

**MARKETECH INTERNATIONAL CORP.
AND SUBSIDIARIES
CONSOLIDATED FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS' REVIEW REPORT
MARCH 31, 2024 AND 2023**

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

INDEPENDENT AUDITORS' REVIEW REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Stockholders of Marketch International Corp.

Introduction

We have reviewed the accompanying consolidated balance sheets of Marketch International Corp. and subsidiaries (the "Group") as at March 31, 2024 and 2023, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the three months then ended, and notes to the consolidated financial statements, including a summary of material accounting policies. Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, "Interim Financial Reporting" that came into effect as endorsed by the Financial Supervisory Commission. Our responsibility is to express a conclusion on these consolidated financial statements based on our reviews.

Scope of Review

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

Basis for Qualified Conclusion

As explained in Notes 4(3) and 6(6), we did not review the financial statements of certain insignificant consolidated subsidiaries and investments accounted for using equity method, which statements reflect total assets (including investments accounted for using equity method) of NT\$1,697,129 thousand and NT\$1,271,980 thousand, constituting 4% and 3% of the consolidated total assets, and total liabilities of NT\$401,040 thousand and NT\$303,815 thousand, both constituting 1% of the consolidated total liabilities as at March 31, 2024 and 2023, respectively, and total comprehensive loss of (NT\$20,095) thousand and (NT\$67,397) thousand, constituting (4%) and (15%) of the consolidated total comprehensive income for the three months then ended, respectively. These amounts were based solely on the unreviewed financial statements of these companies as of March 31, 2024 and 2023.

Qualified Conclusion

Except for the adjustments to the consolidated financial statements, if any, as might have been determined to be necessary had the financial statements of certain insignificant consolidated subsidiaries and investments accounted for using equity method been reviewed by independent auditors, that we might have become aware of had it not been for the situation described above, based on our reviews, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Group as at March 31, 2024 and 2023, and of its consolidated financial performance and its consolidated cash flows for the three months then ended in accordance with “Regulations Governing the Preparation of Financial Reports by Securities Issuers” and International Accounting Standard 34, “Interim Financial Reporting” that came into effect as endorsed by the Financial Supervisory Commission.

SUNG-TSE WANG

Lin, Chun-Yao

For and on Behalf of PricewaterhouseCoopers, Taiwan

May 7, 2024

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

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

MARKETECH INTERNATIONAL CORP. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
MARCH 31, 2024, DECEMBER 31, 2023 AND MARCH 31, 2023
(Expressed in thousands of New Taiwan dollars)

Assets			March 31, 2024		December 31, 2023		March 31, 2023	
			AMOUNT	%	AMOUNT	%	AMOUNT	%
Current assets								
1100	Cash and cash equivalents	6(1)	\$ 7,047,308	16	\$ 7,210,086	16	\$ 6,579,695	18
1110	Financial assets at fair value through profit or loss - current	6(2)	181,243	-	164,696	-	108,883	-
1140	Current contract assets	6(17)	13,392,197	30	13,530,731	29	10,344,187	28
1150	Notes receivable, net	6(3)	193,621	1	171,878	-	37,391	-
1160	Notes receivable - related parties	6(3) and 7	243	-	98	-	73	-
1170	Accounts receivable, net	6(3)(4)	6,434,122	14	8,558,811	18	5,737,627	16
1180	Accounts receivable - related parties, net	6(3) and 7	85,505	-	26,896	-	74,847	-
1200	Other receivables		49,793	-	44,176	-	20,377	-
1220	Current tax assets		101,423	-	97,482	-	-	-
130X	Inventories, net	6(5)	7,620,787	17	7,315,707	16	6,664,167	18
1410	Prepayments		1,945,853	4	2,019,039	4	1,634,571	4
1470	Other current assets	8	369,232	1	319,627	1	344,397	1
11XX	Total current assets		37,421,327	83	39,459,227	84	31,546,215	85
Non-current assets								
1510	Financial assets at fair value through profit or loss - non-current	6(2)	1,699,989	4	1,397,973	3	717,309	2
1535	Non-current financial assets at amortized cost	8	13,349	-	15,790	-	16,283	-
1550	Investments accounted for using equity method	6(6)	209,058	-	216,541	1	100,823	-
1600	Property, plant and equipment, net	6(7), 7 and 8	2,473,271	6	2,414,956	5	2,475,368	7
1755	Right-of-use assets	6(8) and 7	2,613,832	6	2,483,355	6	1,659,761	5
1780	Intangible assets	7	99,896	-	98,634	-	107,009	-
1840	Deferred tax assets		459,268	1	471,703	1	341,980	1
1900	Other non-current assets	6(2)(6) and 8	135,879	-	138,525	-	156,314	-
15XX	Total non-current assets		7,704,542	17	7,237,477	16	5,574,847	15
1XXX	Total Assets		\$ 45,125,869	100	\$ 46,696,704	100	\$ 37,121,062	100

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MARKETECH INTERNATIONAL CORP. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
MARCH 31, 2024, DECEMBER 31, 2023 AND MARCH 31, 2023
(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity		Notes	March 31, 2024		December 31, 2023		March 31, 2023	
			AMOUNT	%	AMOUNT	%	AMOUNT	%
Current liabilities								
2100	Short-term borrowings	6(9) and 8	\$ 8,128,644	18	\$ 9,679,501	21	\$ 6,817,661	18
2130	Current contract liabilities	6(17)	9,233,110	21	9,811,214	21	7,196,821	20
2150	Notes payable		1,403,686	3	1,740,895	4	1,631,023	4
2160	Notes payable - related parties	7	4,725	-	11,335	-	7,875	-
2170	Accounts payable		7,030,132	16	6,630,517	14	7,191,886	19
2180	Accounts payable - related parties	7	17,118	-	20,881	-	11,428	-
2200	Other payables	6(10)	940,653	2	1,301,729	3	778,349	2
2230	Current tax liabilities		546,226	1	466,179	1	477,727	1
2280	Current lease liabilities	7	563,064	1	493,015	1	270,752	1
2320	Long-term liabilities, current portion	6(11)(12)	3,611	-	2,412	-	577,609	2
2399	Other current liabilities		88,490	-	65,381	-	60,740	-
21XX	Total current liabilities		27,959,459	62	30,223,059	65	25,021,871	67
Non-current liabilities								
2530	Bonds payable	6(11)	2,402,207	5	2,391,712	5	-	-
2540	Long-term borrowings	6(12)	216,389	1	217,588	-	200,000	1
2570	Deferred tax liabilities		330,807	1	365,268	1	325,594	1
2580	Non-current lease liabilities	7	2,202,182	5	2,117,874	5	1,411,325	4
2640	Net defined benefit liability - non-current		138,385	-	139,087	-	137,476	-
2670	Other non-current liabilities	6(6)	6,040	-	6,077	-	4,488	-
25XX	Total non-current liabilities		5,296,010	12	5,237,606	11	2,078,883	6
2XXX	Total Liabilities		33,255,469	74	35,460,665	76	27,100,754	73
Equity								
	Share capital	6(14)						
3110	Ordinary shares		2,013,154	5	2,013,154	4	1,956,782	5
	Capital surplus	6(15)						
3200	Capital surplus		2,499,482	5	2,498,186	5	1,849,638	5
	Retained earnings	6(16)						
3310	Legal reserve		1,310,579	3	1,310,579	3	1,087,737	3
3320	Special reserve		182,589	-	182,589	-	256,244	1
3350	Unappropriated retained earnings		5,852,779	13	5,365,203	12	4,916,454	13
	Other equity interest							
3400	Other equity interest		(145,302)	-	(226,430)	-	(186,483)	-
31XX	Total equity attributable to owners of parent		11,713,281	26	11,143,281	24	9,880,372	27
36XX	Non-controlling interests	4(3)	157,119	-	92,758	-	139,936	-
3XXX	Total Equity		11,870,400	26	11,236,039	24	10,020,308	27
	Significant contingent liabilities and unrecognized contract commitments	9						
3X2X	Total Liabilities and Equity		\$ 45,125,869	100	\$ 46,696,704	100	\$ 37,121,062	100

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

MARKETECH INTERNATIONAL CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
THREE MONTHS ENDED MARCH 31, 2024 AND 2023

(Expressed in thousands of New Taiwan dollars, except for earnings per share amount)

			Three months ended March 31,			
			2024		2023	
Items	Notes		AMOUNT	%	AMOUNT	%
4000 Operating Revenue	6(17) and 7		\$ 14,615,323	100	\$ 13,885,761	100
5000 Operating Costs	6(5)(20) and 7		(13,581,415)	(93)	(12,606,579)	(91)
5900 Gross Profit			<u>1,033,908</u>	<u>7</u>	<u>1,279,182</u>	<u>9</u>
Operating Expenses	6(20)					
6100 Sales and marketing expenses			(194,396)	(1)	(175,088)	(1)
6200 General and administrative expenses			(361,757)	(3)	(320,809)	(2)
6300 Research and development expenses			(71,316)	(1)	(57,568)	(1)
6450 Expected credit loss	12(2)		(178,573)	(1)	(119,215)	(1)
6000 Total operating expenses			(806,042)	(6)	(672,680)	(5)
6900 Operating Profit			<u>227,866</u>	<u>1</u>	<u>606,502</u>	<u>4</u>
Non-operating Income and Expenses						
7100 Interest income			18,356	-	10,537	-
7010 Other income	6(18)		13,962	-	16,209	-
7020 Other gains and losses	6(2)(19)		481,024	4	38,849	-
7050 Finance costs	7		(126,634)	(1)	(50,596)	-
7060 Share of loss of associates and joint ventures accounted for using equity method	6(6)		(6,799)	-	(3,027)	-
7000 Total non-operating income and expenses			<u>379,909</u>	<u>3</u>	<u>11,972</u>	-
7900 Profit before Income Tax			<u>607,775</u>	<u>4</u>	<u>618,474</u>	<u>4</u>
7950 Income tax expense	6(21)		(131,621)	(1)	(176,888)	(1)
8200 Net Income			<u>\$ 476,154</u>	<u>3</u>	<u>\$ 441,586</u>	<u>3</u>
Other Comprehensive Income						
Components of other comprehensive income that will be reclassified to profit or loss						
8361 Exchange differences on translation of foreign operations			\$ 102,751	1	(\$ 4,620)	-
8370 Share of other comprehensive income (loss) of associates and joint ventures accounted for using equity method	6(6)		172	-	(18)	-
8399 Income tax relating to components of other comprehensive income that will be reclassified to profit or loss	6(21)		(20,282)	-	974	-
8360 Other comprehensive income (loss) that will be reclassified to profit or loss			<u>82,641</u>	<u>1</u>	<u>(3,664)</u>	-
8300 Other comprehensive income (loss), net of tax			<u>\$ 82,641</u>	<u>1</u>	<u>(\$ 3,664)</u>	-
8500 Total Comprehensive Income			<u>\$ 558,795</u>	<u>4</u>	<u>\$ 437,922</u>	<u>3</u>
Profit (loss) attributable to:						
8610 Owners of the parent			\$ 487,576	3	\$ 455,235	3
8620 Non-controlling interests			(11,422)	-	(13,649)	-
Total			<u>\$ 476,154</u>	<u>3</u>	<u>\$ 441,586</u>	<u>3</u>
Comprehensive income (loss) attributable to:						
8710 Owners of the parent			\$ 568,704	4	\$ 451,341	3
8720 Non-controlling interests			(9,909)	-	(13,419)	-
Total			<u>\$ 558,795</u>	<u>4</u>	<u>\$ 437,922</u>	<u>3</u>
9750 Basic earnings per share (in dollars)	6(22)		\$ 2.42		\$ 2.33	
9850 Diluted earnings per share (in dollars)	6(22)		\$ 2.25		\$ 2.24	

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

MARKETECH INTERNATIONAL CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
THREE MONTHS ENDED MARCH 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

Notes	Equity attributable to owners of the parent							Financial statements translation differences of foreign operations	Total	Non-controlling interests	Total equity
	Capital Reserves			Retained Earnings							
	Share capital - ordinary shares	Capital Surplus - share premium	Capital Surplus- - others	Legal reserve	Special reserve	Unappropriated retained earnings					
	\$ 1,950,284	\$ 1,762,375	\$ 24,955	\$ 1,087,737	\$ 256,244	\$ 4,461,219	(\$ 182,589)	\$ 9,360,225	\$ 125,923	\$ 9,486,148	
	-	-	-	-	-	455,235	-	455,235	(13,649)	441,586	
	-	-	-	-	-	-	(3,894)	(3,894)	230	(3,664)	
	-	-	-	-	-	455,235	(3,894)	451,341	(13,419)	437,922	
6(11)(14)(15)	6,498	64,307	(1,999)	-	-	-	-	68,806	-	68,806	
	-	-	-	-	-	-	-	-	27,432	27,432	
	\$ 1,956,782	\$ 1,826,682	\$ 22,956	\$ 1,087,737	\$ 256,244	\$ 4,916,454	(\$ 186,483)	\$ 9,880,372	\$ 139,936	\$ 10,020,308	
	\$ 2,013,154	\$ 2,365,746	\$ 132,440	\$ 1,310,579	\$ 182,589	\$ 5,365,203	(\$ 226,430)	\$ 11,143,281	\$ 92,758	\$ 11,236,039	
	-	-	-	-	-	487,576	-	487,576	(11,422)	476,154	
	-	-	-	-	-	-	81,128	81,128	1,513	82,641	
	-	-	-	-	-	487,576	81,128	568,704	(9,909)	558,795	
6(15)	-	-	1,296	-	-	-	-	1,296	-	1,296	
	-	-	-	-	-	-	-	-	74,270	74,270	
	\$ 2,013,154	\$ 2,365,746	\$ 133,736	\$ 1,310,579	\$ 182,589	\$ 5,852,779	(\$ 145,302)	\$ 11,713,281	\$ 157,119	\$ 11,870,400	

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

MARKETECH INTERNATIONAL CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
THREE MONTHS ENDED MARCH 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

	Notes	Three months ended March 31,	
		2024	2023
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Profit before tax		\$ 607,775	\$ 618,474
Adjustments			
Adjustments to reconcile profit (loss)			
Net gain on financial assets at fair value through profit or loss	6(2)(19)	(294,963)	(58,446)
Expected credit loss	12(2)	178,573	119,215
Share of loss of associates and joint ventures accounted for using equity method	6(6)	6,799	3,027
Depreciation	6(7)(8)(20)	217,181	133,074
Amortization	6(20)	8,919	8,874
Loss on disposal of property, plant and equipment	6(19)	364	135
Interest income		(18,356)	(10,537)
Interest expense		126,634	50,596
Dividend income	6(18)	(261)	-
Changes in operating assets and liabilities			
Changes in operating assets			
Contract assets – current		138,534	(1,284,406)
Notes receivable, net		(21,743)	(8,198)
Notes receivable – related parties, net		(145)	85
Accounts receivable, net		1,998,980	387,470
Accounts receivable – related parties, net		(59,589)	13,002
Other receivables		(3,195)	3,506
Inventories		(285,856)	(392,032)
Prepayments		73,474	(212,627)
Other current assets		(33,222)	21,184
Changes in operating liabilities			
Contract liabilities – current		(578,105)	307,326
Notes payable		(337,209)	(528,879)
Notes payable – related parties		(6,610)	388
Accounts payable		329,492	109,790
Accounts payable – related parties		(3,763)	(10,938)
Other payables		(421,954)	(337,333)
Other current liabilities		23,109	3,965
Other non-current liabilities		(702)	(631)
Cash inflow (outflow) generated from operations		1,644,161	(1,063,916)
Interest received		18,271	10,752
Dividends received		261	-
Interest paid		(117,509)	(46,978)
Income tax paid		(93,720)	(76,337)
Net cash flows from (used in) operating activities		<u>1,451,464</u>	<u>(1,176,479)</u>

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MARKETECH INTERNATIONAL CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
THREE MONTHS ENDED MARCH 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

	Notes	Three months ended March 31, 2024	2023
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Acquisition of financial assets at fair value through profit or loss		(\$ 21,026)	(\$ 11,857)
Proceeds from disposal of financial assets at fair value through profit or loss		670	273
Proceeds from disposal of financial assets at amortized cost		2,736	797
Acquisition of property, plant and equipment	6(7)	(110,232)	(99,641)
Proceeds from disposal of property, plant and equipment	6(7)	10	46
Acquisition of right-of-use assets		(6,694)	(1,076)
Acquisition of intangible assets		(10,055)	(5,322)
(Increase) decrease in refundable deposits		(12,134)	20,621
Increase in other non-current assets		-	(62,524)
Net cash flows used in investing activities		(156,725)	(158,683)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
(Decrease) increase in short-term borrowings	6(24)	(1,685,736)	1,465,333
Repayments of lease principal	6(8)(24)	(128,108)	(54,845)
Decrease in guarantee deposits received		(572)	-
Changes in non-controlling interests		75,568	27,432
Net cash flows (used in) from financing activities		(1,738,848)	1,437,920
Effect of exchange rate changes on cash and cash equivalents		281,331	(4,360)
Net (decrease) increase in cash and cash equivalents		(162,778)	98,398
Cash and cash equivalents at beginning of period	6(1)	7,210,086	6,481,297
Cash and cash equivalents at end of period	6(1)	\$ 7,047,308	\$ 6,579,695

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

MARKETECH INTERNATIONAL CORP. AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2024 AND 2023

(Expressed in thousands of New Taiwan dollars)

1. ORGANIZATION AND OPERATIONS

Marketch International Corp. (the “Company”) was incorporated in the Republic of China (R.O.C) on December 27, 1988. On October 17, 2002, the Company’s common shares were officially listed on the Taiwan Over-The-Counter Securities Exchange and on May 24, 2004, the shares were transferred to be listed on the Taiwan Stock Exchange. The Company and its subsidiaries (collectively referred herein as the “Group”) are mainly engaged in (i) import and trade of various integrated circuits, semiconductors, electrical equipment and materials, chemicals, gas, components; (ii) factory affair and mechatronic system including clean room, automatic supply system of (specialty) gas and chemicals, monitoring system, Turn-key and Hook-up Project services and (iii) design and manufacturing of customized equipment. Ennoconn International Investment Co., Ltd. owns 41.46% of the shares of the Company. The ultimate parent company of the Company is Ennoconn Corporation.

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

The consolidated financial statements were approved by the Board of Directors on May 7, 2024.

3. APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS

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

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

<u>New Standards, Interpretations and Amendments</u>	<u>Effective date by International Accounting Standards Board</u>
Amendments to IFRS 16, ‘Lease liability in a sale and leaseback’	January 1, 2024
Amendments to IAS 1, ‘Classification of liabilities as current or non-current’	January 1, 2024
Amendments to IAS 1, ‘Non-current liabilities with covenants’	January 1, 2024
Amendments to IAS 7 and IFRS 7, ‘Supplier finance arrangements’	January 1, 2024

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

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

None.

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

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

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IFRS 10 and IAS 28, 'Sale or contribution of assets between an investor and its associate or joint venture'	To be determined by International Accounting Standards Board
IFRS 17, 'Insurance contracts'	January 1, 2023
Amendments to IFRS 17, 'Insurance contracts'	January 1, 2023
Amendment to IFRS 17, 'Initial application of IFRS 17 and IFRS 9 – comparative information'	January 1, 2023
IFRS 18, 'Presentation and disclosure in financial statements'	January 1, 2027
Amendments to IAS 21, 'Lack of exchangeability'	January 1, 2025

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

4. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The principal accounting policies adopted are consistent with Note 4 in the consolidated financial statements for the year ended December 31, 2023, except for the compliance statement, basis of preparation, basis of consolidation and additional policies as set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(1) Compliance statement

- A. The consolidated financial statements of the Group have been prepared in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" and IAS 34, 'Interim Financial Reporting' that came into effect as endorsed by the FSC.
- B. These consolidated financial statements should be read along with the consolidated financial statements as of and for the year ended December 31, 2023.

