

Wonderful Hi-Tech Co., Ltd. and  
Subsidiaries  
Consolidated Financial Statements and  
Independent Auditor's Report  
For the Three Months Ended March 31, 2024  
and 2023 (Stock Code: 6190)

Company Address: No. 17, Beiyuan Rd., Zhongli  
Dist., Taoyuan City  
Tel : (03) 452- 7777

## Independent Auditors' Report

(2024) Cai-Shen-Bao-Zi No. 24000457

To the Board of Directors and Shareholders of Wonderful Hi-Tech Co., Ltd.

### Introduction

We have audited the accompanying consolidated financial statements of Wonderful Hi-Tech Co., Ltd. and its subsidiaries (the "Group"), which comprise the consolidated balance sheets for the three months ended March 31, 2024 and 2023, and the consolidated statements of comprehensive income, changes in equity and cash flows for January 1 to March 31, 2024 and 2023, and notes to the consolidated financial statements (including a summary of significant accounting policies). Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34 "Interim Financial Reporting" endorsed and issues into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

### Scope of Review

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

### **Basis for Qualified Conclusion**

As stated in Notes 4(3) and 6(6) to the consolidated financial statements, the financial statements for the same period of some non-significant subsidiaries and some investments using the equity method included in the consolidated financial statements above have not been reviewed by accountants. The total assets of non-important subsidiaries as of March 31, 2023 and 2024 were NT\$1,648,836 thousand and NT\$1,645,391 thousand respectively, accounting for 28% and 26% of the total consolidated assets respectively; The total liabilities were NT\$386,861 thousand and NT\$456,744 thousand respectively, both accounting for 14% of the total consolidated liabilities; Its total comprehensive profit and loss from January 1 to March 31, 2023 and 2024 were respectively NT\$77,202 thousand and NT\$18,506 thousand accounting for 38% and 27% of the total consolidated comprehensive profit and loss respectively; For investments using the equity method, the balances as of March 31, 2023 and 2024 were NT\$63,495 thousand and NT\$55,402 thousand respectively, both accounting for 1% of the total consolidated assets. The share of profits and losses recognized by affiliated enterprises and joint ventures using the equity method from January 1 to March 31, 2023 and 2024, and the share of other comprehensive profits and losses were NT\$ (1,651) thousand and NT\$ (2,718) thousand respectively. They accounted for (1%) and (4%) of the total consolidated comprehensive profit and loss respectively.

### **Qualified Conclusion**

Based on our reviews, except for the adjustments, if any, as might have been determined to be necessary had the financial statements of the non-significant subsidiaries as described in the preceding paragraph been reviewed, nothing has come to our attention that caused us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the financial position of the Group as of March 31, 2024 and 2023, and of its consolidated financial performance and its consolidated cash flows for the three

months ended March 31, 2024 and 2023 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Accounting Standard 34 "Interim Financial Reporting" endorsed and issues into effect by the Financial Supervisory Commission of the Republic of China.

P w C T a i w a n

Shu-Chiung Chang

Certified Public Accountant

Po-Chuan Lin

Approval Certificate Document No.: Jin-Guan-Zheng-Shen-Zi No. 0990042602

Approval Certificate Document No.: Jin-Guan-Zheng-Shen-Zi No. 1100350706

May 13, 2024

Wonderful Hi-Tech Co., Ltd. and Subsidiaries  
Consolidated Balance Sheet  
March 31, 2024, December 31 and March 31, 2023

March 31, 2024, December 31, 2023 and March 31, 2023								Unite: NT\$ thousand	
Assets		Note 1:	March 31, 2024		December 31, 2023		March 31, 2023		
			Amount	%	Amount	%	Amount	%	
Current assets									
1100	Cash and cash equivalents	6(1)	\$ 504,371	9	\$ 718,389	13	\$ 589,704	10	
1110	Financial assets measured at fair value through profit or loss	6(2)							
	- current		2,310	-	3,259	-	6,096	-	
1150	Notes receivable, net	6(4)	67,205	1	79,321	2	81,168	1	
1170	Accounts receivable, net	6(4)	1,409,801	24	1,195,226	21	1,454,927	23	
1180	Accounts receivable - related parties, net	7	25,938	-	14,069	-	29,175	1	
1200	Other receivables		88,305	2	76,735	1	72,494	1	
1210	Other receivables - related party	7	60	-	116	-	323	-	
130X	Inventory	6(5)	1,499,173	25	1,362,906	24	1,824,057	29	
1410	Prepayments		65,902	1	33,714	1	55,559	1	
1476	Other financial assets - current	8	63,933	1	56,379	1	78,948	1	
1479	Other current assets - others		32,997	1	27,111	1	16,189	-	
11XX	Total current assets		3,759,995	64	3,567,225	64	4,208,640	67	
Non-current assets									
1510	Financial assets measured at fair value through profit or loss	6(2)							
	- current		1,000	-	1,001	-	-	-	
1517	Financial assets at fair value through other comprehensive income - non-current	6(3)	63,023	1	65,878	1	66,270	1	
1550	Investment accounted for under the equity method	6(6) and 8	294,075	5	277,193	5	294,808	5	
1600	Property, plant and equipment	6(7) and 8	1,147,037	19	1,160,512	20	1,166,363	18	
1755	Right-of-use assets	6(8)	149,156	2	153,503	3	174,182	3	
1760	Investment property, net	6(9) and 8	247,868	4	158,319	3	158,319	2	
1780	Intangible assets	6(10)	156,178	3	159,293	3	159,400	2	
1840	Deferred income tax assets		36,665	1	42,638	1	37,973	1	
1990	Other non-current assets - others		41,941	1	30,861	-	38,368	1	
15XX	Total non-current assets		2,136,943	36	2,049,198	36	2,095,683	33	
1XXX	Total assets		\$ 5,896,938	100	\$ 5,616,423	100	\$ 6,304,323	100	

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Wonderful Hi-Tech Co., Ltd. and Subsidiaries  
Consolidated Balance Sheet  
March 31, 2024, December 31 and March 31, 2023

March 31, 2024, December 31 and March 31, 2023								Unite: NT\$ thousand
Liabilities and equity		Note 1:	March 31, 2024		December 31, 2023		March 31, 2023	
			Amount	%	Amount	%	Amount	%
Current liabilities								
2100	Short-term borrowings	6(12)	\$ 689,200	12	\$ 713,378	13	\$ 1,095,069	17
2120	Financial liabilities measured at fair value through profit or loss - current	6(2)	2,051	-	-	-	1,026	-
2170	Accounts payable		454,198	8	365,463	7	405,435	6
2180	Accounts payable - related party	7	22,599	-	24,463	-	36,488	1
2200	Other payables		211,638	3	230,344	4	267,961	4
2220	Other accounts payable - related party	7	12,049	-	12,033	-	12,053	-
2230	Current income tax liabilities		74,807	1	71,284	1	117,959	2
2280	Lease liabilities - current	7	39,220	1	37,538	1	35,948	1
2320	Current portion of long-term borrowings	6(13)	40,010	1	45,192	1	42,227	1
2399	Other current liabilities - others		19,126	-	15,837	-	22,426	-
21XX	Total current liabilities		1,564,898	26	1,515,532	27	2,036,592	32
Non-current liabilities								
2530	Bonds payable	6(11)	769,438	13	771,581	14	765,850	12
2540	Long-term borrowings	6(13)	66,506	1	75,991	1	68,542	1
2570	Deferred income tax liabilities		211,592	4	203,330	4	190,242	3
2580	Lease liabilities - non-current	7	64,205	1	70,504	1	89,880	2
2640	Net defined benefit liabilities—non-current		46,382	1	45,343	1	52,473	1
2670	Other non-current liabilities - others		2,510	-	4,325	-	1,212	-
25XX	Total non-current liabilities		1,160,633	20	1,171,074	21	1,168,199	19
2XXX	Total liabilities		2,725,531	46	2,686,606	48	3,204,791	51
Equity								
Equity attributable to owners of parent company								
	Share capital	6(15)						
3110	Common share capital		1,619,554	28	1,617,912	29	1,616,652	26
	Capital surplus	6(16)						
3200	Capital surplus		393,107	6	388,880	6	383,538	5
	Retained earnings	6(17)						
3310	Statutory reserves		140,530	2	140,530	3	91,626	2
3320	Special reserves		119,302	2	119,302	2	169,203	3
3350	Unappropriated earnings		507,185	9	429,567	8	546,036	9
	Other equity							
3400	Other equity		55,049	1	( 45,119)	( 1)	( 17,714)	( 1)
3500	Treasury shares	6(15)	( 128,532)	( 2)	( 128,532)	( 2)	( 128,532)	( 2)
31XX	Total equity attributable to the owners of the parent company		2,706,195	46	2,522,540	45	2,660,809	42
36XX	Non-controlling interests	4(3)	465,212	8	407,277	7	438,723	7
3XXX	Total equity		3,171,407	54	2,929,817	52	3,099,532	49
	Significant Contingent Liabilities and Unrecognized Commitments	9						
3X2X	Total liabilities and equities		\$ 5,896,938	100	\$ 5,616,423	100	\$ 6,304,323	100

The accompanying notes are an integral part of the consolidated financial statements; please refer to them altogether.

