221</u> )	( <u>192,596</u> )
		Long-term borrowings		NT\$ <u>203,584</u>	NT\$ <u>222,511</u>	NT\$ <u>307,496</u>

(iii) Long-term notes payable

	March 31, 2024	December 31, 2023	March 31, 2023
Commercial paper payable	NT\$ 200,000	NT\$ 200,000	NT\$ 200,000
Less: Discount on long-term notes payable	( <u>135</u> )	( <u>201</u> )	( <u>349</u> )
	199,865	199,799	199,651
Less: Classified as due in 1 year	-	-	( <u>199,651</u> )
Long-term notes payable	NT\$ <u>199,865</u>	NT\$ <u>199,799</u>	NT\$ <u>-</u>

Undue long-term notes payable as follows:

March 31, 2024

Guarantee/acceptance inst.	Par value	Discount value	Carrying amount	Interest rate range	Collateral	Carrying amount of collateral
Commercial paper payable						
IBFC	NT\$ <u>200,000</u>	NT\$ <u>135</u>	NT\$ <u>199,865</u>	2.23%	None	NT\$ <u>-</u>

December 31, 2023

Guarantee/acceptance inst.	Par value	Discount value	Carrying amount	Interest rate range	Collateral	Carrying amount of collateral
Commercial paper payable						
IBFC	NT\$ <u>200,000</u>	NT\$ <u>201</u>	NT\$ <u>199,799</u>	2.29%	None	NT\$ <u>-</u>

March 31, 2023

Guarantee/acceptance inst.	Par value	Discount value	Carrying amount	Interest rate range	Collateral	Carrying amount of collateral
<u>Commercial paper payable</u>						
IBFC	NT\$200,000	NT\$ 349	NT\$199,651	2.05%	None	NT\$ -

The Company entered into a contract on bank guaranteed revolving release, underwriting and purchase of commercial paper with International Bills Finance Corporation, and can perform circular release of 60-day bank guaranteed commercial paper within 3 years. The Company uses NTD 200,000 thousand from the underwriting facility on January 17, 2024. The contract expires on September 5, 2026.

XVIII. Accounts payable

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
<u>Accounts payable</u>			
Occurred due to business	NT\$1,787,304	NT\$1,907,286	NT\$1,698,784

The average credit period for the purchase of some goods is one to three months, and no interest is accrued on the accounts payable. The Consolidated Company has a financial risk management policy to ensure that all payables are repaid within the pre-agreed credit periods.

XIV. Other Liabilities

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
<u>Current</u>			
<u>Other payables</u>			
Salaries and bonuses payable	NT\$ 156,908	NT\$ 172,311	NT\$ 99,581
Leave payables	52,076	51,382	49,469
Dividend payable (I)	360,087	-	297,537
Interest payables	12,539	8,449	5,016
Other expense payables	85,464	91,049	86,853
	<u>NT\$ 667,074</u>	<u>NT\$ 323,191</u>	<u>NT\$ 538,456</u>
<u>Other current liabilities</u>			
Temporary receipts	NT\$ 10,346	NT\$ 10,736	NT\$ 15,343
Others	1,204	1,203	538
	<u>NT\$ 11,550</u>	<u>NT\$ 11,939</u>	<u>NT\$ 15,881</u>
<u>Non-current</u>			
<u>to other non-current liabilities</u>			
Guarantee deposits received	NT\$ 12,250	NT\$ 11,285	NT\$ 11,763

- (1) The cash dividends resolved by the board of directors as of March 31, 2024 and 2023 have not been distributed (Note 21).

XX. Post-employment benefit plan

The pension benefits related to defined benefit plans recognized from January 1 to March 31, 2022 and 2023 are calculated at the pension cost rate actuarially determined on December 31, 2023 and 2022, and the amounts were (NTD 63 ) thousand and (NTD 44) thousand.

XXI. Equity

- (i). Common stock

	March 31, 2024	December 31, 2023	March 31, 2023
Authorized number of shares (thousand shares)	<u>600,000</u>	<u>600,000</u>	<u>600,000</u>
Authorized capital stock	<u>NT\$6,000,000</u>	<u>NT\$6,000,000</u>	<u>NT\$6,000,000</u>
Number of shares issued and fully paid (thousand shares)	<u>307,536</u>	<u>307,536</u>	<u>307,536</u>
Issued capital stock	<u>NT\$3,075,366</u>	<u>NT\$3,075,366</u>	<u>NT\$3,075,366</u>

The issued common stock has a face value of NT\$10 per share and each share is entitled to one voting right and receiving dividends.

30,000 thousand shares of the authorized capital stock were reserved for the issuance of convertible bonds and employee restricted stock options.

- (ii). Capital surplus

	March 31, 2024	December 31, 2023	March 31, 2023
For loss make-up, payment in cash or capitalization as equity (1)			
Stock issue premium	NT\$ 772,829	NT\$ 772,829	NT\$ 772,829
Corporate bond conversion premium	1,238,407	1,238,407	1,238,407
Gain on disposal of assets	167	167	167
Consolidation excess	42,695	42,695	42,695
Treasury stock trading	<u>32,338</u>	<u>32,338</u>	<u>-</u>
	<u>NT\$2,086,436</u>	<u>NT\$2,086,436</u>	<u>NT\$2,054,098</u>

- Such capital surplus may be used to make up for losses or, when the Company has no losses, to distribute cash or to capitalize equity, provided that the capitalization is limited to a certain percentage of the paid-in capital each year.

(iii). Retained Earnings and Dividend Policy

In accordance with the earnings distribution policy of the Company's Articles of Incorporation, if there are any net earnings as indicated in the final accounts, the Company shall pay tax and make up for the accumulated losses, and then set aside 10% as legal reserve, and the rest shall be set aside as special reserve or offset by reversal of special reserve as required by law; if there are still remaining earnings, the Board of Directors shall prepare a proposal for the distribution of the remainder together with the accumulated unappropriated earnings at the beginning of the period, and submit it to the shareholder meeting for resolution on the distribution of dividends to shareholders. The Company's policy on the distribution of employees' and directors' remuneration as stipulated in the Company's Articles of Incorporation is described in Note 23(7) Employees' Remuneration and Directors' Remuneration.

Based on the resolution of a majority of directors at the meeting attended by two-thirds of the total number of directors, the Company shall distribute the dividend and bonus, in whole or in part, in the form of cash and report to the shareholders' meeting.

The legal reserve should be appropriated until the balance reaches the Company's total paid-in capital. The legal reserve may be used to make up for losses. If the Company has no losses, the excess of legal reserve over 25% of the paid-in capital may be distributed in cash in addition to capitalization as equity.

The Company has provided and reversed the special reserve in accordance with the letters Jin-Guan-Zheng-Fa-Zi No. 1090150022, Jin-Guan-Zheng-Fa-Zi No. 10901500221, and the requirements of the "Questions and Answers on the Application of International Financial Reporting Standards (IFRSs) to the Provision of Special Reserve". If there is a reversal in the balance of deduction from equity, earnings can be distributed within the reversal.