(2) Basis of preparation

- A. Except for the following items, the consolidated financial statements have been prepared under the historical cost convention:
 - (a) Financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.
 - (b) Defined benefit liabilities recognized based on the net amount of pension fund assets less present value of defined benefit obligation.

B. The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5.

(3) Basis of consolidation

A. Basis for preparation of consolidated financial statements:

The basis for preparation of these consolidated financial statements is the same as that for the preparation of the consolidated financial statements as of and for the year ended December 31, 2023.

B. Subsidiaries included in the consolidated financial statements:

Name of investor	Name of subsidiary	Main business activities	Percentage of Ownership (%)			Note
			March 31, 2024	December 31, 2023	March 31, 2023	
Marketech International Corp.	Marketech Integrated Pte. Ltd.	Contracting for semiconductor automatic supply system	100	100	100	Note 1
Marketech International Corp.	Headquarter International Ltd.	Investment holdings and reinvestment	100	100	100	Note 1
Marketech International Corp.	Tiger United Finance Ltd.	Investment holdings and reinvestment	100	100	100	Note 1
Marketech International Corp.	Market Go Profits Ltd.	Investment holdings and reinvestment	100	100	100	-
Marketech International Corp.	MIC-Tech Global Corp.	International trade	100	100	100	Note 1
Marketech International Corp.	MIC-Tech Viet Nam Co., Ltd.	Trading, installation and repair of various machinery equipment and its peripherals; consulting service and software execution service associated with computer hardware installation	100	100	100	Note 1
Marketech International Corp.	Marketech Engineering Pte. Ltd.	Contracting for electrical installation construction	100	100	100	Note 1
Marketech International Corp.	eZoom Information, Inc. (eZoom)	Research, trading and consulting of information system software and hardware appliance	100	100	100	Note 1

Name of investor	Name of subsidiary	Main business activities	Percentage of Ownership (%)			Note
			March 31, 2024	December 31, 2023	March 31, 2023	
Marketech International Corp.	Marketech Co., Ltd.	Specialized contracting and related repair services; equipment sales and repair, sales of cosmetics and daily necessities; production, development and implementation of software and providing coding service; providing installation service of industrial machine and equipment	100	100	100	Note 1
Marketech International Corp.	Marketech Integrated Manufacturing Company Limited	Design, manufacturing, installation of automatic production equipment and its parts	100	100	100	Note 1
Marketech International Corp.	Marketech International Sdn. Bhd.	Specialized contracting and related repair services; sales of medical devices	100	100	100	Note 1
Marketech International Corp.	PT Marketech International Indonesia	Trading of machine equipment and parts	99.92	99.92	99.92	Note 1
Marketech International Corp.	Marketech Netherlands B.V.	International trade of machine and components and technical service	100	100	100	Note 1
Marketech International Corp.	ADAT Technology CO., LTD. (ADAT)	Research, development, application, and service of software; supply of electronic information and data processing service	25.38	25.62	25.62	Note 1 and 2
Marketech International Corp.	Marketech International Corporation USA	Specialized contracting and related repair services	100	100	100	-
Marketech International Corp.	Spiro Technology Systems Inc.	International trade	100	100	100	Note 1
Marketech International Corp.	Taiwan Radisen HealthCare Co., Ltd. (Taiwan Radisen)	Smart medical consulting services and investment	100	100	100	Note 1

Name of investor	Name of subsidiary	Main business activities	Percentage of Ownership (%)			Note
			March 31, 2024	December 31, 2023	March 31, 2023	
Marketech International Corp.	MIC Healthcare Korea Co., Ltd.	R&D, sales and professional technical services of medical device and its parts; international trade and import and export business	100	100	100	Note 1
Marketech International Corp.	Vertex System Corporation (Vertex System)	Trading of equipment for private 5G wireless communication networks (picocells and core networks) and IoT intelligent control gateway; maintenance and operations of device management platform (DMP), and provision of services in software management platform and vertical integration of information technology (IT) and communication technology (CT)	61.35	61.35	61.35	Note 1
Marketech International Corp.	Marketech International Corp. Japan	International trade	100	100	100	Note 1
Marketech International Corp.	Advanced Technology Matrix United Corporation	Warehousing logistics services; sales agent of semiconductor equipment, components and consumables and semiconductor materials	68.97	68.97	68.97	Note 1
Marketech International Corp.	Marketech International Corporation Germany GmbH	International trade of machine and components and technical service	100	100	-	Note 1
Marketech International Corp.	MIC Industrial Viet Nam Co., Ltd.	Assembling of air conditioning equipment and testing OEM	100	100	-	Note 1
Marketech International Corp.	Marketop Smart Solutions Co., Ltd.	Sales and service of smart medical devices, international trade and import and export business	51	-	-	Note 1
Market Go Profits Ltd.	MIC-Tech Ventures Asia Pacific Inc.	Investment holdings and reinvestment	100	100	100	-

Name of investor	Name of subsidiary	Main business activities	Percentage of Ownership (%)			Note
			March 31, 2024	December 31, 2023	March 31, 2023	
MIC-Tech Ventures Asia Pacific	Russky H.K. Limited	Investment holdings and reinvestment	100	100	100	-
MIC-Tech Ventures Asia Pacific Inc.	MICT International Limited	Investment holdings and reinvestment	60	60	60	-
MIC-Tech Ventures Asia Pacific Inc.	Frontken MIC Co., Limited	Investment holdings and reinvestment	-	-	100	Note 3
MIC-Tech Ventures Asia Pacific Inc.	MIC-Tech (WuXi) Co., Ltd.	Manufacturing and sales of semiconductor devices, intelligent storage equipments, illuminators, masks and labor protective products; manufacturing of package special equipments	100	100	100	-
MIC-Tech Ventures Asia Pacific Inc.	MIC-Tech (Shanghai) Corp.	Wholesale, commission agency, maintenance, repairment, manufacture, import and export of semiconductor production and its consumables; trading agency and consulting services in customs bonded area	100	100	100	-
MIC-Tech Ventures Asia Pacific Inc.	MIC-Tech Electronics Engineering Corp.	Installation and construction of mechanical and electrical systems; professional building renovation and decoration services; design and construction of smart buildings; construction of electronic projects and related technical services and consulting materials	100	100	100	-
MIC-Tech Ventures Asia Pacific Inc.	MIC-Tech China Trading (Shanghai) Co., Ltd.	Wholesale, commission agency import and export installation, maintenance, repairment of chemical products, semiconductors and solar equipment consumables, trading and trading agency among enterprises in customs bonded area	100	100	100	-

Name of investor	Name of subsidiary	Main business activities	Percentage of Ownership (%)			Note
			March 31, 2024	December 31, 2023	March 31, 2023	
Russky H.K. Limited	Shanghai Maohua Electronics Engineering Co., Ltd.	Production of scrubber bins for semiconductor manufacturers; design, installation, debugging and technology services of tunnel system; equipment repair for semiconductor manufacturers	87	87	87	-
Russky H.K. Limited	PT Marketech International Indonesia	Trading of machine equipment and parts	0.08	0.08	0.08	Note 1
MICT International Limited	Integrated Manufacturing & Services Co., Ltd.	Development of special equipment for solar cell production, manufacture of optical engine, cleaning and regeneration of new electrical device	60	60	60	-
Marketech Engineering Pte. Ltd.	Marketech Integrated Construction Co., Ltd.	Specialized contracting for electrical installation construction	98.33	98.33	98.33	Note 1

Note 1 : The financial statements of the entity as of and for the three months ended March 31, 2024 and 2023 were not reviewed by independent auditors as the entity did not meet the definition of significant subsidiary.

Note 2 : The Company holds less than 50% share ownership in ADAT Technology CO., LTD. However, as the definition of control is met, the subsidiary was included in the consolidated entities.

Note 3 : Frontken MIC Co., Limited completed the liquidation procedure in April 2023.

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

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

E. Significant restrictions: None.

F. Subsidiaries that have non-controlling interests that are material to the Group: As of March 31, 2024, December 31, 2023 and March 31, 2023, the non-controlling interests amounted to \$157,119, \$92,758 and \$139,936, respectively. Subsidiaries that have non-controlling interests are not material to the Group.

(4) Income tax

If a change in tax rate is enacted or substantively enacted in an interim period, the Group recognises the effect of the change immediately in the interim period in which the change occurs. The effect of the change on items recognised outside profit or loss is recognised in other comprehensive income or equity while the effect of the change on items recognised in profit or loss is recognised in profit or loss.

5. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND KEY SOURCES OF ASSUMPTION UNCERTAINTY

There was no significant change in the reporting period. Refer to Note 5 in the consolidated financial statements as of and for the year ended December 31, 2023.

6. DETAILS OF SIGNIFICANT ACCOUNTS

(1) Cash and cash equivalents

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Cash on hand	\$ 16,159	\$ 17,144	\$ 16,530
Checking accounts and demand deposits	7,031,149	7,192,942	6,562,781
Time deposits	-	-	384
Total	<u>\$ 7,047,308</u>	<u>\$ 7,210,086</u>	<u>\$ 6,579,695</u>

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

B. Except for the cash and cash equivalents pledged to others as shown in Note 8 that was transferred to 'financial assets at amortized cost', the Group has no cash and cash equivalents pledged to others.

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

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Current items:			
Financial assets mandatorily measured at fair value through profit or loss			
Listed stocks	\$ 4,373	\$ 4,373	\$ 4,373
Hybrid instruments-call provision of convertible corporate bonds (Note 6(11))	1,750	500	233
	6,123	4,873	4,606
Valuation adjustment	175,120	159,823	104,277
Total	<u>\$ 181,243</u>	<u>\$ 164,696</u>	<u>\$ 108,883</u>

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Non-current items:			
Financial assets mandatorily measured at fair value through profit or loss			
Listed stocks	\$ 26,293	\$ 26,293	\$ 12,474
Unlisted stocks	894,705	875,713	528,569
Private funds	57,872	55,595	44,863
Hybrid instruments	32,413	32,413	52,748
	<u>1,011,283</u>	<u>990,014</u>	<u>638,654</u>
Valuation adjustment	688,706	407,959	78,655
Total	<u>\$ 1,699,989</u>	<u>\$ 1,397,973</u>	<u>\$ 717,309</u>
Prepayments to investments (listed as ‘other non-current assets’)			
Unlisted stocks	<u>\$ 32,320</u>	<u>\$ 31,012</u>	<u>\$ 62,524</u>

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

	<u>Three months ended March 31,</u>	
	<u>2024</u>	<u>2023</u>
Financial assets mandatorily measured at fair value through profit or loss		
Equity instruments	\$ 293,713	\$ 58,408
Hybrid instruments	1,250	38
	<u>\$ 294,963</u>	<u>\$ 58,446</u>

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

(3) Notes and accounts receivable

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Notes receivable	<u>\$ 193,621</u>	<u>\$ 171,878</u>	<u>\$ 37,391</u>
	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Accounts receivable	\$ 7,403,101	\$ 9,340,237	\$ 6,530,034
Less: Loss allowance	(968,979)	(781,426)	(792,407)
Total	<u>\$ 6,434,122</u>	<u>\$ 8,558,811</u>	<u>\$ 5,737,627</u>

The above accounts receivable and notes receivable were all from contracts with customers.

A. The ageing analysis of notes and accounts receivable (including related parties) that were past due but not impaired is as follows:

(a) Notes receivable

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Not past due	<u>\$ 193,864</u>	<u>\$ 171,976</u>	<u>\$ 37,464</u>

(b) Accounts receivable

	March 31, 2024	December 31, 2023	March 31, 2023
Not past due	\$ 4,818,996	\$ 6,682,334	\$ 4,686,551
Up to 90 days	1,202,012	1,241,710	626,104
91 to 180 days	224,503	316,952	262,382
181 to 365 days	389,289	344,951	257,010
Over 365 days	861,041	787,441	779,111
Total	<u>\$ 7,495,841</u>	<u>\$ 9,373,388</u>	<u>\$ 6,611,158</u>

The above ageing analysis was based on past due date.

B. As of March 31, 2024, December 31, 2023 and March 31, 2023, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the Group's notes receivable (including related parties) was \$193,864, \$171,976 and \$37,464, respectively. As of March 31, 2024, December 31, 2023 and March 31, 2023, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the Group's accounts receivable (including related parties) was \$6,519,627, \$8,585,707 and \$5,812,474, respectively.

C. The Group does not hold any collateral as security.

D. As of March 31, 2024, December 31, 2023 and March 31, 2023, the amount of the Group's accounts receivable expected to be factored amounted to \$119,757, \$230,697 and \$50,508, respectively, and belonged to financial assets at fair value through other comprehensive income which was shown as accounts receivable. Refer to Note 6(4) for information on transfer of financial assets.

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

(4) Transfer of financial assets

Transferred financial assets that are derecognized in their entirety

A. The Group entered into a factoring agreement with the bank to sell its accounts receivable. Under the agreement, the Group is not obligated to bear the default risk of the transferred accounts receivable, but is liable for the losses incurred on any business dispute. The Group does not have any continuing involvement in the transferred accounts receivable. Thus, the Group derecognized the transferred accounts receivable, and the related information is as follows:

	March 31, 2024	December 31, 2023	March 31, 2023
Accounts receivable transferred			
(Amount derecognized)	<u>\$ 5,281</u>	<u>\$ -</u>	<u>\$ 639,450</u>
Amount advanced	<u>\$ 5,281</u>	<u>\$ -</u>	<u>\$ 639,450</u>
Unpaid amount advanced	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

B. As of March 31, 2024, December 31, 2023 and March 31, 2023, the Group's interest rate of amount advanced ranged from 5.91%, 0% and 4.43%~5.38%, respectively.

(5) Inventories

March 31, 2024			
	Cost	Allowance for valuation loss and loss on obsolete and slow-moving inventories	Book value
Materials	\$ 2,352,865	(\$ 48,036)	\$ 2,304,829
Merchandise inventory	1,502,606	(47,003)	1,455,603
Raw materials	2,644,929	(34,238)	2,610,691
Supplies	120,742	(5,741)	115,001
Work in process	694,258	(20,838)	673,420
Semi-finished goods and finished goods	491,145	(29,902)	461,243
Total	<u>\$ 7,806,545</u>	<u>(\$ 185,758)</u>	<u>\$ 7,620,787</u>
December 31, 2023			
	Cost	Allowance for valuation loss and loss on obsolete and slow-moving inventories	Book value
Materials	\$ 2,183,767	(\$ 42,198)	\$ 2,141,569
Merchandise inventory	1,339,699	(54,764)	1,284,935
Raw materials	2,505,294	(24,136)	2,481,158
Supplies	113,962	(4,131)	109,831
Work in process	866,331	(20,502)	845,829
Semi-finished goods and finished goods	481,284	(28,899)	452,385
Total	<u>\$ 7,490,337</u>	<u>(\$ 174,630)</u>	<u>\$ 7,315,707</u>
March 31, 2023			
	Cost	Allowance for valuation loss and loss on obsolete and slow-moving inventories	Book value
Materials	\$ 1,825,019	(\$ 31,641)	\$ 1,793,378
Merchandise inventory	1,310,664	(62,203)	1,248,461
Raw materials	2,399,968	(18,580)	2,381,388
Supplies	120,363	(2,786)	117,577
Work in process	760,535	(15,392)	745,143
Semi-finished goods and finished goods	409,908	(31,688)	378,220
Total	<u>\$ 6,826,457</u>	<u>(\$ 162,290)</u>	<u>\$ 6,664,167</u>

A. Relevant expenses of inventories recognized as operating costs for the three months ended March 31, 2024 and 2023 are as follows:

	Three months ended March 31,	
	2024	2023
Construction cost	\$ 9,725,611	\$ 9,259,271
Cost of sales	3,265,380	2,792,902
Other operating cost	580,846	541,605
Loss on market value decline and obsolete and slow-moving inventories	9,578	12,801
Total	<u>\$ 13,581,415</u>	<u>\$ 12,606,579</u>

B. The Group has no inventories pledged to others.

(6) Investments accounted for using equity method

A. Details of investments accounted for using equity method:

	March 31, 2024		December 31, 2023	
	Carrying amount	% interest held	Carrying amount	% interest held
Glory Technology Service Inc.	\$ 68,654	29.24%	\$ 68,538	29.24%
Fortune Blessing Co., Limited	6,714	27.78%	6,654	27.78%
MIC Techno Co., Ltd.	1,805	20.00%	1,809	20.00%
Leader Fortune Enterprise Co., Ltd.	(5,571)	31.43%	(5,036)	31.43%
Bolite Co., Ltd.	40,784	37.33%	43,257	37.33%
Radisen Co., Ltd. (ordinary shares) (Note)	3,849	18.49%	7,638	18.49%
Radisen Co., Ltd. (preferred stock) (Note)	87,252	44.85%	88,645	44.85%
	<u>203,487</u>		<u>211,505</u>	
Add: Credit balance of long-term equity investment transferred to 'other non-current liabilities'	<u>5,571</u>		<u>5,036</u>	
Total	<u>\$ 209,058</u>		<u>\$ 216,541</u>	
Prepayments for long-term investments (listed as 'other non-current assets')				
Unlisted stocks	<u>\$ 1,600</u>		<u>\$ 1,535</u>	

	March 31, 2023	
	Carrying amount	% interest held
Glory Technology Service Inc.	\$ 69,033	29.24%
Fortune Blessing Co., Limited	6,411	27.78%
MIC Techno Co., Ltd.	1,803	20.00%
Leader Fortune Enterprise Co., Ltd.	(4,410)	31.43%
Bolite Co., Ltd.	23,576	32.00%
Radisen Co., Ltd. (ordinary shares) (Note)	-	0.00%
Radisen Co., Ltd. (preferred stock) (Note)	-	0.00%
	<u>96,413</u>	
Add: Credit balance of long-term equity investment transferred to 'other non-current liabilities'	<u>4,410</u>	
Total	<u><u>\$ 100,823</u></u>	
Prepayments for long-term investments (listed as 'other non-current assets')		
Unlisted stocks	<u><u>\$ 1,522</u></u>	

Note: After the assessment, the Group's equity investment in common shares and preferred stock of Radisen Co., Ltd. comprised 30.88% of comprehensive voting rights in Radisen Co., Ltd. Accordingly, the investment was accounted for using equity method.

B. Associates

Associates accounted for using equity method are all individually immaterial and the Group's share of the operating results are summarized below:

	Three months ended March 31,	
	2024	2023
Loss for the period from continuing operations	(\$ 6,799)	(\$ 3,027)
Other comprehensive income (loss) - net of tax	<u>172</u>	<u>(18)</u>
Total comprehensive loss	<u><u>(\$ 6,627)</u></u>	<u><u>(\$ 3,045)</u></u>

C. The investment accounted for using equity method for the three months ended March 31, 2024 and 2023 were evaluated based on the financial statements of the entity which were not reviewed by independent auditors. The investments accounted for using equity method for the year ended December 31, 2023 was evaluated based on the financial statements of the entities which were audited by independent auditors.

- D. The Group is the single largest shareholder of Glory Technology Service Inc. with a 29.24% equity interest. Given that the remaining 70.76% of Glory Technology Service Inc.'s equity is concentrated in investors from other parties, the number of votes for the minority voting rights holders to act together has surpassed that of the Group. Therefore, the Group has no control over the company and only has significant influence on Glory Technology Service Inc.
- E. The Group is the single largest shareholder of Bolite Co., Ltd. with a 37.33% equity interest. Given that the remaining 62.67% of Bolite's equity is concentrated in investors from other parties, the number of votes for the minority voting rights holders to act together has surpassed that of the Group. Therefore, the Group has no control over the company and only has significant influence on Bolite Co., Ltd.