Chairman: Ming-Lieh Chang

Managerial Officer : Cheng-Ya Chang

Accounting Officer: Yu-Hsiu Hsu

Wonderful Hi-Tech Co., Ltd. and Subsidiaries  
Consolidated Statement of Comprehensive Income  
January 1 to March 31, 2024 and 2023

Unite: NT\$ thousand  
(Except for earnings per share in NT\$)

	Item	Note 1:	January 1 to March 31, 2024		January 1 to March 31, 2023	
			Amount	%	Amount	%
4000	Operating revenue	6(18) and 7	\$ 1,705,276	100	\$ 1,625,137	100
5000	Operating cost	6(5)(23) and 7	( 1,438,055)	( 84)	( 1,365,036)	( 84)
5900	Gross profit		<u>267,221</u>	<u>16</u>	<u>260,101</u>	<u>16</u>
	Operating expenses	6(23)				
6100	Selling expenses		( 84,187)	( 5)	( 71,829)	( 5)
6200	Administrative expenses		( 72,821)	( 4)	( 71,276)	( 4)
6300	Research and development expenses		( 12,610)	( 1)	( 9,576)	( 1)
6450	Expected credit impairment losses		( 814)	-	( 4,585)	-
6000	Total operating expenses		<u>( 170,432)</u>	<u>( 10)</u>	<u>( 157,266)</u>	<u>( 10)</u>
6900	Operating income		<u>96,789</u>	<u>6</u>	<u>102,835</u>	<u>6</u>
	Non-operating income and expenses					
7100	Interest income	6(19)	4,124	-	3,555	-
7010	Other income	6(20) and 7	10,634	-	6,417	1
7020	Other gains and losses	6(21)	28,393	2	2,088	-
7050	Finance costs	6(22) and 7	( 11,890)	( 1)	( 14,845)	( 1)
7060	Share of profits and losses of affiliated enterprises and joint ventures using the equity method	6(6)	( 4,170)	-	( 4,351)	-
7000	Total non-operating incomes and expenses		<u>27,091</u>	<u>1</u>	<u>( 7,136)</u>	<u>-</u>
7900	<b>Net income before tax</b>		<u>123,880</u>	<u>7</u>	<u>95,699</u>	<u>6</u>
7950	Income tax expense	6(24)	( 37,798)	( 2)	( 30,265)	( 2)
8200	<b>Net income for the period</b>		<u>\$ 86,082</u>	<u>5</u>	<u>\$ 65,434</u>	<u>4</u>
	<b>Other comprehensive profit and loss (net)</b>					
	<b>Items not reclassified subsequently to profit or loss</b>					
8311	Remeasurement of defined benefit plan		\$ -	-	\$ 1,059	-
8312	Real estate revaluation appreciation		85,235	5	-	-
8316	Unrealized equity instrument profit or loss measured at fair value through other comprehensive income	6(3)	( 2,304)	-	1,250	-
8320	Share of other comprehensive income of affiliated enterprises and joint ventures accounted for using equity method - Items not to be reclassified into profit or loss	6(3)	5,012	-	7,939	1
8349	Income taxes related to the items not re-classified	6(24)	-	-	( 212)	-
	<b>Items that may be reclassified subsequently to profit or loss</b>					
8361	Exchange differences on translation of financial statements of foreign operations		32,819	2	( 8,823)	( 1)
8370	Share of other comprehensive income of affiliated enterprises and joint ventures accounted for using equity method - Items may be reclassified into profit or loss		2,665	-	86	-
8399	Income tax related to items may be reclassified into profit or loss	6(24)	( 6,618)	-	1,469	-
8300	<b>Other comprehensive profit and loss (net)</b>		<u>\$ 116,809</u>	<u>7</u>	<u>\$ 2,768</u>	<u>-</u>

The accompanying notes are an integral part of the consolidated financial statements; please refer to them altogether.

Chairman: Ming-Lieh Chang

Managerial Officer : Cheng-Ya Chang

Accounting Officer: Yu-Hsiu Hsu

Wonderful Hi-Tech Co., Ltd. and Subsidiaries  
Consolidated Statement of Comprehensive Income  
January 1 to March 31, 2024 and 2023

Unite: NT\$ thousand  
(Except for earnings per share in NT\$)

8500	<b>Total comprehensive income for the period</b>				
		\$	202,891	12	\$ 68,202 4
	Net income attributable to:				
8610	owners of the parent company	\$	77,618	5	\$ 53,729 3
8620	Non-controlling interests		8,464	-	11,705 1
		\$	86,082	5	\$ 65,434 4
	Total comprehensive income attributable to:				
8710	owners of the parent company	\$	177,786	11	\$ 58,248 3
8720	Non-controlling interests		25,105	1	9,954 1
		\$	202,891	12	\$ 68,202 4
	Earnings per share				
				6(25)	
9750	Basic earnings per share	\$		0.50	\$ 0.35
9850	Diluted earnings per share	\$		0.45	\$ 0.33

The accompanying notes are an integral part of the consolidated financial statements; please refer to them altogether.

Chairman: Ming-Lieh Chang

Managerial Officer : Cheng-Ya Chang

Accounting Officer: Yu-Hsiu Hsu



Wonderful Hi-Tech Co., Ltd. and Subsidiaries  
Consolidated Statement of Changes in Equity  
January 1 to March 31, 2024 and 2023

Unite: NT\$ thousand

Equity attributable to owners of parent company												
Note	Retained earning					Other equity						
	Common share capital	Capital surplus	Statutory reserves Surplus	Special reserves	Unappropriated earnings	Exchange differences on translation of financial statements of foreign operations	Unrealized financial assets profit or loss measured at fair value through other comprehensive income	Real estate revaluation appreciation	Treasury shares	Total	Non-controlling interests	Total
<u>January 1 to March 31, 2023</u>												
Balance as of January 1, 2023	\$ 1,616,652	\$ 383,677	\$ 91,626	\$ 169,203	\$ 491,831	(\$ 34,458 )	\$ 12,847	\$ -	(\$ 128,532 )	\$ 2,602,846	\$ 431,459	\$ 3,034,305
Net income for the period	-	-	-	-	53,729	-	-	-	-	53,729	11,705	65,434
Other comprehensive income/loss of the period 6(3)	-	-	-	-	622	( 5,891 )	9,788	-	-	4,519	( 1,751 )	2,768
Total comprehensive income for the period	-	-	-	-	54,351	( 5,891 )	9,788	-	-	58,248	9,954	68,202
Difference between actual price of subsidiary equity acquired and the book value 6(16)(26)	-	( 151 )	-	-	-	-	-	-	-	( 151 )	( 2,690 )	( 2,841 )
Net change in affiliated enterprises and joint ventures accounted for under equity method 6(16)	-	12	-	-	( 146 )	-	-	-	-	( 134 )	-	( 134 )
Balance as of December 31, 2023	\$ 1,616,652	\$ 383,538	\$ 91,626	\$ 169,203	\$ 546,036	(\$ 40,349 )	\$ 22,635	\$ -	(\$ 128,532 )	\$ 2,660,809	\$ 438,723	\$ 3,099,532
<u>January 1 to March 31, 2024</u>												
Balance as of January 1, 2024	\$ 1,617,912	\$ 388,880	\$ 140,530	\$ 119,302	\$ 429,567	(\$ 53,081 )	\$ 7,962	\$ -	(\$ 128,532 )	\$ 2,522,540	\$ 407,277	\$ 2,929,817
Net income for the period	-	-	-	-	77,618	-	-	-	-	77,618	8,464	86,082
Other comprehensive income/loss of the period 6(3)	-	-	-	-	-	26,476	4,114	69,578	-	100,168	16,641	116,809
Total comprehensive income for the period	-	-	-	-	77,618	26,476	4,114	69,578	-	177,786	25,105	202,891
Conversion of convertible corporate bonds 6(11)(16)	1,642	3,812	-	-	-	-	-	-	-	5,454	-	5,454
Changes in non-controlling interests 6(26)	-	-	-	-	-	-	-	-	-	-	32,830	32,830
Receiving gifts from shareholders 6(16)	-	415	-	-	-	-	-	-	-	415	-	415
Balance as of December 31, 2024	\$ 1,619,554	\$ 393,107	\$ 140,530	\$ 119,302	\$ 507,185	(\$ 26,605 )	\$ 12,076	\$ 69,578	(\$ 128,532 )	\$ 2,706,195	\$ 465,212	\$ 3,171,407

The accompanying notes are an integral part of the consolidated financial statements; please refer to them altogether.