The profit distribution proposals of the Company for 2023 and 2022 are as follows:

	2023	2022
Legal reserve	NT \$ <u>47,114</u>	NT \$ <u>36,066</u>
Special reserve	(NT\$ <u>111,721</u> )	(NT\$ <u>127,267</u> )
Cash dividends	NT \$ <u>360,087</u>	NT \$ <u>297,537</u>
Cash dividends per share (NTD)	NT \$ 1.2	NT \$ 1

The above cash dividends have been resolved by the Board of Directors for distribution on March 11, 2024 and March 14, 2023. The remaining earnings distribution proposals for 2022 were resolved at the shareholders' meeting on June 20, 2023; the remaining earnings distribution proposals for 2023 are yet to be distributed, which are to be resolved in the shareholders' meeting to be held on June 21, 2024.

(iv). Treasury stock

Reason for recovery	Transfer of shares to employees (thousand shares)	Repurchase for retirement (thousand shares)	Shares of parent company held by subsidiaries (thousand shares)	Total (thousand shares)
Number of shares as of January 1, 2023	<u>10,000</u>	<u>-</u>	<u>-</u>	<u>10,000</u>
Number of shares as of March 31, 2023	<u>10,000</u>	<u>-</u>	<u>-</u>	<u>10,000</u>
Number of shares as of January 1, 2024	<u>7,464</u>	<u>-</u>	<u>-</u>	<u>7,464</u>
Number of shares as of March 31, 2024	<u>7,464</u>	<u>-</u>	<u>-</u>	<u>7,464</u>

The Company bought back 10,000 thousand shares and transferred them to employees for a total of NTD 161,328 thousand in order to motivate employees and enhance employees' loyalty. On the other hand, the treasury shares transferred in August 2023 were 2,536 thousand shares and recognized as related capital surplus of NTD 32,338 thousand. The repurchased shares shall be transferred to employees within 5 years in accordance with the Securities and Exchange Act. If the shares are not transferred after the expiration date, they shall be considered as unissued shares of the Company and shall be registered for change.

Treasury stock held by the Company cannot be pledged under the Securities and Exchange Act, and is not entitled to dividend distribution or voting rights.

XXII. Revenue

	January 1 to March 31, 2024	January 1 to March 31, 2023
Customer contract revenues		
Merchandise sales revenues	NT\$ <u>1,999,440</u>	NT\$ <u>1,922,970</u>



Contract balance

	March 31, 2024	December 31, 2023	March 31, 2023	January 1, 2023
Accounts receivable (Note 10)	NT\$ <u>3,210,840</u>	NT\$ <u>3,302,151</u>	NT\$ <u>2,863,626</u>	NT\$ <u>3,231,689</u>
Contract liabilities - current				
Merchandise sales	NT\$ <u>2,793</u>	NT\$ <u>6,674</u>	NT\$ <u>18,695</u>	NT\$ <u>17,045</u>

XXIII. Net profits before tax

(i). Interest incomes

	January 1 to March 31, 2024	January 1 to March 31, 2023
Bank deposits	NT\$13,976	NT\$ 7,282
Imputed interest on deposits	<u>10</u>	<u>12</u>
	NT\$ <u>13,986</u>	NT\$ <u>7,294</u>

(ii). Other incomes

	January 1 to March 31, 2024	January 1 to March 31, 2023
Lease incomes		
Rental incomes from operating lease		
- Rental incomes from dormitory and parking lot	NT\$ 310	NT\$ 311
- Rental incomes from housing	<u>16,014</u>	<u>17,847</u>
	<u>16,324</u>	<u>18,158</u>
Government subsidy incomes	1,119	352
Others	<u>1,410</u>	<u>655</u>
	NT\$ <u>18,853</u>	NT\$ <u>19,165</u>

(iii). Other incomes (expenses)

	January 1 to March 31, 2024	January 1 to March 31, 2023
Gain (loss) on financial assets and financial liabilities (Note 7)		
Financial assets mandatorily measured at fair value through profit or loss		
— Realized	NT\$ 4,803	NT\$ 7,201
— Unrealized	( <u>11,819</u> )	( <u>10,986</u> )
	( <u>7,016</u> )	( <u>3,785</u> )
Net foreign currency exchange	13,544	( 16,487 )

gain (loss)		
Gain on disposal of property, plant and equipment	324	1,109
Others	( <u>20</u> )	( <u>1,311</u> )
	<u>NT\$ 6,832</u>	<u>(NT\$ 20,474)</u>

(iv). Financial costs

	January 1 to March 31, 2024	January 1 to March 31, 2023
Interest on bank borrowings	<u>NT\$ 14,773</u>	<u>NT\$ 9,681</u>
Imputed interest on deposits	67	-
Interest on lease liabilities	<u>21</u>	<u>26</u>
	<u>NT\$ 14,861</u>	<u>NT\$ 9,707</u>

There was no interest capitalization in 2024 and during January 1 to March 31, 2023.

(v). Depreciation and amortization

	January 1 to March 31, 2024	January 1 to March 31, 2023
Depreciation expense is summarized by function		
Operating costs	NT\$ 75,618	NT\$ 78,619
Operating expenses	<u>6,783</u>	<u>6,275</u>
	<u>NT\$ 82,401</u>	<u>NT\$ 84,894</u>

(vi). Employee benefit expenses

	January 1 to March 31, 2024	January 1 to March 31, 2023
Post-employment benefits		
Defined contribution plans	NT\$ 1,733	NT\$ 1,675
Defined benefit plan		
(Note 20)	( <u>63</u> )	( <u>44</u> )
	<u>1,670</u>	<u>1,631</u>
Other employee benefits	<u>403,395</u>	<u>350,057</u>
Total employee benefit expenses	<u>NT\$405,065</u>	<u>NT\$351,688</u>
Summarized by function		
Operating costs	NT\$295,272	NT\$261,557
Operating expenses	<u>109,793</u>	<u>90,131</u>
	<u>NT\$405,065</u>	<u>NT\$351,688</u>

(vii). Employees' remuneration and directors' remuneration.

In accordance with the Company's Articles of Incorporation, the Company appropriates no less than 1% and no more than 3% of the profits before tax to employees' and directors' remuneration, respectively, for the year before the distribution of employees' and directors' remuneration.

The estimated employees' remuneration and directors' remuneration for the three months ended March 31, 2024 and 2023 are as follows:

Estimated percentage

	January 1 to March 31, 2024	January 1 to March 31, 2023
Remuneration to employees	6.22%	4.05%
Remuneration to directors	1.91%	3%

Amount

	January 1 to March 31, 2024	January 1 to March 31, 2023
Remuneration to employees	NT\$ 6,500	NT\$ 1,837
Remuneration to directors	NT\$ 2,000	NT\$ 1,362

If there is a change in the amount of the consolidated financial statements after the date of its issuance, the amount is adjusted in the following year in accordance with the rules related to changes in accounting estimates.

The remuneration to employees and directors for the years ended 2023 and 2022 were resolved by the Board of Directors on March 11, 2024 and March 14, 2023, respectively, as follows:

Amount

	2023 Cash	2022 Cash
Remuneration to employees	NT\$ 10,146	NT\$ 12,400
Remuneration to directors	8,000	6,600

There was no difference between the actual amount of employees' and directors' and supervisors' remuneration paid for 2023 and 2022 and the amount recognized in the consolidated financial statements in 2023 and 2022.