(7) Property, plant and equipment

	2024					
	Land	Buildings	Machinery and equipment	Office equipment	Others	Total
<u>At January 1</u>						
Cost	\$ 217,656	\$ 3,251,919	\$ 833,230	\$ 405,211	\$ 233,397	\$ 4,941,413
Accumulated depreciation and impairment	-	(1,630,468)	(609,022)	(254,229)	(32,738)	(2,526,457)
Book value	<u>\$ 217,656</u>	<u>\$ 1,621,451</u>	<u>\$ 224,208</u>	<u>\$ 150,982</u>	<u>\$ 200,659</u>	<u>\$ 2,414,956</u>
<u>Three months ended March 31</u>						
Opening net book amount	\$ 217,656	\$ 1,621,451	\$ 224,208	\$ 150,982	\$ 200,659	\$ 2,414,956
Additions	-	1,072	10,956	15,315	82,889	110,232
Transfers (Note)	-	56,489	3,060	-	(56,613)	2,936
Disposals	-	(16)	(197)	(160)	(1)	(374)
Depreciation	-	(34,944)	(12,804)	(13,063)	(3,362)	(64,173)
Net exchange differences	1,439	6,649	652	545	409	9,694
Closing net book amount	<u>\$ 219,095</u>	<u>\$ 1,650,701</u>	<u>\$ 225,875</u>	<u>\$ 153,619</u>	<u>\$ 223,981</u>	<u>\$ 2,473,271</u>
<u>At March 31</u>						
Cost	\$ 219,095	\$ 3,330,127	\$ 840,998	\$ 415,619	\$ 260,349	\$ 5,066,188
Accumulated depreciation and impairment	-	(1,679,426)	(615,123)	(262,000)	(36,368)	(2,592,917)
Book value	<u>\$ 219,095</u>	<u>\$ 1,650,701</u>	<u>\$ 225,875</u>	<u>\$ 153,619</u>	<u>\$ 223,981</u>	<u>\$ 2,473,271</u>

	2023					
	Land	Buildings	Machinery and equipment	Office equipment	Others	Total
<u>At January 1</u>						
Cost	\$ 217,661	\$ 3,206,003	\$ 811,969	\$ 345,328	\$ 155,934	\$ 4,736,895
Accumulated depreciation and impairment	-	(1,481,121)	(563,469)	(227,786)	(22,525)	(2,294,901)
Book value	<u>\$ 217,661</u>	<u>\$ 1,724,882</u>	<u>\$ 248,500</u>	<u>\$ 117,542</u>	<u>\$ 133,409</u>	<u>\$ 2,441,994</u>
<u>Three months ended March 31</u>						
Opening net book amount	\$ 217,661	\$ 1,724,882	\$ 248,500	\$ 117,542	\$ 133,409	\$ 2,441,994
Additions	-	3,608	5,765	19,387	70,881	99,641
Transfers (Note)	-	16,796	-	10,048	(28,251)	(1,407)
Disposals	-	-	(66)	(115)	-	(181)
Depreciation	-	(38,611)	(13,350)	(10,066)	(1,672)	(63,699)
Net exchange differences	(288)	(858)	212	42	(88)	(980)
Closing net book amount	<u>\$ 217,373</u>	<u>\$ 1,705,817</u>	<u>\$ 241,061</u>	<u>\$ 136,838</u>	<u>\$ 174,279</u>	<u>\$ 2,475,368</u>
<u>At March 31</u>						
Cost	\$ 217,373	\$ 3,225,648	\$ 816,290	\$ 369,882	\$ 198,442	\$ 4,827,635
Accumulated depreciation and impairment	-	(1,519,831)	(575,229)	(233,044)	(24,163)	(2,352,267)
Book value	<u>\$ 217,373</u>	<u>\$ 1,705,817</u>	<u>\$ 241,061</u>	<u>\$ 136,838</u>	<u>\$ 174,279</u>	<u>\$ 2,475,368</u>

Note: Transfers during the year pertain to certain previously unfinished constructions which had completed acceptance check and were transferred to buildings, machinery and equipment, office equipment and others.

A. The above property, plant and equipment are all owner-occupied.

B. The Group has no interest capitalized to property, plant and equipment.

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

(8) Leasing arrangements — lessee

- A. The Group leases various assets including land, buildings, machinery and equipment, office equipment, and other equipment. Rental contracts are typically made for periods of 1 to 75 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose covenants, but leased assets may not be used as security for borrowing purposes.
- B. Short-term leases with a lease term of 12 months or less comprise buildings, machinery and equipment, office equipment, and other equipment. Consequently, those leases are not included in right-of-use assets.
- C. The carrying amount of right-of-use assets and the depreciation charge are as follows:

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
	<u>Carrying amount</u>	<u>Carrying amount</u>	<u>Carrying amount</u>
Land	\$ 1,363,380	\$ 1,285,762	\$ 857,859
Buildings	1,170,261	1,115,307	733,606
Machinery and equipment	959	1,062	857
Office equipment	616	670	1,261
Other equipment	78,616	80,554	66,178
	<u>\$ 2,613,832</u>	<u>\$ 2,483,355</u>	<u>\$ 1,659,761</u>

	<u>Three months ended March 31,</u>	
	<u>2024</u>	<u>2023</u>
	<u>Depreciation charge</u>	<u>Depreciation charge</u>
Land	\$ 8,760	\$ 6,159
Buildings	134,889	54,306
Machinery and equipment	102	70
Office equipment	226	207
Other equipment	9,031	8,633
	<u>\$ 153,008</u>	<u>\$ 69,375</u>

- D. For the three months ended March 31, 2024 and 2023, the additions to right-of-use assets were \$246,044 and \$108,614, respectively.
- E. The information on profit and loss accounts relating to lease contracts is as follows:

	<u>Three months ended March 31,</u>	
	<u>2024</u>	<u>2023</u>
<u>Items affecting profit or loss</u>		
Interest expense on lease liabilities	\$ 19,557	\$ 10,714
Expense on short-term lease contracts	<u>\$ 66,379</u>	<u>\$ 46,734</u>

- F. For the three months ended March 31, 2024 and 2023, the Group's total cash outflow for leases were \$214,044 and \$112,293, respectively.

G. Extension options

- (a) Extension options are included in approximately 38% of the Group's lease contracts pertaining to land. These options are expected to be exercised for maximizing optional flexibility in terms of managing contracts.
- (b) In determining the lease term, the Group takes into consideration all facts and circumstances that create an economic incentive to exercise an extension option. The assessment of lease period is reviewed if a significant event occurs which affects the assessment.

(9) Short-term borrowings

	<u>March 31, 2024</u>	<u>Interest rate range</u>	<u>Collateral</u>
<u>Bank borrowings</u>			
Credit borrowings	\$ 8,081,204	1.65%~8.8157%	None
Mortgage loan	47,440	5.4925%~5.6106%	Buildings
	<u>\$ 8,128,644</u>		
	<u>December 31, 2023</u>	<u>Interest rate range</u>	<u>Collateral</u>
<u>Bank borrowings</u>			
Credit borrowings	\$ 9,628,263	1.59%~8.8157%	None
Mortgage loan	51,238	5.5464%~5.6106%	Buildings
	<u>\$ 9,679,501</u>		
	<u>March 31, 2023</u>	<u>Interest rate range</u>	<u>Collateral</u>
<u>Bank borrowings</u>			
Credit borrowings	\$ 6,760,386	1.395%~7.6438%	None
Mortgage loan	57,275	5.98%~6.28%	Buildings
	<u>\$ 6,817,661</u>		

Details of mortgage loan are provided in Note 8.

(10) Other payables

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Salaries and bonus payable	\$ 352,266	\$ 796,351	\$ 318,881
Accrued employees' compensation and directors' remuneration	389,992	323,010	396,023
Others	198,395	182,368	63,445
	<u>\$ 940,653</u>	<u>\$ 1,301,729</u>	<u>\$ 778,349</u>

(11) Bonds payable

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Bonds payable	\$ 2,499,900	\$ 2,499,900	\$ 581,800
Less: Discount on bonds payable	(97,693)	(108,188)	(4,191)
	<u>2,402,207</u>	<u>2,391,712</u>	<u>577,609</u>
Bonds payable of current portion (recorded as "Long-term liabilities, current portion")	-	-	(577,609)
	<u>\$ 2,402,207</u>	<u>\$ 2,391,712</u>	<u>\$ -</u>

A. The fourth unsecured convertible corporate bonds in 2020

(a) The Company issued the 4th domestic unsecured convertible bonds, as approved by the regulatory authority on November 27, 2020. The terms and conditions are as follows:

- i. Total issuance amount: NT\$1,500,000
- ii. Issuance period: 3 years, and a circulation period from December 15, 2020 to December 15, 2023
- iii. Coupon rate: 0%
- iv. Conversion period: The bondholders have the right to ask for conversion of the bonds into common shares of the Company during the period from the date after three months of the bonds before the maturity date, except the stop transfer period as specified in the terms of the bonds or the laws/regulations. The rights and obligations of the new shares converted from the bonds are the same as the issued and outstanding common shares.
- v. The conversion price of the bonds is set up based on the pricing model in the terms of the bonds, and is subject to adjustments if the condition of the anti-dilution provisions occurs subsequently. The conversion price will be reset based on the pricing model in the terms of the bonds on each effective date regulated by the terms. If the reset conversion price is higher than the conversion price before the reset, the conversion price will not be adjusted.
- vi. Redemption method:
 - (i) Redemption on the maturity date: Redeemed in cash at face value at the maturity date.
 - (ii) Redemption before the maturity date: The Company may repurchase all the bonds outstanding in cash at the bonds' face value at any time after the following events occur: the closing price of the Company's common shares is above the then conversion price by 30% for 30 consecutive trading days during the period from the date after one month of the bonds issue to 40 days before the maturity date, or (ii) the outstanding balance of the bonds is less than 10% of total initial issue amount during the period from the date after one month of the bonds issue to 40 days before the maturity date.

- (iii) Under the terms of the bonds, all bonds redeemed, matured and converted are retired and not to be re-issued; all rights and obligations attached to the bonds are also extinguished.
- vii. For the year ended December 31, 2023, the bonds totaling \$649,600 had been converted into 6,286 thousand shares of common stock. Accordingly, the Group recognized capital surplus of \$603,232 and reduced capital surplus - stock option by \$18,711.
- viii. As of December 31, 2023, the bonds totaling \$1,498,400 had been converted into 13,926 thousand shares of common stock. Accordingly, the Group recognized capital surplus of \$1,382,553 and reduced capital surplus - stock option by \$43,160.
- (b) Regarding the issuance of convertible bonds, the equity conversion options amounting to \$43,206 were separated from the liability component and were recognized in 'capital surplus—stock warrants' in accordance with IAS 32. The call options embedded in bonds payable were separated from their host contracts and were recognized in 'financial assets or liabilities at fair value through profit or loss' in net amount in accordance with IAS 39 because the economic characteristics and risks of the embedded derivatives were not closely related to those of the host contracts. The effective interest rate of the bonds payable after such separation is 1.0255%.
- (c) The bonds had been expired on December 15, 2023. The Company had paid the unconverted bonds whose face value amounted to \$1,600. At the same time, the Company reclassified the expired conversion options.
- B. The fifth unsecured convertible corporate bonds in 2023
 - (a) The Company issued the 5th domestic unsecured convertible bonds, as approved by the regulatory authority on June 27, 2023. The terms and conditions are as follows:
 - i. Total issuance amount: NT\$2,500,000
 - ii. Issuance period: 3 years, and a circulation period from June 27, 2023 to June 27, 2026
 - iii. Coupon rate: 0%
 - iv. Conversion period: The bondholders have the right to ask for conversion of the bonds into common shares of the Company during the period from the date after three months of the bonds before the maturity date, except the stop transfer period as specified in the terms of the bonds or the laws/regulations. The rights and obligations of the new shares converted from the bonds are the same as the issued and outstanding common shares.
 - v. The conversion price of the bonds is set up based on the pricing model in the terms of the bonds, and is subject to adjustments if the condition of the anti-dilution provisions occurs subsequently. The conversion price will be reset based on the pricing model in the terms of the bonds on each effective date regulated by the terms. If the reset conversion price is higher than the conversion price before the reset, the conversion price will not be adjusted.

- vi. Redemption method:
- (i) Redemption on the maturity date: Redeemed in cash at face value at the maturity date.
 - (ii) Redemption before the maturity date: The Company may repurchase all the bonds outstanding in cash at the bonds' face value at any time after the following events occur:
 - (i) the closing price of the Company's common shares is above the then conversion price by 30% for 30 consecutive trading days during the period from the date after one month of the bonds issue to 40 days before the maturity date, or
 - (ii) the outstanding balance of the bonds is less than 10% of total initial issue amount during the period from the date after one month of the bonds issue to 40 days before the maturity date.
 - (iii) Under the terms of the bonds, all bonds redeemed, matured and converted are retired and not to be re-issued; all rights and obligations attached to the bonds are also extinguished.
- vii. For the three months ended March 31, 2024, the bonds totaling \$100 had been converted into 713 thousand shares of common stock. Accordingly, the Group recognized capital surplus of \$93 and reduced capital surplus - stock option by \$5.
- (b) Regarding the issuance of convertible bonds, the equity conversion options amounting to \$126,247 were separated from the liability component and were recognized in 'capital surplus—stock warrants' in accordance with IAS 32. The call options embedded in bonds payable were separated from their host contracts and were recognized in 'financial assets or liabilities at fair value through profit or loss' in net amount in accordance with IAS 39 because the economic characteristics and risks of the embedded derivatives were not closely related to those of the host contracts. The effective interest rate of the bonds payable after such separation is 1.7960%.

(12) Long-term borrowings

<u>Type of borrowings</u>	<u>Borrowing period and repayment term</u>	<u>Interest rate</u>	<u>Collateral</u>	<u>March 31, 2024</u>
Long-term bank borrowings				
Credit borrowings	Borrowing period is from March 28, 2024 to June 28, 2025; interest is payable monthly; principal is payable at maturity date	1.6562%	None	\$ 200,000
"	Borrowing period is from May 10, 2023 to May 10, 2028; Interest is repayable monthly; principal is payable monthly in 48 instalments starting from the date of borrowing after 12 months. The monthly payment shall be calculated by using equal total payment and the principal and interest shall be paid based on the schedule	3.105%	None	2,000
"	Borrowing period is from June 29, 2023 to June 29, 2028; Interest is payable monthly; principal is payable monthly in 48 installments starting after 12 months from the date of borrowing. The monthly payment shall be calculated by using equal total payment and the principal and interest shall be paid based on the schedule	3.105%	None	18,000
				220,000
Less: Long-term liabilities, current portion (recorded as 'Long-term liabilities, current portion')				(3,611)
				<u>\$ 216,389</u>

<u>Type of borrowings</u>	<u>Borrowing period and repayment term</u>	<u>Interest rate</u>	<u>Collateral</u>	<u>December 31, 2023</u>
Long-term bank borrowings				
Credit borrowings	Borrowing period is from December 28, 2023 to March 28, 2025; interest is payable monthly; principal is payable at maturity date	1.6562%	None	\$ 200,000
"	Borrowing period is from May 10, 2023 to May 10, 2028; Interest is payable monthly; principal is payable monthly in 48 instalments starting from the date of borrowing after 12 months. The monthly payment shall be calculated by using equal total payment and the principal and interest shall be paid based on the schedule	2.980%	None	2,000
"	Borrowing period is from June 29, 2023 to June 29, 2028; Interest is payable monthly; principal is payable monthly in 48 installments starting after 12 months from the date of borrowing. The monthly payment shall be calculated by using equal total payment and the principal and interest shall be paid based on the schedule	2.980%	None	18,000
				220,000
Less: Long-term liabilities, current portion (recorded as 'Long-term liabilities, current portion')				(2,412)
				<u>\$ 217,588</u>

<u>Type of borrowings</u>	<u>Borrowing period and repayment term</u>	<u>Interest rate</u>	<u>Collateral</u>	<u>March 31, 2023</u>
Long-term bank borrowings				
Credit borrowings	Borrowing period is from March 29, 2023 to June 29, 2024; interest is payable monthly; principal is payable at maturity date	1.655%	None	<u>\$ 200,000</u>

(13) Pensions

- A. (a) The Company has a defined benefit pension plan in accordance with the Labor Standards Law, covering all regular employees' service years prior to the enforcement of the Labor Pension Act on July 1, 2005 and service years thereafter of employees who chose to continue to be subject to the pension mechanism under the Law. Under the defined benefit pension plan, two units are accrued for each year of service for the first 15 years and one unit for each additional year thereafter, subject to a maximum of 45 units. Pension benefits are based on the number of units accrued and the average monthly salaries and wages of the last 6 months prior to retirement. The Company contributes monthly an amount equal to 2% of the employees' monthly salaries and wages to the retirement fund deposited with Bank of Taiwan, the trustee, under the name of the independent retirement fund committee. Also, the Company would assess the balance in the aforementioned labor pension reserve account by the end of December 31, every year. If the account balance is insufficient to pay the pension calculated by the aforementioned method to the employees expected to qualify for retirement in the following year, the Company will make contributions to cover the deficit by next March.
- (b) For the aforementioned pension plan, the Group recognized pension costs of \$558 and \$606 for the three months ended March 31, 2024 and 2023, respectively.
- (c) Expected contributions to the defined benefit pension plan of the Company for the year ending December 31, 2025 amount to \$5,040.
- B. (a) Effective July 1, 2005, the Company and its domestic subsidiaries have established a defined contribution pension plan (the "New Plan") under the Labor Pension Act (the "Act"), covering all regular employees with R.O.C. nationality. Under the New Plan, the Company and its domestic subsidiaries contribute monthly an amount based on 6% of the employees' monthly salaries and wages to the employees' individual pension accounts at the Bureau of Labor Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment.

- (b) The Company's Mainland China subsidiaries have a defined contribution plan. Monthly contributions to an independent fund administered by the government in accordance with the pension regulations in the People's Republic of China (PRC) are based on a certain percentage of the employees' monthly salaries and wages. Other than the monthly contributions, the Group has no further obligations.
- (c) Certain overseas subsidiaries have a defined contribution plan. Contributions to an independent fund are based on a certain percentage of the employees' monthly salaries and wages and are recognized as pension cost. Other than the monthly contributions, the Group has no further obligations.
- (d) The pension costs under the defined contribution pension plan of the Group for the three months ended March 31, 2024 and 2023 were \$38,402 and \$35,274, respectively.

(14) Share capital

- A. As of March 31, 2024, the Company's authorized capital was \$3,000,000, consisting of 300 million shares of ordinary stock (including 9,800 thousand shares reserved for employee stock options), and the paid-in capital was \$2,013,154, consisting of 201,315,437 shares with a par value of \$10 (in dollars) per share. All proceeds from shares issued have been collected.
- B. Movements in the number of the Company's ordinary shares outstanding are as follows:

	2024	2023
At January 1	201,315,437	195,028,376
Conversion of convertible bonds	-	649,790
At March 31	<u>201,315,437</u>	<u>195,678,166</u>

(15) Capital surplus

Pursuant to the R.O.C. Company Act, capital surplus arising from paid-in capital in excess of par value on issuance of common stocks and donations can be used to cover accumulated deficit or to issue new stocks or cash to shareholders in proportion to their share ownership, provided that the Company has no accumulated deficit. Further, the R.O.C. Securities and Exchange Act requires that the amount of capital surplus to be capitalised mentioned above should not exceed 10% of the paid-in capital each year. Capital surplus should not be used to cover accumulated deficit unless the legal reserve is insufficient.