Chairman: Ming-Lieh Chang

Managerial Officer : Cheng-Ya Chang

Accounting Officer: Yu-Hsiu Hsu

Wonderful Hi-Tech Co., Ltd. and Subsidiaries  
Consolidated Statement of Cash Flow  
January 1 to March 31, 2024 and 2023

Unite: NT\$ thousand

	Note	January 1 to March 31, 2024	January 1 to March 31, 2023
<u>Cash flows from operating activities</u>			
Net income before income tax		\$ 123,880	\$ 95,699
Adjustments			
Income/expense items			
Amortization expenses	6(10)(23)	4,302	3,768
Depreciation expenses	6(7)(8) (23)	48,806	45,479
Expected credit impairment losses		814	4,585
Interest income	6(19)	( 4,124 )	( 3,555 )
Dividend income	6(20)	( 575 )	-
Interest expenses	6(22)	11,890	14,845
Gains on disposal of property, plant and equipment	6(21)	122	( 289 )
Losses from disposals of investments	6(21)	19	-
Net gain on financial assets and liabilities at fair value through profit or loss	6(21)	1,527	3,626
Share of profits and losses of affiliated enterprises and joint ventures using the equity method	6(6)	4,170	4,351
Change in assets/liabilities relating to operating activities			
Net changes in assets relating to operating activities			
Financial assets at fair value through profit or loss		3,232	3,366
Notes receivable		12,116	25,608
Accounts receivable		( 215,647 )	31,468
Accounts receivable related party		( 11,869 )	( 6,532 )
Other receivables		( 11,563 )	( 2,342 )
Other receivables - related Party		159	267
Inventory		( 136,267 )	( 164,482 )
Prepayments		( 32,188 )	( 26,711 )
Other current assets		( 4,285 )	( 1,936 )
Net changes in liabilities relating to operating activities			
Financial liabilities measured at fair value through profit or loss		( 1,758 )	( 5,560 )
Accounts payable		88,735	57,415
Accounts payable - related party		( 1,864 )	( 7,065 )
Other payables		( 20,586 )	( 27,826 )
Other accounts payable - related party		( 44 )	( 69 )
Other current liabilities		3,289	12,668
Other non-current liabilities		( 1,815 )	( 2,079 )
Cash inflow (outflow) from operating activities		( 139,524 )	( 60,131 )
Interests received		4,115	3,553
Dividends received		575	-
Interest paid		( 7,099 )	( 9,688 )
Income taxes paid		( 26,778 )	( 7,891 )
Net cash inflow (outflow) from operating activities		( 168,711 )	( 74,157 )

(Continued)

Wonderful Hi-Tech Co., Ltd. and Subsidiaries  
Consolidated Statement of Cash Flow  
January 1 to March 31, 2024 and 2023

Unite: NT\$ thousand

	Note	January 1 to March 31, 2024	January 1 to March 31, 2023
<u>Cash flows from investing activities</u>			
Decrease (increase) in other financial assets		( \$ 7,554 )	\$ 6,291
Acquisition of property, plant and equipment	6(27)	( 37,493 )	( 35,095 )
Proceeds from disposal of property, plant and equipment		1,709	2,126
Acquisition of intangible assets	6(10)	( 1,575 )	( 985 )
Deposit margin increases		( 1,601 )	( 710 )
Acquisition of investments by equity method		( 13,382 )	-
Increase in other non-current assets		( 3,198 )	900
Net cash outflow from investing activities		( 63,094 )	( 27,473 )
<u>Cash flows from financing activities</u>			
Increase in short-term borrowings	6(28)	( 24,178 )	16,593
Repayments of long-term borrowings	6(28)	( 14,667 )	( 10,627 )
Repaid principal of lease liabilities	6(28)	( 9,536 )	( 8,837 )
Changes in non-controlling interests	6(26)	32,830	( 2,841 )
Receiving gifts from shareholders	6(16)	415	-
Net cash outflow from investing activities		( 15,136 )	( 5,712 )
Exchange rate effects		32,923	( 19,962 )
Increase (decrease) in cash and cash equivalents for the period		( 214,018 )	( 127,304 )
Cash and cash equivalents at the beginning of the period		718,389	717,008
Cash and cash equivalents at the end of the period		<u>\$ 504,371</u>	<u>\$ 589,704</u>

The accompanying notes are an integral part of the consolidated financial statements; please refer to them altogether.

Chairman: Ming-Lieh Chang

Managerial Officer: Cheng-Ya Chang

Accounting Officer: Yu-Hsiu Hsu

Wonderful Hi-Tech Co., Ltd. and Subsidiaries  
Notes to Consolidated Financial Statements  
For the Three Months Ended March 31, 2024

Unite: NT\$ thousand  
(unless otherwise specified)

I. Company History

Wonderful Hi-Tech Co., Ltd. (the “Company”) was established in June 1978 under the former company name of “Wonderful Wire Cable Co., Ltd.”. The name of the Company was changed to “Wonderful Hi-Tech Co., Ltd.” and approved by the competent authority in August 2002. The Company’s shares were officially listed on Taipei Exchange (TPEX) for trading on February 4, 1998. The main business of the Company and subsidiaries (“the Group”) refers to the manufacturing, processing, purchase and sales and import/export business of various types of wires and cables.

II. Approval Date and Procedures of The Financial Statements

These consolidated financial statements were approved by the Board of Directors on May 13, 2024.

III. New Standards, Amendments and Interpretations Adopted

(1) Effect of the adoption of new issuances of or amendments to International Financial Reporting Standards (“IFRSs”) as endorsed by the Financial Supervisory Commission (“FSC”)

The applicable new promulgated, amended and revised standards and interpretations of IFRSs endorsed by the FSC in 2024 are as follows:

<u>New, Amended, or Revised Standards and Interpretations</u>	<u>Effective date announced</u>
Amendments to IFRS 16 "Lease Liabilities in 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 contractual terms"	January 1, 2024
Amendments to IAS 7 and IFRS 7 "Supplier Financing Arrangements"	January 1, 2024

The Group has assessed the aforementioned standards and interpretations, and concluded that they do not have significant effects on the Group’s financial position and financial performance.

(2) Effect of not adopting new issuances or amendments to International Financial Reporting Standards ("IFRSs") endorsed by FSC

None

(3) Effects of the IFRSs issued by IASB but not yet endorsed by the FSC

New standards and interpretations of and amendments to the IFRSs issued by IASB but not yet endorsed by the FSC are as follows:

<u>New, Amended, or Revised Standards and Interpretations</u>	<u>Effective date announced</u>
Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture"	Yet to be decided by IASB
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 Disclosures in Financial Statements"	January 1, 2027
Amendments to IAS 21 "Lack of exchangeability"	January 1, 2025

The Group has assessed the aforementioned standards and interpretations, and concluded that they do not have significant effects on the Group's financial position and financial performance.

IFRS 18 "Presentation and Disclosures in Financial Statements"

IFRS 18 "Presentation and Disclosures in Financial Statements" replaces IFRS 1 and updates the structure of the consolidated income statement, adds disclosures on management performance measurement, and strengthens the summary applied to the main financial statements and notes, and segmentation principles.

IV. Summary of Significant Accounting Policies

Except for the statement of compliance, basis of preparation and basis of consolidation, the significant accounting policies are the same as Note 4 of the consolidated financial statements of the Republic of China in 2023. These policies have been consistently applied to all the periods presented unless otherwise stated.

(1) Statement of Compliance

1. This consolidated financial report is prepared in accordance with the Financial Reporting Standards for Securities Issuers and International Accounting Standard No. 34 "Interim Financial Reporting" approved and issued by the Financial Supervisory Commission.

2. This consolidated financial report should be read in conjunction with the consolidated financial report for 2023.

(2) Basis of Preparation

1. Except for the following significant accounts, the consolidated financial statements have been prepared under the historical cost convention:
  - (1) Financial assets and liabilities (including derivatives) at fair value through profit or loss.
  - (2) Financial assets at fair value through other comprehensive income.
  - (3) Defined benefit liabilities recognized based on the net amount of pension fund assets less present value of defined benefit obligation.
2. The preparation of financial statements in conformity with International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations 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 judgment in the process of applying the Company’s accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the parent company only financial statements are disclosed in Note 5.

