

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

PWCR24000201

To the Board of Directors and Shareholders of MiTAC Holdings Corporation

Introduction

We have reviewed the accompanying consolidated balance sheets of MiTAC Holdings Corporation and its subsidiaries (the "Group") as at September 30, 2024 and 2023, and the related consolidated statements of comprehensive income for the three months and nine months then ended, as well as the consolidated statements of changes in equity and of cash flows for the nine months then ended and notes to the consolidated financial statements, including a summary of 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 Financial Supervisory Commission. Our responsibility is to express a conclusion on these consolidated financial statements based on our reviews.

Scope of Review

Except as explained in the following paragraph, we conducted our reviews in accordance with the Statement on Review Engagements No.2410, "Review of Financial Information Performed by the Independent Auditor of the Entity" of the Republic of China. A review of consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Basis for qualified conclusion

The financial statements of certain insignificant consolidated subsidiaries and investments accounted for using equity method during the same period were not reviewed by independent auditors. Total assets of these subsidiaries and the balances of these investments accounted for using equity method amounted to NT\$6,895,923 thousand and NT\$6,400,684 thousand, constituting 7% and 8% of the consolidated total assets as at September 30, 2024 and 2023, respectively, total liabilities amounted to NT\$1,562,523 thousand and NT\$1,537,481 thousand, constituting 5% and 6% of the consolidated total

liabilities as at September 30, 2024 and 2023, respectively, and the total comprehensive income (loss) and share of profit or loss and other comprehensive income (loss) of associates and joint ventures accounted for using equity method amounted to NT\$141,907 thousand, NT\$19,693 thousand, NT\$270,311 thousand and NT\$(14,420) thousand, constituting (17%), 1%, (1,874%) and 1% of the consolidated total comprehensive income (loss) for the three months and nine months then ended, respectively.

Qualified conclusion

Except for the adjustments to the consolidated financial statements, if any, as might have been determined to be necessary had the financial statements of the insignificant subsidiaries and equity method investees been reviewed by independent auditors as described in the *Basis for qualified conclusion* section, based on our reviews, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Group as at September 30, 2024 and 2023, and of its consolidated financial performance for the three months and nine months then ended and its consolidated cash flows for the nine months then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, “Interim Financial Reporting” that came into effect as endorsed by the Financial Supervisory Commission.

Liu, Chien-Yu

Li, Tien-Yi

For and on behalf of PricewaterhouseCoopers, Taiwan

November 12, 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.

MiTAC HOLDINGS CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
SEPTEMBER 30, 2024, DECEMBER 31, 2023 AND SEPTEMBER 30, 2023
(Expressed in thousands of New Taiwan dollars)

Assets	Notes	September 30, 2024		December 31, 2023		September 30, 2023		
		AMOUNT	%	AMOUNT	%	AMOUNT	%	
Current assets								
1100	Cash and cash equivalents	6(1)	\$ 8,637,583	9	\$ 8,321,029	9	\$ 6,670,029	8
1110	Financial assets at fair value through profit or loss - current	6(2)	-	-	143,879	-	144,893	-
1120	Financial assets at fair value through other comprehensive income - current	6(3)	1,856,632	2	1,739,825	2	1,420,345	2
1136	Financial assets at amortised cost - current	6(4) and 8	704,732	1	895,873	1	913,385	1
1150	Notes receivable - net		191,627	-	34,865	-	55,834	-
1170	Accounts receivable - net	6(5) and 12(2)	9,463,411	10	4,050,024	5	6,048,014	7
1180	Accounts receivable - related parties - net	6(5), 7 and 12(2)	347	-	63	-	5,562	-
1200	Other receivables	6(6) and 7	6,795,516	7	7,143,010	8	1,051,338	1
1220	Current income tax assets		106,705	-	29,487	-	96,982	-
130X	Inventories	6(7)	10,335,152	11	8,929,545	10	9,447,984	12
1410	Prepayments		310,774	-	242,986	1	229,728	-
1470	Other current assets		10,059	-	8,893	-	10,464	-
11XX	Total current assets		<u>38,412,538</u>	<u>40</u>	<u>31,539,479</u>	<u>36</u>	<u>26,094,558</u>	<u>31</u>
Non-current assets								
1517	Financial assets at fair value through other comprehensive income - non-current	6(3)	35,731,683	39	39,190,794	44	37,822,778	46
1535	Financial assets at amortised cost - non-current	6(4) and 8	546,128	1	502,603	1	511,416	1
1550	Investments accounted for using equity method	6(8)	8,048,504	9	7,886,588	9	7,870,367	10
1600	Property, plant and equipment - net	6(9)	7,059,999	8	7,209,141	8	7,435,287	9
1755	Right-of-use assets	6(10) and 7	551,801	1	244,540	-	254,816	-
1760	Investment property - net	6(12)	1,280,207	1	1,209,728	1	1,214,658	2
1780	Intangible assets	6(13)	89,623	-	103,193	-	89,905	-
1840	Deferred income tax assets		816,647	1	695,805	1	691,224	1
1900	Other non-current assets	6(18)	72,873	-	170,454	-	143,134	-
15XX	Total non-current assets		<u>54,197,465</u>	<u>60</u>	<u>57,212,846</u>	<u>64</u>	<u>56,033,585</u>	<u>69</u>
1XXX	Total assets		<u>\$ 92,610,003</u>	<u>100</u>	<u>\$ 88,752,325</u>	<u>100</u>	<u>\$ 82,128,143</u>	<u>100</u>

(Continued)

MITAC HOLDINGS CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
SEPTEMBER 30, 2024, DECEMBER 31, 2023 AND SEPTEMBER 30, 2023
(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity	Notes	September 30, 2024		December 31, 2023		September 30, 2023		
		AMOUNT	%	AMOUNT	%	AMOUNT	%	
Current liabilities								
2100	Short-term borrowings	6(14)	\$ 447,777	-	\$ 861,073	1	\$ 863,017	1
2120	Financial liabilities at fair value through profit or loss - current	6(15)	1,839	-	849	-	12,121	-
2130	Contract liabilities - current	6(25)	266,823	-	212,800	-	159,282	-
2170	Accounts payable		11,131,113	12	5,913,013	7	5,828,469	7
2180	Accounts payable - related parties	7	161,354	-	72,804	-	786,815	1
2200	Other payables	6(16) and 7	10,322,794	11	9,402,684	11	4,915,901	6
2230	Current income tax liabilities		664,561	2	1,274,510	1	1,371,261	2
2250	Provisions - current	6(19)	132,153	-	131,087	-	163,568	-
2280	Lease liabilities - current	7	62,892	-	29,040	-	32,618	-
2300	Other current liabilities	6(17)	350,118	-	445,629	1	484,997	1
21XX	Total current liabilities		<u>23,541,424</u>	<u>25</u>	<u>18,343,489</u>	<u>21</u>	<u>14,618,049</u>	<u>18</u>
Non-current liabilities								
2540	Long-term borrowings	6(17)	524,595	1	581,665	1	628,308	1
2550	Provisions - non-current	6(19)	161,451	-	154,491	-	153,775	-
2560	Income tax liabilities - non-current	6(32)	128,454	-	-	-	-	-
2570	Deferred income tax liabilities		7,983,686	9	7,846,225	8	7,947,146	9
2580	Lease liabilities - non-current		85,301	-	103,154	-	107,080	-
2600	Other non-current liabilities		291,236	-	295,470	-	299,453	-
25XX	Total non-current liabilities		<u>9,174,723</u>	<u>10</u>	<u>8,981,005</u>	<u>9</u>	<u>9,135,762</u>	<u>10</u>
2XXX	Total liabilities		<u>32,716,147</u>	<u>35</u>	<u>27,324,494</u>	<u>30</u>	<u>23,753,811</u>	<u>28</u>
Equity attributable to owners of parent								
Share capital								
3110	Common shares	6(21)	12,065,568	13	12,065,568	14	12,065,568	15
Capital surplus								
3200	Capital surplus	6(22)	22,783,453	25	22,789,603	26	22,784,975	28
Retained earnings								
3310	Legal reserve	6(23)	4,023,265	4	3,887,851	4	3,887,851	5
3350	Unappropriated retained earnings		20,585,281	23	19,271,079	22	19,429,169	24
Other equity interest								
3400	Other equity interest	6(24)	263,758	-	3,310,848	4	154,379	-
31XX	Equity attributable to owners of the parent		<u>59,721,325</u>	<u>65</u>	<u>61,324,949</u>	<u>70</u>	<u>58,321,942</u>	<u>72</u>
36XX	Non-controlling interests		<u>172,531</u>	<u>-</u>	<u>102,882</u>	<u>-</u>	<u>52,390</u>	<u>-</u>
3XXX	Total equity		<u>59,893,856</u>	<u>65</u>	<u>61,427,831</u>	<u>70</u>	<u>58,374,332</u>	<u>72</u>
Significant Contingent Liabilities And Unrecognised Contract Commitments								
Significant Events After the Balance Sheet Date								
3X2X	Total liabilities and equity		<u>\$ 92,610,003</u>	<u>100</u>	<u>\$ 88,752,325</u>	<u>100</u>	<u>\$ 82,128,143</u>	<u>100</u>

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

MITAC HOLDINGS CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
THREE MONTHS AND NINE MONTHS ENDED SEPTEMBER 30, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars, except for earnings per share)

Items	Notes	Three months ended September 30				Nine months ended September 30			
		2024		2023		2024		2023	
		AMOUNT	%	AMOUNT	%	AMOUNT	%	AMOUNT	%
4000 Operating revenue	6(25) and 7	\$ 15,149,860	100	\$ 9,778,194	100	\$ 37,911,453	100	\$ 27,683,536	100
5000 Operating costs	6(7) and 7	(13,283,379)	(87)	(8,651,812)	(88)	(33,040,905)	(87)	(24,465,462)	(88)
5900 Gross profit		<u>1,866,481</u>	<u>13</u>	<u>1,126,382</u>	<u>12</u>	<u>4,870,548</u>	<u>13</u>	<u>3,218,074</u>	<u>12</u>
Operating expenses	6(30) (31) 7 and 12(2)								
6100 Selling expenses		(282,302)	(2)	(256,202)	(3)	(845,604)	(2)	(765,167)	(3)
6200 General and administrative expenses		(323,910)	(2)	(287,225)	(3)	(948,670)	(3)	(881,568)	(3)
6300 Research and development expenses		(696,991)	(5)	(628,944)	(6)	(2,018,229)	(5)	(1,900,040)	(7)
6450 Expected credit loss		<u>2</u>	<u>-</u>	(1,558)	<u>-</u>	(60)	<u>-</u>	<u>298,121</u>	<u>1</u>
Total operating expenses		(1,303,201)	(9)	(1,173,929)	(12)	(3,812,563)	(10)	(3,248,654)	(12)
6900 Operating profit/(loss)		<u>563,280</u>	<u>4</u>	(47,547)	<u>-</u>	<u>1,057,985</u>	<u>3</u>	(30,580)	<u>-</u>
Non-operating income and expenses									
7100 Interest income	6(26)	40,013	-	29,671	-	131,492	-	97,778	-
7010 Other income	6(27) and 7	436,378	3	379,729	4	837,616	2	800,647	3
7020 Other gains and losses	6(28)	(118,330)	(1)	108,038	1	164,481	-	81,916	-
7050 Finance costs	6(29) and 7	(7,575)	-	(17,226)	-	(27,414)	-	(112,329)	-
7060 Share of profit of associates and joint ventures accounted for using equity method	6(8)	<u>349,668</u>	<u>2</u>	<u>353,632</u>	<u>4</u>	<u>1,064,662</u>	<u>3</u>	<u>926,033</u>	<u>3</u>
7000 Total non-operating income and expenses		<u>700,154</u>	<u>4</u>	<u>853,844</u>	<u>9</u>	<u>2,170,837</u>	<u>5</u>	<u>1,794,045</u>	<u>6</u>
7900 Profit before income tax		1,263,434	8	806,297	9	3,228,822	8	1,763,465	6
7950 Income tax expense	6(32)	(113,787)	-	(181,313)	(2)	(272,188)	(1)	(273,624)	(1)
8200 Profit for the period		<u>\$ 1,149,647</u>	<u>8</u>	<u>\$ 624,984</u>	<u>7</u>	<u>\$ 2,956,634</u>	<u>7</u>	<u>\$ 1,489,841</u>	<u>5</u>

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MITAC HOLDINGS CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
THREE MONTHS AND NINE MONTHS ENDED SEPTEMBER 30, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars, except for earnings per share)

Items	Notes	Three months ended September 30				Nine months ended September 30				
		2024		2023		2024		2023		
		AMOUNT	%	AMOUNT	%	AMOUNT	%	AMOUNT	%	
Other comprehensive income (loss) - net										
Components of other comprehensive income (loss) that will not be reclassified to profit or loss										
8316	Unrealised losses from investments in equity instruments measured at fair value through other comprehensive income	6(3)(24)	\$ (1,903,950)	(13)	\$ 272,954	3	\$ (3,579,235)	(9)	\$ (4,906,519)	(18)
8320	Share of other comprehensive income (loss) of associates and joint ventures accounted for using equity method, components of other comprehensive income (loss) that will not be reclassified to profit or loss	6(8)(24)	(47,461)	-	(1,770)	-	39,891	-	(22,497)	-
8310	Components of other comprehensive income (loss) that will not be reclassified to profit or loss		(1,951,411)	(13)	271,184	3	(3,539,344)	(9)	(4,929,016)	(18)
Components of other comprehensive income (loss) that will be reclassified to profit or loss										
8361	Exchange differences on translation of foreign financial statements	6(24)	57,213	-	2,374,550	24	360,014	1	2,186,972	8
8370	Share of other comprehensive income (loss) of associates and joint ventures accounted for using equity method, components of other comprehensive income that will be reclassified to profit or loss	6(8)(24)	(70,968)	-	222,350	2	208,275	1	179,340	1
8360	Components of other comprehensive income (loss) that will be reclassified to profit or loss		(13,755)	-	2,596,900	26	568,289	2	2,366,312	9
8300	Other comprehensive Income (loss) for the period		\$ (1,965,166)	(13)	\$ 2,868,084	29	\$ (2,971,055)	(7)	\$ (2,562,704)	(9)
8500	Total comprehensive income (loss) for the period		\$ (815,519)	(5)	\$ 3,493,068	36	\$ (14,421)	-	\$ (1,072,863)	(4)
Profit attributable to:										
8610	Owners of parent		\$ 1,145,158	8	\$ 624,026	7	\$ 2,944,508	7	\$ 1,486,450	5
8620	Non-controlling interests		\$ 4,489	-	\$ 958	-	\$ 12,126	-	\$ 3,391	-
Comprehensive (loss) income attributable to:										
8710	Owners of parent		\$ (819,385)	(5)	\$ 3,491,753	36	\$ (27,007)	-	\$ (1,076,713)	(4)
8720	Non-controlling interests		\$ 3,866	-	\$ 1,315	-	\$ 12,586	-	\$ 3,850	-
9750	Basic earnings per share	6(33)	\$ 0.95		\$ 0.52		\$ 2.44		\$ 1.24	
9850	Diluted earnings per share	6(33)	\$ 0.94		\$ 0.51		\$ 2.42		\$ 1.22	

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

MITAC HOLDINGS CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
NINE MONTHS ENDED SEPTEMBER 30, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

	Notes	Equity attributable to owners of the parent									Total equity
		Retained earnings				Other equity interest				Non-controlling interests	
		Share capital- common shares	Capital surplus, additional paid-in capital	Legal reserve	Unappropriated retained earnings	Financial statements translation differences of foreign operations	Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income	Treasury stocks	Total		
<u>Nine months ended September 30 2023</u>											
Balance at January 1, 2023		\$ 12,065,568	\$ 22,610,906	\$ 2,938,598	\$ 20,434,720	\$ (249,216)	\$ 3,003,911	\$ (162,874)	\$ 60,641,613	\$ 51,118	\$ 60,692,731
Profit for the period		-	-	-	1,486,450	-	-	-	1,486,450	3,391	1,489,841
Other comprehensive income (loss) for the period	6(24)	-	-	-	-	2,365,853	(4,929,016)	-	(2,563,163)	459	(2,562,704)
Total comprehensive income (loss)		-	-	-	1,486,450	2,365,853	(4,929,016)	-	(1,076,713)	3,850	(1,072,863)
<u>Distribution of 2022 earnings</u>											
	6(23)										
Legal reserve		-	-	949,253	(949,253)	-	-	-	-	-	-
Cash dividends		-	-	-	(1,568,524)	-	-	-	(1,568,524)	-	(1,568,524)
<u>Subsidiaries change of associates accounted for using equity method</u>											
	6(22)(24)										
Subsidiaries change of associates accounted for using equity method		-	(3,175)	-	36,490	-	(36,490)	-	(3,175)	-	(3,175)
<u>Disposal of company's share by subsidiaries recognised as treasury share transactions</u>											
	6(21)(22)										
Disposal of company's share by subsidiaries recognised as treasury share transactions		-	164,225	-	(11,377)	-	-	162,874	315,722	-	315,722
<u>Subsidiaries received cash dividends paid by the parent company</u>											
	6(22)(34)										
Subsidiaries received cash dividends paid by the parent company		-	12,026	-	-	-	-	-	12,026	-	12,026
<u>Disposal of investments accounted for using equity method</u>											
	6(24)										
Disposal of investments accounted for using equity method		-	-	-	663	(663)	-	-	-	-	-
<u>Capital surplus - dividends unclaimed by the shareholders</u>											
	6(22)										
Capital surplus - dividends unclaimed by the shareholders		-	994	-	-	-	-	-	994	-	994
<u>Cash dividends paid by subsidiaries to non-controlling interests</u>											
	6(34)										
Cash dividends paid by subsidiaries to non-controlling interests		-	-	-	-	-	-	-	-	(2,578)	(2,578)
<u>Reversal of capital surplus - dividends unclaimed by the subsidiaries' shareholders</u>											
Reversal of capital surplus - dividends unclaimed by the subsidiaries' shareholders		-	(1)	-	-	-	-	-	(1)	-	(1)
Balance at September 30, 2023		\$ 12,065,568	\$ 22,784,975	\$ 3,887,851	\$ 19,429,169	\$ 2,116,637	\$ (1,962,258)	\$ -	\$ 58,321,942	\$ 52,390	\$ 58,374,332
<u>Nine months ended September 30 2024</u>											
Balance at January 1, 2024		\$ 12,065,568	\$ 22,789,603	\$ 3,887,851	\$ 19,271,079	\$ 1,635,667	\$ 1,675,181	\$ -	\$ 61,324,949	\$ 102,882	\$ 61,427,831
Profit for the period		-	-	-	2,944,508	-	-	-	2,944,508	12,126	2,956,634
Other comprehensive income (loss) for the period	6(24)	-	-	-	-	567,828	(3,539,343)	-	(2,971,515)	460	(2,971,055)
Total comprehensive income (loss)		-	-	-	2,944,508	567,828	(3,539,343)	-	(27,007)	12,586	(14,421)
<u>Distribution of 2023 earnings</u>											
	6(23)										
Legal reserve		-	-	135,414	(135,414)	-	-	-	-	-	-
Cash dividends		-	-	-	(1,568,524)	-	-	-	(1,568,524)	-	(1,568,524)
<u>Subsidiaries change of associates accounted for using equity method</u>											
	6(22)(24)										
Subsidiaries change of associates accounted for using equity method		-	(8,458)	-	72,841	(72,841)	-	(8,458)	-	(8,458)	(8,458)
<u>Disposal of investments accounted for using equity method</u>											
	6(24)										
Disposal of investments accounted for using equity method		-	-	-	791	(791)	-	-	-	-	-
<u>Transactions with non-controlling interests</u>											
	6(22)(23)										
Transactions with non-controlling interests		-	694	-	-	(1,943)	-	(1,249)	57,439	-	56,190
<u>Capital surplus - dividends unclaimed by the shareholders</u>											
	6(22)										
Capital surplus - dividends unclaimed by the shareholders		-	1,617	-	-	-	-	-	1,617	-	1,617
<u>Cash dividends paid by subsidiaries to non-controlling interests</u>											
	6(34)										
Cash dividends paid by subsidiaries to non-controlling interests		-	-	-	-	-	-	-	-	(376)	(376)
<u>Reversal of capital surplus - dividends unclaimed by the subsidiaries' shareholders</u>											
	6(22)										
Reversal of capital surplus - dividends unclaimed by the subsidiaries' shareholders		-	(3)	-	-	-	-	-	(3)	-	(3)
Balance at September 30, 2024		\$ 12,065,568	\$ 22,783,453	\$ 4,023,265	\$ 20,585,281	\$ 2,201,552	\$ (1,937,794)	\$ -	\$ 59,721,325	\$ 172,531	\$ 59,893,856