Details of movements in capital surplus are as follows:

	2024			
	Share premium	Stock options	Others	Total
At January 1	\$ 2,365,746	\$ 126,242	\$ 6,198	\$ 2,498,186
Changes in ownership interest in subsidiaries	-	-	1,296	1,296
At March 31	<u>\$ 2,365,746</u>	<u>\$ 126,242</u>	<u>\$ 7,494</u>	<u>\$ 2,499,482</u>

	2023			
	Share premium	Stock options	Others	Total
At January 1	\$ 1,762,375	\$ 18,757	\$ 6,198	\$ 1,787,330
Conversion of convertible bonds	64,307	(1,999)	-	62,308
At March 31	<u>\$ 1,826,682</u>	<u>\$ 16,758</u>	<u>\$ 6,198</u>	<u>\$ 1,849,638</u>

(16) Retained earnings

- A. Under the Company's Articles of Incorporation, the current year's earnings, if any, shall first be used to pay all taxes and offset prior years' operating losses and then 10% of the remaining amount shall be set aside as legal reserve. Also, special reserve shall be set aside or reversed as required by regulations or the Competent Authority. The remaining amount along with the prior years' unappropriated earnings shall be proposed by the Board of Directors and resolved by the stockholders for appropriation or reserve.
- B. The Company's dividend policy is summarized below: in consideration of the overall environment development and industrial growth, fulfilling future operation development needs as priority and optimizing financial structure, distribution of stock dividends shall not exceed 50% of the dividends distributed.
- C. Except for covering accumulated deficit or issuing new stocks or cash to shareholders in proportion to their share ownership, the legal reserve shall not be used for any other purpose. The use of legal reserve for the issuance of stocks or cash to shareholders in proportion to their share ownership is permitted, provided that the distribution of the reserve is limited to the portion in excess of 25% of the Company's paid-in capital.
- D. (a) In accordance with the regulations, the Company shall set aside special reserve from the debit balance on other equity items at the balance sheet date before distributing earnings. When debit balance on other equity items is reversed subsequently, the reversed amount could be included in the distributable earnings.
(b) The amounts previously set aside by the Company as special reserve on initial application of IFRSs shall be reversed proportionately when the relevant assets are used, disposed of or reclassified subsequently.
- E. (a) Details of 2023 earnings appropriation proposed by the Board of Directors on February 19, 2024 and 2022 earnings appropriation resolved by the shareholders on May 30, 2023 are as follows:

	Years ended December 31,			
	2023		2022	
	Amount	Dividends per share (in dollars)	Amount	Dividends per share (in dollars)
Legal reserve	\$ 216,413	\$ -	\$ 222,842	\$ -
Appropriation for (reversal of) special reserve	43,841	- (73,655)	-
Cash dividends	1,207,893	6.00	1,105,811	5.67
Total	<u>\$ 1,468,147</u>		<u>\$ 1,254,998</u>	

The earnings appropriation for the year ended December 31, 2022 listed above had no difference from that proposed by the Board of Directors on February 17, 2023. As of May 7, 2024, the earnings appropriation for the year ended December 31, 2023 has not yet been approved by the shareholders, thus, no dividend was accrued in these consolidated financial statements.

Information about the earnings distribution for 2023 and 2022 as approved by the Board of Directors and resolved by the shareholders will be posted in the “Market Observation Post System” at the website of the Taiwan Stock Exchange.

(17) Operating revenue

	Three months ended March 31,	
	2024	2023
Construction contract revenue	\$ 9,974,255	\$ 9,822,989
Sales contract revenue	3,850,627	3,287,055
Other contract revenue	790,441	775,717
Total	<u>\$ 14,615,323</u>	<u>\$ 13,885,761</u>

A. Disaggregation of revenue from contracts with customers

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

	Three months ended March 31,	
	2024	2023
Automatic supplying system	\$ 7,091,503	\$ 7,301,866
Total Facility Engineering Turnkey Project	2,785,623	2,453,877
R&D and manufacturing of customized equipment	1,975,153	1,917,348
Sales and service of high-tech equipment and materials	2,763,044	2,212,670
Total	<u>\$ 14,615,323</u>	<u>\$ 13,885,761</u>
Timing of revenue recognition		
At a point in time	\$ 4,009,896	\$ 3,481,524
Over time	10,605,427	10,404,237
Total	<u>\$ 14,615,323</u>	<u>\$ 13,885,761</u>

B. Contract assets and liabilities

(a) The Group has recognized the following revenue-related contract assets and liabilities:

	March 31, 2024	December 31, 2023	March 31, 2023	January 1, 2023
Contract assets:				
Construction contracts	<u>\$ 13,392,197</u>	<u>\$ 13,530,731</u>	<u>\$ 10,344,187</u>	<u>\$ 9,059,781</u>
Contract liabilities:				
Construction contracts	\$ 7,096,656	\$ 7,807,091	\$ 5,782,833	\$ 5,723,090
Sales contracts	1,701,252	1,518,877	976,661	737,272
Other contracts	435,202	485,246	437,327	429,133
	<u>\$ 9,233,110</u>	<u>\$ 9,811,214</u>	<u>\$ 7,196,821</u>	<u>\$ 6,889,495</u>

(b) Revenue recognized that was included in the contract liability balance at the beginning of the period:

	Three months ended March 31,	
	2024	2023
Revenue recognized that was included in the contract liability balance at the beginning of the period		
Construction contracts	\$ 2,721,146	\$ 2,456,787
Sales contracts	360,936	232,752
Other contracts	77,157	118,832
	<u>\$ 3,159,239</u>	<u>\$ 2,808,371</u>

(c) All contracts of the Group with periods of one year or less are billed based on time incurred. As permitted under IFRS 15, the transaction prices allocated to these unsatisfied contracts are not disclosed.

(18) Other income

	Three months ended March 31,	
	2024	2023
Grants revenue	\$ 4,606	\$ 7,567
Dividend income	261	-
Rental revenue	1,463	1,471
Other income	7,632	7,171
Total	<u>\$ 13,962</u>	<u>\$ 16,209</u>

(19) Other gains and losses

	Three months ended March 31,	
	2024	2023
Net gains on financial assets at fair value through profit or loss	\$ 294,963	\$ 58,446
Foreign exchange gains (losses)	188,813	(6,357)
Losses on disposals of property, plant and equipment	(364)	(135)
Other losses	(2,388)	(13,105)
Total	<u>\$ 481,024</u>	<u>\$ 38,849</u>

(20) Employee benefit expense, depreciation and amortization

A. Employee benefit expense, depreciation and amortization

	Three months ended March 31, 2024		
	Operating costs	Operating expenses	Total
Employee benefit expense			
Wages and salaries	\$ 455,216	\$ 405,512	\$ 860,728
Labour and health insurance fees	34,106	23,400	57,506
Pension costs	25,357	13,603	38,960
Other employee benefit expense	7,038	9,470	16,508
Depreciation	175,641	41,540	217,181
Amortization	4,300	4,619	8,919
	Three months ended March 31, 2023		
	Operating costs	Operating expenses	Total
Employee benefit expense			
Wages and salaries	\$ 324,238	\$ 352,919	\$ 677,157
Labour and health insurance fees	31,105	24,151	55,256
Pension costs	22,066	13,814	35,880
Other employee benefit expense	13,081	9,225	22,306
Depreciation	95,063	38,011	133,074
Amortization	3,980	4,894	8,874

B. Employees' compensation and directors' remuneration

- (a) According to the Articles of Incorporation of the Company, a ratio of distributable profit of the current year shall be distributed as employees' compensation and directors' and supervisors' remuneration. The ratio shall not be higher than 3% for directors' remuneration and shall be 1~15% for employees' compensation. If the company has accumulated deficit, earnings should be reserved to cover losses.
- (b) For the three months ended March 31, 2024 and 2023, employees' compensation and directors' remuneration are accrued as follows:

	Three months ended March 31,	
	2024	2023
Employees' compensation	\$ 60,893	\$ 62,923
Directors' remuneration	6,089	6,292
	<u>\$ 66,982</u>	<u>\$ 69,215</u>

For the three months ended March 31, 2024, employees' compensation and directors' remuneration were estimated and accrued based on 10% and 1% of distributable profit of current year as of the end of reporting period, respectively.

The employees' compensation and directors' remuneration for 2023 as resolved by the Board of Directors were \$293,645 and \$29,365, respectively, and were in agreement with those amounts recognized in the 2023 financial statements.

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

(21) Income tax

A. Income tax expense

- (a) Components of income tax expense:

	Three months ended March 31,	
	2024	2023
Current tax		
Current tax on profits for the period	\$ 171,082	\$ 158,572
Adjustments in respect of prior period	<u>1,264</u>	<u>4,283</u>
Total current tax	172,346	162,855
Deferred tax		
Origination and reversal of temporary differences	(40,725)	14,033
Income tax expense	<u>\$ 131,621</u>	<u>\$ 176,888</u>

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

	Three months ended March 31,	
	2024	2023
Currency translation differences of foreign operations	\$ 20,282	(\$ 974)

D. Assessment of the Company's and domestic subsidiaries' income tax returns is as follows:

	Assessment
The Company	Through 2021
Vertex System, eZoom, ADAT and Taiwan Radisen	Through 2022

(22) Earnings per share

	Three months ended March 31, 2024		
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 487,576	201,315	\$ 2.42
<u>Diluted earnings per share</u>			
Assumed conversion of all dilutive potential ordinary shares			
Convertible bonds	8,396	17,831	
Employees' compensation	-	1,369	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	\$ 495,972	220,515	\$ 2.25

Three months ended March 31, 2023			
		Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
	Amount after tax		
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 455,235	195,295	<u>\$ 2.33</u>
<u>Diluted earnings per share</u>			
Assumed conversion of all dilutive potential ordinary shares			
Convertible bonds	1,229	6,481	
Employees' compensation	<u>-</u>	<u>1,710</u>	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	<u>\$ 456,464</u>	<u>203,486</u>	<u>\$ 2.24</u>

(23) Supplemental cash flow information

Three months ended March 31,		
	2024	2023
Convertible bonds converted to capital stocks	<u>\$ -</u>	<u>\$ 68,806</u>

(24) Changes in liabilities from financing activities

2024					
	Lease liabilities	Short-term borrowings	Long-term borrowings (Note)	Bonds payable	Liabilities from financing activities-gross
At January 1	\$ 2,610,889	\$ 9,679,501	\$ 220,000	\$ 2,391,712	\$ 14,902,102
Changes in cash flow from financing activities	(128,108)	(1,685,736)	-	-	(1,813,844)
Impact of changes in foreign exchange rate	42,828	134,879	-	-	177,707
Changes in other non-cash items	<u>239,637</u>	<u>-</u>	<u>-</u>	<u>10,495</u>	<u>250,132</u>
At March 31	<u>\$ 2,765,246</u>	<u>\$ 8,128,644</u>	<u>\$ 220,000</u>	<u>\$ 2,402,207</u>	<u>\$ 13,516,097</u>

	2023				
	Lease liabilities	Short-term borrowings	Long-term borrowings	Bonds payable (Note)	Liabilities from financing activities-gross
At January 1	\$ 1,632,939	\$5,349,747	\$ 200,000	\$ 644,880	\$ 7,827,566
Changes in cash flow from financing activities	(54,845)	1,465,333	-	-	1,410,488
Impact of changes in foreign exchange rate	(3,984)	2,581	-	-	(1,403)
Changes in other non-cash items	107,967	-	-	(67,271)	40,696
At March 31	<u>\$ 1,682,077</u>	<u>\$6,817,661</u>	<u>\$ 200,000</u>	<u>\$ 577,609</u>	<u>\$ 9,277,347</u>

Note: Including current portion of bonds payable (recorded as "Long-term liabilities, current portion").

7. RELATED PARTY TRANSACTIONS

(1) Parent company

The Company is controlled by Ennoconn International Investment Co., Ltd. (registered in the Republic of China), which owns 41.46% of the shares of the Company. The remaining 58.54% of the shares of the Company are held by the general public. The ultimate parent company of the Company is Ennoconn Corporation (registered in the Republic of China).

(2) Names of related parties and relationship

Names of related parties	Relationship with the Group
Ennoconn Corporation	Ultimate parent company
Chung-Hsin Precision Machinery Co., Ltd.	Other related party
Hon Hai Precision Industry Co., Ltd.	"
Chung-Hsin Electric & Machinery Mfg. Corp.	"
Hong Kong Ennpower Information Technology Co., Limited	"
Coiler Corporation	"
Foxconn Global Network Corporation	"
Hon Young Semiconductor Corporation	"
CTS Investment Corp.	"
Altus Technology Inc.	"
Glory Technology Service Inc.	Associate
Fortune International Corporation	"
Radisen Co., Ltd.	"
Bolite CO.,LTD.	"

Names of related parties	Relationship with the Group
Macrotec Technology Corp.	Entity controlled by key management or entity with significant influence
Forward Science Corp.	"
Shenzhen Hyper Power Information Technology Co., Ltd.	"
ProbeLeader Co., Ltd.	"
Lucens Technology Inc.	"
Everlasting Digital ESG Co., Ltd.	"
E-WIN Investment Corp.	"

(3) Significant related party transactions and balances

A. Sales of goods and services

(a) Sales of goods

	Three months ended March 31,	
	2024	2023
Other related parties	\$ 480	\$ 4,199
Associates	1,504	-
	<u>\$ 1,984</u>	<u>\$ 4,199</u>

Prices to related parties and third parties are based on normal sales transactions and sales are collected 2 to 3 months after the completion of transactions.

(b) Construction contract revenue

	Three months ended March 31,	
	2024	2023
Other related parties	\$ 161,392	\$ 20,527
Entities controlled by key management or entities with significant influence	100	362
Total	<u>\$ 161,492</u>	<u>\$ 20,889</u>

- i. Construction contract revenue from related parties and non-related parties are collected based on the general construction contract or general agreement. In addition, construction contracts entered into with related parties are based on the price lists in force and terms that would be available to third parties while the collection periods for construction contracts are about 2 to 3 months after inspection of construction depending on the construction contracts or individual agreements.
- ii. As of March 31, 2024, December 31, 2023 and March 31, 2023, contract price and priced contract of unfinished construction are as follows:

	March 31, 2024		December 31, 2023	
	Total contract price (before tax) (Note)	Priced contract (Note)	Total contract price (before tax) (Note)	Priced contract (Note)
Other related parties	\$ 2,355,366	\$ 1,350,535	\$ 2,329,889	\$ 831,392
Entities controlled by key management or entities with significant influence	206,863	185,304	203,113	181,614
Total	<u>\$ 2,562,229</u>	<u>\$ 1,535,839</u>	<u>\$ 2,533,002</u>	<u>\$ 1,013,006</u>

	March 31, 2023	
	Total contract price (before tax) (Note)	Priced contract (Note)
Other related parties	\$ 698,780	\$ 614,174
Entities controlled by key management or entities with significant influence	397,671	374,217
Total	<u>\$ 1,096,451</u>	<u>\$ 988,391</u>

Note: The amounts were translated at the original currency times exchange rate at each period end.

(c) Other contract revenue

	Three months ended March 31,	
	2024	2023
Other related parties	\$ 192	\$ 1,560
Entities controlled by key management or entities with significant influence	274	769
Total	<u>\$ 466</u>	<u>\$ 2,329</u>

Other contract revenue from related parties and non-related parties are collected based on the general service contract or general agreement. In addition, service contracts entered into with related parties are based on the price lists in force and terms that would be available to third parties while the collection periods for service contracts are about 2 to 3 months after inspection of service depending on the other contracts or individual agreements.

B. Acquisition of goods and services

(a) Purchase of goods

	Three months ended March 31,	
	2024	2023
Entities controlled by key management or entities with significant influence	\$ 369	\$ 81
Associates	98	-
Other related parties	8,397	2,708
Total	<u>\$ 8,864</u>	<u>\$ 2,789</u>

Purchases from related parties and third parties are based on normal purchase prices and terms and are collectible about 2 to 3 months after inspection.

(b) Construction contract costs

	Three months ended March 31,	
	2024	2023
Entities controlled by key management or entities with significant influence	\$ 83	\$ -
Associate	12,437	2,355
Other related parties	-	55
Total	<u>\$ 12,520</u>	<u>\$ 2,410</u>

The outsourcing construction contract costs paid to related parties and third parties are based on normal construction contracts or individual agreements. Furthermore, the payment terms to related parties are approximately the same to third parties, which is about 2 months after inspection of construction depending on the construction contracts or individual agreements.

C. Receivables from related parties

Notes receivable

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Entities controlled by key management or entities with significant influence	<u>\$ 243</u>	<u>\$ 98</u>	<u>\$ 73</u>

Accounts receivable

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Other related parties	\$ 88,689	\$ 28,319	\$ 76,046
Entities controlled by key management or entities with significant influence	4,051	4,417	5,078
Associates	-	415	-
Subtotal	92,740	33,151	81,124
Less: Loss allowance	(7,235)	(6,255)	(6,277)
Total	<u>\$ 85,505</u>	<u>\$ 26,896</u>	<u>\$ 74,847</u>

The collection terms to related parties and third parties are about 2 to 3 months after the sale while terms for construction are about 2 to 3 months after inspection of construction depending on the construction contracts or individual agreements.

D. Payables to related parties

Notes payable

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Entities controlled by key management or entities with significant influence	\$ 1,271	\$ 7,327	\$ 1,787
Other related parties	3,454	4,008	4,197
Associate	-	-	1,891
Total	<u>\$ 4,725</u>	<u>\$ 11,335</u>	<u>\$ 7,875</u>

Accounts payable

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Entities controlled by key management or entities with significant influence	\$ 5,840	\$ 12,073	\$ 7,179
Other related parties	5,719	8,757	1,834
Associates	5,559	51	2,415
Total	<u>\$ 17,118</u>	<u>\$ 20,881</u>	<u>\$ 11,428</u>

The payment terms to related parties and third parties are about 2 to 3 months after inspection of purchases. The payment terms for outsourcing construction costs are about 2 months after inspection of construction, depending on normal construction contracts or individual agreements.

E. Property transactions

Acquisition of property, plant and equipment, and intangible assets

For the three months ended March 31, 2024 and 2023, the Group has acquired computer equipment and related software from entities controlled by key management amounting to \$3,169 and \$4,574 (recorded as ‘property, plant and equipment’ and ‘intangible assets’), respectively.

F. Lease transactions — lessee

- (a) i. The Group leases plants and offices from Chung-Hsin Precision Machinery Co., Ltd. Rental contracts are typically made for periods from September 1, 2021 to August 31, 2024, and rents are paid quarterly. Leased assets are not allowed to be used illegally, store hazardous materials or be used in any purpose which may be harmful to the environment and public safety. Without obtaining approval from lessors, all or certain leased assets cannot be subleased, lent or granted in any different form to third parties or the lease right of all or certain leased assets cannot be transferred to third parties.
- ii. The Group leases offices from CTS Investment Corp. Rental contracts are made for periods of 5 years from January 1, 2022 to December 31, 2026. Rents are paid monthly. There are no contractual restrictions and other important commitments.
- iii. The Group leases offices from Coiler Corp. Rental contracts are made for periods of 5 years from January 1, 2022 to December 31, 2026. Rents are paid monthly. There are no contractual restrictions and other important commitments.

(b) Acquisition of right-of-use assets:

	Three months ended March 31,	
	2024	2023
Other related parties	\$ -	\$ 32

(c) Lease liabilities (including current and non-current)

(i) Outstanding balance:

	March 31, 2024	December 31, 2023	March 31, 2023
Other related parties	\$ 19,361	\$ 21,353	\$ 27,339

(ii) Interest expense

	Three months ended March 31,	
	2024	2023
Other related parties	\$ 768	\$ 518

(4) Key management compensation

	Three months ended March 31,	
	2024	2023
Salaries and other short-term employee benefits	\$ 47,815	\$ 48,013

8. PLEDGED ASSETS

Details of the book value of the Group's assets pledged as collateral are as follows:

Pledged asset	Book value			Purpose
	March 31, 2024	December 31, 2023	March 31, 2023	
Restricted time deposits (recorded as 'financial assets at amortized cost - current and non-current')	\$ 13,349	\$ 15,790	\$ 16,283	Performance guarantee and other guarantee
Guarantee deposits paid (recorded as 'other current assets' and 'other non-current assets')	184,597	178,843	169,703	Bid bond, performance guarantee and warranty
Buildings and structures (recorded as 'property, plant and equipment')	12,923	12,800	12,834	Guarantee for bank's borrowing facility
	<u>\$ 210,869</u>	<u>\$ 207,433</u>	<u>\$ 198,820</u>	

9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED CONTRACT COMMITMENTS

(1) Contingencies

None.