(3) Basis of Consolidation

1. Principles for preparing the consolidated financial statements

The preparation principles of this consolidated financial report are the same as those of the 2023 consolidated financial report.

2. Subsidiaries included in the consolidated financial statements:

Name of investor	Subsidiary name	Business nature	Shareholding percentage (%)			Explanation
			March 31, 2024	December 31, 2023	March 31, 2023	
Wonderful Hi-Tech Co., Ltd. (Wonderful Hi-Tech)	Wonderful Holding (Cayman) Co., Ltd. (Wonderful Holding Cayman)	Holding company of investment	100	100	100	
Wonderful Hi-Tech	Lord Hero International Co., Ltd. (Lord Hero International)	"	81.63	81.63	74.63	Note 1
Wonderful Hi-Tech	Yi-Tai Technology Co., Ltd. (Yi-Tai Technology)	"	100	100	100	Note 4
Wonderful Hi-Tech	Wonderful Cabling Systems Corporation	Sales of wires and cables	80	80	80	Note 4

	(Wonderful Cabling Systems)					
Wonderful Hi-Tech	Vietnam Wonderful Wire Cable Co., Ltd. (Vietnam Wonderful Wire Cable)	Sales of wires and cables	50	50	50	Note 4
Wonderful Hi-Tech	ABA Industry, Inc.	Sales of wires and cables	56.1	56.1	56.1	Note 4
Wonderful Holding Cayman	Wonderful International (Cayman) Co., Ltd. (Wonderful International Cayman)	Holding company of investment	100	100	100	
Wonderful International Cayman	Thai Wonderful Wire Cable Co., Ltd. (Thai Wonderful Wire Cable)	Sales and manufacturing of wires and cables	46.3	43.5	43.5	Note 2
Wonderful International Cayman	Wonderful Holding (Thailand) Co., Ltd. (Wonderful Holding Thailand)	Holding company of investment	100	100	100	Note 4
Wonderful International Cayman	ABA	Sales of wires and cables	43.9	43.9	43.9	Note 4
Wonderful Holding Thailand	Thai Wonderful Wire and Cable	Sales and manufacturing of wires and cables	27.2	30	30	Note 3
Thai Wonderful Wire and Cable	Vietnam Wonderful Wire and Cable	"	50	50	50	Note 4
Lord Hero International	Lord Hero Co., Ltd. (Lord Hero Hong Kong)	Sales of wires and cables	100	100	100	
Lord Hero Hong Kong	Wonderful Cabling Systems Co., Ltd.(Wonderful Cabling Systems)	Manufacturing and Sales of wires and cables	100	100	100	

Yi-Tai Technology	Shanghai Elitech Technology Co., Ltd. (Elitech Technology)	Computer software development, manufacturing and sales of own products and surveillance equipment	100	100	100	Note 4
Wonderful Hi-Tech	ACTife Hi-Tech Co., Ltd. (ACTife Hi-Tech)	Sales of non-woven fabric processing products	100	100	100	Note 4
Wonderful Hi-Tech	Leading LOHAS International Trading Company (Leading LOHAS International)	"	100	100	100	Note 4

Note1: Wonderful Hi-Tech purchased 1.14%, 5.86% and 0.40% of the equity of Lord Hero International on December 31, 2023, August 17, 2023 and February 1, 2023 respectively. Please refer to Note 6 (26) for details).

Note2: Wonderful International Cayman participated in Thai Wonderful Wire and Cable's cash capital increase in the first quarter of 2024, so the shareholding ratio changed.

Note3: Wonderful Holding Thailand did not participate in Tai Wantai's cash capital increase in the first quarter of 2024, so the shareholding ratio changed.

Note4: It is not an important subsidiary of the Group, and its financial reports from January 1 to March 31, 2023 and 2024 have not been reviewed by accountants.

3. Subsidiaries not included in the consolidated financial statements: None.
4. Adjustments for subsidiaries with different accounting periods: None.
5. Significant restrictions: None.
6. Subsidiaries with significant non-controlling interest for the Group

The total non-controlling interests of the Group as of March 31, 2024, December 31, 2023 and March 31, 2023 were NT\$465,212, NT\$407,277 and \$438,723 respectively. The following provides information on the non-controlling interests and subsidiaries thereof having materiality on the Group:



Name of Subsidiary	Main operating location	Non-controlling interests		Non-controlling interests	
		March 31, 2024		December 31, 2023	
		Amount	Shareholding percentage	Amount	Shareholding percentage
Lord Hero International Thai Wonderful Wire and Cable	Hong Kong	\$ 139,659	18.37	\$ 121,946	18.37
	Thailand	309,013	26.50	269,792	26.50

Name of Subsidiary	Main operating location	Non-controlling interests	
		March 31, 2023	
		Amount	Shareholding percentage
Lord Hero International Thai Wonderful Wire and Cable	Hong Kong	\$ 171,904	25.37
	Thailand	251,299	26.50

## Summary of financial information of subsidiaries:

### (1) Balance Sheet

	Lord Hero International Co., Ltd.		
	March 31, 2024	December 31, 2023	March 31, 2023
Current assets	\$ 623,177	\$ 605,202	\$ 617,602
Non-current assets	257,694	163,198	174,749
Current liabilities	( 119,996)	( 102,219)	( 101,914)
Non-current liabilities	( 618)	( 2,350)	( 12,982)
Total net assets	<u>\$ 760,257</u>	<u>\$ 663,831</u>	<u>\$ 677,455</u>

	Thai Wonderful Wire Cable Co., Ltd.		
	March 31, 2024	December 31, 2023	March 31, 2023
Current assets	\$ 1,154,556	\$ 1,000,256	\$ 1,403,917
Non-current assets	903,919	876,994	810,663
Current liabilities (	839,496)	( 800,462)	( 1,183,949)
Non-current liabilities	( 52,892)	( 58,704)	( 82,335)
Total net assets	<u>\$ 1,166,087</u>	<u>\$ 1,018,084</u>	<u>\$ 948,296</u>

## (2) Statement of Comprehensive Income

	Lord Hero International Co., Ltd.	
	January 1 to March 31, 2024	January 1 to March 31, 2023
Revenue	<u>\$ 245,296</u>	<u>\$ 187,913</u>
Net profit (loss) before income tax	(\$ 10,389)	\$ 3,087
Income tax expense	-	( 355)
Net income (loss) of current period	( 10,389)	2,732
Other comprehensive income (net, after tax)	<u>106,814</u>	<u>( 6,040)</u>
Total comprehensive income for the period	<u>\$ 96,425</u>	<u>(\$ 3,308)</u>
Total comprehensive income attributable to non-controlling interests	<u>\$ 17,713</u>	<u>(\$ 873)</u>
Non-controlling interests dividends paid	<u>\$ 245,296</u>	<u>\$ 187,913</u>

Thai Wonderful Wire Cable Co., Ltd.			
		January 1 to March 31, 2024	January 1 to March 31, 2023
Revenue	\$	545,994	\$ 596,133
Net income before tax	\$	38,191	\$ 45,718
Income tax expense	(	2,823)	( 7,314)
Net income for the period		35,368	38,404
Other comprehensive income (net, after tax)	(	11,248)	( 758)
Total comprehensive income for the period	\$	24,120	\$ 37,646
Total comprehensive income attributable to non-controlling interests	\$	6,392	\$ 9,976
Non-controlling interests dividends paid	\$	-	\$ -

### (3) Statement of Cash Flows

Lord Hero International Co., Ltd.			
		January 1 to March 31, 2024	January 1 to March 31, 2023
Net cash inflow (outflow) from operating activities	(\$	46,140)	\$ 38,854
Net cash outflow from investing activities	(	9,259)	( 2,475)
Effect of exchange rate changes on cash and cash equivalents		21,578	( 6,040)
Increase (decrease) in cash and cash equivalents for the period	(	33,821)	30,339
Cash and cash equivalents at the beginning of the period		161,132	217,385
Cash and cash equivalents at the end of the period	\$	127,311	\$ 247,724

Thai Wonderful Wire Cable Co., Ltd.			
	January 1 to March 31, 2024		January 1 to March 31, 2023
Net cash inflow (outflow) from operating activities	(\$	103,771)	(\$ 205,750)
Net cash outflow from investing activities	(	333)	( 10,494)
Net cash inflow from financing activities		103,064	166,350
Effect of exchange rate changes on cash and cash equivalents	(	5,943)	657
Increase (decrease) in cash and cash equivalents for the period	(	6,983)	( 49,237)
Cash and cash equivalents at the beginning of the period		56,364	85,261
Cash and cash equivalents at the end of the period	\$	49,381	\$ 36,024

(4) Employee benefits

Pension costs during the interim period are calculated from the beginning of the year to the end of the current period using the pension cost rate determined in accordance with the actuarial basis at the end of the previous financial year. If there are major market changes and major reductions, liquidations or other major one-time events after the closing date, adjustments will be made and relevant information will be disclosed in accordance with the aforementioned policies.