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

MITAC HOLDINGS CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
NINE MONTHS ENDED SEPTEMBER 30, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

	Notes	Nine months ended September 30	
		2024	2023
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Profit before tax		\$ 3,228,822	\$ 1,763,465
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation	6(30)	727,177	769,676
Amortization	6(13)(30)	85,693	77,371
Provision of expected credit loss (income)	12(2)	60	(298,121)
Loss of financial assets/liabilities at fair value through profit or loss	6(28)	2,379	10,184
Interest expense	6(29)	27,414	112,329
Interest income	6(26)	(131,492)	(97,778)
Dividend income	6(27)	(688,074)	(640,362)
Share of profit of associates accounted for using equity method	6(8)	(1,064,662)	(926,033)
Gain on disposal of property, plant and equipment	6(28)	(10,293)	(4,752)
Compensation costs of share-based payment	6(19)	469	-
Loss on disposal of investments	6(28)	68	1,086
(Gain) loss on (reversal of) decline in market value	6(7)	(760,570)	317,332
Changes in operating assets and liabilities			
Changes in operating assets			
Increase in notes receivable		(152,429)	(14,675)
(Increase) decrease in accounts receivable		(5,383,060)	2,075,507
Decrease (increase) in other receivables		604,592	(844,380)
Increase in inventories		(474,532)	(264,899)
(Increase) decrease in prepayments		(63,922)	169,096
(Increase) decrease in other current assets		(873)	7,526
Changes in operating liabilities			
Increase (decrease) in contract liabilities		49,567	(146,315)
Increase in accounts payable		5,223,364	632,567
Increase in other payables		713,492	649,677
Increase (decrease) in provisions for liabilities		6,901	(42,327)
Increase (decrease) in other current liabilities		43,087	(10,446)
Decrease in accrued pension liabilities		(16,200)	(1,397)
Increase in other operating liabilities		24	115
Cash inflow generated from operations		1,967,002	3,294,446
Receipt of interest		129,828	87,668
Cash dividend received		1,650,324	1,365,766
Payment of interest		(27,576)	(115,312)
Payment of income tax		(809,297)	(168,420)
Net cash flows from operating activities		<u>2,910,281</u>	<u>4,464,148</u>

(Continued)

MITAC HOLDINGS CORPORATION AND
CONSOLIDATED STATEMENTS OF CASH FLOWS
NINE MONTHS ENDED SEPTEMBER 30, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

	Notes	Nine months ended September 30	
		2024	2023
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Acquisition of financial assets at fair value through other comprehensive income		\$(230,445)	\$(50,689)
Proceeds from capital reduction of financial assets at fair value through other comprehensive income		18,513	16,432
Decrease (increase) in financial assets at amortised cost		198,589	(1,068,930)
Proceeds from disposal of financial assets at fair value through profit or loss		142,490	-
Proceeds from capital reduction of investments accounted for using equity method		153,432	3,418
Acquisition of property, plant and equipment	6(9)	(384,235)	(351,220)
Proceeds from disposal of property, plant and equipment		16,655	8,555
Decrease in refundable deposits		1,957	3,663
Acquisition of intangible assets	6(13)	(72,107)	(53,455)
Acquisition of use-of-right assets		(57,025)	-
Acquisition of investment properties	6(12)	(83,158)	-
Repayments of loans to related parties		4,755	-
Increase of other non-current assets		-	(71,797)
Net cash flows used in investing activities		<u>(290,579)</u>	<u>(1,564,023)</u>
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Decrease in short-term loans	6(35)	(444,274)	(2,759,349)
Proceeds from long-term debt	6(35)	-	404,221
Repayments of long-term debt	6(35)	(215,566)	(192,136)
Increase in guarantee deposits	6(35)	10,374	9,413
Repayments of lease liabilities	6(35)	(182,240)	(34,146)
Cash dividends paid	6(34)	(1,568,900)	(1,559,076)
Proceeds from sale of treasury shares		-	327,099
Investments increased by non-controlling interest		56,190	-
Capital surplus - dividends unclaimed by the shareholders	6(22)	1,614	993
Net cash flows used in financing activities		<u>(2,342,802)</u>	<u>(3,802,981)</u>
Effects of changes in exchange rates		39,654	(228,476)
Net increase (decrease) in cash and cash equivalents		316,554	(1,131,332)
Cash and cash equivalents at beginning of period	6(1)	8,321,029	7,801,361
Cash and cash equivalents at end of period	6(1)	<u>\$ 8,637,583</u>	<u>\$ 6,670,029</u>

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

MITAC HOLDINGS CORPORATION AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
NINE MONTHS ENDED SEPTEMBER 30, 2024 AND 2023

(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

1. HISTORY AND ORGANISATION

- (1) MiTAC Holdings Corporation (the “Company”) was established by MiTAC International Corp. (“MiTAC International”) through a share conversion on September 12, 2013, and on the same date, the competent authority has approved for the Company’s shares to be listed on the Taiwan Stock Exchange (TWSE). MiTAC International became the Company’s wholly-owned subsidiary after conversion. The main business of the Company and its subsidiaries (collectively referred herein as the “Group”) is to design, manufacture and sell products related to investments, computers and its peripherals and communications.
- (2) In order to promote specialization of work for transforming and improving overall competitiveness of the Group, the Board of Directors of its subsidiary, MiTAC International, has resolved to divest its cloud computing products group to the newly established company, MiTAC Computing Technology Corporation (collectively referred herein as the “MiTAC Computing Technology”), as the consideration for the acquisition of 220,000 thousand newly issued ordinary shares of MiTAC Technology on the spin-off day, September 1, 2014. In addition, in 2017, the Board of Directors of MiTAC International has resolved to divest its mobile communication products group to the newly established company, MiTAC Digital Technology Corporation (collectively referred herein as the “MiTAC Digital Technology”), as the consideration for the acquisition of 100,000 thousand newly issued ordinary shares of MiTAC Digital Technology on the spin-off day, January 1, 2018. As a result, MiTAC International, MiTAC Computing Technology and MiTAC Digital Technology are the wholly-owned subsidiaries of the Company after the spin-off.

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

These consolidated financial statements were authorised for issuance by the Board of Directors on November 12, 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>	Effective date by International Accounting Standards Board
Amendments to IFRS 16, 'Lease liability in a sale and leaseback'	January 1, 2024
Amendments to IAS 1, 'Classification of liabilities as current or non-current'	January 1, 2024
Amendments to IAS 1, 'Non-current liabilities with covenants'	January 1, 2024
Amendments to IAS 7 and IFRS 7, 'Supplier finance arrangements'	January 1, 2024
The above standards and interpretations have no significant impact to the Group's financial condition and financial performance based on the Group's assessment.	

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

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

<u>New Standards, Interpretations and Amendments</u>	Effective date by International Accounting Standards Board
Amendments to IFRS 21, 'Lack of exchangeability'	January 1, 2025

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

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

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

<u>New Standards, Interpretations and Amendments</u>	Effective date by International Accounting Standards Board
Amendments to IFRS 9 and IFRS 7, 'Amendments to the classification and measurement of financial instruments'	January 1, 2026
Amendments to IFRS 10 and IAS 28, 'Sale or contribution of assets between an investor and its associate or joint venture'	To be determined by International Accounting Standards Board
IFRS 17, 'Insurance contracts'	January 1, 2023
Amendments to IFRS 17, 'Insurance contracts'	January 1, 2023
Amendment to IFRS 17, 'Initial application of IFRS 17 and IFRS 9 – comparative information'	January 1, 2023
IFRS 18, 'Presentation and disclosure in financial statements'	January 1, 2027
IFRS 19, 'Subsidiaries without public accountability: disclosures'	January 1, 2027
Annual Improvements to IFRS Accounting Standards—Volume 11	January 1, 2026

For the above standards and interpretations, the Group is still continuing its evaluation and will disclose the results upon its completion.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted are consistent with Note 4 in the consolidated financial statements for the year ended December 31, 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 the International Accounting Standard 34, ‘Interim financial reporting’ that came into effect as endorsed by the FSC.

B. The consolidated financial statements should be read together with the consolidated financial statements for the year ended December 31, 2023.

(2) Basis of preparation

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

(a) Financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.

(b) Financial assets and liabilities at fair value through other comprehensive income.

(c) Defined benefit liabilities recognised based on the net amount of pension fund assets and present value of defined benefit obligation.

B. The preparation of financial statements in compliance with International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the FSC (collectively referred herein as the “IFRSs”) requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5.

(3) Basis of consolidation

A. Basis for preparation of consolidated financial statements:

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

B. Subsidiaries included in the consolidated financial statements:

Investor	Subsidiary	Main activities	Ownership (%)			Remarks
			September 30, 2024	December 31, 2023	September 30, 2023	
MiTAC Holdings Corp.	MiTAC International Corp.	Development, design, manufacturing and sales of computers and peripherals, communications and related products	100	100	100	Note 3
MiTAC Holdings Corp.	MiTAC Computing Technology Corp.	Development, design, manufacturing and sales of computers and peripherals, communications and related products	100	100	100	Note 3
MiTAC Holdings Corp.	MiTAC Digital Technology Corp.	Development, design, manufacturing and sale of automotive electronics and AIoT products and software	90.72	94.01	97.17	Note 1, Note 3
MiTAC International Corp.	Tsu Fung Investment Corp.	General investments	100	100	100	
MiTAC International Corp.	Silver Star Developments Ltd.	General investments	100	100	100	Note 3
MiTAC International Corp.	MiTAC Technology (Vietnam) Company Limited	Manufacture of communication, computers, computer peripherals, hardware/software and related products and sale of own produced products	100	-	-	Note 2
MiTAC Computing Technology Corp.	MiTAC Technology UK Ltd.	General investments	-	100	100	Note 3、Note 5
MiTAC Computing Technology Corp.	MiTAC Telematics Technology Corporation	Sales of self-produced products and related after-sale services	100	100	100	
MiTAC Computing Technology Corp.	MiTAC Computing Technology USA Corporation	Sales of computer peripherals, hardware/ software and related products	100	-	-	Note 4、Note 6
MiTAC Computing Technology Corp.	MiTAC Information Systems Corp.	Assembling and sale of computer peripherals, hardware/software and related products	100	-	-	Note 3、Note 6
MiTAC Digital Technology Corp.	Access Wisdom Holdings Ltd.	General investments	100	100	100	
MiTAC Digital Technology Corp.	Mio International Ltd.	General investments	100	100	100	
Tsu Fung Investment Corp.	MiTAC Digital Technology Corp.	Development, design, manufacturing and sale of automotive electronics and AIoT products and software	0.0005	0.0009	0.0009	Note 1, Note 3
Silver Star Developments Ltd.	Pacific China Corp.	General investments	100	100	100	Note 3
Pacific China Corp.	MiTAC Star Service Ltd.	General investments	100	100	100	Note 3
Pacific China Corp.	Software Insights Ltd.	General investments	100	100	100	
Pacific China Corp.	Start Well Technology Ltd.	General investments	100	100	100	
Pacific China Corp.	Huge Extent Ltd.	General investments	100	100	100	
Access Wisdom Holdings Ltd.	MiTAC Europe Ltd.	Sales of automotive electronics, AIoT products	100	100	100	
MiTAC Technology UK Ltd.	MiTAC Computing Technology USA Corporation	Sales of computer peripherals, hardware/ software and related products	-	100	100	Note 4、Note 6
MiTAC Technology UK Ltd.	MiTAC Information Systems Corp.	Assembling and sale of computer peripherals, hardware/software and related products	-	100	100	Note 3、Note 6
MiTAC Europe Ltd.	MiTAC Digital Corp.	Sales of automotive electronics, AIoT products	100	100	100	
MiTAC Europe Ltd.	MiTAC Australia Pty Ltd.	Sales of automotive electronics, AIoT products	100	100	100	
Silver Star Developments Ltd.	MiTAC Japan Corp.	Sales of communication products, computer peripherals, hardware/software and related products and related after-sale services	100	100	100	
Silver Star Developments Ltd.	MiTAC Benelux N.V.	Sales of communication products and related after-sale services	100	100	100	
Silver Star Developments Ltd.	MiTAC Pacific (H.K.) Ltd.	Export and import trading services.	100	100	100	
Start Well Technology Ltd.	MiTAC Investment Holding Ltd.	General investments	69.70	69.70	69.70	

Investor	Subsidiary	Main activities	Ownership (%)			Remarks
			September 30, 2024	December 31, 2023	September 30, 2023	
MiTAC Investment Holding Ltd.	MiTAC Computer (Kunshan) Ltd.	Manufacture of communication, computers, computer peripherals, hardware/software and related products and sale of own produced products	100	100	100	
MiTAC Investment Holding Ltd.	MiTAC Technology (Kunshan) Co., Ltd.	Testing, maintenance and display of computer components and related technical advisory services and after-sale services	100	100	100	
MiTAC Investment Holding Ltd.	MiTAC Logistic Service (Kunshan) Ltd.	Agency of freight transport, export and import trading and warehousing services.	100	100	100	
MiTAC Investment Holding Ltd.	MiTAC Information Systems (Kunshan) Co., Ltd.	Manufacture of communication, computers, computer peripherals, hardware/software and related products and sale of own produced products	100	100	100	
MiTAC Star Service Ltd.	MiTAC Investment Holding Ltd.	General investments	30.30	30.30	30.30	
MiTAC Star Service Ltd.	MiTAC Computer (Shunde) Corp.	Manufacture of computer frame, motherboard, interface card, display, power supply, keyboard, related metal stamping parts and plastic parts and maintenance of motherboard	100	100	100	Note 3
Software Insights Ltd.	MiTAC Research (Shanghai) Ltd.	Research, development of computer software and related technical advisory services	100	100	100	
Software Insights Ltd.	MiTAC Innovation (Kunshan) Ltd.	Research, development of computer software and related technical advisory services	100	100	100	
Mio International Ltd.	Mio Technology Ltd.	Sales of automotive electronics, AIoT products	100	100	100	

Note 1: Disposal to non-controlling interests.

Note 2: New subsidiary added in the first quarter of 2024.

Note 3: The financial statements of the entity as of and for the 9 months ended September 30, 2023, and 2024 were reviewed by independent auditors.

Note 4: The former Tyan Computer Corp. (USA) has changed its name to MiTAC Computing Technology USA Corporation in the third quarter of 2024

Note 5: Liquidation was completed in the third quarter of 2024.

Note 6: In the third quarter of 2024, MiTAC Technology UK Ltd. was completely liquidated, and thus MiTAC Computing Technology USA Corporation and MiTAC Information Systems Corp. were directly wholly owned by MiTAC Computing Technology Corp.

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

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

E. Nature and extent of the restrictions on fund remittance from subsidiaries to the parent company: None.

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

(4) Employee benefits

Pension cost for the interim period is calculated on a year-to-date basis by using the pension cost rate derived from the actuarial valuation at the end of the prior financial year, adjusted for significant market fluctuations since that time and for significant curtailments, settlements, or other significant one-off events. Also, the related information is disclosed accordingly.

(5) Employee share-based payment

For the equity-settled share-based payment arrangements, the employee services received are measured at the fair value of the equity instruments granted at the grant date, and are recognised as compensation cost over the vesting period, with a corresponding adjustment to equity. The fair value of the equity instruments granted shall reflect the impact of market

vesting conditions and vesting conditions. Compensation cost is subject to adjustment based on the service conditions that are expected to be satisfied and the estimates of the number of equity instruments that are expected to vest under the non-market vesting conditions at each balance sheet date. Ultimately, the amount of compensation cost recognised is based on the number of equity instruments that eventually vest.

(6) Income tax

- A. The interim period income tax expense is recognised based on the estimated average annual effective income tax rate expected for the full financial year applied to the pretax income of the interim period, and the related information is disclosed accordingly.
- B. If a change in tax rate is enacted or substantively enacted in an interim period, the Group recognises the effect of the change immediately in the interim period in which the change occurs. The effect of the change on items recognised outside profit or loss is recognised in other comprehensive income or equity while the effect of the change on items recognised in profit or loss is recognised in profit or loss.

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

There have been no significant changes as of September 30, 2024. Please refer to Note 5 in the consolidated financial statements for the year ended December 31, 2023.

6. DETAILS OF SIGNIFICANT ACCOUNTS

(1) Cash and cash equivalents

	September 30, 2024	December 31, 2023	September 30, 2023
Cash:			
Cash on hand and revolving funds	\$ 437	\$ 484	\$ 473
Checking accounts and demand deposits	3,182,630	3,574,106	3,490,394
Cash equivalents:			
Time deposits	4,674,516	4,166,439	2,179,162
Structured deposits	780,000	580,000	1,000,000
Total	<u>\$ 8,637,583</u>	<u>\$ 8,321,029</u>	<u>\$ 6,670,029</u>

- A. The Group transacts with a variety of financial institutions all with high credit quality to disperse credit risk, so it expects that the probability of counterparty default is remote.
- B. The Group has no cash and cash equivalents pledged to others.

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

Items	September 30, 2024	December 31, 2023	September 30, 2023
Current items:			
Financial assets mandatorily measured at fair value through profit or loss			
Beneficiary certificates	\$ -	\$ 140,000	\$ 140,000
Derivatives	-	-	-
Subtotal	-	140,000	140,000
Valuation adjustment - Beneficiary certificates	-	2,351	1,910
Valuation adjustment - Derivatives	-	1,528	2,983
Total	<u>\$ -</u>	<u>\$ 143,879</u>	<u>\$ 144,893</u>

- A. The Group recognised net gain (loss) of \$(848), \$2,437, \$(1,389) and \$(9,175) on financial assets at fair value through profit or loss for the three months and nine months ended September 30, 2024 and 2023, respectively.
- B. The non-hedging derivative instrument transactions and contract information are as follows:

As of September 30, 2024 : None.