(2) Commitments

A. As of March 31, 2024, the notes and letters of guarantee used for construction performance and custom security amounted to \$3,369,203.

B. As of March 31, 2024, the Company's capital expenditure contracted for at the balance sheet date but not yet incurred amounted to \$321,950.

10. SIGNIFICANT DISASTER LOSS

None.

11. SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

None.

12. OTHERS

(1) Capital management

There was no significant change in the reporting period. Refer to Note 12 in the consolidated financial statements as of and for the year ended December 31, 2023.

(2) Financial instruments

A. Financial instruments by category

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
<u>Financial assets</u>			
Financial assets measured at fair value through profit or loss			
Financial assets mandatorily measured at fair value through profit or loss	\$ 1,881,232	\$ 1,562,669	\$ 826,192
Financial assets at amortized cost			
/ Loans and receivables			
Cash and cash equivalents	7,047,308	7,210,086	6,579,695
Notes receivable	193,864	171,976	37,464
(including related parties)			
Accounts receivable	6,519,627	8,585,707	5,812,474
(including related parties)			
Other accounts receivable	49,793	44,176	20,377
Restricted time deposits (recorded as 'financial assets at amortized cost-current and non-current')	13,349	15,790	16,283
Guarantee deposits paid (recorded as 'other current assets' and 'other non-current assets')	266,817	254,680	227,020
	<u>\$ 15,971,990</u>	<u>\$ 17,845,084</u>	<u>\$ 13,519,505</u>
	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
<u>Financial liabilities</u>			
Financial liabilities measured at fair value through profit or loss			
Short-term borrowings	\$ 8,128,644	\$ 9,679,501	\$ 6,817,661
Notes payable	1,408,411	1,752,230	1,638,898
(including related parties)			
Accounts payable	7,047,250	6,651,398	7,203,314
(including related parties)			
Other accounts payable	940,653	1,301,729	778,349
Bonds payable (recorded as 'Long-term liabilities, current portion')	2,402,207	2,391,712	577,609
Long-term borrowings (recorded as 'Long-term liabilities, current portion')	220,000	220,000	200,000
Guarantee deposits received (recorded as 'other non-current liabilities')	469	1,041	79
	<u>\$ 20,147,634</u>	<u>\$ 21,997,611</u>	<u>\$ 17,215,910</u>
Lease liabilities	<u>\$ 2,765,246</u>	<u>\$ 2,610,889</u>	<u>\$ 1,682,077</u>

B. Financial risk management policies

There was no significant change in the reporting period. Refer to Note 12 in the consolidated financial statements as of and for the year ended December 31, 2023.

C. Significant financial risks and degrees of financial risks

(a) Market risk

Foreign exchange risk

- i. The Group operates internationally and is exposed to exchange rate risk arising from the transactions of the Company and its subsidiaries used in various functional currency, primarily with respect to the USD, RMB, JPY and EUR. Exchange rate risk arises from future commercial transactions and recognized assets and liabilities.
- ii. Management has set up a policy to require group companies to manage their foreign exchange risk against their functional currency.
- iii. The Group's businesses involve some non-functional currency operations (the Company's and certain subsidiaries' functional currency: NTD; other certain subsidiaries' functional currency: RMB, USD, SGD, IDR, and VND). The information on assets and liabilities denominated in foreign currencies whose values would be materially affected by the exchange rate fluctuations is as follows:

March 31, 2024							
(Foreign currency: functional currency)	Foreign currency amount (in thousands)	Exchange rate	Book value (NTD)	Sensitivity analysis			
				Degree of variation	Effect on profit or loss	Effect on other comprehensive income	
<u>Financial assets</u>							
<u>Monetary items</u>							
USD : NTD	\$ 113,739	32.000	\$ 3,639,648	1%	\$ 36,396	\$	-
USD : RMB	21,574	7.2597	690,364	1%	6,904		-
USD : VND	3,096	25,197	99,081	1%	991		-
USD : SGD	2,201	1.3491	70,442	1%	704		-
EUR : NTD	23,466	34.46	808,637	1%	8,086		-
JPY : NTD	475,998	0.2115	100,674	1%	1,007		-
JPY : RMB	1,724,315	0.0480	364,693	1%	3,647		-
RMB : NTD	63,429	4.4079	279,587	1%	2,796		-
USD : IDR	1,113	15,764	35,621	1%	356		-
<u>Financial liabilities</u>							
<u>Monetary items</u>							
USD : NTD	\$ 11,896	32.000	\$ 380,660	1%	\$ 3,807	\$	-
USD : RMB	7,457	7.2597	238,631	1%	2,386		-
JPY : NTD	562,620	0.2115	118,994	1%	1,190		-
JPY : RMB	172,629	0.0480	36,511	1%	365		-

December 31, 2023						
(Foreign currency: functional currency)	Foreign currency amount (in thousands)	Exchange rate	Book value (NTD)	Sensitivity analysis		
				Degree of variation	Effect on profit or loss	Effect on other comprehensive income
<u>Financial assets</u>						
<u>Monetary items</u>						
USD : NTD	\$ 120,408	30.705	\$ 3,697,128	1%	\$ 36,971	\$ -
USD : RMB	20,276	7.0964	622,583	1%	6,226	-
USD : VND	5,204	24,564	159,788	1%	1,598	-
USD : SGD	1,617	1.3184	49,655	1%	497	-
EUR : NTD	27,058	33.98	919,435	1%	9,194	-
JPY : NTD	588,278	0.2172	127,774	1%	1,278	-
JPY : RMB	990,387	0.0502	215,112	1%	2,151	-
RMB : NTD	169,817	4.3268	734,772	1%	7,348	-
USD : IDR	1,112	15,508	34,151	1%	342	-
<u>Financial liabilities</u>						
<u>Monetary items</u>						
USD : NTD	\$ 10,958	30.705	\$ 336,452	1%	\$ 3,365	\$ -
USD : RMB	7,268	7.0964	223,165	1%	2,232	-
JPY : NTD	812,419	0.2172	176,457	1%	1,765	-
JPY : RMB	171,519	0.0502	37,254	1%	373	-
March 31, 2023						
(Foreign currency: functional currency)	Foreign currency amount (in thousands)	Exchange rate	Book value (NTD)	Sensitivity analysis		
				Degree of variation	Effect on profit or loss	Effect on other comprehensive income
<u>Financial assets</u>						
<u>Monetary items</u>						
USD : NTD	\$ 90,471	30.45	\$ 2,754,831	1%	\$ 27,548	\$ -
USD : RMB	27,493	6.8722	837,151	1%	8,372	-
USD : SGD	1,732	1.3291	52,733	1%	527	-
EUR : NTD	23,761	33.15	787,690	1%	7,877	-
JPY : NTD	1,003,104	0.2288	229,510	1%	2,295	-
JPY : RMB	548,342	0.0516	125,461	1%	1,255	-
RMB : USD	76,000	0.1455	336,748	1%	3,367	-
USD : IDR	1,128	15,000	34,351	1%	344	-
<u>Prepayments to investments</u>						
USD : NTD	\$ 2,053	30.45	\$ 62,524	1%	\$ 625	\$ -
<u>Financial liabilities</u>						
<u>Monetary items</u>						
USD : NTD	\$ 13,933	30.45	\$ 424,253	1%	\$ 4,243	\$ -
USD : RMB	5,609	6.8722	170,795	1%	1,708	-
JPY : NTD	491,099	0.2288	112,364	1%	1,124	-

- iv. The total exchange gain (loss), including realized and unrealized, arising from significant foreign exchange variation on the monetary items held by the Group for the three months ended March 31, 2024 and 2023 were \$188,813 and (\$6,357), respectively.

Price risk

- i. The Group's equity securities, which are exposed to price risk, are the held financial assets at fair value through profit or loss. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group.
- ii. The Group's investments in equity securities comprise listed and unlisted stocks. The prices of equity securities would change due to the change of the future value of investee companies. If the prices of these equity securities had increased/decreased by 1% with all other variables held constant, post-tax profit for the three months ended March 31, 2024 and 2023 would have increased/decreased by \$18,064 and \$7,621, respectively, as a result of gains/losses on equity securities classified as at fair value through profit or loss.

Cash flow and fair value interest rate risk

- i. The Group's main interest rate risk arises from bank borrowings with variable rates and the advanced amount of accounts receivable transferred, which expose the Group to cash flow interest rate risk. For the three months ended March 31, 2024 and 2023, the Group's borrowings at variable rate were mainly denominated in NTD, USD, SGD and RMB.
- ii. The Group's borrowings are measured at amortized cost. The borrowings are periodically contractually repriced and to that extent are also exposed to the risk of future changes in market interest rates.
- iii. If the borrowing interest rate of NTD, USD, SGD and RMB had increased/decreased by 1% with all other variables held constant, profit, net of tax for the three months ended March 31, 2024 and 2023 would have decreased/increased by \$16,697 and \$14,035, respectively. The main factor is that changes in interest expense result from floating rate borrowings.

(b) Credit risk

- i. Credit risk refers to the risk of financial loss to the Group arising from default by the clients or counterparties of financial instruments on the contract obligations. The main factor is that counterparties could not repay in full the accounts receivable based on the agreed terms, and the contract cash flows of debt instruments stated at amortised cost.
- ii. The Group manages its credit risk taking into consideration the entire group's concern. For banks and financial institutions, only independently rated parties with a minimum rating of excellence are accepted. According to the Group's credit policy, the Group is responsible for managing and analysing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. Internal risk control assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the Board of Directors. The utilisation of credit limits is regularly monitored.

- iii. The Group adopts the following assumption under IFRS 9 to assess whether there has been a significant increase in credit risk on that instrument since initial recognition:
If the contract payments are past due over 30 days based on the terms, there is a significant increase in credit risk on that instrument since initial recognition.
- iv. The Group considers the historical experience and industrial characteristics, whereby a default occurs when the sale and construction contract payments are past due over 1 to 2 years in line with credit risk management procedure.
- v. The following indicators are used to determine whether the credit impairment of debt instruments has occurred:
- (i) It becomes probable that the issuer will enter bankruptcy or other financial reorganization due to their financial difficulties;
 - (ii) The disappearance of an active market for that financial asset because of financial difficulties;
 - (iii) Default or delinquency in interest or principal repayments;
 - (iv) Adverse changes in national or regional economic conditions that are expected to cause a default.
- vi. The Group classifies customers' accounts receivable in accordance with customer types.
The Group applies the simplified approach using a provision matrix based on the loss rate methodology to estimate expected credit loss.
- vii. The Group wrote-off the financial assets, which cannot be reasonably expected to be recovered, after initiating recourse procedures. However, the Group will continue executing the recourse procedures to secure their rights. On March 31, 2024, December 31, 2023 and March 31, 2023, the Group has no written-off financial assets that are still under recourse procedures.
- viii. The Group used the forecast ability of global boom information to adjust historical and timely information to assess the default possibility of notes and accounts receivable (including related parties). As of March 31, 2024, December 31, 2023 and March 31, 2023, the provision matrix and loss rate methodology are as follows:
- (i) Accounts receivable in relation to construction

<u>March 31, 2024</u>	<u>Expected loss rate</u>	<u>Total book value</u>	<u>Loss allowance</u>
Not past due	0%~2.4917%	\$ 2,341,711	\$ 8,399
Up to 90 days	0%~25.4384%	695,135	89,667
91 to 180 days	0%~37.9724%	134,941	41,595
181 to 365 days	0%~54.0947%	254,099	52,411
1 to 2 years	0%~88.9039%	258,628	137,536
Over 2 years	100%	115,922	115,922
Total		<u>\$ 3,800,436</u>	<u>\$ 445,530</u>

<u>December 31, 2023</u>	<u>Expected loss rate</u>	<u>Total book value</u>	<u>Loss allowance</u>
Not past due	0%~3.0027%	\$ 3,893,167	\$ 19,566
Up to 90 days	0%~14.1025%	669,637	27,404
91 to 180 days	0%~21.4088%	252,501	11,907
181 to 365 days	0%~35.4204%	179,451	43,988
1 to 2 years	0%~86.3171%	230,228	76,712
Over 2 years	100%	96,842	96,842
Total		<u>\$ 5,321,826</u>	<u>\$ 276,419</u>

<u>March 31, 2023</u>	<u>Expected loss rate</u>	<u>Total book value</u>	<u>Loss allowance</u>
Not past due	0%~3.30027%	\$ 2,366,825	\$ 8,691
Up to 90 days	0%~14.1025%	344,579	28,616
91 to 180 days	0%~21.4088%	196,328	24,451
181 to 365 days	0%~35.4204%	121,692	24,741
1 to 2 years	0%~86.3171%	168,502	62,217
Over 2 years	100%	91,846	91,846
Total		<u>\$ 3,289,772</u>	<u>\$ 240,562</u>

(ii) Accounts receivable in relation to sales

<u>March 31, 2024</u>	<u>Expected loss rate</u>	<u>Total book value</u>	<u>Loss allowance</u>
Not past due	0%~0.5198%	\$ 2,255,079	\$ 6,495
Up to 90 days	0%~21.2762%	506,855	22,044
91 to 180 days	0%~41.7847%	88,968	9,847
181 to 365 days	0%~94.0927%	116,518	36,859
Over 365 days	100%	152,322	152,322
Total		<u>\$ 3,119,742</u>	<u>\$ 227,567</u>

<u>December 31, 2023</u>	<u>Expected loss rate</u>	<u>Total book value</u>	<u>Loss allowance</u>
Not past due	0%~1.4770%	\$ 2,498,658	\$ 2,430
Up to 90 days	0%~9.3340%	499,778	8,793
91 to 180 days	0%~23.2306%	64,451	3,124
181 to 365 days	0%~80.7910%	107,943	13,525
Over 365 days	100%	186,832	186,832
Total		<u>\$ 3,357,662</u>	<u>\$ 214,704</u>

<u>March 31, 2023</u>	<u>Expected loss rate</u>	<u>Total book value</u>	<u>Loss allowance</u>
Not past due	0%~1.477%	\$ 2,266,269	\$ 2,308
Up to 90 days	0%~9.334%	214,922	3,162
91 to 180 days	0%~23.2306%	66,055	7,291
181 to 365 days	0%~80.791%	135,318	19,061
Over 365 days	100%	158,126	158,126
Total		<u>\$ 2,840,690</u>	<u>\$ 189,948</u>

- (iii) Based on historical experience, the Group applies individual assessment to evaluate expected credit loss of the high-credit risk customers. As of March 31, 2024, December 31, 2023 and March 31, 2023, accounts receivable and loss allowance amounted to \$348,094, \$331,097 and \$421,268 and \$298,956, \$296,558 and \$368,174, respectively.
- (iv) Due to the expected insignificant impairment, the Group applies individual assessment to evaluate expected credit loss of receivables due from construction warranties and notes receivable. As of March 31, 2024, December 31, 2023 and March 31, 2023, notes and accounts receivable and loss allowance amounted to \$421,433 and \$4,161, \$534,779 and \$0 and \$96,892 and \$0, respectively.
- ix. Movements in relation to the Group applying the simplified approach to provide loss allowance for notes and accounts receivable (including related parties) are as follows:

	Years ended December 31,	
	2024	2023
	Accounts receivable	Accounts receivable
At January 1	\$ 787,681	\$ 675,838
Provision for impairment	178,573	119,215
Effect of foreign exchange	9,960	3,631
At March 31	<u>\$ 976,214</u>	<u>\$ 798,684</u>

For provisioned loss for the three months ended March 31, 2024 and 2023, the impairment arising from customers' contracts are \$178,573 and \$119,215, respectively.

- x. For investments in debt instruments at amortised cost, the credit rating levels are presented below:

	March 31, 2024			
	Lifetime			Total
	12 months	Significant increase in credit risk	Impairment of credit	
Financial assets at amortised cost	<u>\$ 13,349</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,349</u>
	December 31, 2023			
	Lifetime			Total
	12 months	Significant increase in credit risk	Impairment of credit	
Financial assets at amortised cost	<u>\$ 15,790</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,790</u>

	March 31, 2023			
	Lifetime			
		Significant	Impairment	
	12 months	increase in credit	of credit	Total
		risk		
Financial assets at amortised cost	\$ 16,283	\$ -	\$ -	\$ 16,283

Financial assets at amortised cost held by the Group were pledged time deposits. There were no significant abnormalities in the credit rating levels.

(c) Liquidity risk

- i. The Group invests in financial assets measured at fair value through profit or loss in active markets, so it expects to sell the financial assets in markets with prices approximate to fair value. Financial assets at cost are not traded in active markets, thus, liquidity risk is expected. However, the Group's operating capital is sufficient to fulfill the Group's capital needs and it does not expect significant liquidity risk.
- ii. The table below analyses the Group's non-derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date for non-derivative financial liabilities.

Non-derivative financial liabilities

March 31, 2024	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Short-term borrowings (including expected interest)	\$ 8,157,538	\$ -	\$ -	\$ -
Notes payable (including related parties)	1,408,411	-	-	-
Accounts payable (including related parties)	7,047,250	-	-	-
Other payables	940,653	-	-	-
Bonds payable, current portion	-	-	2,499,900	-
Long-term borrowings (including expected interest, Long-term liabilities, current portion)	7,520	206,147	11,933	-
Lease liabilities	581,577	342,113	553,456	1,903,939

Non-derivative financial liabilities

<u>December 31, 2023</u>	<u>Less than 1 year</u>	<u>Between 1 and 2 years</u>	<u>Between 2 and 5 years</u>	<u>Over 5 years</u>
Short-term borrowings (including expected interest)	\$ 9,715,521	\$ -	\$ -	\$ -
Notes payable (including related parties)	1,752,230	-	-	-
Accounts payable (including related parties)	6,651,398	-	-	-
Other payables	1,301,729	-	-	-
Bonds payable, current portion	-	-	2,499,900	-
Long-term borrowings (including expected interest, Long-term liabilities,current portion)	6,267	206,129	13,231	-
Lease liabilities	516,716	323,425	528,835	1,811,505

Non-derivative financial liabilities

<u>March 31, 2023</u>	<u>Less than 1 year</u>	<u>Between 1 and 2 years</u>	<u>Between 2 and 5 years</u>	<u>Over 5 years</u>
Short-term borrowings (including expected interest)	\$ 6,837,801	\$ -	\$ -	\$ -
Notes payable (including related parties)	1,638,898	-	-	-
Accounts payable (including related parties)	7,203,314	-	-	-
Other payables	778,349	-	-	-
Bonds payable, current portion (recorded as "Long- term liabilities, current portion")	581,800	-	-	-
Long-term borrowings (including expected interest)	3,076	200,769	-	-
Lease liabilities	290,317	215,985	363,217	1,180,835

(3) Fair value information

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

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

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability. The fair value of the Group's investment in equity investment without active market and beneficiary certificates are included in Level 3.

B. Financial instruments not measured at fair value

Except for financial assets at fair value through profit or loss, the carrying amounts of cash and cash equivalents, notes receivable (including related parties), accounts receivable (including related parties), other receivables, restricted time deposits (recorded as financial assets at amortized cost-current and non-current), guarantee deposits paid (recorded as other current and non-current assets), short-term borrowings, notes payable (including related parties), accounts payable (including related parties), other payables, lease liabilities (including current and non-current), bonds payable (recorded as "Long-term liabilities, current portion"), long-term borrowings and guarantee deposits received (recorded as other non-current liabilities) are approximate to their fair values.