(5) Income tax

The income tax expense for the interim period is calculated by applying the estimated annual average effective tax rate to the pre-tax profit or loss for the interim period, and the relevant information is disclosed in accordance with the aforementioned policies.

V. Significant Accounting Assumptions and Judgments, and Major Sources of Estimation Uncertainty

There are no major changes in this period. Please refer to Note 5 of the consolidated financial statements for the year 2023.

## VI. Description of Significant Accounts

### (1) Cash and cash equivalents

	March 31, 2024	December 31, 2023	March 31, 2023
Cash on hand and revolving funds	\$ 3,859	\$ 1,685	\$ 1,804
Checking deposits and demand deposits	425,757	585,801	359,240
Time deposits	74,755	130,903	228,660
	<u>\$ 504,371</u>	<u>\$ 718,389</u>	<u>\$ 589,704</u>

1. Since the Group corresponds with multiple financial institutions with good credit quality to diversify credit risks, the risk of default is expected to be low.
2. The Group has classified the cash and cash equivalents provided for security under the "other financial assets - current". Please refer to Note 8 for details.
3. The Group has classified the restricted cash and cash equivalents to "other non-current assets - others".

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

Item	March 31, 2024	December 31, 2023	March 31, 2023
Current items:			
Financial assets compulsorily measured at fair value through profit or loss			
Equity instruments			
Shares listed on the stock exchange or the OTC market	\$ 3,669	\$ 3,669	\$ 3,669
Derivatives			
- Forward commodity	387	-	-
Forward exchange agreement (FXA)	-	1,340	595
- Convertible corporate bond redemption right	20,116	20,258	20,368
	<u>24,172</u>	<u>25,267</u>	<u>24,632</u>
Adjustments for change in value	( 21,862)	( 22,008)	( 18,536)
	<u>\$ 2,310</u>	<u>\$ 3,259</u>	<u>\$ 6,096</u>
Current items:			

Financial liabilities  
possessed for transaction

Derivatives

- Forward commodity	-	-	(191)
Forward exchange agreement (FXA)	(2,051)	-	(835)
	<u>(\$ 2,051)</u>	<u>\$ -</u>	<u>(\$ 1,026)</u>

Non-current:

Financial assets  
compulsorily measured at  
fair value through profit or  
loss

Debt instruments

- Ordinary corporate bonds	1,002	1,002	-
Adjustments for change in value	(2)	(1)	-
	<u>\$ 1,000</u>	<u>\$ 1,001</u>	<u>\$ -</u>

1. Detail of the financial assets (liabilities) at fair value through profit or loss recognized under profit or loss is as follows:

	January 1 to March 31, 2024	January 1 to March 31, 2023
Financial assets and liabilities compulsorily measured at fair value through profit or loss		
Equity instruments		
Shares listed on the stock exchange or the OTC market	\$ 4	\$ 46
Debt instruments		
- Ordinary corporate bonds	(1)	-
Derivatives		
- Forward commodity	2,279	(999)
Forward exchange agreement (FXA)	(3,809)	(177)
- Convertible corporate bond redemption right	-	(2,496)
	<u>(\$ 1,527)</u>	<u>(\$ 3,626)</u>

2. The Group's handling of transactions and contracts of derivative financial assets (liabilities) to which hedge accounting is not applicable is described in the following:

March 31, 2024			
<u>Derivative financial assets</u>	<u>Contract amount (Item principal) (NT\$ thousand)</u>		<u>Contract period</u>
Current items:			
Derivative financial assets			
Forward commodity contract			
- Pre-purchase of copper	USD	869	2024.03.13~2024.06.11
Derivative financial liabilities			
Forward exchange agreement (FXA)			
-Sale of USD and purchase of NTD	USD	3,500	2024.01.18~2024.06.11
December 31, 2023			
<u>Derivative financial assets</u>	<u>Contract amount (Item principal) (NT\$ thousand)</u>		<u>Contract period</u>
Current items:			
Derivative financial assets			
Forward exchange agreement (FXA)			
-Sale of USD and purchase of NTD	USD	1,000	2023.10.23~2024.01.23
March 31, 2023			
<u>Derivative financial assets</u>	<u>Contract amount (Item principal) (NT\$ thousand)</u>		<u>Contract period</u>
Current items:			
Derivative financial assets			
Forward exchange agreement (FXA)			
-Sale of USD and purchase of NTD	USD	8,571	2022.11.15~2023.09.22
Derivative financial liabilities			
Forward commodity contract			
- Pre-purchase of copper	USD	2,711	2023.01.31~2023.05.03
Forward exchange agreement (FXA)			
-Sale of USD and purchase of NTD	USD	4,500	2023.01.18~2023.06.13

The forward exchange and commodity contracts signed by the Group were to hedge the exchange rate risk of (import) export and to hedge the price fluctuation of current positions; however, the hedge accounting

was not applied.

4. The Group has not pledged any financial assets measured at fair value through profit or loss.

5. Please refer to Notes 12(2) for information relating to credit risk of financial assets (liabilities) at fair value through profit or loss.

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

<u>Item</u>	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Non-current:			
Equity instruments			
Shares not traded on the stock exchange, the OTC market, or the emerging stock market	\$ 55,822	\$ 55,999	\$ 55,956
Adjustments for change in value	<u>7,201</u>	<u>9,879</u>	<u>10,314</u>
	<u>\$ 63,023</u>	<u>\$ 65,878</u>	<u>\$ 66,270</u>

1. The Group chose to classify its strategic investment equity instruments as the financial assets at fair value through other comprehensive income, and the fair value of such investment as of March 31, 2024, December 31, 2023 and March 31, 2023 were amounted to NT\$63,023, NT\$65,878 and NT\$66,270 respectively.

2. Financial assets at fair value through other comprehensive income recognized in profit and loss/comprehensive income are as follows:

	<u>January 1 to March 31, 2024</u>	<u>January 1 to March 31, 2023</u>
<u>Equity instruments at fair value</u>		
Changes in fair value recognized in other comprehensive income - the Group	(\$ 898)	\$ 1,849
Changes in fair value recognized in other comprehensive income - investment accounted for under the equity method	5,012	7,939
Changes in fair value recognized in other comprehensive income - non-controlling interests	<u>(1,406)</u>	<u>(599)</u>
	<u>\$ 2,708</u>	<u>\$ 9,189</u>



Financial assets at fair value through other comprehensive income

4. Please refer to Notes 12(2) for information relating to credit risk of financial assets at fair value through other comprehensive income.

(4) Notes and accounts receivable

	March 31, 2024	December 31, 2023	March 31, 2023
Notes receivable	\$ 67,205	\$ 79,321	\$ 81,168
Less: Allowance for bad debt	-	-	-
	<u>\$ 67,205</u>	<u>\$ 79,321</u>	<u>\$ 81,168</u>
Accounts receivable	\$ 1,445,849	\$ 1,230,202	\$ 1,505,493
Less: Allowance for bad debt	( 36,048)	( 34,976)	( 50,566)
	<u>\$ 1,409,801</u>	<u>\$ 1,195,226</u>	<u>\$ 1,454,927</u>

1. The aging analysis of accounts receivable (including related party) and notes receivable is as follows:

	March 31, 2024		December 31, 2023	
	Accounts receivable (including related party)	Notes receivable	Accounts receivable (including related party)	Notes receivable
Not overdue	\$ 1,383,740	\$ 67,205	\$ 1,154,216	\$ 79,321
Within 30 days	42,275	-	49,582	-
31~90 days	13,051	-	13,960	-
Above 91 days	<u>32,722</u>	<u>-</u>	<u>26,514</u>	<u>-</u>
	<u>\$ 1,471,788</u>	<u>\$ 67,205</u>	<u>\$ 1,244,272</u>	<u>\$ 79,321</u>

	March 31, 2023	
	Accounts receivable (including related party)	Notes receivable
Not overdue	\$ 1,391,333	\$ 81,168
Within 30 days	59,458	-
31~90 days	42,712	-
Above 91 days	<u>41,170</u>	<u>-</u>
	<u>\$ 1,534,673</u>	<u>\$ 81,168</u>

The above aging schedules were based on the number of days past the due date.