Please refer to the "Market Observation Post System" of the Taiwan Stock Exchange for information on the remuneration of employees and directors resolved by the Board of Directors of the Company.

(viii). Foreign currency exchange gains (losses)

	January 1 to March 31, 2024	January 1 to March 31, 2023
Total foreign currency exchange gains	NT\$ 14,054	NT\$ 75,850
Total foreign currency exchange (losses)	( <u>510</u> )	( <u>92,337</u> )
Net gains (losses)	NT\$ <u>13,544</u>	(NT\$ <u>16,487</u> )

XXIV. Income tax

(i). Income tax recognized in profit or loss

The major components of income tax expense are as follows:

	January 1 to March 31, 2024	January 1 to March 31, 2023
Income tax for the period		
Incurred in the current period	NT\$ 22,596	NT\$ 10,879
Deferred tax		
Incurred in the current period	( <u>6,481</u> )	( <u>4,414</u> )
Income tax expenses recognized in profit or loss	NT\$ <u>16,115</u>	NT\$ <u>6,465</u>

(ii). Approval of Income Tax Returns

The Company's income tax returns have been assessed by the tax authorities up to 2020, but not yet for 2021.

XXV. Earnings per share

	January 1 to March 31, 2024	Unit: NTD per share January 1 to March 31, 2023
Earnings per share		
From continuing operations	NT\$ <u>0.30</u>	NT\$ <u>0.13</u>
Diluted earnings per share		
From continuing operations	NT\$ <u>0.30</u>	NT\$ <u>0.13</u>

Weighted-average number of shares of common stock used to calculate earnings per share is as follows:

Net profits for the period

	January 1 to March 31, 2024	January 1 to March 31, 2023
Net profits used to calculate basic earnings per share	NT\$ <u>90,863</u>	NT\$ <u>37,402</u>
Net profits used to calculate diluted earnings per share	NT\$ <u>90,863</u>	NT\$ <u>37,402</u>

Number of shares	Unit: Thousand shares	
	January 1 to March 31, 2024	January 1 to March 31, 2023
Weighted-average number of shares of common stock used to calculate basic earnings per share	300,072	297,536
Impact of potential common stock with dilutive effect:		
Remuneration to employees	<u>420</u>	<u>560</u>
Weighted-average number of shares of common stock used to calculate diluted earnings per share	<u>300,492</u>	<u>298,096</u>

If the Consolidated Company may choose to have the employee compensation distributed via a stock or cash dividend, the calculation of the diluted earnings per share assumes that the bonus to employees is with a stock dividend distributed, with the weighted average number of shares outstanding included when the potential common stock has a diluted effect. The diluting effect of these potential common shares also continues to be considered in the calculation of diluted earnings per share before the number of shares awarded to employees in the following year's resolution.

#### XXVI. Capital risk management

The Consolidated Company engages in capital management to ensure that the Group's enterprises can maximize shareholder returns by optimizing debt and equity balances while continuing to operate.

The Consolidated Company's capital structure consists of the Consolidated Company's net debt (i.e., borrowings less cash and cash equivalents) and equity attributable to the shareholders of the Company (i.e., capital stock, capital surplus, retained earnings and other equity).

The Consolidated Company is not subject to any other external capital requirements.

The Consolidated Company's key management reviews the Group's capital structure annually, which includes consideration of the cost of various types of capital and the associated risks. The Consolidated Company will balance its overall capital structure by paying dividends, issuing new shares, repurchasing shares and issuing new debt or paying off old debt, as recommended by key management.

#### XXVII. Financial instruments

- (i). Fair value information - Financial instruments that are not measured at fair value

The consolidated company's management believes that the carrying amounts of financial assets and financial liabilities that are not measured at fair value on the balance sheet approximate their fair values.

- (ii). Fair value information - Financial instruments measured at fair value on a recurring basis

1. Fair value hierarchy

March 31, 2024

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>Financial assets</u> <u>measured at fair value</u> <u>through profit or loss</u>				
Fund beneficiary certificates	NT\$ <u>20,043</u>	NT\$ <u>-</u>	NT\$ <u>-</u>	NT\$ <u>20,043</u>
<u>Financial liabilities at</u> <u>fair value through</u> <u>profit or loss</u>				
Forward foreign exchange contracts	NT\$ <u>-</u>	NT\$ <u>6,969</u>	NT\$ <u>-</u>	NT\$ <u>6,969</u>

December 31, 2023

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>Financial assets</u> <u>measured at fair value</u> <u>through profit or loss</u>				
Fund beneficiary certificates	NT\$ 40,064	NT\$ -	NT\$ -	NT\$ 40,064
Derivatives	<u>-</u>	<u>4,885</u>	<u>-</u>	<u>4,885</u>
	NT\$ <u>40,064</u>	NT\$ <u>4,885</u>	NT\$ <u>-</u>	NT\$ <u>44,949</u>
<u>Financial liabilities at</u> <u>fair value through</u> <u>profit or loss</u>				
Derivatives	NT\$ <u>-</u>	NT\$ <u>31</u>	NT\$ <u>-</u>	NT\$ <u>31</u>

March 31, 2023

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>Financial assets</u> <u>measured at fair value</u> <u>through profit or loss</u>				
Fund beneficiary certificates	NT\$ 40,095	NT\$ -	NT\$ -	NT\$ 40,095
Derivatives	<u>-</u>	<u>805</u>	<u>-</u>	<u>805</u>
	NT\$ <u>40,095</u>	NT\$ <u>805</u>	NT\$ <u>-</u>	NT\$ <u>40,900</u>
<u>Financial assets</u> <u>measured at fair value</u> <u>through other</u> <u>comprehensive</u> <u>income</u>				
Investment in equity				

instruments				
Non-listed				
(non-OTC) stock				
—	NT\$ _____	NT\$ _____	NT\$ 12,000	NT\$ 12,000
<u>Financial liabilities at</u>				
<u>fair value through</u>				
<u>profit or loss</u>				
Forward foreign				
exchange				
contracts	NT\$ _____	NT\$ 332	NT\$ _____	NT\$ 332

There were no transfers between Level 1 and Level 2 fair value measurements in 2024 and during January 1 to March 31, 2023.

2. Adjustments to financial instruments measured at Level 3 fair value

	January 1 to March 31, 2023
Financial assets measured at fair value through other comprehensive income - equity instrument	
Balance - beginning of the period	NT\$12,000
Balance at the end of the period	NT\$12,000

3. Level 2 fair value measurement valuation techniques and input values

Class of financial instruments	Valuation techniques and input values
Derivatives - Forward foreign exchange contracts	The discounted cash flow method: The future cash flows are estimated based on observable forward exchange rates and contracted exchange rates at the end of the period, and are discounted at a rate that reflects the credit risk of each counterparty.

4. Level 3 fair value measurement valuation techniques and input values

The fair value of unlisted (non-OTC) stocks is measured by referring to the recent transaction price of the investment target or using the asset method.