Financial Instruments	December 31, 2023		
	Item	Notional Amount (in thousands)	Fair Market Value (in thousands)
MiTAC Computing Technology Corp. Forward foreign exchange - Sell	Advance booking USD to buy NTD	USD 3,000	1,528

Financial Instruments	Item	September 30, 2023	
		Notional Amount (in thousands)	Fair Market Value (in thousands)
MiTAC Computing Technology Corp. Forward foreign exchange - Sell	Advance booking USD to buy NTD	USD 9,000	607
MiTAC Digital Technology Corp. Forward foreign exchange - Sell	Advance booking EUR to buy USD	EUR 700	504
Forward foreign exchange - Sell	Advance booking AUD to buy USD	AUD 3,525	552
Silver Star Developments Ltd. Forward foreign exchange - Sell	Advance booking EUR to buy USD	EUR 1,000	1,320

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

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

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

Items	September 30, 2024	December 31, 2023	September 30, 2023
Current items:			
Listed stocks	\$ 900,306	\$ 764,112	\$ 764,112
Valuation adjustment	956,326	975,713	656,233
Total	<u>\$ 1,856,632</u>	<u>\$ 1,739,825</u>	<u>\$ 1,420,345</u>
Non-current items:			
Listed stocks	\$ 35,047,942	\$ 35,047,942	\$ 36,516,890
Emerging stocks	366,560	366,560	366,560
Unlisted stocks	1,920,313	1,819,575	1,659,575
Subtotal	37,334,815	37,234,077	38,543,025
Valuation adjustment	(1,603,132)	1,956,717	(720,247)
Total	<u>\$ 35,731,683</u>	<u>\$ 39,190,794</u>	<u>\$ 37,822,778</u>

A. The Group recognised \$(1,903,950), \$272,954, \$(3,579,235) and \$(4,906,519) in other comprehensive income (loss) for fair value change for the three months and nine months ended September 30, 2024 and 2023, respectively.

B. The Group has elected to designate the above investments, which were held mainly for medium to long-term trading purposes, as investments in equity instruments measured at fair value through other comprehensive income. As of September 30, 2024, December 31, 2023 and September 30, 2023, the fair value of investments were \$37,588,315, \$40,930,619 and \$39,243,123, respectively.

(4) Financial assets at amortised cost

Items	September 30, 2024	December 31, 2023	September 30, 2023
Current items:			
Time deposits - over three months	\$ 256,955	\$ 34,800	\$ 34,800
Pledged deposits	447,777	861,073	878,585
	<u>\$ 704,732</u>	<u>\$ 895,873</u>	<u>\$ 913,385</u>
Non-current items:			
Pledged deposits	\$ 522,666	\$ 502,603	\$ 511,416
Other	23,462	-	-
Total	<u>\$ 546,128</u>	<u>\$ 502,603</u>	<u>\$ 511,416</u>

A. As of September 30, 2024, December 31, 2023 and September 30, 2023, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the financial assets at amortised cost held by the Group were \$1,250,860, \$1,398,476 and \$1,424,801, respectively.

B. Information relating to credit risk of financial assets at amortised cost is provided in Note 12(2).

C. Details of the Group's financial assets at amortised cost pledged to others as collateral are provided in Note 8.

(5) Accounts receivable

	September 30, 2024	December 31, 2023	September 30, 2023
Third parties	\$ 9,526,364	\$ 4,111,178	\$ 6,114,309
Less: Allowance for bad debts	(62,953)	(61,154)	(66,295)
	9,463,411	4,050,024	6,048,014
Related parties	347	63	5,562
	<u>\$ 9,463,758</u>	<u>\$ 4,050,087</u>	<u>\$ 6,053,576</u>

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

	September 30, 2024	December 31, 2023	September 30, 2023
Not past due	\$ 8,705,097	\$ 3,930,655	\$ 5,762,538
Up to 90 days	819,970	167,555	354,283
91 to 180 days	446	12,600	2,884
Over 181 days	1,198	431	166
	<u>\$ 9,526,711</u>	<u>\$ 4,111,241</u>	<u>\$ 6,119,871</u>

The above ageing analysis was based on past due date.

B. As of September 30, 2024, December 31, 2023 and September 30, 2023, accounts receivable were all from contracts with customers. And as of January 1, 2023, the balance

of accounts receivable from contracts with customers amounted to \$8,094,688.

C. As of September 30, 2024, December 31, 2023 and September 30, 2023, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the Group's accounts receivable were \$9,463,758, \$4,050,087 and \$6,053,576, respectively.

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

(6) Other receivables

	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Other receivables-purchasing raw materials on behalf of others	\$ 6,623,733	\$ 7,010,333	\$ 927,010
Other receivables-others (include related parties)	<u>171,783</u>	<u>132,677</u>	<u>124,328</u>
Total	<u>\$ 6,795,516</u>	<u>\$ 7,143,010</u>	<u>\$ 1,051,338</u>

(7) Inventories

	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
	<u>Book value</u>	<u>Book value</u>	<u>Book value</u>
Raw materials	\$ 7,514,722	\$ 6,893,884	\$ 7,490,609
Work in process	1,582,375	444,942	451,003
Finished goods	<u>1,238,055</u>	<u>1,590,719</u>	<u>1,506,372</u>
Total	<u>\$ 10,335,152</u>	<u>\$ 8,929,545</u>	<u>\$ 9,447,984</u>

Expense and loss incurred on inventories:

	<u>September 30, 2024</u>	
	<u>2024</u>	<u>2023</u>
Cost of goods sold	\$ 13,527,967	\$ 8,289,121
Non-cancellable contract loss	-	10,772
Loss (gain) on (reversal of) decline in market value	<u>(244,588)</u>	<u>351,919</u>
	<u>\$ 13,283,379</u>	<u>\$ 8,651,812</u>
	<u>For the nine months ended September 30</u>	
	<u>2024</u>	<u>2023</u>
Cost of goods sold	\$ 33,836,035	\$ 24,187,657
Reversal of non-cancellable contract loss (reversal)	(34,560)	(39,527)
Loss (gain) on (reversal of) decline in market value	<u>(760,570)</u>	<u>317,332</u>
	<u>\$ 33,040,905</u>	<u>\$ 24,465,462</u>

For the three months and nine months September 30, 2024, certain inventory with allowance

for loss on decline in market value were sold, which resulted in the reversal of net realizable value of inventories.

(8) Investments accounted for using equity method

A.

Investee company	September 30, 2024	December 31, 2023	September 30, 2023
Getac Holdings Corp.	\$ 7,006,469	\$ 6,689,677	\$ 6,643,074
3 Probe Technology Co., Ltd.	7,909	9,891	7,127
Lian Jie Investment Co., Ltd.	126,988	213,416	229,294
Lian Jie II Investment Co., Ltd.	43,995	42,207	42,936
Shen-Tong Construction & Development Co., Ltd.	6,746	85,380	85,422
Mainpower International Ltd.	291,024	271,562	280,232
Suzhou MiTAC Preclusion Technology Co., Ltd.	389,947	412,806	419,513
Harbinger Ruyi Venture Ltd.	25,006	23,498	24,251
Harbinger Ruyi II Venture Ltd.	89,019	77,746	74,512
Infopower Technologies Ltd.	61,401	60,405	64,006
	\$ 8,048,504	\$ 7,886,588	\$ 7,870,367

B. The Group recognised its share of profit from associates accounted for using equity method for the three months and nine months ended September 30, 2024 and 2023 amounting to \$349,668, \$353,632, \$1,064,662 and \$926,033, respectively, and recognised its share of other comprehensive income from associates accounted for using equity method amounting to \$(118,429), \$220,580, \$248,166 and \$156,843, respectively.

C. The basic information of the associates that are material to the Group is as follows:

Company name	Principal place of business	Shareholding ratio			Nature of relationship	Methods of measurement
		September 30, 2024	December 31, 2023	September 30, 2023		
Getac Holdings Corp.	Taiwan	30.95%	31.22%	31.25%	Owned over 20% ownership	Equity method

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

Balance sheet

	Getac Holdings Corp.		
	September 30, 2024	December 31, 2023	September 30, 2023
Current assets	\$ 27,378,887	\$ 27,537,351	\$ 26,490,802
Non-current assets	15,176,048	14,048,030	14,102,381
Current liabilities	(13,167,435)	(14,050,738)	(13,337,727)
Non-current liabilities	(4,339,560)	(3,898,237)	(3,843,736)
Non-controlling interest	(2,408,974)	(2,208,790)	(2,156,073)

	Getac Holdings Corp.		
	September 30, 2024	December 31, 2023	September 30, 2023
Total net assets	\$ 22,638,966	\$ 21,427,616	\$ 21,255,647
Share in associate's net assets	\$ 7,006,469	\$ 6,689,677	\$ 6,643,074

Statement of comprehensive income

	Getac Holdings Corp.	
	For the three months ended September 30	
	2024	2023
Revenue	\$ 9,136,062	\$ 9,036,279
Profit for the period from continuing operations	\$ 1,173,974	\$ 1,160,775
Other comprehensive (loss) income - net of tax	(323,991)	796,656
Total comprehensive income	\$ 849,983	\$ 1,957,431
Dividends received from associate	\$ -	\$ -

	Getac Holdings Corp.	
	For the nine months ended September 30	
	2024	2023
Revenue	\$ 26,495,219	\$ 25,818,983
Profit for the period from continuing operations	\$ 3,570,271	\$ 3,038,262
Other comprehensive income - net of tax	768,034	696,547
Total comprehensive income	\$ 4,338,305	\$ 3,734,809
Dividends received from associate	\$ 950,860	\$ 720,391

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

As of September 30, 2024, December 31, 2023 and September 30, 2023, the carrying amount of the Group's individually immaterial associates amounted to \$1,042,035, \$1,196,911 and \$1,227,293, respectively.

	For the three months ended September 30	
	2024	2023
Profit (loss) for the period from continuing operations	\$(36,282)	\$ 47,180
Other comprehensive loss - net of tax	(7,077)	(36,708)
Total comprehensive income (loss)	<u>\$(43,359)</u>	<u>\$ 10,472</u>

	For the nine months ended September 30	
	2024	2023
Profit for the period from continuing operations	\$ 51,017	\$ 133,980
Other comprehensive income (loss) - net of tax	82,209	(173,524)
Total comprehensive income (loss)	<u>\$ 133,226</u>	<u>\$(39,544)</u>

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

	September 30, 2024	December 31, 2023	September 30, 2023
	Getac Holdings Corp.	<u>\$ 21,229,259</u>	<u>\$ 21,134,060</u>

G. The Group holds 13.28% ownership in Mainpower International Ltd. but has significant influence over Mainpower International Ltd. as the Group serves as this company's corporate director.

H. Infopower Technologies Ltd.'s fiscal year ends on March 31, thus, the Group used the financial information from January 1, 2024 to September 30, 2024 as the basis for the preparation of first quarter consolidated financial statements; other associates' fiscal year all end on December 31.

I. The Group is the single largest shareholder of certain associates. Given that the Group has no majority voting rights, which indicates that the Group has no current ability to direct the decisions of relevant activities on meetings of their Board of Directors and shareholders after the comprehensive assessment. Thus, the Group has no control, but only has significant influence, over the associates.

(9) Property, plant and equipment

	Land	Buildings and structures	Machinery	Computer and communication equipment	Transportation equipment	Office equipment	Leasehold improvements	Molding equipment	Other equipment	Construction in progress and equipment under inspection	Total
At January 1, 2024											
Cost	\$ 1,099,564	\$ 7,631,412	\$ 2,749,842	\$ 180,176	\$ 74,205	\$ 126,990	\$ 159,721	\$ 165,108	\$ 1,731,333	\$ 29,468	\$ 13,947,819
Accumulated depreciation and impairment	-	(3,231,853)	(1,974,778)	(109,308)	(57,698)	(107,181)	(83,188)	(74,650)	(1,100,022)	-	(6,738,678)
	<u>\$ 1,099,564</u>	<u>\$ 4,399,559</u>	<u>\$ 775,064</u>	<u>\$ 70,868</u>	<u>\$ 16,507</u>	<u>\$ 19,809</u>	<u>\$ 76,533</u>	<u>\$ 90,458</u>	<u>\$ 631,311</u>	<u>\$ 29,468</u>	<u>\$ 7,209,141</u>
2024											
At January 1	\$ 1,099,564	\$ 4,399,559	\$ 775,064	\$ 70,868	\$ 16,507	\$ 19,809	\$ 76,533	\$ 90,458	\$ 631,311	\$ 29,468	\$ 7,209,141
Additions	-	4,017	99,128	56,203	14,888	4,688	3,266	70,611	91,545	39,889	384,235
Disposal	-	(1)	(1,987)	(1,789)	(746)	(98)	-	-	(1,741)	-	(6,362)
Reclassifications	-	-	13,946	2,486	542	-	-	-	1,716	(18,690)	-
Depreciation	-	(183,541)	(191,105)	(37,440)	(6,687)	(8,555)	(18,765)	(59,541)	(174,375)	-	(680,009)
Effects of foreign exchange	6,023	103,159	20,438	363	317	757	1,200	-	20,426	311	152,994
At September 30	<u>\$ 1,105,587</u>	<u>\$ 4,323,193</u>	<u>\$ 715,484</u>	<u>\$ 90,691</u>	<u>\$ 24,821</u>	<u>\$ 16,601</u>	<u>\$ 62,234</u>	<u>\$ 101,528</u>	<u>\$ 568,882</u>	<u>\$ 50,978</u>	<u>\$ 7,059,999</u>
At September 30, 2024											
Cost	\$ 1,105,587	\$ 7,845,276	\$ 2,849,572	\$ 238,754	\$ 76,674	\$ 134,706	\$ 164,883	\$ 134,502	\$ 1,852,005	\$ 50,978	\$ 14,452,937
Accumulated depreciation and impairment	-	(3,522,083)	(2,134,088)	(148,063)	(51,853)	(118,105)	(102,649)	(32,974)	(1,283,123)	-	(7,392,938)
	<u>\$ 1,105,587</u>	<u>\$ 4,323,193</u>	<u>\$ 715,484</u>	<u>\$ 90,691</u>	<u>\$ 24,821</u>	<u>\$ 16,601</u>	<u>\$ 62,234</u>	<u>\$ 101,528</u>	<u>\$ 568,882</u>	<u>\$ 50,978</u>	<u>\$ 7,059,999</u>

	Land	Buildings and structures	Machinery	Computer and communication equipment	Transportation equipment	Office equipment	Leasehold improvements	Molding equipment	Other equipment	Construction in progress and equipment under inspection	Total
At January 1, 2023											
Cost	\$ 1,099,596	\$ 7,648,031	\$ 2,906,471	\$ 155,963	\$ 79,951	\$ 141,494	\$ 173,923	\$ 180,158	\$ 1,669,447	\$ 80,344	\$ 14,135,378
Accumulated depreciation and impairment	-	(3,029,707)	(1,956,269)	(88,233)	(58,450)	(116,889)	(72,869)	(100,693)	(944,177)	-	(6,367,287)
	<u>\$ 1,099,596</u>	<u>\$ 4,618,324</u>	<u>\$ 950,202</u>	<u>\$ 67,730</u>	<u>\$ 21,501</u>	<u>\$ 24,605</u>	<u>\$ 101,054</u>	<u>\$ 79,465</u>	<u>\$ 725,270</u>	<u>\$ 80,344</u>	<u>\$ 7,768,091</u>
<u>2023</u>											
At January 1	\$ 1,099,596	\$ 4,618,324	\$ 950,202	\$ 67,730	\$ 21,501	\$ 24,605	\$ 101,054	\$ 79,465	\$ 725,270	\$ 80,344	\$ 7,768,091
Additions	-	4,884	94,026	26,614	3,560	6,253	1,717	55,839	106,470	51,857	351,220
Disposal	-	-	(2,013)	(102)	(436)	(87)	-	-	(1,165)	-	(3,803)
Reclassifications	-	1,084	1,440	642	-	-	-	-	27,240	(30,406)	-
Depreciation	-	(190,632)	(223,015)	(30,654)	(7,395)	(9,235)	(22,188)	(32,331)	(202,140)	-	(717,590)
Effects of foreign exchange	9,943	26,097	480	51	19	26	115	-	654	(16)	37,369
At September 30	<u>\$ 1,109,539</u>	<u>\$ 4,459,757</u>	<u>\$ 821,120</u>	<u>\$ 64,281</u>	<u>\$ 17,249</u>	<u>\$ 21,562</u>	<u>\$ 80,698</u>	<u>\$ 102,973</u>	<u>\$ 656,329</u>	<u>\$ 101,779</u>	<u>\$ 7,435,287</u>
At September 30, 2023											
Cost	\$ 1,109,539	\$ 7,699,159	\$ 2,819,703	\$ 183,489	\$ 81,642	\$ 139,973	\$ 175,737	\$ 165,980	\$ 1,785,302	\$ 101,779	\$ 14,262,303
Accumulated depreciation and impairment	-	(3,239,402)	(1,998,583)	(119,208)	(64,393)	(118,411)	(95,039)	(63,007)	(1,128,973)	-	(6,827,016)
	<u>\$ 1,109,539</u>	<u>\$ 4,459,757</u>	<u>\$ 821,120</u>	<u>\$ 64,281</u>	<u>\$ 17,249</u>	<u>\$ 21,562</u>	<u>\$ 80,698</u>	<u>\$ 102,973</u>	<u>\$ 656,329</u>	<u>\$ 101,779</u>	<u>\$ 7,435,287</u>

(10) Leasing arrangements — lessee

- A. The Group leases various assets including land, buildings and structures, machinery, office equipment and transportation equipment. Rental contracts are typically made for periods of 1 to 58 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose covenants.
- B. Certain leased buildings with lease terms under 12 months are short-term lease agreements. Additionally, the leased office equipment were low-value assets.
- C. The carrying amount of right-of-use assets and the depreciation charge are as follows:

	September 30, 2024	December 31, 2023	September 30, 2023
	<u>Carrying amount</u>	<u>Carrying amount</u>	<u>Carrying amount</u>
Land	\$ 520,945	\$ 204,320	\$ 209,526
Buildings and structures	30,856	40,094	45,104
Machinery	-	126	186
	<u>\$ 551,801</u>	<u>\$ 244,540</u>	<u>\$ 254,816</u>

	For the three months ended September 30	
	2024	2023
	<u>Depreciation charge</u>	<u>Depreciation charge</u>
Land	\$ 5,114	\$ 2,743
Buildings and structures	5,860	8,261
Machinery	44	63
	<u>\$ 11,018</u>	<u>\$ 11,067</u>

	For the nine months ended September 30	
	2024	2023
	<u>Depreciation charge</u>	<u>Depreciation charge</u>
Land	\$ 10,620	\$ 8,247
Buildings and structures	17,344	24,560
Machinery	170	187
Transportation equipment	-	448
	<u>\$ 28,134</u>	<u>\$ 33,442</u>

- D. For the nine months ended September 30, 2024 and 2023, the additions to right-of-use assets were \$326,835 and \$3,019, respectively.
- E. The information on profit and loss accounts relating to lease contracts is as follows:

	For the three months ended September 30	
	2024	2023
Interest expense on lease liabilities	\$ 493	\$ 541
Expense on short-term lease contracts	6,331	3,300
Expense on leases of low-value assets	1,995	901
	<u>\$ 8,819</u>	<u>\$ 4,742</u>
	For the nine months ended September 30	
	2024	2023
Interest expense on lease liabilities	\$ 1,411	\$ 1,805
Expense on short-term lease contracts	18,850	10,002
Expense on leases of low-value assets	2,609	2,690
	<u>\$ 22,870</u>	<u>\$ 14,497</u>

F. For the nine months ended September 30, 2024 and 2023, the Group's total cash outflow for leases was \$205,110 and \$48,643, respectively.

(11) Leasing arrangements — lessor

A. The Group leases various assets including buildings and structures. Rental contracts are typically made for periods of 1 to 8 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

B. For the three months and nine months ended September 30, 2024 and 2023, the Group recognised rent income in the amounts of \$39,377, \$31,113, \$110,698 and \$94,370, respectively, based on the operating lease agreement, which does not include variable lease payments.