C. The related information on financial instruments measured at fair value by level on the basis of the nature, characteristics and risks of the assets are as follows:

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

<u>March 31, 2024</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets:				
<u>Recurring fair value</u>				
<u>measurements</u>				
Financial assets at fair value				
through profit or loss				
Equity securities	\$ 251,873	\$ -	\$ 1,554,541	\$ 1,806,414
Private funds	-	-	68,618	68,618
Hybrid instruments	-	-	6,200	6,200
Financial assets at fair value				
through other				
comprehensive income				
Accounts receivable that are				
expected to be factored	-	-	119,757	119,757
Total	<u>\$ 251,873</u>	<u>\$ -</u>	<u>\$ 1,749,116</u>	<u>\$ 2,000,989</u>

<u>December 31, 2023</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets:				
<u>Recurring fair value</u>				
<u>measurements</u>				
Financial assets at fair value				
through profit or loss				
Equity securities	\$ 217,331	\$ -	\$ 1,268,861	\$ 1,486,192
Private funds	-	-	71,527	71,527
Hybrid instruments	-	-	4,950	4,950
Financial assets at fair value				
through other				
comprehensive income				
Accounts receivable that are				
expected to be factored	-	-	230,697	230,697
Total	<u>\$ 217,331</u>	<u>\$ -</u>	<u>\$ 1,576,035</u>	<u>\$ 1,793,366</u>
<u>March 31, 2023</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets:				
<u>Recurring fair value</u>				
<u>measurements</u>				
Financial assets at fair value				
through profit or loss				
Equity securities	\$ 163,613	\$ -	\$ 598,512	\$ 762,125
Private funds	-	-	63,834	63,834
Hybrid instruments	-	-	233	233
Financial assets at fair value				
through other				
comprehensive income				
Accounts receivable that are				
expected to be factored	-	-	50,508	50,508
Total	<u>\$ 163,613</u>	<u>\$ -</u>	<u>\$ 713,087</u>	<u>\$ 876,700</u>

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

Instruments which use market quoted prices as their fair value (that is, Level 1), are using the closing prices of listed shares as market quoted prices based on characteristics of the instruments.

D. For the three months ended March 31, 2024 and 2023, there was no transfer between Level 1 and Level 2.

E. The following chart is the movement of Level 3 for the three months ended March 31, 2024 and 2023:

	2024			2023		
	Equity instruments and beneficiary certificates	Debt instruments	Hybrid instruments	Equity instruments and beneficiary certificates	Debt instruments	Hybrid instruments
At January 1	\$ 1,340,388	\$ 230,697	\$ 4,950	\$ 614,032	\$ 67,875	\$ 195
Acquired during the period	24,269	119,757	-	11,857	50,508	-
Reclassification adjustment	-	(230,697)	-	-	(67,875)	-
Gains and losses recognized in profit or loss (Note)	258,502	-	1,250	36,457	-	38
At March 31	<u>\$ 1,623,159</u>	<u>\$ 119,757</u>	<u>\$ 6,200</u>	<u>\$ 662,346</u>	<u>\$ 50,508</u>	<u>\$ 233</u>
Movement of unrealized gain or loss in profit or loss of assets and liabilities held as at end of the period (Note)	<u>\$ 258,502</u>	<u>\$ -</u>	<u>\$ 1,250</u>	<u>\$ 36,457</u>	<u>\$ -</u>	<u>\$ 38</u>

Note: Recorded as non-operating income and expense.

F. For the three months ended March 31, 2024 and 2023, there was no transfer into or out from Level 3.

G. Investment strategies segment is in charge of valuation procedures for fair value measurements being categorized within Level 3, which is to verify independent fair value of financial instruments. Such assessment is to ensure the valuation results are reasonable by applying independent information to make results close to current market conditions, confirming the resource of information is independent, reliable and in line with other resources and represented as the exercisable price, and frequently calibrating valuation model, updating inputs used to the valuation model and making any other necessary adjustments to the fair value.

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

	Fair value at March 31, 2024	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instrument:					
Unlisted shares	\$ 1,530,784	Market comparable companies	Note 1	Not applicable	Note 2
Venture capital shares and private funds	92,375	Net asset value	Not applicable	Not applicable	Not applicable
Hybrid instrument:					
Convertible debt	4,450	Discounted cash flow	Note 3	Not applicable	Note 4
Convertible bond – call provision	1,750	Binomial tree pricing model	Volatility	25.37% ~26.96%	The higher the stock price volatility, the higher the fair value
	Fair value at December 31, 2023	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instrument:					
Unlisted shares	\$ 1,244,377	Market	Note 1	Not applicable	Note 2
Venture capital shares and private funds	96,011	Net asset value	Not applicable	Not applicable	Not applicable
Hybrid instrument:					
Convertible debt	4,450	Discounted cash flow	Note 3	Not applicable	Note 4
Convertible bond – call provision	500	Binomial tree pricing model	Volatility	25.46% ~32.01%	The higher the stock price volatility, the higher the fair value

	Fair value at March 31, 2023	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instrument:					
Unlisted shares	\$ 573,916	Market comparable companies	Note 1	Not applicable	Note 2
Venture capital shares and private funds	88,430	Net asset value	Not applicable	Not applicable	Not applicable
Hybrid instrument:					
Convertible bond – call provision	233	Binomial tree pricing model	Volatility	34.42% ~35.84%	The higher the stock price volatility, the higher the fair value

Note 1: Price to earnings ratio multiple, price to book ratio multiple, enterprise value to operating income ratio multiple, enterprise value to EBITA multiple, discount for lack of marketability.

Note 2: The higher the multiple and control premium, the higher the fair value; the higher the discount for lack of marketability, the lower the fair value.

Note 3: Long-term revenue growth rate, weighted average cost of capital, long-term pre-tax operating margin, discount for lack of marketability.

Note 4: The higher the weighted average cost of capital, the lower the fair value; the higher the long-term revenue growth rate and long-term pre-tax operating margin, the higher the fair value; the higher the discount for lack of marketability, the lower the fair value.

- I. The Group has carefully assessed the valuation models and assumptions used to measure fair value. However, use of different valuation models or assumptions may result in different measurement. The following is the effect on profit or loss or on other comprehensive income from financial assets and liabilities categorized within Level 3 if the inputs used to valuation models have changed:

			March 31, 2024			
			Recognized in profit or loss		Recognized in other comprehensive income	
	Input	Change	Favorable change	Unfavorable change	Favorable change	Unfavorable change
Financial assets						
Equity instruments and beneficiary certificates	Stock price and fair value	± 10%	\$ 162,316	(\$ 162,316)	\$ -	\$ -
Hybrid instrument	Stock price	± 10%	10	(40)	-	-
Hybrid instrument	Volatility	± 5%	40	(40)	-	-
Total			<u>\$ 162,366</u>	<u>(\$ 162,396)</u>	<u>\$ -</u>	<u>\$ -</u>
			December 31, 2023			
			Recognized in profit or loss		Recognized in other comprehensive income	
	Input	Change	Favorable change	Unfavorable change	Favorable change	Unfavorable change
Financial assets						
Equity instruments and beneficiary certificates	Stock price and fair value	± 10%	\$ 134,039	(\$ 134,039)	\$ -	\$ -
Hybrid instrument	Stock price	± 10%	20	(10)	-	-
Hybrid instrument	Volatility	± 5%	20	(10)	-	-
Total			<u>\$ 134,079</u>	<u>(\$ 134,059)</u>	<u>\$ -</u>	<u>\$ -</u>
			March 31, 2023			
			Recognized in profit or loss		Recognized in other comprehensive income	
	Input	Change	Favorable change	Unfavorable change	Favorable change	Unfavorable change
Financial assets						
Equity instruments and beneficiary certificates	Stock price and fair value	± 10%	\$ 66,234	(\$ 66,234)	\$ -	\$ -
Hybrid instrument	Stock price	± 10%	10	(30)	-	-
Hybrid instrument	Volatility	± 5%	10	(20)	-	-
Total			<u>\$ 66,254</u>	<u>(\$ 66,284)</u>	<u>\$ -</u>	<u>\$ -</u>

13. SUPPLEMENTARY DISCLOSURES

(4) Significant transactions information

- A. Loans to others: Refer to table 1.
- B. Provision of endorsements and guarantees to others: Refer to table 2.
- C. Holding of marketable securities at the end of the period (not including subsidiaries and associates): Refer to table 3.
- D. Acquisition or sale of the same security with the accumulated cost exceeding NT\$300 million or 20% of the Company's paid-in capital: None.
- E. Acquisition of real estate reaching NT\$300 million or 20% of paid-in capital or more: None.
- F. Disposal of real estate reaching NT\$300 million or 20% of paid-in capital or more: None.
- G. Purchases or sales of goods from or to related parties reaching NT\$100 million or 20% of paid-in capital or more: Refer to table 4.
- H. Receivables from related parties reaching NT\$100 million or 20% of paid-in capital or more: Refer to table 5.
- I. Trading in derivative instruments undertaken during the reporting periods: Refer to note 6(2) and (11).
- J. Significant inter-company transactions during the reporting periods: Refer to table 6.

(5) Information on investees

Names, locations and other information of investee companies (not including investees in Mainland China): Refer to table 7.

(6) Information on investments in Mainland China

- A. Basic information: Refer to table 8.
- B. Significant transactions, either directly or indirectly through a third area, with investee companies in the Mainland Area: Refer to table 6.

(7) Major shareholders information

Major shareholders information: Refer to table 9.

14. SEGMENT INFORMATION

(1) General information

Management has determined the reportable operating segments based on the reports reviewed by the Chief Operating Decision-Maker that are used to make strategic decisions.

The Group is divided into the following 4 segments:

- A. Agency for equipment materials segment: mainly engaged in semiconductor, optoelectronics and other high-tech industrial processing and trading, distribution, after-sale service and technical support of factory equipment and its materials, chemicals and parts.
- B. Process system and mechatronic system service segment: mainly contracting electrical, clean room, peripheral system facilities and process, engaged in lump sum contracts, providing integrated services consisting of planning, design, construction, supervision, installation, testing, operational consulting, maintenance and repair for gas, automatic supply system of chemicals, special gas and factory monitor system. Services for general industries such as petrochemical plant, conventional industry plant, mechatronic system for intelligent buildings.

C. Customized equipment manufacturing segment: mainly engaged in research and development of customized automation equipment and process based on request of customers in semiconductor, optoelectronics and traditional industry.

D. Other segments: mainly providing repair, cleaning and renewal services to customers' equipment and device in semiconductor, optoelectronics and traditional industry.

(2) Measurement of segment information

Management evaluates the performance of the operating segments based on their operational efficiency. The Group's Chief Operating Decision-Maker allocates resources and assesses performance of the operating segments based on the measurement and it is measured in a manner consistent with operating income in the consolidated statement of comprehensive income. There is no material change in the operating segments' accounting policies and accounting estimates and assumptions.

(3) Segment profit information

The segment information provided to the Chief Operating Decision-Maker for the reportable segments for the three months ended March 31, 2024 and 2023 is as follows:

	Three months ended March 31, 2024				
	<u>Sales and services for equipment materials segment</u>	<u>Facility system and mechanic & electric system service segment</u>	<u>Customized equipment manufacturing segment</u>	<u>Other segments</u>	<u>Total</u>
Revenue from external customers					
Sales and services of high-tech equipment and materials	\$ 1,668,595	\$ 1,093,688	\$ 689	\$ 72	\$ 2,763,044
R&D and manufacturing of customized equipment	-	-	1,975,153	-	1,975,153
Automatic supplying system	4,857	7,086,646	-	-	7,091,503
Total Facility Engineering Turnkey Project	-	2,785,623	-	-	2,785,623
	1,673,452	10,965,957	1,975,842	72	14,615,323
Inter-segment revenue	60,362	166,262	12,980	1,118	240,722
Total segment revenue	<u>\$ 1,733,814</u>	<u>\$ 11,132,219</u>	<u>\$ 1,988,822</u>	<u>\$ 1,190</u>	<u>\$ 14,856,045</u>
Segment profit (loss)	<u>\$ 219,937</u>	<u>(\$ 151,977)</u>	<u>\$ 160,218</u>	<u>(\$ 312)</u>	<u>\$ 227,866</u>
Segment profit including: Depreciation and amortization	<u>\$ 13,039</u>	<u>\$ 153,273</u>	<u>\$ 59,705</u>	<u>\$ 83</u>	<u>\$ 226,100</u>

Three months ended March 31, 2023					
	<u>Sales and services for equipment materials segment</u>	<u>Facility system and mechanic & electric system service segment</u>	<u>Customized equipment manufacturing segment</u>	<u>Other segments</u>	<u>Total</u>
Revenue from external customers					
Sales and services of high-tech equipment and materials	\$ 1,549,861	\$ 660,934	\$ 1,768	\$ 107	\$ 2,212,670
R&D and manufacturing of customized equipment	-	-	1,917,348	-	1,917,348
Automatic supplying system	34,093	7,267,773	-	-	7,301,866
Total Facility Engineering Turnkey Project	-	2,453,877	-	-	2,453,877
	<u>\$ 1,583,954</u>	<u>\$ 10,382,584</u>	<u>\$ 1,919,116</u>	<u>\$ 107</u>	<u>\$ 13,885,761</u>
Inter-segment revenue	64,772	169,569	10,044	1,113	245,498
Total segment revenue	<u>\$ 1,648,726</u>	<u>\$ 10,552,153</u>	<u>\$ 1,929,160</u>	<u>\$ 1,220</u>	<u>\$ 14,131,259</u>
Segment profit (loss)	<u>\$ 229,773</u>	<u>\$ 221,133</u>	<u>\$ 156,624</u>	<u>(\$ 1,028)</u>	<u>\$ 606,502</u>
Segment profit including:					
Depreciation and amortization	<u>\$ 11,316</u>	<u>\$ 72,306</u>	<u>\$ 57,379</u>	<u>\$ 947</u>	<u>\$ 141,948</u>

(4) Reconciliation for segment (loss) income

Sales and services between segments are carried out at arm's length. The revenue and financial information from external customers reported to the Chief Operating Decision-Maker is measured in a manner consistent with that in the statement of comprehensive income. A reconciliation of reportable segment income or loss to the income before tax from continuing operations for the three months ended March 31, 2024 and 2023 is provided as follows:

	Three months ended March 31,	
	<u>2024</u>	<u>2023</u>
Reportable segments income	\$ 228,178	\$ 607,530
Other reportable segments loss	(312)	(1,028)
Total segments	227,866	606,502
Other gains and losses	506,543	62,568
Finance costs	(126,634)	(50,596)
Income before tax from continuing operations	<u>\$ 607,775</u>	<u>\$ 618,474</u>

MARKETECH INTERNATIONAL CORP. AND SUBSIDIARIES

Loans to others

For the three months ended March 31, 2024

Table 1

Expressed in thousands of NTD
(Except as otherwise indicated)

No. (Note 1)	Creditor	Borrower	General ledger account (Note 2)	Is a related party	Maximum outstanding balance during the three months ended March 31, 2024 (Note 3)	Balance at March 31, 2024 (Note 8)	Actual amount drawn down	Interest rate (%)	Nature of loan (Note 4)	Amount of transactions with the borrower (Note 5)	Reason for short-term financing (Note 6)	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party (Note 7)	Ceiling on total loans granted (Note 7)	Footnote
													Item	Value			
0	Marketech International Corp.	Marketech International Sdn. Bhd.	Other receivables - related parties	Y	\$ 24,564	\$ -	\$ -	-	Short-term financing	\$ -	Operations	\$ -	None	\$ -	\$ 4,685,312	\$ 4,685,312	Note 7
0	Marketech International Corp.	Marketech International Corporation USA	Other receivables - related parties	Y	2,400,000	2,400,000	1,920,000	5.259	Short-term financing	-	Operations	-	None	-	4,685,312	4,685,312	Note 7
1	MIC-Tech Electronics Engineering Corp.	Shanghai Maohua Electronics Engineering Co., Ltd.	Other receivables	Y	5,223	26,447	26,447	4.350	Short-term financing	-	Operations	-	None	-	395,511	791,022	Note 7
2	MIC-Tech Viet Nam Co., Ltd.	Marketech Co., Ltd.	Other receivables	Y	6,350	3,810	3,810	4.500	Short-term financing	-	Operations	-	None	-	186,530	186,530	Note 7

Note 1:The numbers filled in for the loans provided by the Company or subsidiaries are as follows:

(1) The Company is ‘0’.

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

Note 2:Fill in the name of account in which the loans are recognized, such as receivables–related parties, current account with stockholders, prepayments, temporary payments, etc.

Note 3:Fill in the maximum outstanding balance of loans to others during the three months ended March 31, 2024.

Note 4:The column of ‘Nature of loan’ shall fill in ‘Business transaction or ‘Short-term financing’.

Note 5:Fill in the amount of business transactions when nature of the loan is related to business transactions, which is the amount of business transactions occurred between the creditor and borrower in the current year.

Note 6:Fill in purpose of loan when nature of loan is for short-term financing, for example, repayment of loan, acquisition of equipment, working capital, etc.

Note 7:Fill in limit on loans granted to a single party and ceiling on total loans granted as prescribed in the creditor company’s “Procedures for Provision of Loans”, and state each individual party to which the loans have been provided and the calculation for ceiling on total loans granted in the footnote.

The Company’s ceiling on loans to others are as follows:

(1) Limit on the total loans to others provided by the Company is 40% of the net assets based on the Company’s latest financial statements.

(2) Limit on the loans provided by the Company granted for a single party are as follows:

(2-1) Limit on loans to a single party with business transactions is the higher value of purchasing and selling during current year on the year of financing, and can’t exceed the total business transactions amount within 12 month.

(2-2) For short-term financing, limit on loans granted for a single party is 40% of the net assets based on the latest financial statements of the lending companies. The amount of loans to a single party is the accumulated balance of the lending company's short-term financing for single party.

(3) Limit on the accumulated balance of loans to others provided by the foreign companies whose voting rights are 100% owned directly and indirectly by the Company is not under the limit stated on (1). However, it shall make the limit and period for the loans to others in each subsidiary’s internal Companies.

Limit on the loans provided by the Company’s mainland subsidiaries:

(1) Limit on the total loans to others provided by the Company’s mainland subsidiaries is 80% of the net assets based on the latest financial statements of the lending companies.

(2) Limit on the loans provided by the Company’s mainland subsidiaries granted for a single party are as follows:

(2-1) Limit on loans to a single party with business transactions is the higher value of purchasing and selling during current year on the year of financing, and can’t exceed the total business transactions amount within 12 month.

(2-2) For short-term financing between the Company’s mainland subsidiary and the foreign companies which the ultimate parent company holds 100% of the voting rights directly or indirectly, limit on loans granted for a single party is 80% of the net assets based on the latest financial statements of the lending companies.

For short-term financing between the Company’s mainland subsidiaries and aforementioned associates, limit on loans granted for a single party is 40% of the net assets based on the latest financial statements of the lending companies. The amount of loans to a single party is the accumulated balance of the lending company's short-term financing for single party.

Limit on the loans provided by the Company’s Vietnam subsidiaries:

(1) Limit on the total loans to others provided by the Company’s Vietnam subsidiaries is 80% of the net assets based on the latest financial statements of the lending companies.

(2) Limit on the loans provided by the Company’s Vietnam subsidiaries granted for a single party are as follows:

(2-1) Limit on loans to a single party with business transactions is the higher value of purchasing and selling during current year on the year of financing, and can’t exceed the total business transactions amount within 12 month.

(2-2) For short-term financing between the Company’s Vietnam subsidiary and the foreign companies which the ultimate parent company holds 100% of the voting rights directly or indirectly, limit on loans granted for a single party is 80% of the net assets based on the latest financial statements of the lending companies.

For short-term financing between the Company’s Vietnam subsidiaries and aforementioned associates, limit on loans granted for a single party is 40% of the net assets based on the latest financial statements of the lending companies. The amount of loans to a single party is the accumulated balance of the lending company's short-term financing for single party.