2. As of March 31, 2024, December 31, 2023, March 31, 2023 and January 1,

2023, the balances of receivables (including notes receivable) from contracts of the Company with customers amounted to NT\$1,538,993, NT\$1,323,593, NT\$1,615,841 and NT\$1,666,382, respectively.

3. The Company does not hold any collaterals as security.
4. Without taking into account the collateral or other credit enhancements held, the notes receivable of the Group are most representative of the highest credit risk as of March 31, 2024, December 31, 2023, and March 31, 2023. The accident insurance amounts are \$67,205, \$79,321 and \$81,168 respectively; The maximum exposure amounts that best represent the credit risk of the Group's accounts receivable on March 31, 2024, December 31, 2023, and March 31, 2023 were \$1,409,801, \$1,195,226, and \$1,454,927 respectively.
5. Credit risks associated with accounts receivable and notes receivable are stated in Note 12(2).

(5) Inventory

March 31, 2024			
	Costs	Allowance for inventory valuation	Carrying amount
Raw materials	\$ 384,398	(\$ 25,820)	\$ 358,578
Works in process	348,616	( 10,123)	338,493
Finished products	474,843	( 24,952)	449,891
Merchandise inventory	362,658	( 63,915)	298,743
Inventory in transit	53,468	-	53,468
	<u>\$ 1,623,983</u>	<u>(\$ 124,810)</u>	<u>\$ 1,499,173</u>

  

December 31, 2023			
	Costs	Allowance for inventory valuation	Carrying amount
Raw materials	\$ 377,212	(\$ 14,702)	\$ 362,510
Works in process	301,583	( 13,266)	288,317
Finished products	424,517	( 21,824)	402,693
Merchandise inventory	354,048	( 69,147)	284,901
Inventory in transit	24,485	-	24,485
	<u>\$ 1,481,845</u>	<u>(\$ 118,939)</u>	<u>\$ 1,362,906</u>

	March 31, 2023		
	Allowance for inventory valuation		Carrying amount
	Costs		
Raw materials	\$ 553,124	(\$ 8,555)	\$ 544,569
Works in process	351,456	( 3,938)	347,518
Finished products	525,682	( 28,705)	496,977
Merchandise inventory	429,283	( 65,678)	363,605
Inventory in transit	71,388	-	71,388
	<u>\$ 1,930,933</u>	<u>(\$ 106,876)</u>	<u>\$ 1,824,057</u>

The inventory costs recognized as expenses by the Group in the current period:

	January 1 to March 31, 2024	January 1 to March 31, 2023
Cost of inventory sold	\$ 1,447,016	\$ 1,385,894
Income from sale of scrap and waste materials	( 19,566)	( 26,633)
Inventory valuation losses	5,871	5,441
Loss (gain) on physical inventory and loss of scrap	4,734	334
	<u>\$ 1,438,055</u>	<u>\$ 1,365,036</u>

(6) Investment accounted for under the equity method

1. Detail is as follows:

	March 31, 2024	December 31, 2023	March 31, 2023
Associates:			
Wanshih Electronic Co., Ltd. (Wanshih Electronic) (Note 4)	\$ 274,448	\$ 269,297	\$ 284,074
Wan Shih (Hong Kong) Co., Ltd. (Wan Shih Hong Kong)	19,654	19,310	20,102
Suzhou Wanshih Optical Communication Co., Ltd. (Suzhou Wanshih)	11,380	11,380	11,380
Saga YesFamily Healthcare Co. (Saga YesFamily)(Note 3)	-	-	3,499
Inga Nano Technology Co., Ltd.	36,356	29,254	30,200

(Inga Nano Technology) (Note 1)			
ALPHA TREASURE INVESTMENTS LIMITED LIMITED (ALPHA)(Note 2)	<u>7,485</u>	<u>3,200</u>	<u>5,100</u>
	349,323	332,441	354,355
Accumulated impairment loss	<u>( 55,248)</u>	<u>( 55,248)</u>	<u>( 59,547)</u>
	<u>\$ 294,075</u>	<u>\$ 277,193</u>	<u>\$ 294,808</u>

Note 1: In 2024, the company participated in the cash capital increase of Inga Nano Technology totaling \$8,400, and the shareholding ratio remained unchanged.

Note 2: In 2024, the company participated in the cash capital increase of ALPHA Company totaling \$4,982, and the shareholding ratio remained unchanged.

Note 3: In the fourth quarter of 2023, the company disposed of 100 % of the equity of a related company, Saga YesFamily, totaling 283,000 shares.

2. Share of profit or loss of associates accounted for using equity method:

	January 1 to March 31, 2024	January 1 to March 31, 2023
Wanshih Electronic	(\$ 1,872)	(\$ 1,742)
Wan Shih Hong Kong	( 170)	95
Inga Nano Technology	( 1,297)	( 2,228)
ALPHA	<u>( 831)</u>	<u>( 476)</u>
	<u>(\$ 4,170)</u>	<u>(\$ 4,351)</u>

3. The investments held by the Group using the equity method - Wan Shih Hong Kong, Inga Nano Technology, Saga YesFamily and ALPHA are recognized based on the evaluation of the invested companies' self-prepared financial statements for the same period.

4. (1) The basic information of material associates of the Group is as follows:

Company name	Main operating location	Shareholding percentage		Nature of relationship	Measurement method
		March 31, 2024	December 31, 2023		
Wanshih Electronic	Taiwan	24.11 %	24.11 %	Strategic investment	Equity method

Company name	Main operating location	Shareholding percentage	Nature of relationship	Measurement method
		March 31, 2023		
Wanshih Electronic	Taiwan	24.55%	Strategic investment	Equity method

- (2) The summary on the financial information of material associates of the Group is as follows:

Balance Sheet

	Wanshih Electronic		
	March 31, 2024	December 31, 2023	March 31, 2023
Current assets	\$ 244,475	\$ 291,173	\$ 343,332
Non-current assets	900,877	846,591	956,411
Current liabilities	( 129,353)	( 144,270)	( 259,615)
Non-current liabilities	( 266,906)	( 265,774)	( 272,208)
Total net assets	<u>\$ 749,093</u>	<u>\$ 727,720</u>	<u>\$ 767,920</u>
Proportion of net assets of associate held by the Company	\$ 180,605	\$ 175,454	\$ 188,512
Goodwill	<u>49,975</u>	<u>49,975</u>	<u>50,894</u>
Associate carrying value	<u>\$ 230,580</u>	<u>\$ 225,429</u>	<u>\$ 239,406</u>

Statement of Comprehensive Income

	Wanshih Electronic	
	January 1 to March 31, 2024	January 1 to March 31, 2023
Revenue	<u>\$ 129,669</u>	<u>\$ 166,260</u>
Net loss for the period	(\$ 7,765)	(\$ 7,095)
Other comprehensive income (net, after tax)	<u>29,137</u>	<u>33,119</u>
Total comprehensive income for the period	<u>\$ 21,372</u>	<u>\$ 26,024</u>
Dividends received from associate	<u>\$ -</u>	<u>\$ -</u>

- (3) The summary on the share of individual non-material associate's carrying amount and operating result of the Group is as follows:

As of March 31, 2024, December 31, 2023, March 31, 2023, the total of the carrying amount of individual non-material associate of the Group were NT\$63,495, NT\$51,764 and NT\$55,402 respectively.

	January 1 to March 31, 2024	January 1 to March 31, 2023
Net loss for the period	(\$ 2,298)	(\$ 2,609)
Other comprehensive income (net, after tax)	<u>647</u>	<u>( 109)</u>
Total comprehensive income for the period	<u>(\$ 1,651)</u>	<u>(\$ 2,718)</u>

5. The Group's material associate Wanshih Electronic had the quoted price, and its fair value as of March 31, 2024, December 31, 2023, March 31, 2023 was NT\$349,071, NT\$342,947 and NT\$466,786 respectively.
6. (1) Due to the operating loss of the investment under the equity method - Wanshih Electronic, for Wanshih Electronic and its subsidiary, the Group used the fixed asset useful value as the recoverable amount during the impairment test, and the impairment loss amount of NT\$47,175 was recognized in 2023. In addition, due to the Group's disposal of Wanshih Electronic's shares in the second quarter of 2023, the cumulative impairment was excluded. As of March 31, 2024, the cumulative amount of impairment was \$43,868.
- (2) For the investment accounted for under the equity method - Suzhou Wanshih, held by the Group, due to the recoverable amount being lower than the carrying value, the impairment loss for the previous years were recognized in full at an amount of NT\$11,380.
- (3) For the investment accounted for under the equity method - Saga YesFamily, held by the Group, due to the recoverable amount being lower than the carrying value, the impairment loss for the previous years were recognized at an amount of NT\$3,499 in 2023.
7. The Company is the largest single shareholder of Wanshih Electronic and holds shares representing 25.92% of the voting rights. However, since the shareholding percentage of other top 10 major shareholders (non-related parties) is higher than that of the Company, and since there are no agreements for negotiation or group decision among the shareholders, the Company has no actual capability in directing material decisions. Accordingly, it is determined that the Company has no control power on the associate.
8. Please refer to Note 8 for information on collaterals provided for investments under equity method.