C. The maturity analysis of the lease payments under the operating leases is as follows:

	September 30, 2024	December 31, 2023	September 30, 2023
Not later than one year	\$ 116,003	\$ 124,018	\$ 90,924
Later than one year but not later than five years	178,652	146,430	132,157
Over five years	1,031	9,861	13,080
	<u>\$ 295,686</u>	<u>\$ 280,309</u>	<u>\$ 236,161</u>

(12) Investment property

	<u>Land</u>	<u>Buildings and structures</u>	<u>Total</u>
<u>At January 1, 2024</u>			
Cost	\$ 954,382	\$ 656,766	\$ 1,611,148
Accumulated depreciation and impairment	<u>-</u>	<u>(401,420)</u>	<u>(401,420)</u>
	<u>\$ 954,382</u>	<u>\$ 255,346</u>	<u>\$ 1,209,728</u>
<u>2024</u>			
At January 1	\$ 954,382	\$ 255,346	\$ 1,209,728
Additions	83,158	-	83,158
Depreciation	-	(19,034)	(19,034)
Effects of foreign exchange	<u>609</u>	<u>5,746</u>	<u>6,355</u>
At September 30	<u>\$ 1,038,149</u>	<u>\$ 242,058</u>	<u>\$ 1,280,207</u>
<u>At September 30, 2024</u>			
Cost	\$ 1,038,149	\$ 675,592	\$ 1,713,741
Accumulated depreciation and impairment	<u>-</u>	<u>(433,534)</u>	<u>(433,534)</u>
	<u>\$ 1,038,149</u>	<u>\$ 242,058</u>	<u>\$ 1,280,207</u>
	<u>Land</u>	<u>Buildings and structures</u>	<u>Total</u>
<u>At January 1, 2023</u>			
Cost	\$ 953,833	\$ 654,122	\$ 1,607,955
Accumulated depreciation and impairment	<u>-</u>	<u>(377,878)</u>	<u>(377,878)</u>
	<u>\$ 953,833</u>	<u>\$ 276,244</u>	<u>\$ 1,230,077</u>
<u>2023</u>			
At January 1	\$ 953,833	\$ 276,244	\$ 1,230,077
Depreciation	-	(18,644)	(18,644)
Effects of foreign exchange	<u>519</u>	<u>2,706</u>	<u>3,225</u>
At September 30	<u>\$ 954,352</u>	<u>\$ 260,306</u>	<u>\$ 1,214,658</u>
<u>At September 30, 2023</u>			
Cost	\$ 954,352	\$ 659,669	\$ 1,614,021
Accumulated depreciation and impairment	<u>-</u>	<u>(399,363)</u>	<u>(399,363)</u>
	<u>\$ 954,352</u>	<u>\$ 260,306</u>	<u>\$ 1,214,658</u>

A. Rental income from investment property and direct operating expenses arising from

investment property are shown below:

	For the three months ended September 30	
	2024	2023
Rental income from the lease of the investment property	\$ <u>10,188</u>	\$ <u>9,823</u>
Direct operating expenses arising from the investment property that generated rental income in the period	\$ <u>6,866</u>	\$ <u>7,879</u>
Direct operating expenses arising from the investment property that did not generate rental income in the period	\$ <u>4,909</u>	\$ <u>1,640</u>
	For the nine months ended September 30	
	2024	2023
Rental income from the lease of the investment property	\$ <u>30,142</u>	\$ <u>28,390</u>
Direct operating expenses arising from the investment property that generated rental income in the period	\$ <u>21,331</u>	\$ <u>20,799</u>
Direct operating expenses arising from the investment property that did not generate rental income in the period	\$ <u>10,242</u>	\$ <u>7,577</u>

- B. The fair value of the investment property held by the Group on September 30, 2024, December 31, 2023 and September 30, 2023 were \$3,838,724, \$3,813,033 and \$3,744,030, respectively, which were revalued by independent appraisers and with reference to market transaction prices. Valuations were made using the market approach which is categorised within Level 3 in the fair value hierarchy.

(13) Intangible assets

	Computer software	
	2024	2023
At January 1		
Cost	\$ 289,843	\$ 337,320
Accumulated amortisation and impairment	(186,650)	(223,493)
	<u>\$ 103,193</u>	<u>\$ 113,827</u>
At January 1	\$ 103,193	\$ 113,827
Additions	72,107	53,455
Amortization	(85,693)	(77,371)
Effects of foreign exchange	16	(6)
At September 30	<u>\$ 89,623</u>	<u>\$ 89,905</u>
At September 30		
Cost	\$ 264,071	\$ 251,374
Accumulated amortisation and impairment	(174,448)	(161,469)
	<u>\$ 89,623</u>	<u>\$ 89,905</u>

Details of amortisation of intangible assets are as follows:

	For the three months ended September 30	
	2024	2023
Operating costs	\$ 91	\$ 101
Selling expenses	3,141	3,337
Administrative expenses	10,056	7,974
Research and development expenses	15,609	14,611
	<u>\$ 28,897</u>	<u>\$ 26,023</u>
	For the nine months ended September 30	
	2024	2023
Operating costs	\$ 285	\$ 470
Selling expenses	10,134	10,011
Administrative expenses	29,460	22,625
Research and development expenses	45,814	44,265
	<u>\$ 85,693</u>	<u>\$ 77,371</u>

(14) Short-term borrowings

	September 30, 2024	December 31, 2023	September 30, 2023
Secured bank borrowings	<u>\$ 447,777</u>	<u>\$ 861,073</u>	<u>\$ 863,017</u>
Interest rates	2.48%	1.71%~1.86%	1.71%~1.86%

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

Item	September 30, 2024	December 31, 2023	September 30, 2023
Current items :			
Valuation adjustment - Derivatives	\$ <u>1,839</u>	\$ <u>849</u>	\$ <u>12,121</u>

A. The Group recognised net gain (loss) of \$(1,739), \$6,156, \$(990) and \$(1,009) for the three months and nine months ended September 30, 2024 and 2023, respectively.

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

		September 30, 2024		
Financial Instrument	Item	Notional Amount (in thousands)	Fair Market Value (in thousands)	
MiTAC Digital Technology Corp. Forward foreign exchange - Sell	Advance booking AUD to buy USD	AUD 3,492	(1,839)	
		December 31, 2023		
Financial Instrument	Item	Notional Amount (in thousands)	Fair Market Value (in thousands)	
MiTAC Digital Technology Corp. Forward foreign exchange - Sell	Advance booking AUD to buy USD	AUD 1,100	(849)	
		September 30, 2023		
Financial Instrument	Item	Notional Amount (in thousands)	Fair Market Value (in thousands)	
MiTAC Computing Technology Corp. Forward foreign exchange - Sell	Advance booking USD to buy NTD	USD 13,000	(1,607)	
Forward foreign exchange swap - Sell	Advance booking USD to buy NTD	USD 31,000	(10,514)	

(16) Other payables

	September 30, 2024	December 31, 2023	September 30, 2023
Other payables-purchasing raw materials on behalf of others	\$ 5,613,231	\$ 5,341,931	\$ 861,762
Salary and bonus payable	803,831	787,990	674,106
Expense payable and Other payables-others (including related parties)	<u>3,905,732</u>	<u>3,272,763</u>	<u>3,380,033</u>
Total	<u>\$ 10,322,794</u>	<u>\$ 9,402,684</u>	<u>\$ 4,915,901</u>

(17) Long-term borrowings

	September 30, 2024	December 31, 2023	September 30, 2023
Unsecured bank borrowings	\$ 222,127	\$ 437,694	\$ 509,549
Secured bank borrowings	416,116	398,084	406,180
Less: Current portion (shown as "other current liabilities")	(113,648)	(254,113)	(287,421)
Total	<u>\$ 524,595</u>	<u>\$ 581,665</u>	<u>\$ 628,308</u>
Interest rate range (Note)	1.325%-2.8%	1.20%-2.8%	1.20%-2.8%
Expiry date	2024.10.15~2026.10.15	2024.10.15~2026.10.15	2024.10.15~2026.10.15

Note: The abovementioned interest rates are the interest rates after obtaining the government project grants.

(18) Pensions

A. Defined benefit plans

(a) The Company's domestic subsidiaries have a defined benefit pension plan in accordance with the Labor Standards Law, covering all regular employees' service years prior to the enforcement of the Labor Pension Act on July 1, 2005 and service years thereafter of employees who chose to continue to be subject to the pension mechanism under the Law. Under the defined benefit pension plan, two units are accrued for each year of service for the first 15 years and one unit for each additional year thereafter, subject to a maximum of 45 units. Pension benefits are based on the number of units accrued and the average monthly salaries and wages of the last 6 months prior to retirement. The Company's domestic subsidiaries contribute monthly an amount equal to 2% of the employees' monthly salaries and wages to the retirement fund deposited with Bank of Taiwan, the trustee, under the name of the independent retirement fund committee. Also, the Company's domestic subsidiaries would assess the balance in the aforementioned labor pension reserve account by the end of December 31, every year. If the account balance is insufficient to pay the pension calculated by the aforementioned method, to the employees expected to be qualified for retirement next year, the Company's domestic subsidiaries will make contributions to cover the deficit by next March.

(b) For the aforementioned pension plan, the Company's domestic subsidiaries recognized pension costs of \$1,587, \$1,613, \$4,964 and \$5,394 for the three months and nine months ended September 30, 2024 and 2023, respectively.

(c) Expected contributions to the defined benefit pension plans of the Company's domestic subsidiaries for the next 12 months of September 30, 2024 amount to \$6,561.

B. Defined contribution plans

- (a) Effective July 1, 2005, the Company's domestic subsidiaries have established a defined contribution pension plan (the “New Plan”) under the Labor Pension Act (the “Act”), covering all regular employees with R.O.C. nationality. Under the New Plan, Company’s domestic subsidiaries contribute monthly an amount not lower than 6% of the employees’ monthly salaries and wages to the employees’ individual pension accounts at the Bureau of Labor Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment.
- (b) The Company's Mainland China subsidiaries have a defined contribution plan. Monthly contributions to an independent fund administered by the government in accordance with the pension regulations in the People’s Republic of China (PRC) are based on certain percentages of employees’ monthly salaries and wages. Other than the monthly contributions, the Group has no further obligations.
- (c) The pension costs under the defined contribution pension plans of the Group for the three months and nine months ended September 30, 2024 and 2023 were \$61,491, \$62,467, \$177,089 and \$186,025, respectively.

(19) Employee share-based payment

A. On September 30, 2024, the Group’s share-based payment agreement was as follows:

Type of agreement	Grant date	Quantity granted (shares in thousands)	Contract period	Vesting conditions	
				Schedule	Exercisable share subscription ratio (cumulative)
MiTAC Digital Technology Corp.- Employee stock options	2024.9.20	10,000	Six years	2024/12/20~2024/12/30	50%
				Expired 2 years	50%
				Expired 3 years	75%
				Expired 4 years	100%

December 31 and September 30, 2023 : None.

2. The details of the above share-based payment agreement are as follows :

	September 30, 2024	
	No. of options (shares in thousands)	Weighted average exercise price (in dollars)
Options outstanding at beginning of the period	-	\$ -
Options granted	10,000	17.06
Options outstanding at the end of the period	10,000	\$ 17.06
Options exercisable at the end of the period	-	-

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

3.As of September 30, 2024, the performance price of the Group's outstanding employee stock option plan was NT\$ 17.06 dollars, and the weighted average remaining contract period is 6 years.

4.The Group uses the Black-Scholes option-pricing model to estimate the fair value of stock options for share-based payment transactions.

The parameters used in the estimation of the fair value are as follows :

<u>Type of agreement</u>	<u>Grant date</u>	<u>Fair Value (in dollars)</u>	<u>Exercise price (in dollars)</u>	<u>Expected volatility</u>	<u>Expected duration</u>	<u>Expected dividends (in dollars)</u>	<u>Risk free interest rate</u>	<u>Weighted average fair value (in dollars)</u>
MiTAC Digital Technology Corp.- Employee stock options	2024.9.20	\$ 19.39	\$ 17.06	35%~40%	6 years	\$ -	1.3512%	\$5.0777
							1.3862%	\$7.2838

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

5.The expenses incurred by share-based benefit transactions are as follows :

	<u>For the three months ended September 30</u>	
	<u>2024</u>	<u>2023</u>
Equity settle	\$ <u>469</u>	\$ <u>-</u>

	<u>For the nine months ended September 30</u>	
	<u>2024</u>	<u>2023</u>
Equity settle	\$ <u>469</u>	\$ <u>-</u>

(20) Provisions

	<u>Warranty reserve</u>	<u>Non-cancellable contract reserve</u>	<u>Total</u>
At January 1, 2024	\$ 240,284	\$ 45,294	\$ 285,578
Additional provisions (reversed)	103,173	(34,560)	68,613
Used during the period	(61,713)	-	(61,713)
Effects of foreign exchange	<u>399</u>	<u>727</u>	<u>1,126</u>
At September 30, 2024	\$ <u>282,143</u>	\$ <u>11,461</u>	\$ <u>293,604</u>
Current	120,692	11,461	132,153
Non-current	<u>161,451</u>	<u>-</u>	<u>161,451</u>
Total	\$ <u>282,143</u>	\$ <u>11,461</u>	\$ <u>293,604</u>

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

(21) Share capital

A. As of September 30, 2024, the Company's authorised capital was \$15,000,000, consisting of 1.5 billion shares, and the paid-in capital was \$12,065,568 with a par value of \$10 dollars per share. Movements in the number of the Company's ordinary shares outstanding are as follows:

	<u>2024</u>	<u>Unit: in thousands of shares 2023</u>
Outstanding shares as of January 1	1,206,556	1,197,306
Disposal of the Company's treasury share by subsidiaries	<u>-</u>	<u>9,250</u>
Outstanding shares as of September 30	<u>1,206,556</u>	<u>1,206,556</u>

(22) Capital surplus

	<u>Share premium</u>	<u>Treasury stock transactions</u>	<u>Net equity of associates and joint ventures accounted for using equity method</u>	<u>Changes in ownership interests in subsidiaries</u>	<u>Employee stock options</u>	<u>The difference between the actual acquisition or disposal of the subsidiary's equity value and the book value</u>	<u>Others</u>	<u>Total</u>
At January 1, 2024	\$ 21,571,329	\$ 657,029	\$ 208,818	\$ 609	\$ 346,814	\$ 2,085	\$ 2,919	\$ 22,789,603
Changes from associates and joint ventures accounted for using the equity method	-	-	(8,458)	-	-	-	-	(8,458)
Reversal of capital surplus - dividends unclaimed by the subsidiaries' shareholders	-	-	-	-	-	-	(3)	(3)

	Share premium	Treasury stock transactions	Net equity of associates and joint ventures accounted for using equity method	Changes in ownership interests in subsidiaries	Employee stock options	The difference between the actual acquisition or disposal of the subsidiary's equity value and the book value	Others	Total
Capital surplus - dividends unclaimed by the shareholders	-	-	-	-	-	-	1,617	1,617
Transactions with non-controlling interests	-	-	-	-	-	694	-	694
At September 30, 2024	\$ 21,571,329	\$ 657,029	\$ 200,360	\$ 609	\$ 346,814	\$ 2,779	\$ 4,533	\$ 22,783,453

	Share premium	Treasury stock transactions	Net equity of associates and joint ventures accounted for using equity method	Changes in ownership interests in subsidiaries	Employee stock options	Others	Total
At January 1, 2023	\$ 21,571,329	\$ 480,778	\$ 209,447	\$ 609	\$ 346,814	\$ 1,929	\$ 22,610,906
Disposal of company's share by subsidiaries recognised as treasury share transactions	-	164,225	-	-	-	-	164,225
Subsidiaries received cash dividends paid by the parent company	-	12,026	-	-	-	-	12,026
Changes from associates and joint ventures accounted for using the equity method	-	-	(3,175)	-	-	-	(3,175)
Reversal of capital surplus - dividends unclaimed by the subsidiaries' shareholders	-	-	-	-	-	(1)	(1)
Capital surplus - dividends unclaimed by the shareholders	-	-	-	-	-	994	994
At September 30, 2023	\$ 21,571,329	\$ 657,029	\$ 206,272	\$ 609	\$ 346,814	\$ 2,922	\$ 22,784,975

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

(23) Retained earnings

A. Under the Company's Articles of Incorporation, the current year's earnings, if any, shall first be used to pay all taxes and offset prior years' accumulated deficit and then 10% of the remaining amount shall be set aside as legal reserve. Special reserve shall also be set aside or reversed pursuant to the regulations. Appropriation of the remainder along with prior year's accumulated unappropriated retained earnings shall be proposed by the Board

of Directors, and shall be resolved by the stockholders when they are appropriated by issuing new shares. If the appropriation of retained earnings was appropriated in the form of cash, the appropriation should be in line with Article 240-5 of the Company Act, as resolved by a majority vote at a meeting of Board of Directors attended by two-thirds of the total number of directors, and reported to the shareholders' meeting.