Note 8: The amounts of funds to be loaned to others which have been approved by the board of directors of a public company in accordance with Article 14, Item 1 of the “Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies” should be included in its published balance of loans to others at the end of the reporting period to reveal the risk of loaning the public company bears, even though they have not yet been appropriated. However, this balance should exclude the loans repaid when repayments are done subsequently to reflect the risk adjustment.

In addition, if the board of directors of a public company has authorized the chairman to loan funds in instalments or in revolving within certain lines and within one year in accordance with Article 14, Item 2 of the “Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies”, the published balance of loans to others at the end of the reporting period should also include these lines of loaning approved by the board of directors, and these lines of loaning should not be excluded from this balance even though the loans are repaid subsequently, for taking into consideration they could be loaned again thereafter.

MARKETECH INTERNATIONAL CORP. AND SUBSIDIARIES
Provision of endorsements and guarantees to others
For the three months ended March 31, 2024

Table 2

Expressed in thousands of NTD
(Except as otherwise indicated)

Number (Note 1)	Endorser/ guarantor	Party being endorsed/guaranteed		Limit on endorsements/ guarantees provided for a single party (Note 4)	Maximum outstanding endorsement/ guarantee amount as of March 31, 2024 (Note 5)	Outstanding endorsement/ guarantee amount at March 31, 2024 (Note 6)	Actual amount drawn down (Note 7)	Amount of endorsements/ guarantees secured with collateral	Ratio of accumulated endorsement/ guarantee amount to net asset value of the endorser/ guarantor company	Ceiling on total amount of endorsements/ guarantees provided (Note 4)	Provision of endorsements/ guarantees by parent company to subsidiary (Note 8)	Provision of endorsements/ guarantees by subsidiary to parent company (Note 8)	Provision of endorsements/ guarantees to the party in Mainland China (Note 8)	Footnote
		Company name	Relationship with the endorser/ guarantor (Note 2)											
0	Marketech International Corp.	Marketech Integrated Pte. Ltd.	2	\$ 5,856,641	\$ 80,734	\$ 80,421	\$ 48,282	\$ -	0.69%	\$ 11,713,281	Y	N	N	Note 4
0	Marketech International Corp.	MIC-Tech (Shanghai) Corp.	2	5,856,641	576,474	424,158	110,451	-	3.62%	11,713,281	Y	N	Y	Note 4
0	Marketech International Corp.	MIC-Tech (WuXi) Co., Ltd.	2	5,856,641	316,439	316,439	201,204	-	2.70%	11,713,281	Y	N	Y	Note 4
0	Marketech International Corp.	MIC-Tech Electronics Engineering Corp.	2	5,856,641	2,718,783	2,414,152	1,487,501	-	20.61%	11,713,281	Y	N	Y	Note 4
0	Marketech International Corp.	Shanghai Maohua Electronics Engineering Co., Ltd.	2	5,856,641	32,580	31,725	31,725	-	0.27%	11,713,281	Y	N	Y	Note 4
0	Marketech International Corp.	Marketech International Sdn. Bhd.	2	5,856,641	122,820	64,000	18,170	-	0.55%	11,713,281	Y	N	N	Note 4
0	Marketech International Corp.	eZoom Information, Inc.	2	5,856,641	70,000	70,000	8,706	-	0.60%	11,713,281	Y	N	N	Note 4
0	Marketech International Corp.	Te Chang Construction Co., Ltd.	5	5,856,641	47,671	25,817	25,817	-	0.22%	11,713,281	N	N	N	Note 4
0	Marketech International Corp.	Marketech International Corporation USA	2	5,856,641	1,648,983	864,000	839,989	-	7.38%	11,713,281	Y	N	N	Note 4
0	Marketech International Corp.	MIC-Tech Viet Nam Co., Ltd.	2	5,856,641	144,000	144,000	971	-	1.23%	11,713,281	Y	N	N	Note 4
1	MIC-Tech Electronics Engineering Corp.	Marketech International Corp.	3	2,966,334	159,905	159,905	159,905	-	16.17%	4,943,890	N	Y	N	Note 4
1	MIC-Tech Electronics Engineering Corp.	The Second Construction Co., Ltd. of China Electronics System Engineering	5	2,966,334	1,122	1,122	1,122	-	0.11%	4,943,890	N	N	Y	Note 4
1	MIC-Tech Electronics Engineering Corp.	MIC-Tech (Shanghai) Corp.	4	2,966,334	101,640	101,640	101,640	-	10.28%	4,943,890	N	N	Y	Note 4
2	MIC-Tech (Shanghai) Corp.	MIC-Tech Electronics Engineering Corp.	4	3,014,064	305,837	305,837	305,837	-	30.44%	5,023,445	N	N	Y	Note 4

Note 1:The numbers filled in for the endorsements/guarantees provided by the Company or subsidiaries are as follows:

- (1) The Company is ‘0’.
- (2) The subsidiaries are numbered in order starting from ‘1’.

Note 2:Relationship between the endorser/guarantor and the party being endorsed/guaranteed is classified into the following seven categories; fill in the number of category each case belongs to:

- (1) Having business relationship.
- (2) The endorser/guarantor parent company owns directlyand indirectly more than 50% voting shares of the endorsed/guaranteed subsidiary.
- (3) The endorsed/guaranteed company owns directly and indirectly more than 50% voting shares of the endorser/guarantor parent company.
- (4) The endorser/guarantor parent company owns directly and indirectly more than 90% voting shares of the endorsed/guaranteed company.
- (5) Mutual guarantee of the trade made by the endorsed/guaranteed company or joint contractor as required under the construction contract.
- (6) Due to joint venture, all shareholders provide endorsements/guarantees to the endorsed/guaranteed company in proportion to its ownership.
- (7) Joint guarantee of the performance guarantee for pre-sold home sales contract as required under the Consumer Protection Act.

Note 3: Fill in limit on endorsements/guarantees provided for a single party and ceiling on total amount of endorsements/guarantees provided as prescribed in the endorser/guarantor company’s “Procedures for Provision of Endorsements and Guarantees”, and state each individual party to which the endorsements/guarantees have been provided and the calculation for ceiling on total amount of endorsements/guarantees provided in the footnote.

Note 4:Limit on endorsements and guarantees stated in“Regulations Governing Loaning of Funds and Making of Endorsements/ Guarantees by Public Companies”:

- (1) In accordance with mutual guarantee requirement in the same industry for contracting constructions, limit on endorsement/guarantee to a single party is the net assets of the Company.
- (2) In accordance with business relationship, limit on endorsement/guarantee to a single party is the total value of business transactions within past 12 months. (the value of business transactions is the higher of purchases or sales)
- (3) Excpet for (1) and (2) mentioned above, limit on endorsement/guarantee to a single party is 50% of the net assets of the Company.
- (4) For (2) and (3) mentioned above, limit on the total amount of endorsement/guarantee is the net assets of the Company.
- (5) For the Company and subsidiaries, limit on endorsement/guarantee to a single party is the net assets of the Company ; limit on the total amount is 5 times of the net assets of the Company.

- Limit on endorsements and guarantees of the Company’s mainland subsidiaries:
- (1) In accordance with mutual guarantee requirement in the same industry or the common builders for contracting constructions, or provision of endorsements and guarantees for joint ventures from shareholders in proportion to shareholding ratio, limit on the total amount is 5 times of the net assets of the endorser/guarantor on endorsement/guarantee to a single party is three times of the net assets of the endorser/guarantor.
- (2) Except for (1), the Group follows standards of endorsements and guarantees as below:
- (2-1) Total amount: (2-1-1) Limit on the accumulated endorsements and guarantees is 5 times of the net assets of the endorser/guarantor;
- (2-1-2) Limit on endorsements and guarantees to a company of which the endorser company and the Company directly or indirectly holds 90%, should meet the requirement in (2-1-1) and may not exceed 10% of the ultimate parent’s net assets.
- (2-1-3) Total endorsements and guarantees of the endorser/guarantor and its subsidiaries are limited to 5 times of the net assets of the endorser/guarantor.
- (2-2) Limit on endorsement/guarantee to a single party
- (2-2-1) For the companies having business relationship with the endorser/guarantor and thus being provided endorsements/guarantees, limit on endorsements to a single party is the total value of business transactions within past 12 months.
 (the value of business transactions is the higher of purchase or sales)
- (2-2-2) Limit on endorsement/guarantee to a single party who having business relationship with the Group is 3 times of the net assets of the endorser/guarantor.

Note 5: Fill in the year-to-date maximum outstanding balance of endorsements/guarantees provided as of the reporting period.

Note 6: Fill in the amount approved by the Board of Directors or the chairman if the chairman has been authorised by the Board of Directors based on subparagraph 8, Article 12 of the Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies.

Note 7: Fill in the actual amount of endorsements/guarantees used by the endorsed/guaranteed company.

Note 8: Fill in ‘Y’ for those cases of provision of endorsements/guarantees by listed parent company to subsidiary and provision by subsidiary to listed parent company, and provision to the party in Mainland China.

MARKETECH INTERNATIONAL CORP. AND SUBSIDIARIES
Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures)
For the three months ended March 31, 2024

Table 3

Expressed in thousands of NTD
(Except as otherwise indicated)

					As of March 31, 2024					
Securities held by	Type of marketable securities	Name of marketable securities (Note 1)	Relationship with the securities issuer	General ledger account	Number of shares	Book value (Note 2)	Ownership (%)	Fair value	Collateral	Footnote
Marketech International Corp.	Ordinary shares	Lasertec Corporation	None	Financial assets measured at fair value through profit or loss - current	20,000	\$ 176,814	-	\$ 176,814	None	
"	"	Aerospace Industrial Development Corp.	"	"	50,925	2,679	-	2,679	"	
						\$ 179,493		\$ 179,493		
Marketech International Corp.	Ordinary shares	Taiwan Colour & Imaging Technology Corp.	None	Financial assets measured at fair value through profit or loss - non-current	1,700,000	\$ -	12.15%	\$ -	None	
"	"	Chung-Hsin Electric and Machinery Manufacturing Corp.	"	"	290,000	52,055	0.06%	52,055	"	
"	"	WINGS GLOBAL TECHNOLOGY INC.	"	"	750,000	7,396	18.75%	7,396	"	
"	"	Promos Technologies, Inc.	"	"	250,331	-	0.56%	-	"	
"	"	Taiwan Puritic Corp.	"	"	4,084,181	727,365	6.72%	727,365	"	
"	"	SOPOWER Technology Corp.	"	"	189,222	-	12.61%	-	"	
"	"	VEEV Interactive Pte. Ltd.	"	"	840,000	-	6.32%	-	"	
"	"	Taiwan Intelligent Fiber Optic Network Co.,	"	"	3,219,697	33,878	1.76%	33,878	"	
"	"	H&D Venture Capital Investment Corporation	"	"	-	-	-	-	"	
"	"	Civil Tech Pte. Ltd.	"	"	336,374	-	0.58%	-	"	
"	"	ProbeLeader Co., Ltd.	Entities controlled by key management or entities with significant influence	"	966,000	22,500	3.25%	22,500	"	
"	"	IP Fund Six Co., Ltd.	None	"	772,321	8,704	1.79%	8,704	"	
"	"	Innorich Venture Capital Corp.	"	"	1,000,000	4,665	1.87%	4,665	"	
"	"	Taiwan Foresight Co., Ltd.	"	"	380,000	3,420	2.24%	3,420	"	
"	"	Long Time Technology Corp.	"	"	346,000	5,842	0.29%	5,842	"	
"	"	Paradigm Venture Capital Corp.	"	"	76,659	1,008	3.50%	1,008	"	
"	"	Taiwan Special Chemicals Corp.	"	"	1,858,827	95,945	1.35%	95,945	"	
"	"	Atech Totalsolution Co., Ltd.	"	"	128,000	-	0.19%	-	"	
"	"	East Wind Life Science Systems	"	"	124,457	-	12.87%	-	"	
"	"	EcoLand Corp.	"	"	310,715	-	13.51%	-	"	
"	"	Kcashin Technology Corporation	"	"	642,500	564	16.56%	564	"	
"	"	Foresight Energy Technologies Co., Ltd.	"	"	675,000	13,116	1.30%	13,116	"	
"	"	Mycropore Corporation, Ltd.	"	"	1,471,000	10,379	8.44%	10,379	"	
"	"	STEK CO., LTD.	"	"	634,285	14,849	6.21%	14,849	"	
"	"	Sum Capital Healthcare Investment Corp.	Entities controlled by key management or entities with significant influence	"	943,050	9,380	7.44%	9,380	"	
"	"	Forward Science Corp.	"	"	2,650,240	50,119	8.41%	50,119	"	
"	"	Renown Information Technology Corp.	None	"	720,000	11,922	14.40%	11,922	"	
"	"	TAIWAN TRUEWIN TECHNOLOGY CO.,	"	"	1,112,841	50,760	2.08%	50,760	"	
"	"	LUCENS TECHNOLOGY INC.	Entities controlled by key management or entities with significant influence	"	1,332,959	13,832	6.66%	13,832	"	
"	"	Everlasting Digital ESG Co., Ltd.	"	"	100,000	456	5.88%	456	"	
"	"	Artfil, Inc.	None	"	215	22,600	9.33%	22,600	"	
"	"	MEGA UNION TECHNOLOGY	"	"	659,837	81,774	1.07%	81,774	"	
"	"	Infinitesima Limited	"	"	3,666,667	62,524	5.24%	62,524	"	
"	"	Brilliant Network & Automation Integrated System Co., Ltd.	"	"	150,000	20,325	0.43%	20,325	"	
"	"	Wonder Energy Co., Ltd.	"	"	5,800,000	58,000	Note 4	58,000	"	
"	Preferred stock	Advanced Supply Chain & Logistics Management Ltd.	"	"	1,200,000	12,000	16.67%	12,000	"	

Table 3-1

Table 3

Expressed in thousands of NTD
(Except as otherwise indicated)

MARKETECH INTERNATIONAL CORP. AND SUBSIDIARIES										
Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures)										
For the three months ended March 31, 2024										
						As of March 31, 2024				
Securities held by	Type of marketable securities	Name of marketable securities (Note 1)	Relationship with the securities issuer	General ledger account	Number of shares	Book value (Note 2)	Ownership (%)	Fair value	Collateral	Footnote
Marketech International Corp.	Ordinary shares	NanoSeeX Inc.	None	Financial assets measured at fair value through profit or loss - non-current	30,000,000	\$ 30,000	18.11%	\$ 30,000	None	
"	"	Asia Hydrogen Energy Corporation	"	"	375,000	15,000	2.56%	15,000	"	
"	Private funds	Zoyi II Investment Limited Partnership	"	"	-	25,565	-	25,565	"	
"	Convertible bonds	HALLYS CORPORATION	"	"	-	-	-	-	"	
"	"	Nitride Solutions Inc.	"	"	-	-	-	-	"	
"	"	Halio, Inc.	"	"	-	-	-	-	"	
"	Preferred stock	Adant Technologies Inc.	"	"	174,520	128	Note 3	128	"	
"	"	Halio, Inc.	"	"	501,532	-	"	-	"	
"	Preferred stock	Biomedica Corporation	"	"	156,225	10,099	"	10,099	"	
"	Private funds	Vertex Growth (SG) LP	"	"	-	35,663	-	35,663	"	
"	"	Vertex Growth II (SG) LP	"	"	-	7,390	-	7,390	"	
"	Convertible debt	Adant Technologies Inc.	"	"	-	4,450	-	4,450	"	
MIC-Tech (Shanghai) Corp.	"	Kore Semiconductor Co., Ltd.	"	"	37,500,000	176,316	7.38%	176,316	"	
Total						\$ 1,699,989		\$ 1,699,989		

Note 1: Marketable securities in the table refer to stocks, bonds, beneficiary certificates and other related derivative securities.

Note 2: Fill in the amount after adjusted at fair value and deducted by accumulated impairment for the marketable securities measured at fair value; fill in the acquisition cost or amortized cost deducted by accumulated impairment for the marketable securities not measured at fair value.

Note 3: Holding preferred stock.

Note 4:In July 2023, the Company early invested in Wonder Energy Co., Ltd. and had obtained a letter of investment intent from its major shareholders. The capital increase plan of Wonder Energy Co., Ltd. was in progress. The Company accounted it as non-current financial assets at fair profit or loss.

MARKETECH INTERNATIONAL CORP. AND SUBSIDIARIES

Purchases or sales of goods from or to related parties reaching NT\$100 million or 20% of paid-in capital or more

For the three months ended March 31, 2024

Table 4

Expressed in thousands of NTD

(Except as otherwise indicated)

			Transaction		Differences in transaction terms compared to third party transactions			Notes/accounts receivable (payable)		Percentage of total notes/accounts receivable (payable)	
Purchaser/seller	Counterparty	Relationship with the counterparty	Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance		Footnote
Marketech International Corp.	Altus Technology Inc.	Other related party	Contract of construction	\$ 150,606	2.10%	Note 1	\$ -	-	\$ 70,712	1.44%	-

Note 1: Payment terms were in accordance with the contracts.

Note 2: Paid-up capital refers to that of the Parent company. If the issuer has issued shares without a face value or at face values other than NT\$10 per share,

the 20% requirement on paid-up capital shall be calculated instead at 10% of equity attributable to parent company shareholders, as shown on the balance sheet.

Table 5

MARKETECH INTERNATIONAL CORP. AND SUBSIDIARIES

Receivables from related parties reaching NT\$100 million or 20% of paid-in capital or more

March 31, 2024

Expressed in thousands of NTD
(Except as otherwise indicated)

Creditor	Counterparty	Relationship with the counterparty	Balance as at March 31, 2024 (Note)	Turnover rate	Overdue receivables		Amount collected subsequent to the balance sheet date	Allowance for doubtful accounts
					Amount	Action taken		
Marketch International Corp.	Marketch International Corporation USA	Subsidiary	\$ 1,926,409	-	\$ -	-	\$ -	\$ -

Note: Fill in separately the balances of accounts receivable–related parties, notes receivable–related parties, other receivables–related parties.