(iii). Types of financial instruments

	March 31, 2024	December 31, 2023	March 31, 2023
<u>Financial asset</u>			
Measured at fair value through profit or loss			
Mandatorily measured at fair value through profit or loss	NT\$ 20,043	NT\$ 44,949	NT\$ 40,900
Financial assets at	6,795,299	5,715,074	5,176,799

amortized cost (Note 1)			
Financial assets measured at fair value through other comprehensive income			
Investment in equity instruments	-	-	12,000

Financial liabilities

Measured at fair value through profit or loss			
Mandatorily measured at fair value through profit or loss	6,969	31	332
Measured at amortized cost (Note 2)	4,804,570	3,611,706	3,686,522

Note 1: The balance includes financial assets measured at amortized cost, such as cash and cash equivalents, accounts receivable and refundable deposits.

Note 2: The balance includes short-term borrowings, short-term notes payable, accounts payable, other payables (excluding employee benefits payable), deposits received, long-term borrowings due within one year or one operating cycle, long-term borrowings, long-term notes payable and so on financial liabilities measured at amortized cost.

(iv). Financial risk management objectives and policies

The consolidated company's major financial instruments include investments in equity instruments, accounts receivable, accounts payable, borrowings and notes payable. The risks associated with the operations of the above financial instruments include market risk (including exchange rate risk, interest rate risk and other price risk), credit risk and liquidity risk.

1. Market risk

The main financial risks to which the Consolidated Company is exposed as a result of its operating activities are changes in foreign currency exchange rates (see (1) below) and changes in interest rates (see (2) below).

(1). Exchange rate risk

The Consolidated Company engages in foreign currency-denominated sales and purchase transactions, which expose the Consolidated Company to exchange rate risk. The Consolidated



Company manages its exposure to exchange rate risk by using forward exchange contracts and options to the extent permitted by policy.

The carrying amounts of monetary assets and monetary liabilities denominated in non-functional currencies (including monetary items denominated in non-functional currencies that have been eliminated in the consolidated financial statements) and the carrying amounts of derivative instruments with exchange rate risk exposure as of the balance sheet date are described in Note 32.

#### Sensitivity analysis

The Consolidated Company is primarily affected by fluctuations in the USD exchange rate.

The following table details the sensitivity analysis of the Consolidated Company when the exchange rate of the NTD (functional currency) increases and decreases by 1% against each relevant foreign currency. 1% is the sensitivity percentage used for the Group's internal reporting of exchange rate risk to key management and represents management's assessment of the reasonably possible range of changes in foreign currency exchange rates. The sensitivity analysis includes only outstanding foreign currency monetary items and forward exchange contracts designated as cash flow hedges, and adjusts their period-end translation by a 1% change in exchange rates. The negative amount for USD below represents the decrease in net profits before tax when NTD strengthens by 1% against USD, and the positive amount when NTD depreciates by 1% against USD.

	Impact of USD	
	January 1 to March 31, 2024	January 1 to March 31, 2023
Profit (loss)	NT\$ <u>12,762</u>	NT\$ <u>11,008</u>

- (i). Mainly derived from the Consolidated Company's receivables and payables that were outstanding at the balance sheet date and not hedged for cash flow.
- (2). Interest rate risk

The Consolidated Company's bank deposits and borrowed funds carry both fixed and floating interest rates, resulting in interest rate risk.

The carrying amounts of financial assets and financial liabilities exposed to interest rate risk as of the balance sheet date were as follows:

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Fair value interest rate risk			
- Financial assets	NT\$1,716,778	NT\$ 984,684	NT\$1,114,969
- Financial liabilities	2,030,121	897,106	886,826
Cash flow interest rate risk			
- Financial assets	1,750,818	1,350,443	1,128,305
- Financial liabilities	516,805	696,531	699,743

#### Sensitivity analysis

The following sensitivity analysis is based on the interest rate risk of derivative and non-derivative instruments as of the balance sheet date. For floating rate liabilities, the analysis assumes that the amount of the liability outstanding at the balance sheet date is outstanding during the reporting period. The rate of change used in reporting interest rates internally to key management is a 0.25% basis point increase or decrease in interest rates, which also represents management's assessment of the range of reasonably possible changes in interest rates.

If the interest rate increased/decreased by 0.25%, with all other variables remain unchanged, the consolidated company's net income before tax for the three months ended March 31, 2024 and 2023 would have decreased/increased by NTD 771 thousand and NTD 268 thousand, respectively.

#### (3). Other price risk

The Consolidated Company has equity price risk due to its investment in equity securities.

#### Sensitivity analysis

The following sensitivity analysis is based on the equity price exposure at the balance sheet date.

If the equity price increases/decreases by 10%, the pre-tax profit or loss for the years ended March 31, 2024 and 2023 would have increased/decreased by NTD 2,004 thousand and NTD 4,010 thousand,

respectively, due to the increase/decrease in fair value of financial assets measured at fair value through profit or loss. Other comprehensive incomes before tax in 2024 and January 1 to March 31, 2023 were increased/decreased by NTD 0 thousand and NTD 1,200 thousand due to increase/decrease of the fair value of the financial assets measured at fair value through other comprehensive income.

There was no significant change in the sensitivity of the Consolidated Company's investment in equity securities compared with the previous year.

## 2. Credit risk

Credit risk refers to the risk of financial loss due to default on contract obligations by the counterparties. As of the balance sheet date, the Consolidated Company's maximum exposure to credit risk of financial loss due to non-performance by counterparties and the provision of financial guarantees by the Consolidated Company was mainly due to:

- (1) The carrying amount of financial assets recognized in the consolidated balance sheets.
- (2). The maximum amount that the Consolidated Company may be required to pay for the provision of financial guarantees, regardless of the likelihood of occurrence.

The Consolidated Company's primary potential credit risk arises from financial instruments such as cash and cash equivalents and accounts receivable. The Consolidated Company's cash is deposited with various banks and financial institutions. The cash is held in time deposits with maturities of approximately 3 months, which have high liquidity and flexibility and enjoy high interest rates with near-zero risk. The Consolidated Company controls its exposure to the credit risk of each financial institution and believes that the Consolidated Company's cash and cash equivalents are not subject to significant concentrations of credit risk.

The counterparties of the Consolidated Company's accounts receivable are customers in the electronics industry. In order to reduce the credit risk of accounts receivable, the Consolidated Company's management has assigned a dedicated team to establish credit management rules and regulations and to be

responsible for credit limit determination, credit approval and other monitoring procedures for the credit management of accounts receivable.

In addition, the Consolidated Company reviews the recoverable amounts of accounts receivable on a case-by-case basis every month to ensure that appropriate impairment losses have been recorded for uncollectible accounts receivable. Accordingly, the Consolidated Company's management believes that the Consolidated Company's credit risk is limited.

The consolidated company's credit risk is mainly concentrated in the consolidated company's top ten customers. As of March 31, 2024, December 31, 2023, and March 31, 2023, the percentage of total accounts receivable from said customers was 71.35%, 70.13%, and 65.97%, respectively.