- B. Earnings appropriation ratio and cash dividends ratio are decided by the Board of Directors, taking into account the Company's financial structure, future capital requirements and profitability, and cash dividends shall account for at least 10% of the total dividends appropriated. Earnings appropriation ratio and cash dividends ratio are subject to adjustments once approved by the stockholders.
- C. Except for covering accumulated deficit or issuing new stocks or cash to shareholders in proportion to their share ownership, the legal reserve shall not be used for any other purpose. The use of legal reserve for the issuance of stocks or cash to shareholders in proportion to their share ownership is permitted, provided that the distribution of the reserve is limited to the portion in excess of 25% of the Company's paid-in capital. In line with Article 241 of the Company Act, all or part of the legal reserve and capital reserve could be appropriated as cash dividends as resolved by a majority vote at a meeting of Board of Directors attended by two-thirds of the total number of directors, and reported to the shareholders' meeting.
- D. In accordance with the regulations, the Company shall set aside special reserve from the debit balance on other equity items at the balance sheet date before distributing earnings. When debit balance on other equity items is reversed subsequently, the reversed amount could be included in the distributable earnings.
- E. The appropriation of 2023 and 2022 earnings had been resolved at the shareholders' meeting on May 28, 2024 and May 29, 2023. Details are reported and summarized below:

	2023		2022	
	Amount	Dividend per share (in dollars)	Amount	Dividend per share (in dollars)
Legal reserve	\$ 135,414		\$ 949,253	
Cash dividend	1,568,524	\$ 1.30	1,568,524	\$ 1.30
Total	\$ 1,703,938	\$ 1.30	\$ 2,517,777	\$ 1.30

(24) Other equity items

	2024		
	Unrealised gains (losses) on valuation	Currency translation	Total
At January 1	\$ 1,675,181	\$ 1,635,667	\$ 3,310,848
Reclassified to profit or loss upon disposal			
- Group	-	68	68
Reclassified to retained earnings upon disposal			
- Group	(791)	-	(791)
- Associates	(72,841)	-	(72,841)
Reclassified as non-controlling interest	-	(1,943)	(1,943)
Revaluation			
- Group	(3,579,234)	-	(3,579,234)
- Associates	39,891	-	39,891
Currency translation differences			
- Group	-	359,485	359,485
- Associates	-	208,275	208,275
At September 30	<u><u>\$ (1,937,794)</u></u>	<u><u>\$ 2,201,552</u></u>	<u><u>\$ 263,758</u></u>

	2023		
	Unrealised gains (losses) on valuation	Currency translation	Total
At January 1	\$ 3,003,911	\$(249,216)	\$ 2,754,695
Reclassified to profit or loss upon disposal			
- Group	-	1,086	1,086
Reclassified to retained earnings upon disposal			
- Group	(663)	-	(663)
- Associates	(36,490)	-	(36,490)
Revaluation			
- Group	(4,906,519)	-	(4,906,519)
- Associates	(22,497)	-	(22,497)
Currency translation differences			
- Group	-	2,185,427	2,185,427
- Associates	-	179,340	179,340
At September 30	<u><u>\$(1,962,258)</u></u>	<u><u>\$ 2,116,637</u></u>	<u><u>\$ 154,379</u></u>

(25) Operating revenue

	For the three months ended September 30	
	2024	2023
Revenue from contracts with customers	<u><u>\$ 15,149,860</u></u>	<u><u>\$ 9,778,194</u></u>

	For the nine months ended September 30	
	2024	2023
Revenue from contracts with customers	\$ <u>37,911,453</u>	\$ <u>27,683,536</u>

A. Disaggregation of revenue from contracts with customers

	For the three months ended September 30	
	2024	2023
Cloud computing product	\$ 12,930,984	\$ 7,945,956
Automotive electronics and AIoT product	1,765,654	1,197,188
Others	<u>453,222</u>	<u>635,050</u>
	\$ <u>15,149,860</u>	\$ <u>9,778,194</u>

	For the nine months ended September 30	
	2024	2023
Cloud computing product	\$ 31,300,817	\$ 21,956,419
Automotive electronics and AIoT product	4,851,905	3,768,653
Others	<u>1,758,731</u>	<u>1,958,464</u>
	\$ <u>37,911,453</u>	\$ <u>27,683,536</u>

B. Contract liabilities

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

	September 30, 2024	December 31, 2023	September 30, 2023
Contract liabilities– sales of goods	\$ 264,707	\$ 177,821	\$ 156,413
Contract liabilities– others	<u>2,116</u>	<u>34,979</u>	<u>2,869</u>
Total	\$ <u>266,823</u>	\$ <u>212,800</u>	\$ <u>159,282</u>

(26) Interest income

	For the three months ended September 30	
	2024	2023
Interest income from bank deposits	\$ 33,212	\$ 21,473
Interest income from financial assets measured at amortised cost	<u>6,801</u>	<u>8,198</u>
	\$ <u>40,013</u>	\$ <u>29,671</u>

	For the nine months ended September 30	
	2024	2023
Interest income from bank deposits	\$ 109,857	\$ 83,344
Interest income from financial assets measured at amortised cost	21,635	14,434
	<u>\$ 131,492</u>	<u>\$ 97,778</u>
 (27) <u>Other income</u>		
	For the three months ended September 30	
	2024	2023
Rental revenue	\$ 39,377	\$ 31,113
Dividend income	381,153	335,798
Other income	15,848	12,818
	<u>\$ 436,378</u>	<u>\$ 379,729</u>
	For the nine months ended September 30	
	2024	2023
Rental revenue	\$ 110,698	\$ 94,370
Dividend income	688,074	640,362
Other income	38,844	65,915
	<u>\$ 837,616</u>	<u>\$ 800,647</u>
 (28) <u>Other gains and losses</u>		
	For the three months ended September 30	
	2024	2023
Gains on disposals of property, plant and equipment	\$ 2,713	\$(19)
Gains on disposal of investments	-	41
Net currency exchange (losses) gain	(107,058)	109,320
(Losses) gains on financial assets liabilities at fair value through profit or loss	(2,587)	8,593
Other losses	(11,398)	(9,897)
	<u>\$(118,330)</u>	<u>\$ 108,038</u>

	For the nine months ended September 30	
	2024	2023
Losses on disposals of property, plant and equipment	\$ 10,293	\$ 4,752
Losses on disposal of investments	(68)	(1,086)
Net currency exchange gains	186,501	116,590
Losses on financial assets liabilities at fair value through profit or loss	(2,379)	(10,184)
Other losses	(29,866)	(28,156)
	<u>\$ 164,481</u>	<u>\$ 81,916</u>

(29) Financial costs

	For the three months ended September 30	
	2024	2023
Interest expense on bank borrowings	\$ 7,082	\$ 16,685
Interest expense on lease liabilities	493	541
	<u>\$ 7,575</u>	<u>\$ 17,226</u>

	For the nine months ended September 30	
	2024	2023
Interest expense on bank borrowings	\$ 26,003	\$ 110,524
Interest expense on lease liabilities	1,411	1,805
	<u>\$ 27,414</u>	<u>\$ 112,329</u>

(30) Expense by nature

	For the three months ended September 30	
	2024	2023
Employee benefit expense	\$ 1,624,698	\$ 1,365,718
Depreciation charges on property, plant and equipment, investment property and right-of-use assets	238,918	250,088
Amortization charges	28,897	26,023
Total	<u>\$ 1,892,513</u>	<u>\$ 1,641,829</u>

	For the nine months ended September 30	
	2024	2023
Employee benefit expense	\$ 4,518,217	\$ 4,093,082
Depreciation charges on property, plant and equipment, investment property and right-of-use assets	727,177	769,676
Amortization charges	85,693	77,371
Total	<u>\$ 5,331,087</u>	<u>\$ 4,940,129</u>

(31) Employee benefit expenses

	For the three months ended September 30	
	2024	2023
Wages and salaries	\$ 1,431,629	\$ 1,137,329
Labor and health insurance fees	86,031	80,401
Pension costs	63,078	64,080
Other personnel expenses	43,960	83,908
	<u>\$ 1,624,698</u>	<u>\$ 1,365,718</u>

	For the nine months ended September 30	
	2024	2023
Wages and salaries	\$ 3,960,466	\$ 3,490,031
Labor and health insurance fees	252,591	247,783
Pension costs	182,053	191,419
Other personnel expenses	123,107	163,849
	<u>\$ 4,518,217</u>	<u>\$ 4,093,082</u>

A. According to the amended Articles of Incorporation, the profit (pre-tax profit before deduction of employees' compensation and directors' remuneration) of the current year shall be distributed as employees' compensation and directors' remuneration, which will be resolved by the Board of Directors. The ratio shall not be lower than 0.1% for employees and not be higher than 1% for directors. If a company has an accumulated deficit, earnings should be reserved to cover losses. Employees' compensation can be

distributed by stock or dividends, and employees must be working for the Company. The Chairman of the Board is authorised to set the qualification requirements.

- B. For the nine months ended September 30, 2024 and 2023, employees' compensation was accrued at 0.1% of gain on pre-tax profit before deduction of employees' compensation and directors' remuneration. Directors' remuneration were accrued under 1% of gain on pre-tax profit before deduction of employees' compensation and directors' remuneration.
- C. For the three months and nine months ended September 30, 2024 and 2023, employees' compensation were accrued at \$1,172, \$666, \$3,044 and \$1,914, respectively; and directors' remuneration were accrued at \$1,626, \$1,626, \$4,878 and \$4,878, respectively. The aforementioned amounts were recognised in salary expenses. Employees' compensation and directors' remuneration of 2023 and 2022 as resolved at the Board of Directors of the Company were in agreement with those amounts recognised in the 2023 and 2022 parent company only financial statements.
- D. Information about employees' compensation and directors' remuneration of the Company as resolved by the Board of Directors is available at the "Market Observation Post System" website of the Taiwan Stock Exchange.

(32) Income tax

A. Income tax expense

Components of income tax expense:

	<u>For the three months ended September 30</u>	
	<u>2024</u>	<u>2023</u>
Current tax:		
Current tax on profits for the period	\$ 162,659	\$ 122,352
Prior year income tax overestimation	(24,660)	(16,732)
Total current tax	<u>137,999</u>	<u>105,620</u>
Deferred tax:		
Origination and reversal of temporary differences	(24,212)	75,693
Total deferred tax	(24,212)	75,693
Income tax expense	<u>\$ 113,787</u>	<u>\$ 181,313</u>

	For the nine months ended September 30	
	2024	2023
Current tax:		
Current tax on profits for the period	\$ 348,019	\$ 231,457
Tax on undistributed surplus earnings	-	348,738
Prior year income tax overestimation	(96,536)	(16,084)
Total current tax	<u>251,483</u>	<u>564,111</u>
Deferred tax:		
Origination and reversal of temporary differences	<u>20,705</u>	(290,487)
Total deferred tax	<u>20,705</u>	(290,487)
Income tax expense	<u>\$ 272,188</u>	<u>\$ 273,624</u>

- B. The Company's income tax returns through 2019 have been assessed and approved by the Tax Authority.
- C. Some subsidiaries of the Group are located in jurisdictions where Pillar Two legislation has been enacted or substantially enacted. As of September 30, 2024, there is no significant current income tax exposure. The Group will continue to monitor the impact of the enactment of Pillar Two legislation in various countries on future financial performance.

(33) Earnings per share

	<u>For the three months ended September 30, 2024</u>		
	<u>Amount after tax</u>	<u>Weighted average number of ordinary shares outstanding (shares in thousands)</u>	<u>Earnings per share (in dollars)</u>
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ <u>1,145,158</u>	1,206,556	\$ <u>0.95</u>
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 1,145,158		
Less: Effect of dilutive potential common stocks issued by investee companies	(6,616)		
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	68	
Net income attributable to common stockholders plus dilutive effect of common stock equivalents	\$ <u>1,138,542</u>	<u>1,206,624</u>	\$ <u>0.94</u>

	<u>For the three months ended September 30, 2023</u>		
	<u>Amount after tax</u>	<u>Weighted average number of ordinary shares outstanding (shares in thousands)</u>	<u>Earnings per share (in dollars)</u>
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ <u>624,026</u>	1,206,556	\$ <u>0.52</u>
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 624,026		
Less: Effect of dilutive potential common stocks issued by investee companies	(5,958)		
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	47	
Net income attributable to common stockholders plus dilutive effect of common stock equivalents	\$ <u>618,068</u>	<u>1,206,603</u>	\$ <u>0.51</u>

	<u>For the nine months ended September 30, 2024</u>		
	<u>Amount after tax</u>	<u>Weighted average number of ordinary shares outstanding (shares in thousands)</u>	<u>Earnings per share (in dollars)</u>
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ <u>2,944,508</u>	1,206,556	\$ <u>2.44</u>
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 2,944,508		

For the nine months ended September 30, 2024		
	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
	<u>Amount after tax</u>	<u>(in dollars)</u>
Less: Effect of dilutive potential common stocks issued by investee companies	(22,384)	
Assumed conversion of all dilutive potential ordinary shares		
Employees' compensation	-	77
Net income attributable to common stockholders plus dilutive effect of common stock equivalents	<u>\$ 2,922,124</u>	<u>\$ 2.42</u>

For the nine months ended September 30, 2023		
	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
	<u>Amount after tax</u>	<u>(in dollars)</u>
<u>Basic earnings per share</u>		
Profit attributable to ordinary shareholders of the parent	<u>\$ 1,486,450</u>	<u>\$ 1.24</u>
<u>Diluted earnings per share</u>		
Profit attributable to ordinary shareholders of the parent	\$ 1,486,450	
Less: Effect of dilutive potential common stocks issued by investee companies	(17,988)	
Assumed conversion of all dilutive potential ordinary shares		
Employees' compensation	-	111
Net income attributable to common stockholders plus dilutive effect of common stock equivalents	<u>\$ 1,468,462</u>	<u>\$ 1.22</u>

Basic earnings per share is calculated with the gain or loss attributable to the shareholders of the ordinary shares issued by the Company, divided with outstanding weighted average ordinary shares during the period, and deducted with weighted average treasury shares.

(34) Supplemental cash flow information

Financing activities with partial cash payments

	For the nine months ended September 30	
	2024	2023
Cash dividends declared but yet to be paid – the Company	\$ 1,568,524	\$ 1,568,524
Add: Cash dividends to minority interests paid by subsidiaries	376	2,578
Less: Recognition of cash dividends declared by the parent to subsidiaries	-	(12,026)
Cash paid during the period	<u>\$ 1,568,900</u>	<u>\$ 1,559,076</u>

(35) Changes in liabilities from financing activities

	Short-term borrowings	Guarantee deposit received	Lease liabilities	Long-term borrowings (including current portion)	Liabilities from financing activities-gross
At January 1, 2024	\$ 861,073	\$ 43,450	\$ 132,194	\$ 835,778	\$ 1,872,495
Changes in cash flow	(444,274)	10,374	(183,651)	(215,566)	(833,117)
Impact of changes in foreign exchange rate	30,978	1,520	1,175	18,031	51,704
Changes in other non-cash items	-	-	198,475	-	198,475
At September 30, 2024	<u>\$ 447,777</u>	<u>\$ 55,344</u>	<u>\$ 148,193</u>	<u>\$ 638,243</u>	<u>\$ 1,289,557</u>

	Short-term borrowings	Guarantee deposit received	Lease liabilities	Long-term borrowings (including current portion)	Liabilities from financing activities-gross
At January 1, 2023	\$ 3,623,778	\$ 34,961	\$ 169,089	\$ 701,685	\$ 4,529,513
Changes in cash flow	(2,759,349)	9,413	(35,951)	212,085	(2,573,802)
Impact of changes in foreign exchange rate	(1,412)	71	1,737	1,959	2,355
Changes in other non-cash items	-	-	4,823	-	4,823
At September 30, 2023	<u>\$ 863,017</u>	<u>\$ 44,445</u>	<u>\$ 139,698</u>	<u>\$ 915,729</u>	<u>\$ 1,962,889</u>

7. RELATED PARTY TRANSACTIONS

(1) Names of related parties and relationship

<u>Names of related parties</u>	<u>Relationship with the Group</u>
Getac Holdings Corp. and its subsidiaries	Associate
Infopower Technologies Ltd.	Associate
Synnex Technology International Corp. and its subsidiaries	Common Chairman
Harbinger Venture Management Company Ltd.	Common Chairman
Lien Hwa Industrial Holdings Corp. and its subsidiaries	Common Chairman
UPC Technology Corp.	Common Chairman
Hyve Design Solutions Corporation and its subsidiaries	Associate (Note)
Shen-Tong Construction & Development Co., Ltd.	Associate
Whetron Electronics Co., LTD.	The Company was this company's director

Note: The shares were disposed during the first quarter of 2024.

(2) Significant related party transactions and balances

A. Operating revenue:

(a)

	<u>For the three months ended September 30</u>	
	<u>2024</u>	<u>2023</u>
Sales of goods:		
-Associates-Others	\$ 20,764	\$ 18,683
-Other related parties	<u>277</u>	<u>5,424</u>
	<u>21,041</u>	<u>24,107</u>
-Associates-Others	1,409	1,059
-Other related parties	<u>2</u>	<u>2</u>
Subtotal	<u>1,411</u>	<u>1,061</u>
Total	<u>\$ 22,452</u>	<u>\$ 25,168</u>
	<u>For the nine months ended September 30</u>	
	<u>2024</u>	<u>2023</u>
Sales of goods:		
-Associates-Others	\$ 59,346	\$ 59,257
-Other related parties	<u>5,845</u>	<u>8,249</u>
	<u>65,191</u>	<u>67,506</u>
Sales of services:		
-Associates-Others	4,984	5,585
-Other related parties	<u>3</u>	<u>2</u>
Subtotal	<u>4,987</u>	<u>5,587</u>
Total	<u>\$ 70,178</u>	<u>\$ 73,093</u>

- (b) The selling price to related parties is determined based on the economic environment and market competition in the region of the related party.
- (c) The Group's term of credit for related parties is the same with third party clients. The payment is generally due around 3 months after delivery.

B. Purchases:

(a)

	<u>For the three months ended September 30</u>	
	<u>2024</u>	<u>2023</u>
Purchases of goods:		
-Associates	\$ 6,233	\$ 3,193
-Other related parties - Synnex Techonology International Corp. and subsidiaries	<u>129,102</u>	<u>919,069</u>
Total	<u>\$ 135,335</u>	<u>\$ 922,262</u>

	<u>For the nine months ended September 30</u>	
	<u>2024</u>	<u>2023</u>
Purchases of goods:		
-Associates	\$ 22,213	\$ 12,359
-Other related parties - Synnex Techonology International Corp. and its subsidiaries	<u>345,764</u>	<u>2,567,051</u>
Total	<u>\$ 367,977</u>	<u>\$ 2,579,410</u>

- (b) The purchase price from related parties cannot be compared with the prices to third parties due to differences in product specifications.
- (c) The Group's term of payment for related parties is generally due around 3 months after counterparty's delivery.

C. Receivables from related parties:

	September 30, 2024	December 31, 2023	September 30, 2023
Accounts receivable:			
-Associates- Others	\$ 347	\$ 63	\$ 79
-Other related parties	<u>-</u>	<u>-</u>	<u>5,483</u>
Subtotal	<u>347</u>	<u>63</u>	<u>5,562</u>
Other receivables:			
-Associates- Getac Holdings Corp. and its subsidiaries	\$ 27,554	\$ 15,947	\$ 25,269
-Associates- Others	-	4,755	7,165
-Other related parties	<u>2,743</u>	<u>2,545</u>	<u>2,560</u>
Subtotal	<u>30,297</u>	<u>23,247</u>	<u>34,994</u>
Other receivables- Dividend:			
-Associates- Getac Holdings Corp.	\$ 33,509	\$ -	\$ -
-Other related parties	<u>17,578</u>	<u>-</u>	<u>-</u>
Subtotal	<u>51,087</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 81,731</u>	<u>\$ 23,310</u>	<u>\$ 40,556</u>

D. Payables to related parties:

	September 30, 2024	December 31, 2023	September 30, 2023
Accounts payable:			
-Associates	\$ 6,477	\$ 5,218	\$ 3,207
-Other related parties - Synnex Technology International Corp. and its subsidiaries	145,673	67,586	783,608
-Other related parties - others	<u>9,204</u>	<u>-</u>	<u>-</u>
Subtotal	<u>161,354</u>	<u>72,804</u>	<u>786,815</u>
Other payables:			
-Associates	622	1,006	649
-Other related parties	<u>1,379</u>	<u>16,620</u>	<u>1,207</u>
Subtotal	<u>2,001</u>	<u>17,626</u>	<u>1,856</u>
Total	<u>\$ 163,355</u>	<u>\$ 90,430</u>	<u>\$ 788,671</u>

E. Property transactions:

(a) Acquisition of property, plant and equipment:

	For the three months ended September 30	
	2024	2023
Other related parties	\$ <u>327</u>	\$ <u>-</u>
	For the nine months ended September 30	
	2024	2023
Other related parties	\$ <u>18,884</u>	\$ <u>4,164</u>

F. Lease transactions—lessee

(a) The Group leases buildings from Getac Technology Corp. and its subsidiaries. The duration rental contracts are typically made for 1 to 2 years.