MARKETECH INTERNATIONAL CORP. AND SUBSIDIARIES
Significant inter-company transactions during the reporting period
For the three months ended March 31, 2024

Table 6

Expressed in thousands of NTD
(Except as otherwise indicated)

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			
				General ledger account	Amount	Transaction terms	Percentage of consolidated total operating revenues or total assets (Note 3)
0	Marketch International Corp.	MIC-Tech Electronics Engineering Corp.	1	Other receivables	9,601	Sales revenue:	0.02%
0	Marketch International Corp.	MIC-Tech Electronics Engineering Corp.	1	Non-operating revenue	9,601	Prices and terms of sales of goods to related parties	0.07%
0	Marketch International Corp.	Marketch Integrated Pte. Ltd.	1	Accounts receivable	11,218	are approximately the same to third parties. A certain	0.02%
0	Marketch International Corp.	Marketch Integrated Pte. Ltd.	1	Sales revenue	9,315	percentage of profit is negotiated for sale of services	0.06%
0	Marketch International Corp.	eZoom Information, Inc.	1	Prepayment for purchases	18,000	with related parties.	0.04%
0	Marketch International Corp.	Marketch International Corporation USA	1	Other receivables	1,926,409	Construction revenue:	4.27%
0	Marketch International Corp.	Marketch International Corporation USA	1	Accounts receivable	42,075	The prices of construction contracts entered into with	0.09%
0	Marketch International Corp.	Marketch International Corporation USA	1	Construction revenue	40,379	related parties and third parties are based on normal	0.09%
0	Marketch International Corp.	Marketch International Corporation USA	1	Non-operating revenue	8,273	construction contracts or individual agreements.	0.06%
0	Marketch International Corp.	Marketch Netherlands B.V.	1	Prepayment for purchases	9,535	Furthermore, the collection terms to related parties	0.02%
0	Marketch International Corp.	Spiro Technology Systems Inc.	1	Prepayment for purchases	21,320	are approximately the same to third parties, which is	0.05%
1	eZoom Information, Inc.	Marketch International Corp.	2	Accounts receivable	14,757	about 2 to 3 months after inspection of construction	0.03%
1	eZoom Information, Inc.	Marketch International Corp.	2	Services revenue	12,749	depending on the construction contracts or individual	0.09%
1	eZoom Information, Inc.	Marketch International Corp.	2	Construction revenue	69,684	agreements.	0.48%
1	eZoom Information, Inc.	Marketch International Corp.	2	Notes receivable	18,951		0.04%
2	MIC-Tech Global Corp.	Marketch International Corp.	2	Sales revenue	39,798		0.27%
2	MIC-Tech Global Corp.	Marketch International Corp.	2	Accounts receivable	12,947		0.03%
3	Spiro Technology Systems Inc.	Marketch International Corp.	2	Accounts receivable	9,534		0.02%
3	Spiro Technology Systems Inc.	Marketch International Corp.	2	Sales revenue	8,263		0.06%
4	Marketch Netherlands B.V.	Marketch International Corp.	2	Sales revenue	5,019		0.03%
5	MIC-Tech Electronics Engineering Corp.	Shanghai Maohua Electronics Engineering Co., Ltd.	3	Other receivables	26,447		0.06%
5	Vertex System Corporation	Marketch International Corp.	3	Construction revenue	8,951		0.06%
6	Shanghai Maohua Electronics Engineering Co., Ltd.	MIC-Tech Electronics Engineering Corp.	3	Accounts receivable	24,381		0.05%
6	Shanghai Maohua Electronics Engineering Co., Ltd.	MIC-Tech Electronics Engineering Corp.	3	Construction revenue	25,824		0.18%
7	MIC-Tech (WuXi) Co., Ltd.	MIC Industrial Viet Nam Co., Ltd.	3	Sales revenue	5,201		0.04%

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

- (1) Parent company is ‘0’.
(2) The subsidiaries are numbered in order starting from ‘1’.

Note 2:Relationship between transaction company and counterparty is classified into the following three categories (If transactions between parent company and subsidiaries or between subsidiaries refer to the same transaction, it is not required to disclose twice. For example, if the parent company has already disclosed its transaction with a subsidiary, then the subsidiary is not required to disclose the transaction; for transactions between two subsidiaries, if one of the subsidiaries has disclosed the transaction, then the other is not required to disclose the transaction.):

- (1) Parent company to subsidiary.
(2) Subsidiary to parent company.
(3) Subsidiary to subsidiary.

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

Note 4: Individual amounts less than \$5,000 are not disclosed.Additionally, if it is disclosed as assets and revenue, its opposite transactions will not be disclosed.

MARKETECH INTERNATIONAL CORP. AND SUBSIDIARIES

Information on investees

For the three months ended March 31, 2024

Table 7

Expressed in thousands of NTD
(Except as otherwise indicated)

Investor	Investee	Location	Main business activities	Initial investment amount (Note 2)		Shares held as at March 31, 2024			Net profit (loss) of the investee for the three months ended March 31, 2024	Investment income (loss) recognized by the Company for the three months ended March 31, 2024 (Note 1)	Footnote
				Balance as at March 31, 2024	Balance as at December 31, 2023	Number of shares	Ownership (%)	Book value			
Marketech International Corp.	Marketech Integrated Pte. Ltd.	Singapore	Contracting for semiconductor automatic supply system	\$ 331,733	\$ 331,733	14,636,958	100	\$ 56,172	\$ 858	\$ 858	The Company's subsidiary
Marketech International Corp.	Market Go Profits Ltd.	Virgin Islands	Investment holding and reinvestment	1,299,429	1,299,429	40,119,104	100	2,653,624	78,391	78,391	The Company's subsidiary
Marketech International Corp.	MIC-Tech Global Corp.	South Korea	International trade	19,147	19,147	131,560	100	20,496	1,636	1,636	The Company's subsidiary
Marketech International Corp.	Headquarter International Ltd.	Virgin Islands	Investment holding and reinvestment	42,475	42,475	1,289,367	100	38,607	509	509	The Company's subsidiary
Marketech International Corp.	Tiger United Finance Ltd.	Virgin Islands	Investment holding and reinvestment	46,475	46,475	1,410,367	100	36,500	562	562	The Company's subsidiary
Marketech International Corp.	Marketech Engineering Pte. Ltd.	Singapore	Contracting for electrical installing construction	29,545	29,545	1,270,133	100	2,049	(874)	(874)	The Company's subsidiary
Marketech International Corp.	Marketech Integrated Manufacturing Company Limited	Myanmar	Design, manufacturing, installation of automatic production equipment and its parts	478,985	478,985	1,535,600	100	127,443	(4,320)	(4,320)	The Company's subsidiary
Marketech International Corp.	MIC-Tech Viet Nam Co., Ltd.	Vietnam	Trading, installation and repair of various machinery equipment and its peripherals; consulting service and software execution service associated with computer hardware installation	271,476	271,476	-	100	233,162	11,606	11,606	The Company's subsidiary
Marketech International Corp.	Marketech Co., Ltd.	Vietnam	Specialized contracting and related repair services; equipment sales and repair; sales of cosmetics and daily necessities; production, development and implementation of software and providing coding service; providing installation service of industrial machine and equipment	88,234	72,596	-	100	11,678	(2,182)	(2,182)	The Company's subsidiary
Marketech International Corp.	eZoom Information, Inc.	Taiwan	Research, trading and consulting of information system software and hardware appliance	280,737	280,737	11,100,000	100	13,816	(6,911)	(6,911)	The Company's subsidiary
Marketech International Corp.	Marketech International Sdn.Bhd.	Malaysia	Specialized contracting and related repair services; sales of medical devices	109,596	108,162	16,871,250	100	27,153	(6,975)	(6,975)	The Company's subsidiary
Marketech International Corp.	Marketech International Corporation USA	USA	Specialized contracting and related repair services	556,886	556,886	18,450,000	100	502,900	(317,472)	(317,472)	The Company's subsidiary

Investor	Investee	Location	Main business activities	Initial investment amount (Note 2)		Shares held as at March 31, 2024			Net profit (loss) of the investee for the three months ended March 31, 2024	Investment income (loss) recognized by the Company for the three months ended March 31, 2024 (Note 1)	Footnote
				Balance as at March 31, 2024	Balance as at December 31, 2023	Number of shares	Ownership (%)	Book value			
Marketech International Corp.	Spiro Technology Systems Inc.	USA	International trade	\$ 54,074	\$ 54,074	1,000,000	100	\$ 87,198	(\$ 236)	(\$ 236)	The Company's subsidiary
Marketech International Corp.	ADAT Technology CO., LTD.	Taiwan	Research, development, application, and service of software; supply of electronic information and data processing service	97,951	84,119	5,467,022	25.38	23,178	(13,413)	(3,413)	The Company's subsidiary
Marketech International Corp.	PT Marketech International Indonesia	Indonesia	Trading business of machine equipment and parts	38,042	38,042	1,199,000	99.92	35,929	564	564	The Company's subsidiary
Marketech International Corp.	Marketech Netherlands B.V	Netherlands	International trade business of machine and components and technical service	54,085	40,510	1,200,000	100	8,684	(2,247)	(2,247)	The Company's subsidiary
Marketech International Corp.	Glory Technology Service Inc.	Taiwan	Sale and installation of information and communication equipment	42,714	42,714	6,208,320	29.24	68,654	393	115	The Company's investee accounted for using equity method
Marketech International Corp.	MIC Techno Co., Ltd.	Taiwan	Sale of panels and its materials	2,000	2,000	200,000	20	1,805	(18)	(4)	The Company's investee accounted for using equity method
Marketech International Corp.	Taiwan Radisen HealthCare Co., Ltd.	Taiwan	Smart medical consulting services and investment	500	500	50,000	100	324	(10)	(10)	The Company's subsidiary
Marketech International Corp.	Vertex System Corporation	Taiwan	Trading of equipment for private 5G wireless communication networks (picocells and core networks) and IoT intelligent control gateway; maintenance and operations of device management platform (DMP), and provision of services in software management platform and vertical integration of information technology (IT) and communication technology (CT)	50,000	50,000	5,000,000	61.35	21,480	(2,801)	(1,719)	The Company's subsidiary
Marketech International Corp.	Bolite Co., Ltd.	Taiwan	Precision R&D, manufacturing and sales of laser-related modules and equipment, and provide laser application solutions	27,200	27,200	2,240,000	37.33	40,784	(6,625)	(2,473)	The Company's investee accounted for using equity method
Marketech International Corp.	MIC Healthcare Korea Co., Ltd.	South Korea	R&D, sales and professional technical services of medical device and its parts; international trade and import and export business	60,487	41,536	5,200,000	100	18,201	(5,402)	(5,402)	The Company's subsidiary
Marketech International Corp.	Marketech International Corp. Japan	Japan	International trade	65,254	65,254	30,000	100	52,368	(1,401)	(1,401)	The Company's subsidiary
Marketech International Corp.	Advanced Technology Matrix United Corporation	USA	Warehousing logistics services; sales agent of semiconductor equipment, components and consumables and semiconductor materials	60,960	60,960	2,000,000	68.97	63,929	-	-	The Company's subsidiary

Table 7-2

Investor	Investee	Location	Main business activities	Initial investment amount (Note 2)		Shares held as at March 31, 2024			Net profit (loss) of the investee for the three months ended March 31, 2024	Investment income (loss) recognized by the Company for the three months ended March 31, 2024 (Note 1)	Footnote
				Balance as at March 31, 2024	Balance as at December 31, 2023	Number of shares	Ownership (%)	Book value			
Marketech International Corp.	Radisen Co., Ltd. (Ordinary shares)	South Korea	AI medical resolution and teleradiology medical platform	\$ 12,454	\$ 12,454	87,803	18.49	\$ 3,849	(\$ 21,012)	(\$ 3,886)	The Company's investee accounted for using equity method
Marketech International Corp.	Radisen Co., Ltd. (Preferred stock)	South Korea	AI medical resolution and teleradiology medical platform	73,208	73,208	188,961	44.85	87,252	(21,012)	-	The Company's investee accounted for using equity method
Marketech International Corp.	Marketech International Corporation Germany GmbH	Germany	International trade of machine and components and technical service	6,617	6,617	200,000	100	4,573	(1,139)	(1,139)	The Company's subsidiary
Marketech International Corp.	MIC Industrial Viet Nam Co., Ltd.	Vietnam	Assembling of air conditioning equipment and testing OEM	39,567	39,567	-	100	37,382	(1,471)	(1,471)	The Company's subsidiary
Marketech International Corp.	Marketop Smart Solutions Co., Ltd.	Taiwan	Sales and service of smart medical devices, international trade and import and export business	30,600	-	3,060,000	51	30,282	(623)	(318)	The Company's subsidiary
Market Go Profits Ltd.	MIC-Tech Ventures Asia Pacific Inc.	Cayman Islands	Investment holding and reinvestment	1,293,932	1,293,932	40,016,604	100	2,652,370	78,400	-	The investor's subsidiary
Marketech Engineering Pte Ltd.	Marketech Integrated Construction Co., Ltd.	Myanmar	Contracting for electrical installing construction	27,083	27,083	88,500	98.33	1,655	(851)	-	The investor's subsidiary
MIC-Tech Ventures Asia Pacific Inc.	Rusky H.K. Limited	Hong Kong	Investment holding and reinvestment	34,551	34,551	833,000	100	13,411	3,807	-	The investor's subsidiary
MIC-Tech Ventures Asia Pacific Inc.	MICT International Limited	Hong Kong	Investment holding and reinvestment	132,282	132,282	5,400,000	60	26,665	(1,474)	-	The investor's subsidiary
MIC-Tech Ventures Asia Pacific Inc.	Leader Fortune Enterprise Co., Ltd.	Samoa	Investment holding and reinvestment	8,990	8,990	303,000	31.43	(5,571)	(1,546)	-	The investor's investee accounted for using equity method
MIC-Tech Ventures Asia Pacific Inc.	Fortune Blessing Co., Limited	Hong Kong	Investment holding and reinvestment	45,985	45,985	500,000	27.78	6,714	(235)	-	The investor's investee accounted for using equity method
Rusky H.K. Limited	PT Marketech International Indonesia	Indonesia	Trading business of machine equipment and parts	32	32	1,000	0.08	32	564	-	The investor's investee accounted for using equity method

Note 1: The amount of \$0 means that the Company does not directly recognize gain or loss on investments.

Note 2: Except for subsidiaries in Malaysia which are translated at the current rate as of March 31, 2024, the initial investment amounts of other investees are translated at the current rate as of the investment date.

MARKETECH INTERNATIONAL CORP. AND SUBSIDIARIES

Information on investments in Mainland China

For the three months ended March 31, 2024

Table 8

Expressed in thousands of NTD

(Except as otherwise indicated)

Investee in Mainland China	Main business activities	Paid-in capital (Note 3)	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2024 (Note 3)	Amount remitted from Taiwan to Mainland China/ Amount remitted back to Taiwan for the three months ended March 31, 2024 (Note 3)		Accumulated amount of remittance from Taiwan to Mainland China as of March 31, 2024 (Note 3)	Net income of investee for the three months ended March 31, 2024	Ownership held by the Company (direct or indirect)	Investment income (loss) recognized by the Company for the three months ended March 31, 2024 (Note 2)	Book value of investments in Mainland China as of March 31, 2024	Accumulated amount of investment income remitted back to Taiwan as of March 31, 2024	Footnote
					Remitted to Mainland China	Remitted back to Taiwan							
MIC-Tech (WuXi) Co., Ltd.	Manufacturing and sales of semiconductor devices, intelligent storage equipments, illuminators, masks and labor protective products; manufacturing of package special equipments	\$ 816,000	Note 1(2)	\$ 629,453	\$ -	\$ -	\$ 629,453	(\$ 15,602)	100	(\$ 15,602)	\$ 85,480	\$ -	Note 2 (2)B
MIC-Tech (Shanghai) Corp.	Wholesale, commission agency, maintenance, repairment, manufacture, import and export of semiconductor production and its consumables; trading agency and consulting services in customs bonded area	263,712	Note 1(2)	15,353	-	-	15,353	22,232	100	22,232	1,004,689	217,487	Note 2 (2)B
Shanghai Maohua Electronics Engineering Co., Ltd.	Production of scrubber bins for semiconductor manufacturers; design, installation, debugging and technology services of tunnel system; equipment repair for semiconductor manufacturers	19,200	Note 1(2)	18,515	-	-	18,515	4,376	87	3,807	10,885	-	Note 2 (2)B
MIC-Tech Electronics Engineering Corp.	Installation and construction of mechanical and electrical systems; professional building renovation and decoration services; design and construction of smart buildings; construction of electronic projects and related technical services and consulting materials	563,808	Note 1(2)	261,607	-	-	261,607	32,985	100	32,985	988,778	112,742	Note 2 (2)B
Integrated Manufacturing & Services Co., Ltd.	Development of special equipment for solar cell production, manufacture of optical engine, cleaning and regeneration of new electrical device	224,000	Note 1(2)	119,750	-	-	119,750	(1,474)	60	(885)	25,864	-	Note 2 (2)B
MIC-Tech China Trading (Shanghai) Co., Ltd.	Wholesale, commission agency and import and export of chemical products, semiconductors, inspection equipment and its consumables, solar equipment consumables, trading and trading agency among enterprises in customs bonded area	48,000	Note 1(2)	46,058	-	-	46,058	37,058	100	37,058	277,040	-	Note 2 (2)B
Macrotec Technology (Shanghai) Co., Ltd.	Wholesale, commission agency, import and export and other complementary service of electrical products, instrumentation, metal products, electrical equipment, International and entrepot trade, trading and trading agency among enterprises in customs bonded area	30,621	Note 1(2)	9,234	-	-	9,234	(1,546)	31.43	(486)	(5,575)	-	Note 2 (2)C

Investee in Mainland China	Main business activities	Paid-in capital (Note 3)	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2024 (Note 3)	Amount remitted from Taiwan to Mainland China/ Amount remitted back to Taiwan for the three months ended March 31, 2024 (Note 3)		Accumulated amount of remittance from Taiwan to Mainland China as of March 31, 2024 (Note 3)	Net income of investee for the three months ended March 31, 2024	Ownership held by the Company (direct or indirect)	Investment income (loss) recognized by the Company for the three months ended March 31, 2024 (Note 2)	Book value of investments in Mainland China as of March 31, 2024	Accumulated amount of investment income remitted back to Taiwan as of March 31, 2024	Footnote
					Remitted to Mainland China	Remitted back to Taiwan							
Fortune International Corporation	Research and development, manufacturing, sales, installation and repair services of semiconductor-related devices, equipment and materials; supply chain and property management service; industrial park management service; venue rental; conference and exhibition services; warehousing service	\$ 57,600	Note 1(2)	\$ 15,353	\$ -	\$ -	\$ 15,353	(\$ 235)	27.78	(\$ 65)	\$ 6,685	\$ -	Note 2 (2)C

Note 1: Investment methods are classified into the following three categories:
(1) Directly invest in a company in Mainland China.
(2) Through investing in Market Go Profits Ltd., which then invested in the investee in Mainland China.
(3) Others.

Note 2: In the ‘Investment income (loss) recognized by the Company for the year ended December 31, 2023’ column:
(1) It should be indicated if the investee was still in the incorporation arrangements and had not yet any profit during this year.
(2) Indicate the basis for investment income (loss) recognition in the number of one of the following three categories:
A.The financial statements were reviewed by international accounting firm which has cooperative relationship with accounting firm in R.O.C.
B.The financial statements were reviewed by R.O.C. parent company’s CPA.
C.Others-the financial statements were not reviewed by independent auditors.

Note 3: Paid-in capital and investment amount were translated at the original currency times exchange rate at period end.

2. Limit on investees in Mainland China

Company name	Accumulated amount of remittance from Taiwan to Mainland China as of March 31, 2024 (Note 1) (Note 2) (Note 3)	Investment amount approved by the Investment Commission of the Ministry of Economic Affairs (MOEA) (Note 1)	Ceiling on investments in Mainland China imposed by the Investment Commission of MOEA
Marketech International Corp.	\$ 1,254,080	\$ 1,962,720	\$ 7,122,240

Note 1: The amount was translated at the original currency times exchange rate at period end.

Note 2: The Company has sold WUXI Probeleader Electronics Co., Ltd. at the end of November 2011. As the accumulated investment was different from the investment collected back, the difference between accumulated amount of remittance from Taiwan to Mainland China as of November 30, 2011 and accumulated amount of remittance from Taiwan to Mainland China registered at and approved by MOEA was US\$186 thousand.

Note 3: The liquidation of TPP-MIC (WuXi) Co., Ltd. was completed in November, 2015. As the accumulated investment was different from the investment collected back, the difference between accumulated amount of remittance from Taiwan to Mainland China as of March 31, 2024, and accumulated amount of remittance from Taiwan to Mainland China registered at and approved by MOEA was US\$180 thousand.

Table 8-2

MARKETECH INTERNATIONAL CORP. AND SUBSIDIARIES

Major shareholders information

March 31, 2024

Table 9

Name of major shareholders	Shares	
	Name of shares held	Ownership (%)
Ennoconn International Investment Co., Ltd.	83,468,613	41.46
JI-XUAN Investment Corp.	11,005,795	5.46

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

Note 2: If the aforementioned data contains shares which were kept at the trust by the shareholders, the data was disclosed as a separate account of client which was set by the trustee. As for the shareholder who reports share equity as an insider whose shareholding ratio is greater than 10% in accordance with the Securities and Exchange Act, the shareholding ratio includes the self-owned shares and trusted shares, at the same time, persons who have power to decide how to allocate the trust assets. For the information of reported share equity of insider, please refer to Market Observation Post System.