### 3. Liquidity risk

The Consolidated Company manages and maintains sufficient balance of cash and cash equivalents to support the Group's operations and mitigate the impact of cash flow fluctuations. The Consolidated Company's management monitors the use of bank financing facilities and ensures compliance with the terms and conditions of the borrowing agreements.

Bank borrowings are an important source of liquidity for the Consolidated Company. See (2) below for a description of the Consolidated Company's unused financing facilities as of March 31, 2024 and 2023.

#### (1). Liquidity and interest rate risk of non-derivative financial liabilities.

The analysis of the remaining contract maturities of non-derivative financial liabilities is prepared using the undiscounted cash flows of financial liabilities (including principal and estimated interest) based on the earliest possible date on which the Consolidated Company could be required to make repayment. Therefore, bank borrowings that the Consolidated Company may be required to repay immediately are shown in the earliest period below, without regard to the probability that the bank will enforce the right immediately; the maturity analysis of other non-derivative financial liabilities is prepared based on the contract repayment dates.

#### March 31, 2024

	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
<u>Non-derivative financial liabilities</u>					
Accounts payable	NT\$ 1,787,304	NT\$ -	NT\$ -	NT\$ -	NT\$ 1,787,304
Other payables	444,092	-	-	-	444,092

Borrowings	2,156,016	403,449	-	-	2,559,465
Lease liabilities	151,351	1,684	495	-	153,530
	<u>NT\$ 4,538,763</u>	<u>NT\$ 405,133</u>	<u>NT\$ 495</u>	<u>NT\$ -</u>	<u>NT\$ 4,944,391</u>

### December 31, 2023

	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
<u>Non-derivative financial liabilities</u>					
Accounts payable	NT\$ 1,907,286	NT\$ -	NT\$ -	NT\$ -	NT\$ 1,907,286
Other payables	89,666	-	-	-	89,666
Borrowings	1,179,776	222,511	199,799	-	1,602,086
Lease liabilities	2,179	1,635	-	-	3,814
	<u>NT\$ 3,178,907</u>	<u>NT\$ 224,146</u>	<u>NT\$ 199,799</u>	<u>NT\$ -</u>	<u>NT\$ 3,602,852</u>

### March 31, 2023

	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
<u>Non-derivative financial liabilities</u>					
Accounts payable	NT\$ 1,698,784	NT\$ -	NT\$ -	NT\$ -	NT\$ 1,698,784
Other payables	382,855	-	-	-	382,855
Borrowings	1,084,438	507,147	-	-	1,591,585
Lease liabilities	2,512	2,179	1,090	-	5,781
	<u>NT\$ 3,168,589</u>	<u>NT\$ 509,326</u>	<u>NT\$ 1,090</u>	<u>NT\$ -</u>	<u>NT\$ 3,679,005</u>

## (2). Financing facilities

	March 31, 2024	December 31, 2023	March 31, 2023
Unsecured bank borrowing facility (extendable by mutual consent)			
Financing facilities used	NT\$2,230,121	NT\$ 1,248,838	NT\$ 1,241,918
Financing facilities unused	<u>3,800,433</u>	<u>4,118,432</u>	<u>3,739,498</u>
	<u>NT\$6,030,554</u>	<u>NT\$5,367,270</u>	<u>NT\$4,981,416</u>
Secured bank borrowing facility (extendable by mutual consent)			
Financing facilities used	NT\$ 316,940	NT\$ 345,000	NT\$ 345,000
Financing facilities unused	<u>383,060</u>	<u>-</u>	<u>154,512</u>
	<u>NT\$ 700,000</u>	<u>NT\$ 345,000</u>	<u>NT\$ 499,512</u>

## XXVIII. Related party transactions

All transactions, account balances, incomes and expenses between the Company and its subsidiaries, which are related parties of the Company, are eliminated upon consolidation and are therefore not disclosed in this note. In addition to those disclosed in other notes, the transactions between the consolidated company and other related parties are as follows:

### Key management remuneration

	January 1 to March 31, 2024	January 1 to March 31, 2023
Short-term employee benefits	NT\$ 7,762	NT\$ 8,104
Post-employment benefits	117	148
	<u>NT\$ 7,879</u>	<u>NT\$ 8,252</u>

The remuneration of directors and other key management is determined by the Remuneration Committee based on individual performance and market trends.

XXIX. Pledged assets

The following assets of the consolidated company have been pledged as collaterals for borrowings and tariff guarantees for imported raw materials:

	March 31, 2024	December 31, 2023	March 31, 2023
Pledged time deposits (recorded as financial assets at amortized cost - current)	NT\$ -	NT\$ -	NT\$ 13,294
Pledged time deposits (recorded as financial assets at amortized cost - noncurrent)	3,187	3,187	2,127
Investment property	<u>298,967</u>	<u>299,848</u>	<u>302,494</u>
	<u>NT\$ 302,154</u>	<u>NT\$ 303,035</u>	<u>NT\$ 317,915</u>

XXX. Significant contingent liabilities and unrecognized contract commitments

- (i). The total contract amount of the equipment contracted by the Consolidated Company with vendors was NTD 213,347 thousand. As of December 31, 2022, the Consolidated Company had paid NTD 124,791 thousand (recorded as prepayment for equipment) and the remaining NTD 88,556 thousand had not been paid.
- (ii). As of March 31, 2024, the consolidated company had provided facilities (including long-term borrowings and short-term borrowings) for the guarantee issuance and deposit of notes of approximately NTD 2,460,000 thousand and USD 8,000 thousand.
- (iii). As of December 31, 2022, the Consolidated Company had received NTD 7,062 thousand in guarantee deposit notes for the purchase of equipment and construction.

XXXI. Other important disclosures: None.

XXXII. Information on foreign currency assets and liabilities with significant effect

The following information is expressed in aggregate in foreign currencies other than the entities of the Consolidated Company's functional currencies, and the exchange rates disclosed represent the rates at which such foreign currencies were converted to

the functional currency. Foreign currency assets and liabilities with significant impact are as follows:

March 31, 2024

	Foreign currency	Exchange rate	Carrying amount
Foreign currency assets			
<u>Monetary items</u>			
USD	NT\$ 84,458	32.000 (USD : NTD)	NT\$2,702,663
USD	75,348	7.0950 (USD : RMB)	<u>2,411,130</u>
			<u>NT\$5,113,793</u>

	Foreign currency	Exchange rate	Carrying amount
Foreign currency liabilities			
<u>Monetary items</u>			
USD	NT\$ 76,309	32.000 (USD: NTD)	NT\$2,441,894
USD	43,615	7.0950 (USD: RMB)	<u>1,395,669</u>
			<u>NT\$3,837,563</u>

December 31, 2023

	Foreign currency	Exchange rate	Carrying amount
Foreign currency assets			
<u>Monetary items</u>			
USD	NT\$ 84,840	30.705 (USD: NTD)	NT\$2,605,006
USD	70,066	7.0827 (USD: RMB)	<u>2,151,368</u>
			<u>NT\$4,756,374</u>

Foreign currency liabilities			
<u>Monetary items</u>			
USD	82,021	30.705 (USD: NTD)	NT\$2,518,442
USD	37,161	7.0827 (USD: RMB)	<u>1,141,025</u>
			<u>NT\$3,659,467</u>

March 31, 2023

	Foreign currency	Exchange rate	Carrying amount
Foreign currency assets			
<u>Monetary items</u>			
USD	NT\$ 80,705	30.450 (USD: NTD)	NT\$2,457,460
USD	76,612	6.8717 (USD: RMB)	<u>2,332,820</u>

NT\$4,790,280

Foreign currency  
liabilities

Monetary items

USD	79,942	30.450 (USD: NTD)	NT\$2,434,228
USD	41,225	6.8717 (USD: RMB)	<u>1,255,293</u>
			NT\$3,689,521

The consolidated company's foreign currency exchange gains and losses (realized and unrealized) amounted to NTD 13,544 thousand and NTD 16,487 thousand for 2024 and for the three months ended March 31, 2023, respectively. Since there are many foreign currency transactions and functional currencies for the entities of the Group, it is impossible to disclose the foreign exchange gains and losses by each major currency.