(7) Property, plant and equipment

	2024					
	Land	Buildings and structures	Machinery and equipment	Office equipment	Others	Total
January 1						
Costs	\$ 186,588	\$ 601,927	\$ 1,900,159	\$ 71,549	\$ 446,624	\$ 3,206,847
Accumulated depreciation and impairment	<u>-</u>	<u>( 295,791)</u>	<u>( 1,363,943)</u>	<u>( 54,371)</u>	<u>( 332,230)</u>	<u>( 2,046,335)</u>
	<u>\$ 186,588</u>	<u>\$ 306,136</u>	<u>\$ 536,216</u>	<u>\$ 17,178</u>	<u>\$ 114,394</u>	<u>\$ 1,160,512</u>
January 1	\$ 186,588	\$ 306,136	\$ 536,216	\$ 17,178	\$ 114,394	\$ 1,160,512
Addition	977	91	5,986	1,110	22,270	30,434
Disposal	-	-	( 1,725)	( 29)	( 77)	( 1,831)
Transfer (Note 2)	-	( 3,724)	4,746	29	( 4,880)	( 3,829)
Depreciation expenses	-	( 6,176)	( 24,851)	( 1,345)	( 6,500)	( 38,872)
Net exchange differences	<u>( 1,873)</u>	<u>1,386</u>	<u>1,430</u>	<u>41</u>	<u>( 361)</u>	<u>623</u>
March 31	<u>\$ 185,692</u>	<u>\$ 297,713</u>	<u>\$ 521,802</u>	<u>\$ 16,984</u>	<u>\$ 124,846</u>	<u>\$ 1,147,037</u>
March 31						
Costs	\$ 185,692	\$ 590,682	\$ 1,893,675	\$ 72,163	\$ 460,129	\$ 3,202,341
Accumulated depreciation and impairment	<u>-</u>	<u>( 292,969)</u>	<u>( 1,371,873)</u>	<u>( 55,179)</u>	<u>( 335,283)</u>	<u>( 2,055,304)</u>
	<u>\$ 185,692</u>	<u>\$ 297,713</u>	<u>\$ 521,802</u>	<u>\$ 16,984</u>	<u>\$ 124,846</u>	<u>\$ 1,147,037</u>
	2023					
	Land	Buildings and structures	Machinery and equipment	Office equipment	Others	Total
January 1						
Costs	\$ 182,392	\$ 572,218	\$ 1,834,813	\$ 70,022	\$ 432,880	\$ 3,092,325
Accumulated depreciation and impairment	<u>-</u>	<u>( 272,132)</u>	<u>( 1,280,856)</u>	<u>( 51,865)</u>	<u>( 309,967)</u>	<u>( 1,914,820)</u>
	<u>\$ 182,392</u>	<u>\$ 300,086</u>	<u>\$ 553,957</u>	<u>\$ 18,157</u>	<u>\$ 122,913</u>	<u>\$ 1,177,505</u>
January 1	\$ 182,392	\$ 300,086	\$ 553,957	\$ 18,157	\$ 122,913	\$ 1,177,505
Addition	-	755	3,413	448	18,322	22,938
Disposal	-	-	( 1,837)	-	-	( 1,837)
Transfer	1,077	10,048	12,821	99	( 19,272)	4,773
Depreciation expenses	-	( 5,395)	( 23,331)	( 1,232)	( 6,341)	( 36,299)
Net exchange differences	<u>324</u>	<u>( 688)</u>	<u>( 565)</u>	<u>12</u>	<u>200</u>	<u>( 717)</u>
March 31	<u>\$ 183,793</u>	<u>\$ 304,806</u>	<u>\$ 544,458</u>	<u>\$ 17,484</u>	<u>\$ 115,822</u>	<u>\$ 1,166,363</u>

March 31						
Costs	\$ 183,793	\$ 582,065	\$ 1,846,783	\$ 70,443	\$ 431,263	\$ 3,114,347
Accumulated depreciation and impairment	<u>-</u>	<u>( 277,259)</u>	<u>( 1,302,325)</u>	<u>( 52,959)</u>	<u>( 315,441)</u>	<u>( 1,947,984)</u>
	<u>\$ 183,793</u>	<u>\$ 304,806</u>	<u>\$ 544,458</u>	<u>\$ 17,484</u>	<u>\$ 115,822</u>	<u>\$ 1,166,363</u>

1. For information on the pledge of property, plant and equipment, please refer to Note 8 for details.
2. In 2024, some houses and buildings were transferred from self-use to rental, and from real estate plants and equipment to investment real estate. The book amount of the houses and buildings on the date of change of use was \$4,314, and the fair value was \$89,549.

(8) Lease transactions - lessee

1. The underlying assets of the Group's lease include lands, buildings, machinery equipment and company vehicles. The lease contract durations are typically for 3 to 8 years. Lease contracts are agreed upon individually and contain different terms and conditions. Except for leased assets shall not be used as collaterals, and are not restricted in any way.
2. The information on the carrying amount of the right-of-use asset and the recognized depreciation expense is as follows:

	Carrying amount		
	March 31, 2024	December 31, 2023	March 31, 2023
Land	\$ 46,011	\$ 45,465	\$ 47,626
Buildings	99,177	104,308	121,805
Transportation equipment (company vehicles)	<u>3,968</u>	<u>3,730</u>	<u>4,751</u>
	<u>\$ 149,156</u>	<u>\$ 153,503</u>	<u>\$ 174,182</u>

	Depreciation expenses	
	January 1 to March 31, 2024	January 1 to March 31, 2023
Land	\$ 431	\$ 447
Buildings	8,686	7,961
Transportation equipment (company vehicles)	<u>817</u>	<u>772</u>
	<u>\$ 9,934</u>	<u>\$ 9,180</u>

3. The Group's right-of-use asset increased by NT\$1,035 and NT\$0 for 2024 and January 1 to March 31, 2023, respectively.



4. Profit or loss items in relation to lease contracts are as follows:

	January 1 to March 31, 2024	January 1 to March 31, 2023
<u>Items that affect profit or loss</u>		
Interest expense of lease liabilities	\$ 363	\$ 440
Expenses attributable to short-term lease contracts	982	946

5. The Group's total cash used in lease contracts were NT\$10,881 and \$10,223 for 2024 and January 1 to March 31, 2023, respectively.

6. Option of lease extension and option of lease termination

(1) The lease subject matters classified as the building lease among the lease contracts of the Group is approximately 25%, including the option of extension that can be executed by the Group. The signing of such clause in the lease contract is to enhance the flexible operational management of the Group.

(2) During the determination of lease period, the Group considers all of the facts and conditions related to economic incentives that may be generated due to exercise of the option of extension. When material event is assessed to occur due to exercise of the option of extension or non-exercise of the option of termination, the lease period will be re-evaluated.

(9) Investment property

	2024	2023
January 1	\$ 158,319	\$ 158,319
Transfer of self-occupied real estate	89,549	-
December 31	<u>\$ 247,868</u>	<u>\$ 158,319</u>

1. Rental income from investment property and direct operating expenses arising from the investment property:

	January 1 to March 31, 2024	January 1 to March 31, 2023
Rental income from investment property	<u>\$ 2,657</u>	<u>\$ 2,067</u>
Direct operating expenses arising from the investment property generating rental income in the current period	<u>\$ 265</u>	<u>\$ -</u>
Direct operating expenses arising from the investment property generating rental income in the current period	<u>\$ -</u>	<u>\$ -</u>

## 2. Investment property fair value basis

The investment properties held by the Group are mainly located at Wugu District, New Taipei City and Kowloon Bay, Hong Kong. Fair price refers to the valuation result of independent valuation expert, and the valuation uses the equity method in order to perform assessment based on the rent of similar real properties at the relevant neighborhood areas of the assets. The main appraisal report information used is as follows:

(1.)The locations of investment properties of the Group and the appraisal method used are summarized in the following:

Year	Subject property	Location	Appraisal method	Appraiser	Appraiser firm	Appraisal base date
March 31, 2024	Wugu Building	Wugu District, New Taipei City	Income approach	Wei-Han Sun	Xianjian	March 31, 2024
March 31, 2024	Hong Kong Building	Kowloon Bay, Hong Kong	Income approach	Guo-jun Hsu	Zhongliang	March 31, 2024
December 31, 2023	Wugu Building	Wugu District, New Taipei City	Income approach	Wei-Han Sun	Xianjian	December 31, 2023
March 31, 2023	Wugu Building	Wugu District, New Taipei City	Income approach	Wei-Han Sun	Xianjian	March 31, 2023

Note: We have obtained the valuer's statement on the validity of the Wugu Building valuation report on March 31, 2024 and March 31, 2023. The Hong Kong Building was reclassified as investment real estate on March 31, 2013, and a valuation report on March 31, 2024 was obtained.