(b) Lease liabilities

i. Outstanding balance:

	September 30, 2024	December 31, 2023	September 30, 2023
Associates	\$ <u>-</u>	\$ <u>-</u>	\$ <u>2,931</u>

ii. Interest expense

	For the three months ended September 30	
	2024	2023
Associates	\$ <u>-</u>	\$ <u>58</u>
	For the nine months ended September 30	
	2024	2023
Associates	\$ <u>-</u>	\$ <u>307</u>

G. Lease transactions—lessor

	For the three months ended September 30	
	2024	2023
Rent income		
Associates	\$ 8,715	\$ 11,278
Other related parties	<u>224</u>	<u>187</u>
Total	\$ <u>8,939</u>	\$ <u>11,465</u>
	For the nine months ended September 30	
	2024	2023
Rent income		
Associates	\$ 25,935	\$ 33,671
Other related parties	<u>601</u>	<u>556</u>
Total	\$ <u>26,536</u>	\$ <u>34,227</u>

H. Expenses

	For the three months ended September 30	
	2024	2023
Associates	\$ 647	\$ 811
Other related parties	665	221
Total	<u>\$ 1,312</u>	<u>\$ 1,032</u>

	For the nine months ended September 30	
	2024	2023
Associates	\$ 1,613	\$ 6,472
Other related parties	3,830	1,278
Total	<u>\$ 5,443</u>	<u>\$ 7,750</u>

(3) Key management compensation

	For the three months ended September 30	
	2024	2023
Salaries and other short-term employee benefits	\$ 6,556	\$ 5,528
Post-employment benefits	163	153
Total	<u>\$ 6,719</u>	<u>\$ 5,681</u>

	For the nine months ended September 30	
	2024	2023
Salaries and other short-term employee benefits	\$ 51,340	\$ 40,956
Post-employment benefits	476	458
Total	<u>\$ 51,816</u>	<u>\$ 41,414</u>

8. PLEDGED ASSETS

The Group's assets pledged as collateral are as follows:

<u>Pledged asset</u>	<u>Book Value</u>			<u>Purpose</u>
	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>	
Time deposits (shown as "Financial assets at amortised cost-non-current")	\$ 10,297	\$ 10,208	\$ 10,171	Guarantee deposit for lease
Time deposits (shown as "Financial assets at amortised cost-non-current")	452,300	432,700	441,500	Guarantees deposit for borrowings
Time deposits (shown as "Financial assets at amortised cost-non-current")	60,069	59,695	59,745	Guarantee deposit for letter of guarantee for customs duties
Time deposits (shown as "Financial assets at amortised cost-current")	447,777	861,073	878,585	Guarantees deposit for borrowings
	<u>\$ 970,443</u>	<u>\$ 1,363,676</u>	<u>\$ 1,390,001</u>	

9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNISED CONTRACT COMMITMENTS

(1) Contingencies: None.

(2) Commitments: None.

10. SIGNIFICANT DISASTER LOSS: None.

11. SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE : None.

12. OTHERS

(1) Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital.

(2) Financial instruments

A. Financial instruments by category

	<u>September 30,</u> <u>2024</u>	<u>December 31, 2023</u>	<u>September 30,</u> <u>2023</u>
<u>Financial assets</u>			
Financial assets at fair value through profit or loss			
Financial assets mandatorily measured at fair value through profit or loss	\$ <u> -</u>	\$ <u> 143,879</u>	\$ <u> 144,893</u>
Financial assets at fair value through other comprehensive income			
Designation of equity instrument	\$ <u> 37,588,315</u>	\$ <u> 40,930,619</u>	\$ <u> 39,243,123</u>
Financial assets at amortised cost			
Cash and cash equivalents	\$ 8,637,583	\$ 8,321,029	\$ 6,670,029
Financial assets at amortised cost	1,250,860	1,398,476	1,424,801
Notes receivable	191,627	34,865	55,834
Accounts receivable	9,463,411	4,050,024	6,048,014
Accounts receivable - related parties	347	63	5,562
Other receivables	6,795,516	7,143,010	1,051,338
Refundable deposits	<u> 18,566</u>	<u> 20,269</u>	<u> 20,073</u>
	<u>\$ 26,357,910</u>	<u>\$ 20,967,736</u>	<u>\$ 15,275,651</u>

	September 30, 2024	December 31, 2023	September 30, 2023
<u>Financial liabilities</u>			
Financial liabilities at fair value through profit or loss			
Financial liabilities held for trading	\$ <u>1,839</u>	\$ <u>849</u>	\$ <u>12,121</u>
Financial liabilities at amortised cost			
Short-term borrowings	\$ 447,777	\$ 861,073	\$ 863,017
Accounts payable	11,131,113	5,913,013	5,828,469
Accounts payable - related parties	161,354	72,804	786,815
Other accounts payable	10,322,794	9,402,684	4,915,901
Refundable deposits	55,344	43,450	44,445
Long-term borrowings (including current portion)	<u>638,243</u>	<u>835,778</u>	<u>915,729</u>
	\$ <u>22,756,625</u>	\$ <u>17,128,802</u>	\$ <u>13,354,376</u>
Lease liabilities	\$ <u>148,193</u>	\$ <u>132,194</u>	\$ <u>139,698</u>

B. Financial risk management policies

There was no significant change in the reporting period. Please refer to Note 12 in the consolidated financial statements for the year ended December 31, 2023.

C. Significant financial risks and degrees of financial risks

(a) Market risk

Foreign exchange risk

- i. The Group's businesses involve some non-functional currency operations (the Company's and certain subsidiaries' functional currency: NTD; other certain subsidiaries' functional currency: USD and CNY). The information on assets and liabilities denominated in foreign currencies whose values would be materially affected by the exchange rate fluctuations is as follows:

September 30, 2024			
(Foreign currency: functional currency)	Foreign currency amount (In thousands)	Exchange rate	Book value (NTD)
<u>Financial assets</u>			
<u>Monetary items</u>			
USD:NTD	\$ 408,675	31.650	\$ 12,934,566
EUR:NTD	3,775	35.380	133,546
USD:CNY	112,377	6.998	3,556,734
<u>Non-monetary items</u>			
CNY:NTD	91,675	4.523	414,645
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD:NTD	264,225	31.650	8,362,723
USD:CNY	108,194	6.998	3,424,342

December 31, 2023			
(Foreign currency: functional currency)	Foreign currency amount (In thousands)	Exchange rate	Book value (NTD)
<u>Financial assets</u>			
<u>Monetary items</u>			
USD:NTD	\$ 403,142	30.705	\$ 12,378,479
EUR:NTD	3,211	33.980	109,111
USD:CNY	119,558	7.096	3,671,036
<u>Non-monetary items</u>			
CNY:NTD	95,402	4.327	412,806
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD:NTD	213,092	30.705	6,542,985
USD:CNY	114,730	7.096	3,522,771

				September 30, 2023		
				Foreign currency amount (In thousands)	Exchange rate	Book value (NTD)
(Foreign currency: functional currency)						
<u>Financial assets</u>						
<u>Monetary items</u>						
	USD:NTD	\$	374,963		32.270	\$ 12,100,060
	EUR:NTD		4,163		33.91	141,167
	USD:CNY		78,632		7.309	2,537,469
<u>Non-monetary items</u>						
	CNY:NTD		95,020		4.415	419,513
<u>Financial liabilities</u>						
<u>Monetary items</u>						
	USD:NTD		200,598		32.270	6,473,303
	USD:CNY		95,211		7.309	3,072,453
ii.	Total exchange (loss) gain, including realised and unrealised arising from significant foreign exchange variation on the monetary items held by the Group for the three months and nine months ended September 30, 2024 and 2023, amounted to \$(107,058), \$109,320, \$186,501 and \$116,590, respectively.					
iii.	The Group's foreign currency market risk analysis regarding significant exchange rate fluctuations is shown below:					

For the nine months ended September 30, 2024						
Sensitivity analysis						
				Affected income	Affected other comprehensive income	
				Fluctuation %		
(Foreign currency: functional currency)						
<u>Financial assets</u>						
<u>Monetary items</u>						
	USD:NTD	1.00%	\$ 129,346	\$		-
	EUR:NTD	1.00%	1,335			-
	USD:CNY	1.00%	35,567			-
<u>Financial liabilities</u>						
<u>Monetary items</u>						
	USD:NTD	1.00%	83,627			-
	USD:CNY	1.00%	34,243			-

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

Price risk

- i. The Group's equity securities, which are exposed to price risk, are the held financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio.
- ii. The Group's investments in equity securities comprise shares and open-end funds issued by the domestic or foreign companies. The prices of equity securities would change due to the change of the future value of investee companies. If the prices of these equity securities had increased/decreased by 1% with all other variables held constant, post-tax profit for the nine months ended September 30, 2024 and 2023 would have increased/decreased by \$0 and \$1,419, respectively. Other components of equity would have increased/decreased by \$375,883 and \$392,431, respectively, as a result of other comprehensive income classified as equity investment at fair value through other comprehensive income.

Cash flow and fair value interest rate risk

- i. The Group's main interest rate risk arises from long-term and short-term borrowings with variable rates, which expose the Group to cash flow interest rate risk. For the nine months ended September 30, 2024 and 2023, the Group's borrowings at variable rate were mainly denominated in New Taiwan dollars and US Dollars.
- ii. If the borrowing interest rate had increased/ decreased by 0.01% with all other variables held constant, profit, net of tax for the nine months ended September 30, 2024 and 2023 would have decreased/ increased by \$81 and \$133, respectively. The main factor is that changes in interest expense result in

floating-rate borrowings.

(b) Credit risk

- i. Credit risk refers to the risk of financial loss to the Group arising from default by the clients or counterparties of financial instruments on the contract obligations. The main factor is that counterparties could not repay in full the accounts receivable based on the agreed terms, and the contract cash flows stated at amortised cost.
- ii. According to the Group's credit policy, each local entity in the Group is responsible for managing and analysing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. Internal risk control assesses the credit quality of the customers, taking into account their financial position, past experience and other factors.
- iii. Individual risk limits are set based on internal or external factors in accordance with limits set by credit control manager. The utilisation of credit limits is regularly monitored.
- iv. For banks and financial institutions, only the institutions with good credit quality are accepted as counterparties.
- v. The default occurs when it expects that the contact payments cannot be recovered and are transferred to overdue receivables.
- vi. The following indicators are used to determine whether the credit impairment of debt instruments has occurred:
 - (i) It becomes probable that the issuer will enter bankruptcy or other financial reorganization due to their financial difficulties;
 - (ii) The disappearance of an active market for that financial asset because of financial difficulties;
 - (iii) Default or delinquency in interest or principal repayments;
 - (iv) Adverse changes in national or regional economic conditions that are expected to cause a default.
- vii. The Group classifies customers' repayment ability in accordance with the contract term and macroeconomic forecast included in the forecastability and related industry information. The Group applies the modified approach using group methodology to estimate expected credit loss.
- viii. The Group wrote-off the financial assets, which cannot be reasonably expected to be recovered, after initiating recourse procedures. However, the Group will continue executing the recourse procedures to secure their rights.
- ix. The Group considered the forecastability to adjust historical and timely information to assess the default possibility of accounts receivable. As of

September 30, 2024, December 31, 2023 and September 30, 2023, the loss rate methodology is as follows:

September 30, 2024	Group A	Group B	Total
Expected loss rate	0% - 100%	0.009% - 0.7%	
Value	\$ 336,477	\$ 15,813,967	\$ 16,150,444
Allowance	58,596	4,357	62,953
December 31, 2023	Group A	Group B	Total
Expected loss rate	0% - 100%	0.009%-0.7%	
Value	\$ 268,791	\$ 10,852,783	\$ 11,121,574
Allowance	59,144	2,010	61,154
September 30, 2023	Group A	Group B	Total
Expected loss rate	0% - 100%	0.010% - 0.7%	
Value	\$ 1,093,297	\$ 5,953,584	\$ 7,046,881
Allowance	63,146	3,149	66,295

Group A: High-risk accounts: The evaluation module is based on payment records, financial indicators, contract fulfillment status, and related industry information.

Group B: Low-risk and medium-risk accounts: Entities provide good payment records, strong prospects, transparent financials or collateral.

- x. Movements in relation to the Group applying the modified approach to provide loss allowance for accounts receivable is as follows:

	2024
At January 1	\$ 61,154
Provision for impairment	60
Effect of foreign exchange	1,739
At September 30	\$ 62,953
	2023
At January 1	\$ 362,180
Reversal of provision for impairment	(298,121)
Write-off	(200)
Effect of foreign exchange	2,436
At September 30	\$ 66,295

(c) Liquidity risk

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

settled or gross-settled derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date for non-derivative financial liabilities and to the expected maturity date for derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows.

Non-derivative financial liabilities:

<u>September 30, 2024</u>	<u>Less than 1 year</u>	<u>Between 1 and 2 years</u>	<u>Between 2 and 3 years</u>	<u>Over 3 years</u>
Short-term				
borrowings	\$ 447,777	\$ -	\$ -	\$ -
Accounts payable	11,292,467	-	-	-
Other payables	10,322,794	-	-	-
Lease liabilities	64,906	15,623	7,601	71,282
Guarantee deposits	26,971	12,420	2,027	13,926
Long-term				
borrowings	116,232	101,263	424,796	-

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 3 years</u>	<u>Over 3 years</u>
Short-term				
borrowings	\$ 861,073	\$ -	\$ -	\$ -
Accounts payable	5,985,817	-	-	-
Other payables	9,402,684	-	-	-
Lease liabilities	31,430	28,106	8,715	76,983
Guarantee deposits	27,729	2,115	5,209	8,397
Long-term				
borrowings	257,944	102,225	482,183	-

Non-derivative financial liabilities:

<u>September 30, 2023</u>	<u>Less than 1 year</u>	<u>Between 1 and 2 years</u>	<u>Between 2 and 3 years</u>	<u>Over 3 years</u>
Short-term				
borrowings	\$ 863,017	\$ -	\$ -	\$ -
Accounts payable	6,615,284	-	-	-
Other payables	4,915,901	-	-	-
Lease liabilities	35,102	28,238	11,132	78,883
Guarantee deposits	28,652	2,468	5,003	8,322
Long-term				
borrowings	292,034	116,022	507,679	8,356

Derivative financial liabilities

As September 30, 2024, December 31, 2023 and September 30, 2023, the Group's derivative financial liabilities mature within one year.

iii. The Group does not expect the timing of occurrence of the cash flows estimated through the maturity date analysis will be significantly earlier, nor expect the actual cash flow amount will be significantly different.

(3) Fair value information

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

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).

Level 3: Inputs for the asset or liability that are not based on observable market data.

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

C. Financial instruments not measured at fair value

Including the carrying amounts of cash and cash equivalents, financial assets at amortised cost, notes receivable, accounts receivable, other receivables, refundable deposits, short-term borrowings, accounts payable, other payables, long-term borrowings and guarantee deposits received are approximate to their fair values.

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

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

September 30, 2024	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>Recurring fair value</u>				
<u>measurements Financial</u>				
<u>assets:</u>				
Equity securities	\$ <u>32,083,020</u>	\$ <u>496,164</u>	\$ <u>5,009,131</u>	\$ <u>37,588,315</u>
<u>Recurring fair value</u>				
<u>measurements Financial</u>				
<u>liabilities:</u>				
Forward exchange contracts	\$ <u>-</u>	\$ <u>1,839</u>	\$ <u>-</u>	\$ <u>1,839</u>

December 31, 2023	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>Recurring fair value</u>				
<u>measurements Financial</u>				
<u>assets:</u>				
Forward exchange contracts	\$ -	\$ 1,528	\$ -	\$ 1,528
Equity securities	<u>35,920,224</u>	<u>368,403</u>	<u>4,784,343</u>	<u>41,072,970</u>
Total	<u>\$ 35,920,224</u>	<u>\$ 369,931</u>	<u>\$ 4,784,343</u>	<u>\$41,074,498</u>
<u>Recurring fair value</u>				
<u>measurements Financial</u>				
<u>liabilities:</u>				
Forward exchange contracts	<u>\$ -</u>	<u>\$ 849</u>	<u>\$ -</u>	<u>\$ 849</u>
September 30, 2023	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>Recurring fair value</u>				
<u>measurements Financial</u>				
<u>assets:</u>				
Forward exchange contracts	\$ -	\$ 2,983	\$ -	\$ 2,983
Equity securities	<u>34,777,663</u>	<u>195,225</u>	<u>4,412,145</u>	<u>39,385,033</u>
Total	<u>\$ 34,777,663</u>	<u>\$ 198,208</u>	<u>\$ 4,412,145</u>	<u>\$ 39,388,016</u>
<u>Recurring fair value</u>				
<u>measurements Financial</u>				
<u>liabilities:</u>				
Forward exchange contracts	<u>\$ -</u>	<u>\$ 12,121</u>	<u>\$ -</u>	<u>\$ 12,121</u>

- (b) The methods and assumptions the Group used to measure fair value are as follows:
- i. The instruments the Group used market quoted prices as their fair values (that is, Level 1) are listed below by characteristics:

Market quoted price	<u>Listed shares</u> Closing price	<u>Open-end fund</u> Net worth
 - ii. Except for financial instruments with active markets, the fair value of other financial instruments is measured by using valuation techniques or by reference to counterparty quotes.
 - iii. When assessing non-standard and low-complexity financial instruments, the Group adopts valuation technique that is widely used by market participants. The inputs used in the valuation method to measure these financial instruments are normally observable in the market.
 - iv. The valuation of derivative financial instruments is based on valuation model widely accepted by market participants, such as present value techniques and option pricing models. Forward exchange contracts are usually valued based on the current forward exchange rate.
 - v. The output of valuation model is an estimated value and the valuation technique may not be able to capture all relevant factors of the Group's financial and non-financial instruments. Therefore, the estimated value derived using valuation model is adjusted accordingly with additional inputs, for example, model risk or

liquidity risk and etc. In accordance with the Group's management policies and relevant control procedures relating to the valuation models used for fair value measurement, management believes adjustment to valuation is necessary in order to reasonably represent the fair value of financial and non-financial instruments at the consolidated balance sheet. The inputs and pricing information used during valuation are carefully assessed and adjusted based on current market conditions.

- vi. The Group takes into account adjustments for credit risk to measure the fair value of financial and non-financial instruments to reflect credit risk of the counterparty and the Group's credit quality.
- E. For the nine months ended September 30, 2024 and 2023, there was no transfer between Level 1 and Level 2.
- F. The following table presents the changes in Level 3 instruments as at September 30, 2024 and 2023:

	Equity securities	
	2024	2023
January 1	\$ 4,784,343	\$ 3,909,355
Proceeds from capital reduction for the period	(18,513)	(16,432)
Acquired in the period	119,250	11,689
Gains recognised in other comprehensive income	124,053	507,535
Effects of foreign exchange	(2)	(2)
September 30	<u>\$ 5,009,131</u>	<u>\$ 4,412,145</u>

- G. Investment department is in charge of valuation procedures for fair value measurements being categorized within Level 3, which is to verify independent fair value of financial instruments. Such assessment is to ensure the valuation results are reasonable by applying independent information to make results close to current market conditions, and reviewing the information periodically.
- H. The following is the qualitative information of significant unobservable inputs and sensitivity analysis of changes significant unobservable inputs to valuation model used in Level 3 fair value measurements:

	Fair value at September 30, 2024	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instrument:					
Unlisted shares	\$ 5,009,131	Net asset value	Net asset value	-	The higher the net asset value, 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	\$ 4,784,343	Net asset value	Net asset value	-	The higher the net asset value, the higher the fair value.

	Fair value at September 30, 2023	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instrument:					
Unlisted shares	\$ 4,412,145	Net asset value	Net asset value	-	The higher the net asset value, the higher the fair value.