XXXIII. Additional disclosure

(i). Significant transactions and (ii) information on the investee enterprises:

No.	Item	Description
1	Lending funds to others	Exhibit 1
2	Endorsements and guarantees for others.	None
3	Marketable securities held at the end of the period. (Excluding investment in subsidiaries, affiliated enterprises and joint venture interests)	Exhibit 2
4	The cumulative amount of purchases or sales of the same marketable securities reaches at least NTD 300 million or 20% of the paid-in capital.	None
5	Acquisition of real estate amounting to at least NTD 300 million or 20% of the paid-in capital.	None
6	Disposal of real estate amounting to at least NTD 300 million or 20% of the paid-in capital.	None
7	The amount of purchase or sale with related parties is at least NTD 100 million or 20% of the paid-in capital.	Exhibit 3
8	Receivables from related parties amounting to at least NTD 100 million or 20% of the paid-in capital.	Exhibit 4
9	Engagement in derivative transactions.	Note 7
10	Others: Business relationships and significant transactions between the parent and subsidiaries and between subsidiaries and the amounts involved.	Exhibit 7
11	Information on investees	Exhibit 5

(iii). Information on investment in Mainland China:

No.	Item	Description
1	The name of the investees in Mainland China, principal business, paid-in capital, investment methods, capital outward and	Exhibit 6



	inward remittances, shareholding, investment gains and losses, investment carrying amount at the end of the period, repatriated investment gains and losses, and investment quota for Mainland China.	
	The following significant transactions with investees in Mainland China, directly or indirectly through third regions, and their prices, payment terms, and unrealized gains or losses:	
	(1) Amounts and percentages of purchases and related payables at the end of the period.	Exhibit 3
	(2) Amounts and percentages of sales and related receivables at the end of the period.	None
2	(3) The amount of property transactions and the amount of gain or loss resulting from such transactions.	None
	(4) The ending balance of endorsement and guarantee of notes or provision of collateral and its purpose.	None
	(5) The maximum balance, ending balance, interest rate range and total current interest amount of financial accommodation.	None
	(6) Other transactions that have a significant effect on the current profit or loss or financial position, such as the provision or receipt of services.	None

(iv). Information on major shareholders:

Name, number and percentage of shares held by shareholders with 5% or more of the shares: Exhibit 8.

XXXIV. Segment information

Financial information by industry and segment

The information provided to the chief business decision maker for allocating resources and measuring segment performance focuses on the type of product or service delivered or provided. In accordance with IFRS 8 “Operating Segments”, the Consolidated Company does not have an operating segment that meets the requirements of the IFRS, and the Consolidated Company’s business is concentrated on the production and sale of flexible boards and keypads, and there is no division of industrial segments, so the segment revenues, operating results and segment assets are the same as those in the income statement and balance sheet.

ICHIA TECHNOLOGIES INC. and subsidiaries

Lending funds to others

January 1 to March 31, 2024

Exhibit 1

Unit: NTD and foreign currency in thousands, unless otherwise stated

No. (Note 1)	The lender company of funds	The borrower of funds	Transaction	Related party or not	Maximum balance for the period	Balance at the end of the period	Actual amounts drawn	Interest rate range	Nature of funds lending (Note 2)	Amount of business transactions	Reasons for the necessity of short-term financing	Amount of allowance for bad debts	Collateral		The limit for individual funds lending (Note 3)	The limit for total funds lending (Note 3)	Remarks
													Name	Value			
1	BVI-ICHIA	ICHIA Technologies Hungary Limited Liability Company	Other receivabl es - related party	Yes	\$ 62,400 ( USD 1,950 )	\$ 62,400 ( USD 1,950 )	\$ 62,400 ( USD 1,950 )	-	2	\$ -	Operating turnover	\$ -	None	\$ -	\$ 12,384,919 (Note 4)	\$ 12,384,919 (Note 4)	
		ICHIA TECHNOLOGI ES INC.	Other receivabl es - related party	Yes	553,600 ( USD 17,300 )	553,600 ( USD 17,300 )	553,600 ( USD 17,300 )	-	2	-	Operating turnover	-	None	-	12,384,919 (Note 4)	12,384,919 (Note 4)	

Note 1: The number column is filled out as follows:

- (1) Fill in 0 for the issuer.
- (2) Investees are numbered sequentially from Arabic numeral 1 according to the company type.

Note 2: The nature of the funds lending is described as follows:

- (1) Fill in 1 for those who have business transactions.
- (2) Fill in 2 for those in need of short-term financing.

Note 3: Calculation and amount of funds lending limits.

- I. The limit for individual funds lending
  - (1) The amount of funds lending of the Company to individual counterparties is limited to 30% of the Company's current net worth (December 31, 2020), in accordance with the Company's Operating Procedures for Lending Funds to Others.
  - (2) The amount of funds lending of an investee to individual counterparties is limited to 200% of the investee's current net worth (December 31, 2023), in accordance with the investee's Operating Procedures for Lending Funds to Others.
  - (3) The amount of funds lending of BVI-ICHIA to the Group's parent company is limited to 200% of BVI-ICHIA's current net worth (December 31, 2022) in accordance with BVI-ICHIA's Operating Procedures for Lending Funds to Others.
- II. The limit for total funds lending:
  - (1). The cumulative amount of funds lending of the Company to external counterparties is limited to 40% of the Company's current net worth (December 31, 2020), in accordance with the Company's Operating Procedures for Lending Funds to Others.
  - (2) The cumulative amount of funds lending of an investee is limited to 200% of the investee's current net worth (December 31, 2023), in accordance with the investee's Operating Procedures for Lending Funds to Others.
  - (3) The cumulative amount of funds lending of BVI-ICHIA to the Group's parent company is limited to 200% of BVI-ICHIA's current net worth (December 31, 2020) in accordance with BVI-ICHIA's Operating Procedures for Lending Funds to Others.
- III. The Company's funds lending limit was calculated based on the net worth of the Company's financial statements reviewed by CPA; the investee's funds lending limit was calculated based on the net worth of the investee's financial statements in foreign currencies reviewed by CPA.
- V. The funds lending limits here are presented in NTD. If foreign currencies are involved, they are translated into NTD at the prevailing exchange rate on the date of the financial statements. (The spot exchange rate for USD as of March 31, 2024 was 32.)

Note 4: The funds lending between companies outside of the Republic of China in which the Company directly or indirectly holds 100% of the voting rights is not subject to the funds lending limits in Note 3.

ICHIA TECHNOLOGIES INC. and subsidiaries  
Marketable securities held at the end of the period  
March 31, 2024

Exhibit 2

Unit: NTD and foreign currency in thousands, except for shares.

Subsidiaries held	Type and name of marketable securities (Note 1)	Relationship with the issuer of marketable securities	Account in the book	Period end				Remarks
				Number of shares	Carrying amount	Shareholding (%)	Fair value	
ICHIA TECHNOLOGIES INC.	Fund beneficiary certificates							
	Sinopac TWD Money Market Fund	None	Financial assets measured at fair value through profit or loss - current	1,396,911	<u>\$ 20,043</u>	-	<u>\$ 20,043</u>	
	Non-listed (non-OTC) stock - common stock Ten Shen Precision Co., Ltd. (common stock)	”	Financial assets measured at fair value through other comprehensive income - non-current	765,000	<u>\$ -</u>	8.57%	<u>\$ -</u>	Note 3

- Note 1: Marketable securities referred to here are stocks, bonds, beneficiary certificates and marketable securities derived from the above items that fall within the scope of IFRS 9 “Financial Instruments”.
- Note 2: For information on investments in subsidiaries, affiliates and joint venture interests, please refer to Exhibit 5 and Exhibit 6.
- Note 3: On September 8, 2023, the extraordinary shareholders' meeting of Ten Shen Precision Co. Ltd. resolved to convert the preferred shares into common shares at a conversion ratio of 1:1.25. On the same day, it was resolved to reduce capital to make up losses and the registration for change was completed on February 25, 2024. The Company's shareholding after the capital reduction was 765,000 shares.

ICHIA TECHNOLOGIES INC. and subsidiaries

The amount of purchase or sale with related parties is at least NTD 100 million or 20% of the paid-in capital.

January 1 to March 31, 2024

Exhibit 3

Unit: NTD thousand, unless otherwise stated

Purchase (sale) company	Trading partner name	Relationship	Transactions				The circumstances and reasons why the trading terms are different from those of ordinary transactions		Notes and accounts receivable (payable)		Remarks
			Purchase (sale)	Amount	Purchase (sale) company	Credit period	Unit price	Credit period	Balance	Percentage of total notes and accounts receivable (payable)	
ICHIA TECHNOLOG IES INC.	ICHIA SUZHOU	The same affiliate	Purchase	\$ 1,063,536	89	150 days from monthly cut-off day	-	-	(\$ 1,741,182)	( 90 )	

ICHIA TECHNOLOGIES INC. and subsidiaries

Receivables from related parties amounting to at least NTD 100 million or 20% of the paid-in capital.

March 31, 2024

Exhibit 4

Unit: NTD thousand, unless otherwise stated

Companies with accounts receivable Company	Trading partner name	Relationship	Balance of receivables from related parties	Turnover rate	Overdue receivables from related parties		Receivables from related parties collected during the subsequent period	Amount of allowance for bad debts
					Amount	Processing method		
ICHIA SUZHOU	ICHIA TECHNOLOGIES INC.	The same affiliate	Accounts receivable \$ 1,741,182	2.40	\$ -	-	\$ 387,575	\$ -
BVI-ICHIA	ICHIA TECHNOLOGIES INC.	The same affiliate	Other receivables 553,600	Note	-	-	-	-

Note: The turnover rate is not calculated because it is mainly due to other receivables arising from the lending of funds.

ICHIA TECHNOLOGIES INC. and subsidiaries

Information on investees, locations, ....., etc.

January 1 to March 31, 2024

Exhibit 5

Unit: NTD and foreign currency in thousands, except for shares.

Investor	Investee	Location	Principle business	Original investment amount		Holding at the end of period			Profit or loss of investees for the period	Investment gain (loss) recognized in the period	Remarks
				The end of the period	The end of last year	Number of shares	Percentage %	Carrying amount			
ICHIA TECHNOLOGIES INC.	ICHIA HOLDINGS (B.V.I) Co., Ltd.	P.O. BOX957, Offshore Incorporation Centre, Road Town, Tortola, British Virgin Islands	Various investment businesses	\$ 3,532,566 ( USD 108,693 )	\$ 3,532,566 ( USD 108,693 )	108,693	100	\$ 6,186,398	\$ 69,611	\$ 70,118	Subsidiary
	ICHIA USA Inc.	1057 Tierra Del Rey, Suite G ,Chula Vista, CA 91910 U.S.A.	International trading of various electronic components and materials	118,309 ( USD 4,106 )	118,309 ( USD 4,106 )	4,106	100	41,546	371	371	Subsidiary
	ICHIA RUBBER INDUSTRY (M) Sdn. Bhd.	997-A, Solok Pervshaan Tiga Prai Industrial Estate 13600 Prai, P.W. West Halasia Malaysia	Manufacturing, processing and trading of various electronic components and materials for various electronic and telecommunication computers.	119,432 ( USD 3,762 )	119,432 ( USD 3,762 )	9,000	100	131,539	3,042	3,040	Subsidiary
	Vietnam - ICHIA	Villa No. 15, Le Thai Cho Road, Vo Kiang Place, Bac Ninh City, Bac Ninh Province, Vietnam	Manufacturing, processing and trading of rubber and plastic keypads	16,265 ( USD 500 )	16,265 ( USD 500 )	-	100	14,329	( 222 )	( 222 )	Subsidiary
ICHIA HOLDINGS (B.V.I) Co., Ltd.	ICHIA UK. LTD.	P.O. Box 3152, Town, Tortola, British Virgin Islands	Various investment businesses	157,632 ( USD 4,926 )	157,632 ( USD 4,926 )	4,926	100	( 24,512 ) ( USD -766 )	( 3,360 ) ( USD -105 )	( 3,360 ) ( USD -105 )	Subsidiary
	ICHIA HOLDINGS (H.K.) Co., Ltd.	Room 1004, National Health Centre, 151 Gloucester Road, Wanchai, Hong Kong	Various investment businesses	2,400,000 ( USD 75,000 )	2,400,000 ( USD 75,000 )	75,000	100	4,754,048 ( USD 148,564 )	75,744 ( USD 2,367 )	75,744 ( USD 2,367 )	Subsidiary
ICHIA UK. LTD.	ICHIA Technologies Hungary Limited Liability Company	2900 Komarom Ipari Park Banki Domat U. 2. Hungary	Manufacturing, processing and trading of rubber and plastic keypads	157,632 ( USD 4,926 )	157,632 ( USD 4,926 )	-	100	( 24,512 ) ( USD -766 )	( 3,360 ) ( USD -105 )	( 3,360 ) ( USD -105 )	Subsidiary

Note 1: Please refer to Exhibit 6 for information on the investees in Mainland China.