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

		September 30, 2024					
				Recognised in profit or loss		Recognised in other comprehensive income	
		Input	Change	Favourable change	Unfavourable change	Favourable change	Unfavourable change
Financial assets							
Equity instrument	Net asset value	±1%	\$ -	\$ -	\$ 50,091	\$ 50,091	

		December 31, 2023					
				Recognised in profit or loss		Recognised in other comprehensive income	
		Input	Change	Favourable change	Unfavourable change	Favourable change	Unfavourable change
Financial assets							
Equity instrument	Net asset value	±1%	\$ -	\$ -	\$ 47,843	\$ 47,843	

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

13. SUPPLEMENTARY DISCLOSURES

(1) Significant transactions information

- A. Loans to others: Please refer to table 1.
- B. Provision of endorsements and guarantees to others: Please refer to table 2.
- C. Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures): Please refer to table 3.
- D. Acquisition or sale of the same security with the accumulated cost exceeding NT\$300 million or 20% of the Company's paid-in capital: Please refer to table 4.
- E. Acquisition of real estate reaching NT\$300 million or 20% of paid-in capital or more: None.
- F. Disposal of real estate reaching NT\$300 million or 20% of paid-in capital or more: None.
- G. Purchases or sales of goods from or to related parties reaching NT\$100 million or 20% of paid-in capital or more: Please refer to table 5.
- H. Receivables from related parties reaching NT\$100 million or 20% of paid-in capital or more: Please refer to table 6.
- I. Trading in derivative instruments undertaken during the reporting periods: Please refer to Notes 6(2) and (15).
- J. Significant inter-company transactions during the reporting periods: Please refer to table 7.

(2) Information on investees

Names, locations and other information of investee companies (not including investees in Mainland China): Please refer to table 8.

(3) Information on investments in Mainland China

- A. Basic information: Please refer to table 9.
- B. Significant transactions, either directly or indirectly through a third area, with investee companies in the Mainland Area: Please refer to tables 5 and 9.

(4) Major shareholders information

Major shareholders information: Please refer to table 10.

14. SEGMENT INFORMATION

(1) General information

Management has determined the reportable operating segments based on the reports reviewed by the Chief Operating Decision-Maker that are used to make strategic decisions. The Group's Chief Operating Decision-Maker manages business from the perspectives of cloud computing product business group and automotive electronics and AIoT business group.

The Group's company organization, basis of department segmentation and principles for measuring segment information for the period were not significantly changed.

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

The segment information provided to the Chief Operating Decision-Maker for the reportable segments and reconciliations are as follows:

Item	For the nine months ended September 30, 2024			
	Cloud computing business group	Automotive electronics and AIoT business group	Others	Total
Revenue	\$ 31,300,817	\$ 4,851,905	\$ 1,758,731	\$ 37,911,453
Segment gain (loss)	1,192,636	119,196	(253,847)	1,057,985

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

(3) Reconciliation for segment income (loss)

The revenue from external customers reported to the Chief Operating Decision-Maker is measured in a manner consistent with that in the statement of comprehensive income.

A reconciliation of reportable segment income or loss to the income/(loss) before tax from continuing operations for the nine months ended September 30, 2024 and 2023 is provided as follows:

Items	For the nine months ended September 30	
	2024	2023
(Loss) profit for reportable segments	\$ 1,057,985	\$(30,580)
Unallocated:		
Share of profits and losses from affiliates and joint ventures accounted for using the equity method	1,064,662	926,033
Dividend revenue	688,074	640,362
Interest revenue	131,492	97,778
Net currency exchange gain	186,501	116,590
Loss on disposal of investments	(68)	(1,086)
Other income	100,176	14,368
Income before tax from operations	\$ <u>3,228,822</u>	\$ <u>1,763,465</u>

MiTAC HOLDINGS CORPORATION AND SUBSIDIARIES
Loans to others
For the nine months ended September 30, 2024

Table 1

Expressed in thousands of NTD
(Except as otherwise indicated)

No. (Note1)	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the nine months ended September 30, 2024	Balance at September 30, 2024	Actual amount drawn down	Interest rate	Nature of loan (Note 2)	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party (Note 3)	Ceiling on total loans granted (Note 3)
													Item	Value		
0	MiTAC Holdings Corp.	MiTAC International Corp.	Other receivables-related parties	Y	\$ 1,200,000	\$ -	\$ -	1.49433%	2	\$ -	Operations	\$ -	None	\$ -	\$ 24,218,669	\$ 24,218,669
0	MiTAC Holdings Corp.	MiTAC Computing Technology Corp.	Other receivables-related parties	Y	500,000	-	-	0	2	-	Operations	-	None	-	24,218,669	24,218,669
1	MiTAC International Corp.	MiTAC Holdings Corp.	Other receivables-related parties	Y	300,000	300,000	-	0	2	-	Operations	-	None	-	23,993,792	23,993,792
1	MiTAC International Corp.	MiTAC Computing Technology Corp.	Other receivables-related parties	Y	5,000,000	5,000,000	1,000,000	1.49378%-5.5%	2	-	Operations	-	None	-	23,993,792	23,993,792
1	MiTAC International Corp.	Shen-Tong Construction & Development Co., Ltd.	Other receivables-related parties	Y	4,755	-	-	0	2	-	Operations	-	None	-	23,993,792	23,993,792
2	MiTAC Computing Technology Corp.	MiTAC International Corp.	Other receivables-related parties	Y	700,000	-	-	0	2	-	Operations	-	None	-	1,553,052	1,553,052
2	MiTAC Computing Technology Corp.	MiTAC Information Systems Corp.	Other receivables-related parties	Y	1,970,100	1,614,150	1,614,150	0	1	6,623,215	Ongoing business	-	None	-	3,882,631	3,882,631
3	MiTAC Digital Technology Corp.	MiTAC International Corp.	Other receivables-related parties	Y	180,000	-	-	0	2	-	Operations	-	None	-	723,871	723,871
3	MiTAC Digital Technology Corp.	MiTAC Computing Technology Corp.	Other receivables-related parties	Y	200,000	-	-	5.5%	2	-	Operations	-	None	-	723,871	723,871
4	Silver Star Developments Ltd.	MiTAC Holdings Corp.	Other receivables-related parties	Y	20,861,762	20,857,224	20,857,224	0	2	-	Operations	-	None	-	91,028,271	91,028,271
4	Silver Star Developments Ltd.	MiTAC International Corp.	Other receivables-related parties	Y	4,509,500	-	-	0	2	-	Operations	-	None	-	18,205,654	18,205,654
4	Silver Star Developments Ltd.	MiTAC International Corp.	Other receivables-related parties	Y	15,095,523	15,095,523	15,095,523	0	1	15,412,969	Ongoing business	-	None	-	15,412,969	91,028,271
4	Silver Star Developments Ltd.	Start Well Technology Ltd.	Other receivables-related parties	Y	931,311	931,311	931,311	0	2	-	Operations	-	None	-	91,028,271	91,028,271
4	Silver Star Developments Ltd.	MiTAC Benelux N.V.	Other receivables-related parties	Y	77,836	77,836	70,760	0	2	-	Operations	-	None	-	91,028,271	91,028,271
4	Silver Star Developments Ltd.	MiTAC Information Systems Corp.	Other receivables-related parties	Y	976,350	-	-	0	2	-	Operations	-	None	-	91,028,271	91,028,271
5	MiTAC Computing Technology USA Corp.	MiTAC Information Systems Corp.	Other receivables-related parties	Y	246,263	237,375	237,375	1.83%	2	-	Operations	-	None	-	1,086,604	1,086,604
6	MiTAC Research (Shanghai) Ltd.	MiTAC Information Systems (Kunshan) Co., Ltd.	Other receivables-related parties	Y	227,250	226,150	226,150	0%-4.3%	2	-	Operations	-	None	-	918,379	918,379
7	Access Wisdom Holdings Ltd.	MiTAC Digital Technology Corp.	Other receivables-related parties	Y	36,119	34,815	34,815	0	2	-	Operations	-	None	-	88,955	88,955
8	Mio International Ltd.	MiTAC Digital Technology Corp.	Other receivables-related parties	Y	22,985	22,155	22,155	0	2	-	Operations	-	None	-	22,975	22,975
8	Mio International Ltd.	Access Wisdom Holdings Ltd.	Other receivables-related parties	Y	22,985	22,155	22,155	0	2	-	Operations	-	None	-	114,876	114,876
9	MiTAC Digital Corp.	MiTAC Information Systems Corp.	Other receivables-related parties	Y	195,270	-	-	5.3%	2	-	Operations	-	None	-	425,458	425,458

Note 1: The numbers filled in for the loans provided by the Company or subsidiaries are as follows:(1) The Company is '0'.(2) The subsidiaries are numbered in order starting from '1'.

Note 2: The nature of loan are as follows:

- (1) Ongoing business
- (2) Short-term financing

Note 3: (1) MiTAC Holdings Corp. (the Company)'s total borrowing amount of short-term financing should not exceed 40% of the net worth on the latest financial statements audited or reviewed by independent auditors. The borrowing amount for each borrowing company should not exceed 40% of the net worth of the Company.

(2)MiTAC International Corp.'s total borrowing amount of short-term financing should not exceed 40% of the net worth on the latest financial statements audited or reviewed by independent auditors. The borrowing amount for each borrowing company should not exceed 40% of the net worth of the Company.

(3)MiTAC Computing Technology Corp.'s short-term financing limit should not exceed 40% of the net worth on the latest financial statements audited or reviewed by independent auditors.

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

(5)MiTAC Digital Technology Corp.'s short-term financing limit should not exceed 40% of the net worth on the latest financial statements audited or reviewed by independent auditors.

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

(7)If Silver Star Developments Ltd. was lending to domestic subsidiaries owned 100% directly and indirectly by the ultimate parent company, the borrowing amount to each borrowing company and the total borrowing amount should not be higher than 40% of the net worth on the latest financial statements audited by independent auditors.

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

(9)The borrowing amount and the total borrowing amount of MiTAC Computing Technology USA Corp. lending to the ultimate parent company and it's direct and indirect wholly-owned foreign subsidiaries should not exceed 200% of the net worth on the latest financial statements audited by independent auditors.

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

(11) If Access Wisdom Holdings Ltd. was lending to domestic subsidiaries owned 100% directly and indirectly by the ultimate parent company, the borrowing amount to each borrowing company and the total borrowing amount should not be higher than 40% of the net worth on the latest financial statements audited by independent auditors.

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

(13) If Mio International Ltd. was lending to domestic subsidiaries owned 100% directly and indirectly by the ultimate parent company, the borrowing amount to each borrowing company and the total borrowing amount should not be higher than 40% of the net worth on the latest financial statements audited by independent auditors.

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

MiTAC HOLDINGS CORPORATION AND SUBSIDIARIES
Provision of endorsements and guarantees to others
For the nine months ended September 30, 2024

Table 2

Expressed in thousands of NTD
(Except as otherwise indicated)

Number (Note1)	Endorser/ guarantor	Party being endorsed/guaranteed		Limit on endorsements/ guarantees provided for a single party (Note 3)	Maximum outstanding endorsement/ guarantee amount as of September 30, 2024	Outstanding endorsement/ guarantee amount at September 30, 2024	Actual amount drawn down	Amount of endorsements/ guarantees secured with collateral	Ratio of accumulated endorsement/ guarantee amount to net asset value of the endorser/guarantor company	Ceiling on total amount of endorsements/ guarantees provided (Note 3)	Provision of endorsements/ guarantees by parent company to subsidiary	Provision of endorsements/ guarantees by subsidiary to parent company	Provision of endorsements / guarantees to the party in Mainland China
		Company name	Relationship with the endorser/ guarantor (Note 2)										
0	MiTAC Holdings Corp.	MiTAC Computing Technology USA Corp.	2	\$ 30,273,336	\$ 98,505	\$ 94,950	\$ 94,950	\$ -	0.16 %	\$ 30,273,336	Y	N	N
0	MiTAC Holdings Corp.	MiTAC Computing Technology Corp.	2	30,273,336	945,649	911,520	911,520	-	1.51 %	30,273,336	Y	N	N
0	MiTAC Holdings Corp.	MiTAC Digital Technology Corp.	2	30,273,336	4,378	4,220	4,220	-	0.01 %	30,273,336	Y	N	N
0	MiTAC Holdings Corp.	MiTAC Information Systems Corp.	2	30,273,336	1,773,090	1,709,100	126,600	-	2.82 %	30,273,336	Y	N	N

Note 1: The numbers filled in for the endorsements/guarantees provided by the Company or subsidiaries are as follows: (1) The Company is '0'. (2) The subsidiaries are numbered in order starting from '1'.

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

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

Note 3: (1) The endorsement and guarantees amount provided by MiTAC Holdings Corp. to each entity which is directly or indirectly held 50% or more of the voting power by the company should not exceed 50% of the net worth on the latest financial statements audited or reviewed by independent auditors.

- (2) MiTAC Holding Corp's total endorsements and guarantees should not exceed 50% of the net worth on the latest financial statements audited or reviewed by independent auditors.

MiTAC HOLDINGS CORPORATION AND SUBSIDIARIES
Holding of marketable securities at the end of period (not including subsidiaries, associates and joint ventures)
September 30, 2024

Table 3

Expressed in thousands of NTD
(Except as otherwise indicated)

Securities held by	Marketable securities		Relationship with the securities issuer	General ledger account	As of September 30, 2024				Footnote
					Number of shares	Book value	Ownership (%)	Fair value	
MiTAC Holdings Corp.	stocks	Synnex Technology International Corp.	Same board chairman	Financial assets at fair value through other comprehensive income-non current	3,103,717	\$ 225,019	0.19	\$ 225,019	
MiTAC Holdings Corp.	stocks	Healthera Corporation	None	Financial assets at fair value through other comprehensive income-non current	72,112	3,772	0.24	3,772	
MiTAC Holdings Corp.	stocks	JVP VIII, L.P.	None	Financial assets at fair value through other comprehensive income-non current	-	122,612	1.16	122,612	
MiTAC Holdings Corp.	stocks	Acorn Pacific Ventures Fund II, LP	None	Financial assets at fair value through other comprehensive income-non current	-	58,011	6.62	58,011	
MiTAC Holdings Corp.	stocks	TOPRAY MEMS INC.	None	Financial assets at fair value through other comprehensive income-non current	1,000,000	4,473	2.19	4,473	
MiTAC Holdings Corp.	stocks	TRANS-IOT TECHNOLOGY CO., LTD.	None	Financial assets at fair value through other comprehensive income-non current	769,230	8,367	6.96	8,367	
MiTAC Holdings Corp.	stocks	MiTAC Advance Technology Corp.	None	Financial assets at fair value through other comprehensive income-non current	10,000,000	269,920	11.11	269,920	
MiTAC Holdings Corp.	stocks	Bridge Roots II Ltd.	None	Financial assets at fair value through other comprehensive income-non current	200	62,952	6.67	62,952	
MiTAC Holdings Corp.	stocks	Harbinger IX Venture Capital Corp.	None	Financial assets at fair value through other comprehensive income-non current	2,500,000	23,969	9.90	23,969	
MiTAC Holdings Corp.	stocks	Whetron Electronics Co., Ltd.	The Company was this company's director	Financial assets at fair value through other comprehensive income-non current	8,789,000	486,647	11.27	486,647	
MiTAC Holdings Corp.	stocks	Harbinger VIII Venture Capital Corp.	The Company was this company's director	Financial assets at fair value through other comprehensive income-non current	13,148,748	137,423	11.57	137,423	
MiTAC Holdings Corp.	stocks	TD Synnex Corp.	None	Financial assets at fair value through other comprehensive income-non current	2,403,229	9,133,549	2.81	9,133,549	
MiTAC Holdings Corp.	stocks	Concentrix Corp.	None	Financial assets at fair value through other comprehensive income-non current	1,977,944	3,208,349	3.03	3,208,349	
MiTAC International Corp.	stocks	Lien Hwa Industrial Holdings Corp.	Same board chairman	Financial assets at fair value through other comprehensive income-non current	47,717,056	2,944,142	2.79	2,944,142	
MiTAC International Corp.	stocks	UPC Technology Corp.	Same board chairman	Financial assets at fair value through other comprehensive income-non current	16,179,560	199,818	1.18	199,818	
MiTAC International Corp.	stocks	COMPUCASE ENTERPRISE CO., LTD.	None	Financial assets at fair value through other comprehensive income-non current	10,000,000	679,000	8.83	679,000	
MiTAC International Corp.	stocks	Synnex Technology International Corp.	Same board chairman	Financial assets at fair value through other comprehensive income-non current	5,245,000	380,263	0.31	380,263	
MiTAC International Corp.	stocks	MiTAC Information Technology Corp.	The Company's chairman was this company's director	Financial assets at fair value through other comprehensive income-non current	6,259,734	120,894	3.68	120,894	
MiTAC International Corp.	stocks	MiTAC INC.	Same board chairman	Financial assets at fair value through other comprehensive income-non current	35,401,218	2,530,276	8.71	2,530,276	
MiTAC International Corp.	stocks	Overseas Investment & Development Corp.	None	Financial assets at fair value through other comprehensive income-non current	1,000,000	13,346	1.11	13,346	

Securities held by	Marketable securities		Relationship with the securities issuer	General ledger account	As of September 30, 2024				Footnote
					Number of shares	Book value	Ownership (%)	Fair value	
MiTAC International Corp.	stocks	Harbinger Venture Capital Corp.	Same board chairman	Financial assets at fair value through other comprehensive income-non current	27,828	182	14.05	182	
MiTAC International Corp.	stocks	Harbinger VI Venture Capital Corp.	None	Financial assets at fair value through other comprehensive income-non current	3,213,811	41,360	13.28	41,360	
MiTAC International Corp.	stocks	Harbinger VII Venture Capital Corp.	The Company was this company's director	Financial assets at fair value through other comprehensive income-non current	5,333,333	88,935	9.39	88,935	
MiTAC International Corp.	stocks	TD Synnex Corp.	None	Financial assets at fair value through other comprehensive income-non current	2,064,649	7,846,765	2.42	7,846,765	
MiTAC International Corp.	stocks	Concentrix Corp.	None	Financial assets at fair value through other comprehensive income-current	2,135,489	3,463,897	3.27	3,463,897	
MiTAC International Corp.	STO	Sunnyfounder STO	None	Financial assets at amortised cost - noncurrent	2,300	23,462	-	23,462	
Tsu Fung Investment Corp.	stocks	Getac Holdings Corp.	None	Financial assets at fair value through other comprehensive income-current	9,083,741	1,012,837	1.48	1,012,837	
Tsu Fung Investment Corp.	stocks	UPC Technology Corp.	None	Financial assets at fair value through other comprehensive income-current	17,460,231	215,634	1.28	215,634	
Tsu Fung Investment Corp.	stocks	Synnex Technology International Corp.	None	Financial assets at fair value through other comprehensive income-current	8,217,974	595,803	0.49	595,803	
Tsu Fung Investment Corp.	stocks	PROMISE Technology Inc.	The Company was this company's director	Financial assets at fair value through other comprehensive income-non current	2,609,479	32,358	2.82	32,358	
Tsu Fung Investment Corp.	stocks	MiTAC Information Technology Corp.	None	Financial assets at fair value through other comprehensive income-non current	4,594,672	88,737	2.70	88,737	
Tsu Fung Investment Corp.	stocks	MiTAC INC.	None	Financial assets at fair value through other comprehensive income-non current	21,824,887	1,559,918	5.37	1,559,918	
Tsu Fung Investment Corp.	stocks	Tung Da Investment Co., Ltd.	The Company was this company's director	Financial assets at fair value through other comprehensive income-non current	4,848,125	150,146	19.99	150,146	Note 1
Tsu Fung Investment Corp.	stocks	Harbinger Venture Management Co., Ltd.	The Group's chairman was this company's chairman	Financial assets at fair value through other comprehensive income-non current	862,922	20,080	19.99	20,080	
Tsu Fung Investment Corp.	stocks	Lien Yung Investment Corp.	The Company was this company's director	Financial assets at fair value through other comprehensive income-non current	9,217,196	199,921	19.99	199,921	
Tsu Fung Investment Corp.	stocks	Whetron Electronics Co., Ltd.	None	Financial assets at fair value through other comprehensive income-non current	375,000	20,764	0.48	20,764	
Silver Star Developments Ltd. and its subsidiaries	stocks	TD Synnex Corp.	None	Financial assets at fair value through profit or loss-non current	302,102	1,148,148	0.35	1,148,148	
Silver Star Developments Ltd. and its subsidiaries	stocks	Concentrix Corp.	None	Financial assets at fair value through profit or loss-non current	302,102	490,028	0.46	490,028	
Silver Star Developments Ltd. and its subsidiaries	stocks	Budworth Investments Ltd.	None	Financial assets at fair value through profit or loss-non current	134,908	-	14.83	-	
Silver Star Developments Ltd. and its subsidiaries	stocks	Panasas Inc.	None	Financial assets at fair value through profit or loss-non current	13,913	-	0.04	-	

Note 1: MiTAC International Corp. sold its shares of Tung Da Investment Co., Ltd. to Tsu Fung Investment Corp., and such disposal gain has not yet been realised.