ICHIA TECHNOLOGIES INC. and subsidiaries

Information on investment in Mainland China

January 1 to March 31, 2024

Exhibit 6

Unit: NTD and foreign currency in thousands, unless otherwise stated

1. The name of the investees in Mainland China, principal business, paid-in capital, investment methods, capital outward and inward remittances, shareholding, investment gains and losses, investment carrying amount, repatriated investment gains and losses:

Investee in Mainland China	Principle business	Paid-in capital	Type of investment (Note 1)	Accumulated investment amount remitted from Taiwan at the beginning of the period	Amount of investment remitted or recovered during the period		Accumulated investment amount remitted from Taiwan at the end of the period	Profit or loss of investees for the period	Shareholding percentage of the Company's direct or indirect investment	Investment gain (loss) recognized in the period (Note 2)	Carrying amount of investments at the end of the period	Investment income remitted back as of the end of the period
					Remittance	Recovery						
ICHIA SUZHOU	Rubber, plastic keypads and flexible printed circuit boards	\$ 2,784,000 ( USD 87,000 )	(ii) B	\$ 2,784,000 ( USD 87,000 )	\$ -	\$ -	\$ 2,784,000 ( USD 87,000 )	\$ 77,312 ( USD 2,416 )	100	\$ 75,840 ( USD 2,370 )	\$ 4,751,808 ( USD 148,494 )	\$ -
ZHONGSHAN ICHIA	Rubber and plastic keypads	544,000 ( USD 17,000 )	(ii) A	544,000 ( USD 17,000 )	-	-	544,000 ( USD 17,000 )	( 1,792 ) ( USD -56 )	100	( 1,760 ) ( USD -55 ) (ii) C	815,168 ( USD 25,474 )	-

2. Investment quota for Mainland China.

Accumulated amount of investment from Taiwan to Mainland China at the end of the period	Amount of investment approved by the Investment Commission, Ministry of Economic Affairs	Investment quota for mainland China as stipulated by the Investment Commission, Ministry of Economic Affairs
NTD 3,328,000 ( USD 104,000 )	NTD 3,328,000 ( USD 104,000 )	NTD 3,709,203 ( USD 115,913 )

Note 1: The investment methods can be divided into the following three types, indicating as such suffices:

- (i) Investment in Mainland China directly.
- (ii) Investment in Mainland China through companies in third regions (please specify the investment company of the third region).
  - A. BVI-ICHIA
  - B. ICHIA HOLDINGS (H.K.) Co., Ltd.
- (iii) Other types.

Note 2: In the column of investment gain or loss recognized in the current period:

- (i) If the investment is under preparation and there is no investment gain or loss, it should be noted.
- (ii) The basis for recognizing investment gains or losses is divided into the following three categories, which should be specified.
  - A. The financial statements have been reviewed by an international CPA firm with which CPA firms in the Republic of China have a cooperative relationship.
  - B. The financial statements have been reviewed by the attesting CPA of the parent company in Taiwan.
  - C. Others.

Note 3: The figures in this Exhibit are presented in NTD. Where foreign currencies are involved, the exchange rate at the date of financial reporting is used to translate into NTD. (The spot exchange rate for USD as of March 31, 2024 was 32.)

ICHIA TECHNOLOGIES INC. and subsidiaries

Business relationships and significant transactions between the parent and subsidiaries and between subsidiaries and the amounts involved.

January 1 to March 31, 2024

Exhibit 7

Unit: NTD thousands

No. (Note 1)	Trader name	Counterparty	Relationship with trader (Note 2)	Transactions			
				Account	Amount	Trading terms (Note 4)	Percentage of consolidated total revenues or total assets (Note 3)
0	ICHIA TECHNOLOGIES INC.	ICHIA SUZHOU	1	Purchase	\$ 1,063,536	-	53
		”	1	Other receivables	32,687	-	-
		”	1	Accounts payable	1,741,182	-	15
		ZHONGSHAN ICHIA	1	Purchase	72,711	-	4
		”	1	Accounts payable	98,385	-	1
		”	1	Other receivables	226	-	-
		ICHIA RUBBER INDUSTRY (M) Sdn. Bhd.	1	Sale	15	-	-
		”	1	Purchase	5,465	-	-
		”	1	Accounts receivable	15	-	-
		”	1	Accounts payable	10,986	-	-
1	BVI-ICHIA	BVI-ICHIA	1	Current accounts - payables to related parties	553,600	-	5
		ICHIA TECHNOLOGY - MALAYSIA	1	Other receivables	16,994	-	-
		ICHIA Technologies Hungary Limited Liability Company	3	Current accounts - receivables to related parties	62,400	-	1
		”	3	Non-operating receivables	1,551	-	-
2	ICHIA SUZHOU	”	3	Temporary payments	1,315	-	-
		ICHIA USA Inc.	3	Sale	1,986	-	-
		”	3	Accounts receivable	2,024	-	-
		ZHONGSHAN ICHIA	3	Sale	3,217	-	-
		”	3	Accounts receivable	3,704	-	-
		ICHIA RUBBER INDUSTRY	3	Sale	4,592	-	-



3	ZHONGSHAN ICHIA	(M) Sdn. Bhd.					
		”	3	Accounts receivable	9,214	-	-
		”	3	Other receivables	11,066	-	-
		ICHIA RUBBER INDUSTRY	3	Sale	6	-	-
		(M) Sdn. Bhd.					
		”	3	Accounts receivable	6	-	-
		ICHIA USA Inc.	3	Sale	627	-	-
		”	3	Accounts receivable	888	-	-

Note 1: Information on business transactions between the parent company and subsidiaries should be indicated in the numbered column respectively, and the number should be filled in as follows:

1. Fill in “ ” for parent company.
2. Subsidiaries are numbered sequentially from Arabic numeral 1 according to the company type.

Note 2: The relationship with the traders is classified into three types as follows, indicating the type suffices:

1. Parent company to subsidiary.
2. Subsidiary to parent company.
3. Subsidiary to subsidiary.

Note 3: The percentage of transaction amount to consolidated total revenues or total assets is calculated as the ending balance to consolidated total assets in the case of assets and liabilities, or as the amount to consolidated total revenues in the case of profit or loss.

Note 4: The trading terms for sales between parent company and subsidiaries are not materially different from those of ordinary sales. The trading terms for other transactions are based on the agreements between the parties because there are no similar transactions to follow.

ICHIA TECHNOLOGIES INC. and subsidiaries

Information on major shareholders

March 31, 2024

Exhibit 8

Name of Major Shareholder	Shares	
	Shareholding	Shareholding Percentage
Fa La Li Investment Co., Ltd.	19,198,481	6.24%
Creative Investment Co., Ltd.	18,972,480	6.16%

Note 1: The information on major shareholders in this Exhibit is compiled by Taiwan Depository & Clearing Corporation based on the last business day of the quarter in which the shareholders held 5% or more of the Company's common shares and preferred shares whose registration and delivery have been completed in non-physical form (including treasury shares). The number of shares recorded in the Company's consolidated financial statements and the actual number of shares registered and delivered in non-physical form may differ depending on the basis of preparation of the calculations.