MiTAC HOLDINGS CORPORATION AND SUBSIDIARIES
Acquisition or sale of the same security with the accumulated cost exceeding \$300 million or 20% of the Company's paid-in capital
For the nine months ended September 30, 2024

Table 4

Expressed in thousands of NTD
(Except as otherwise indicated)

Investor	Marketable securities	General ledger account	Counterparty	Relationship with the investor	Balance as at January 1, 2024		Addition		Disposal			Balance as at September 30, 2024		Footnote	
					Number of shares	Amount	Number of shares	Amount	Number of shares	Selling price	Book value	Gain (loss) on disposal	Number of shares		Amount
MiTAC International Corp.	MiTAC Technology (Vietnam) Company Limited	Investments accounted for using equity method	-	-	-	\$ -	-	\$ 857,949	-	\$ -	\$ -	\$ -	-	\$ 858,995	

MiTAC HOLDINGS CORPORATION AND SUBSIDIARIES
Purchases or sales of goods from or to related parties reaching NT\$100 million or 20% of paid-in capital or more
For the nine months ended September 30, 2024

Table 5

Expressed in thousands of NTD
(Except as otherwise indicated)

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction				Differences in transaction terms		Notes/accounts receivable (payable)		Footnote
			Purchases /sales	Amount	Percentage of total purchases/sales	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	
MiTAC Computing Technology Corp.	MiTAC Information Systems Corp.	Subsidiary	Sales	\$ 2,932,296	26 %	Note 1	Note 3	Note 1	\$ 3,836,135	65 %	
MiTAC Computing Technology Corp.	MiTAC Computing Technology USA Corporation	Subsidiary	Sales	405,056	4 %	Note 1	Note 3	Note 1	10,351	- %	
MiTAC Computing Technology Corp.	Synnex Technology International Corp. and its subsidiaries	Other related parties	Purchases	280,476	3 %	Note 2	Note 3	Note 2	(81,911)	2 %	
MiTAC Computing Technology Corp.	MiTAC Digital Technology Corp.	Affiliate	Sales	459,851	4 %	Note 1	Note 3	Note 1	15,921	- %	
MiTAC Digital Technology Corp.	MiTAC Computer (Kunshan) Ltd.	Affiliate	Purchases	1,011,966	25 %	Note 2	Note 3	Note 2	(1,704,884)	59 %	
MiTAC Digital Technology Corp.	MiTAC Computer (Shunde) Corp.	Affiliate	Purchases	386,851	10 %	Note 2	Note 3	Note 2	(414,500)	14 %	

Note 1: The Group's credit term for subsidiaries is to collect within 5 months based on the net amount of receivables after offsetting against payables. The Group's credit term for related parties is within 3 months based on the net amount of receivables after offsetting against payables; the credit term for third parties is an average of 3 months after the date of shipment.

Note 2: The Group's payment term for subsidiaries is within 5 months based on the net amount of receivables after offsetting against payables. The Group's payment term related parties within 3 months based on the net amount of receivables after offsetting against payables; the payment term for third parties is an average of 3 months after the date of shipment from the counterparty.

Note 3: The selling price to related parties is based on market value.

MiTAC HOLDINGS CORPORATION AND SUBSIDIARIES
Receivables from related parties reaching NT\$100 million or 20% of paid-in capital or more
For the nine months ended September 30, 2024

Table 6

Expressed in thousands of NTD
(Except as otherwise indicated)

Creditor	Counterparty	Relationship with the counterparty	Accounts receivable	Other receivables	Turnover rate	Overdue receivables		Amount collected subsequent to the balance sheet date	Allowance for doubtful accounts	Footnote
						Amount	Action taken			
MiTAC Holdings Corp.	MiTAC Computing Technology Corp.	Subsidiary	\$ -	\$ 210,272	-	\$ -	Not Applicable	\$ -	\$ -	
MiTAC Holdings Corp.	MiTAC Digital Technology Corp.	Subsidiary	-	104,944	-	-	Not Applicable	-	-	
MiTAC Computing Technology Corp.	MiTAC Information Systems Corp.	Subsidiary	3,836,135	176,454	1.06	1,725,694	Subsequent collection	3,514,396	-	
Silver Star Developments Ltd. and its subsidiaries	MiTAC Computing Technology Corp.	Affiliate	1,086,871	28,269	-	-	Not Applicable	66,465	-	
Silver Star Developments Ltd. and its subsidiaries	MiTAC Digital Technology Corp.	Affiliate	2,119,384	2,098	1.47	-	Not Applicable	69,630	-	

MiTAC HOLDINGS CORPORATION AND SUBSIDIARIES
Significant inter-company transactions during the reporting periods
For the nine months ended September 30, 2024

Table 7

Expressed in thousands of NTD
(Except as otherwise indicated)

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction				
				General ledger account	Amount	Transaction terms	Percentage of consolidated total operating revenues or total assets (Note 3)	Footnote
0	MiTAC Holdings Corp.	MiTAC Computing Technology Corp.	1	Other receivables	\$ 210,272		0.23 %	
0	MiTAC Holdings Corp.	MiTAC Digital Technology Corp.	1	Other receivables	104,944		0.11 %	
1	MiTAC International Corp.	MiTAC Computing Technology Corp.	3	Other operating revenue	107,379		0.12 %	
1	MiTAC International Corp.	MiTAC Computing Technology Corp.	3	Other receivables	1,041,747		1.12 %	
2	MiTAC Computing Technology Corp.	MiTAC Information Systems Corp.	3	Sales	2,932,296	Note 4	7.73 %	
2	MiTAC Computing Technology Corp.	MiTAC Computing Technology USA Corporation	3	Sales	405,056	Note 4	1.07 %	
2	MiTAC Computing Technology Corp.	MiTAC Digital Technology Corp.	3	Sales	459,851	Note 4	1.21 %	
2	MiTAC Computing Technology Corp.	MiTAC Information Systems Corp.	3	Accounts receivable	3,836,135	Note 4	4.14 %	
2	MiTAC Computing Technology Corp.	MiTAC Information Systems Corp.	3	Other receivables	176,454		0.19 %	
2	MiTAC Computing Technology Corp.	Silver Star Developments Ltd. and its subsidiaries	3	Accounts payable	1,086,871	Note 5	1.17 %	
3	Silver Star Developments Ltd. and its subsidiaries	MiTAC Holdings Corp.	2	Other receivables	20,857,224		22.52 %	
3	Silver Star Developments Ltd. and its subsidiaries	MiTAC International Corp.	3	Other receivables	15,109,865		16.32 %	
4	MiTAC Digital Technology Corp.	Access Wisdom Holdings Ltd. and its subsidiaries	3	Sales	170,777	Note 4	0.45 %	
4	MiTAC Digital Technology Corp.	Access Wisdom Holdings Ltd. and its subsidiaries	3	Accounts receivable	133,235	Note 4	0.14 %	
4	MiTAC Digital Technology Corp.	Silver Star Developments Ltd. and its subsidiaries	3	Purchases	2,007,553	Note 5	5.30 %	
4	MiTAC Digital Technology Corp.	Silver Star Developments Ltd. and its subsidiaries	3	Accounts payable	2,119,384	Note 5	2.29 %	

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

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

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

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

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

Note 4: The Group's credit term for foreign related parties is 5 months for the collection of the net amount of receivables after offsetting against payables, which takes into consideration the reasonable amount of time for the Company to ship the products to each company and for the collection of the accounts. The company's sales price with related parties is based on the international market trends and the region the sales were made.

Note 5: The Group's payment term for foreign related parties is 5 months for the collection of the net amount of receivables after offsetting against payables after checking and the transaction price is based on the international market trends and the region the sales were made.

Note 6: The Company may decide to disclose or not to disclose transaction details in this table based on the Materiality Principle.

MiTAC HOLDINGS CORPORATION AND SUBSIDIARIES
Information on investees (Does not include Mainland China invested companies)
For the nine months ended September 30, 2024

Table 8

Expressed in thousands of NTD
(Except as otherwise indicated)

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at September 30, 2024			Net profit (loss) of the investee for the nine months ended September 30, 2024	Investment income (loss) recognised by the Company for the nine months ended September 30, 2024	Footnote
				Balance as at September 30, 2024	Balance as at December 31, 2023	Number of shares	Ownership (%)	Book value			
				MiTAC Holdings Corp.	MiTAC International Corp.	Taiwan	Development, design, manufacturing and sales of computers and peripherals, communications and related products	\$ 24,739,187			
MiTAC Holdings Corp.	MiTAC Computing Technology Corp.	Taiwan	Development, design, manufacturing and sales of computers and peripherals, communications and related products	3,419,621	3,419,621	232,757,102	100.00	4,257,261	1,306,061	1,310,185	Subsidiary
MiTAC Holdings Corp.	MiTAC Digital Technology Corp.	Taiwan	Development, design, manufacturing and sale of automotive electronics and AIoT products and software	1,444,669	1,497,202	96,249,000	90.72	1,680,270	138,444	127,382	Subsidiary
MiTAC Holdings Corp.	Infopower Technologies Private Ltd.	India	Manufacture and sale of electronic product.	72,661	72,661	6,774,199	33.33	61,401	(6,666)	407	Associate
MiTAC International Corp.	Getac Holdings Corp.	Taiwan	Manufacturing and sale of notebook computers, military and industrial computer systems, etc.	1,391,549	1,391,549	190,396,939	30.95	7,006,469	3,393,687	-	Associate
MiTAC International Corp.	Tsu Fung Investment Corp.	Taiwan	General investments	625,000	625,000	142,884,651	100.00	4,422,000	144,804	-	Subsidiary
MiTAC International Corp.	3 Probe Technology Co., Ltd.	Taiwan	Information process service, sales of software and international trading.	13,420	13,420	744,154	23.25	7,909	(3,574)	-	Associate
MiTAC International Corp.	Lian Jie Investment Co., Ltd.	Taiwan	General investments	38,085	113,057	3,808,535	49.98	126,988	2,379	-	Associate
MiTAC International Corp.	Lian Jie II Investment Co., Ltd.	Taiwan	General investments	32,500	32,500	3,250,000	32.50	43,995	(309)	-	Associate
MiTAC International Corp.	Silver Star Developments Ltd. and its subsidiaries	British Virgin Islands	General investments	5,365,669	5,365,669	176,299,302	100.00	45,526,660	(63,708)	-	Subsidiary
MiTAC International Corp.	Shen-Tong Construction & Development Co., Ltd.	Taiwan	Building and factory construction, leasing and sales.	11,888	90,349	1,188,806	47.55	6,746	(362)	-	Associate
MiTAC International Corp.	MiTAC Technology (Vietnam) Company Limited	Vietnam	Manufacture of communication, computers, computer peripherals, hardware/software and related products and sale of own produced products	857,949	-	-	100.00	858,995	140	-	Subsidiary
MiTAC Computing Technology Corp.	MiTAC Technology UK Ltd. and its subsidiaries	UK	General investments	-	1,628,744	-	-	-	998,051	-	Subsidiary
MiTAC Computing Technology Corp.	MiTAC Computing Technology USA Corporation	USA	Sales of computer peripherals , hardware/ software and related products	463,789	-	1,000	100.00	463,789	(6,574)	-	Subsidiary
MiTAC Computing Technology Corp.	MiTAC Information Systems Corp.	USA	Assembling and sale of computer peripherals , hardware/software and related products	1,221,306	-	3,000	100.00	1,221,411	56,942	-	Subsidiary
MiTAC Digital Technology Corp.	Mio International Ltd. and its subsidiaries	British Virgin Islands	General investments	72,089	72,089	1,275,001	100.00	89,168	860	-	Subsidiary

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at September 30, 2024			Net profit (loss) of the investee for the nine months ended September 30, 2024	Investment income (loss) recognised by the Company for the nine months ended September 30, 2024	Footnote
				Balance as at September 30, 2024	Balance as at December 31, 2023	Number of shares	Ownership (%)	Book value			
MiTAC Digital Technology Corp.	Access Wisdom Holdings Limited and its subsidiaries	British Virgin Islands	General investments	-	-	48,500,000	100.00	245,881	28,106	-	Subsidiary
Silver Star Developments Ltd. and its subsidiaries	Mainpower International Ltd.	British Virgin Islands	General investments	174,075	174,075	5,500,001	13.28	291,024	27,006	-	Associate
Silver Star Developments Ltd. and its subsidiaries	Harbinger Ruyi Venture Ltd.	British Virgin Islands	General investments	31,650	31,650	1,000,000	28.57	25,006	972	-	Associate
Silver Star Developments Ltd. and its subsidiaries	Harbinger Ruyi II Venture Ltd.	British Virgin Islands	General investments	31,650	31,650	10,000	32.26	89,019	(274)	-	Associate
Tsu Fung Investment Corp.	MiTAC Digital Technology Corp.	Taiwan	Development, design, manufacturing and sale of automotive electronics and AIoT products and software	8	16	500	-	8	138,444	-	Subsidiary

MiTAC HOLDINGS CORPORATION AND SUBSIDIARIES
Information on investments in Mainland China
For the nine months ended September 30, 2024

Table 9

Expressed in thousands of NTD
(Except as otherwise indicated)

A. Invested information in Mainland China

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2024	Amount remitted from Taiwan to Mainland China/ Amount remitted back to Taiwan for the nine months ended September 30, 2024		Accumulated amount of remittance from Taiwan to Mainland China as of September 30, 2024	Net income of investee as of September 30, 2024	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the nine months ended September 30, 2024 (Note 2)	Book value of investments in Mainland China as of September 30, 2024	Accumulated amount of investment income remitted back to Taiwan as of September 30, 2024	Footnote
					Remitted to Mainland China	Remitted back to Taiwan							
MiTAC Computer (Shunde) Corp.	Manufacture of computer frame, motherboard, interface card, display, power supply, keyboard, related metal stamping parts and plastic parts and maintenance of motherboard	\$ 1,884,759	2	\$ 1,262,859	\$ -	\$ -	\$ 1,262,859	\$ (111,315)	100.00	\$ (111,315)	\$ 2,733,188	\$ -	
MiTAC Computer (Kunshan) Ltd.	Manufacture of communication, computers, computer peripherals, hardware/software and related products and sale of own produced products	1,223,494	2	1,854,690	-	-	1,854,690	8,394	100.00	8,394	1,839,254	-	
MiTAC Technology (Kunshan) Co., Ltd.	Testing, maintenance and display of computer components and related technical advisory services and after-sale services	37,437	2	31,650	-	-	31,650	(1)	100.00	(1)	66	-	
MiTAC Research (Shanghai) Ltd.	Research, development of computer software and related technical advisory services	165,265	2	164,580	-	-	164,580	2,163	100.00	2,163	461,392	-	
Suzhou MiTAC Preclusion Technology Co., Ltd.	Design and manufacturing of computer chassis and its components, percision plastic injection mould, molding parts and molding equipment processing and maintenance and repair services.	1,596,518	2	427,275	-	-	427,275	31,845	27.44	8,738	696,871	-	
Mio Technology Ltd.	Sales of automotive electronics, AIoT products	8,493	2	31,492	-	-	31,492	682	100.00	682	39,466	-	
MiTAC Logistic Service (Kunshan) Ltd.	Agency of freight transport,export and import trading and warehousing services.	30,850	2	31,650	-	-	31,650	592	100.00	592	43,670	-	
MiTAC Innovation (Kunshan) Ltd.	Research, development of computer software and related technical advisory services	29,719	2	31,650	-	-	31,650	3,640	100.00	3,640	95,438	-	
MiTAC Telematics Technology Corporation	Sales of self-produced products and related after-sale services	9,046	1	2,309	-	-	2,309	(523)	100.00	(523)	10,577	-	
MiTAC Investment Holding Ltd.	General investments	3,072,438	2	949,500	-	-	949,500	51,077	100.00	51,077	3,851,105	-	
MiTAC Information Systems (Kunshan) Co., Ltd.	Manufacture of communication, computers, computer peripherals, hardware/software and related products and sale of own produced products	2,035,350	3	-	-	-	-	39,662	100.00	39,662	1,763,648	-	

Note 1: Investment methods are classified into the following three categories:

- (1) Directly invest in a company in Mainland China.
- (2) Invest in the investees in Mainland China through the company which are located in the third area.
- (3) Others: Invest in Mainland China through investees in Mainland Chian.

Note 2: In the Investment income (loss) recognised by the Company for the nine months ended September 30, 2024 column:

- (1) It should be indicated if the investee was still in the incorporation arrangements and had not yet generated any profit during this period.
- (2) Indicate the basis for investment income (loss) recognition in the number of one of the following three categories:
 - A. The financial statements were reviewed and attested by international accounting firm which has cooperative relationship with accounting firm in R.O.C..
 - B. The financial statements were reviewed and attested by R.O.C. parent company's CPA.
 - C. The financial statements were not reviewed and attested by independent accountants.
- (3) The basis for investment income (loss) recognition for MiTAC computer (Shunde) Corp. and Shzhou MiTAC Precision Technology Co., Ltd. is category B,the others are category C.

Note 3: Among the accumulated amount of remittance from Taiwan to Mainland China as of September 30, 2024 of MiTAC Computer (Kunshan) Co., Ltd., MiTAC Investment Holding Ltd remitted out USD 29,900 thousand.

B. Ceiling on investments in Mainland China:

Company name	Accumulated amount of remittance from Taiwan to Mainland China as of September 30, 2024	Investment amount approved by the Investment Commission of the Ministry of Economic Affairs (MOEA)	Ceiling on investments in Mainland China imposed by the Investment Commission of MOEA
MiTAC International Corp.	\$ 4,250,668	\$ 5,153,820	\$ 35,990,688
MiTAC Computing Technology Corp.	2,368	2,368	2,329,578
MiTAC Digital Technology Corp.	24,175	24,175	1,085,807

C. Significant transactions conducted with investees in Mainland China:

For details of other significant transactions, please refer to tables 1 and 5.

MiTAC HOLDINGS CORPORATION AND SUBSIDIARIES
Major shareholders information
September 30, 2024

Table 10

Name of major shareholders	Shares	
	Number of shares held	Ownership (%)
Lien Hwa Industrial Holdings Corp.	105,940,944	8.78 %
MiTAC INC.	101,431,091	8.41 %
UPC Technology Corp.	99,802,598	8.27 %