(2) For the individual case using the income approach, the income value estimation adopts the discounting cash flow analysis method. The cash inflow refers to the annual rent income, and the cash outflow includes land value tax, house tax, insurance fee, management and maintenance fee, replacement allowance and other relevant operating expenses. The main parameters used are as follows:

Year	Location	Period	Discount rate (Note 1)	Income capitalization rate (Note 2)
March 31, 2024	Wugu District, New Taipei City	10	2.750%	3.750%
March 31, 2024	Kowloon Bay, Hong Kong	10	5.750%	3.750%
December 31, 2023	Wugu District, New Taipei City	10	2.750%	3.750%
March 31, 2023	Wugu District, New Taipei City	10	2.720%	3.720%

Note 1: For the discount rate, based on the consideration of the product type and risk factors of this case, the risk premium approach is used to determine the discount rate.

Note 2: The Income capitalization rate uses the investment return plus the risk premium of 1% of the real property value after 10 years.

Year	Cash inflow item	Local rent status	Similar comparable subject property in the market
March 31, 2024	Rental income (dollar/square meter/month)	Approximately \$763~\$797	Approximately \$740~\$767
March 31, 2024	Rental income (dollar/square foot/month)	Approximately \$77.5~\$77.8	Approximately \$68.3~\$83.5
December 31, 2023	Rental income (dollar/square meter/month)	Approximately \$763~\$797	Approximately \$740~\$767
March 31, 2023	Rental income (dollar/square meter/month)	Approximately \$669~\$815	Approximately \$669~\$809

3. Please refer to Note 12(3) for information on investment property fair value.

4. Please refer to Note 8 for Information on the restricted assets that were pledged to others as collateral.

(10) Intangible assets

	2024			
	Goodwill	Customer relations	Computer software	Total
January 1				
Costs	\$ 129,108	\$ 75,630	\$ 61,028	\$ 265,766
Accumulated amortization and losses	- ( 64,825)	( 41,648)	( 106,473)	
	<u>\$ 129,108</u>	<u>\$ 10,805</u>	<u>\$ 19,380</u>	<u>\$ 159,293</u>
January 1	\$ 129,108	\$ 10,805	\$ 19,380	\$ 159,293
Addition—acquired independently	-	-	1,575	1,575
Disposal	-	- ( 19)	( 19)	
Amortization expenses	- ( 2,701)	( 1,601)	( 4,302)	

Net exchange differences	<u>-</u>	<u>-</u>	<u>( 369)</u>	<u>( 369)</u>
March 31	<u>\$ 129,108</u>	<u>\$ 8,104</u>	<u>\$ 18,966</u>	<u>\$ 156,178</u>

March 31				
Costs	\$ 129,108	\$ 75,630	\$ 61,157	\$ 265,895
Accumulated amortization and losses	<u>-</u>	<u>( 67,526)</u>	<u>( 42,191)</u>	<u>( 109,717)</u>
	<u>\$ 129,108</u>	<u>\$ 8,104</u>	<u>\$ 18,966</u>	<u>\$ 156,178</u>

2023				
	Goodwill	Customer relations	Computer software	Total
January 1				
Costs	\$ 129,108	\$ 75,630	\$ 47,743	\$ 252,481
Accumulated amortization and losses	<u>-</u>	<u>( 54,021)</u>	<u>( 36,315)</u>	<u>( 90,336)</u>
	<u>\$ 129,108</u>	<u>\$ 21,609</u>	<u>\$ 11,428</u>	<u>\$ 162,145</u>
January 1	\$ 129,108	\$ 21,609	\$ 11,428	\$ 162,145
Addition—acquired independently	-	-	985	985
Amortization expenses	-	( 2,701)	( 1,067)	( 3,768)
Net exchange differences	<u>-</u>	<u>-</u>	<u>38</u>	<u>38</u>
March 31	<u>\$ 129,108</u>	<u>\$ 18,908</u>	<u>\$ 11,384</u>	<u>\$ 159,400</u>
March 31				
Costs	\$ 129,108	\$ 75,629	\$ 48,854	\$ 253,591
Accumulated amortization and losses	<u>-</u>	<u>( 56,721)</u>	<u>( 37,470)</u>	<u>( 94,191)</u>
	<u>\$ 129,108</u>	<u>\$ 18,908</u>	<u>\$ 11,384</u>	<u>\$ 159,400</u>

1. Details of the intangible assets amortization were as follows:

	January 1 to March 31, 2024	January 1 to March 31, 2023
Operating cost	\$ 1,479	\$ 891
Selling expenses	2,705	2,703

Administrative expenses	118	151
Research and development expenses	-	23
	<u>\$ 4,302</u>	<u>\$ 3,768</u>

2. Goodwill is allocated to the Group's cash generating unit identified according to the operating segments:

	March 31, 2024	December 31, 2023	March 31, 2023
U.S.A.	<u>\$ 129,108</u>	<u>\$ 129,108</u>	<u>\$ 129,108</u>

(11) Bonds payable

	March 31, 2024	December 31, 2023	March 31, 2023
Bonds payable	\$ 790,100	\$ 795,700	\$ 800,000
Less: Bonds payable discount	( 20,662)	( 24,119)	( 34,150)
	<u>\$ 769,438</u>	<u>\$ 771,581</u>	<u>\$ 765,850</u>

1. The Company issued the sixth time of domestic unsecured convertible bonds (referred to as "domestic fifth convertible bonds") on October 31, 2022, with the issuance total amount of NT\$800,000, and issued at 101% of par value. The main issuance criteria are as follows:

- (1) Issuance period: 3 years, from October 31, 2022 to October 31, 2025 for maturity.

- (2) Coupon rate: fixed annual interest rate of 0%

- (3) Redemption method:

Unless the Company has redeemed, repurchased and canceled it in advance or the holders of the Sixth Convertible Bonds have exercised their conversion rights, the Sixth Convertible Bonds will be converted by the Company on the maturity date based on the Sixth Convertible Bonds. This sixth convertible bond will be redeemed at a yield plus an annual interest rate of 0.0% per face amount.

- (4) Conversion period:

Except that the sixth convertible bonds have been redeemed or repurchased early, or the suspension of transfer period prescribed in the law and specified in the trust contract, up to the end of the next day when the issuance of the sixth convertible bonds has reached three full months, the holders of the sixth convertible bonds may request the Company to convert the sixth convertible bonds into common shares newly issued by the Company.

(5) Conversion price:

The conversion price of the sixth convertible bonds is 101.63% of the reference price, i.e. NT\$36.20. The reference price is determined based on the closing price of NT\$35.62 of the common shares price listed at TPEx on the business day one day before the base date specified by the Company. Since the Company has executed the cash capital increase, and according to Article 11 of the Regulations for Issuance and Conversion of Bonds, the conversion price shall be adjusted, the conversion price was adjusted to NT\$36.20 from NT\$34.10, when the share payments are made in full starting from July 16, 2023.

(6) Callable right:

Under the following conditions, the Company may redeem the fifth convertible bonds early:

- A. From the next day when the issuance has reached three full months to the date of 40 days before the maturity of the issuance period, if the closing price of the common shares of the Company in Taiwan continues to reach more than 30% of the conversion price at that time for thirty business days, the Company may redeem all of the sixth convertible bonds early based on the early redemption amount.
- B. From the next day when the issuance has reached three full months to the date of 40 days before the maturity of the issuance period, if the balance of the outstanding fifth convertible bonds is lower than 10% of the original total issuance amount, the Company may redeem all of the sixth convertible bonds early based on the early redemption amount.

(7) As of March 31, 2024, December 31, 2023, and March 31, 2023, the unconverted balances were \$790,100, \$795,700, and \$0, respectively.

- 2. During the issuance of the convertible bonds of the Group, according to the regulations of IAS 32 "Financial Instruments: Presentation", the conversion right of equity nature is separated from the liability component, which is recognized under the "Capital surplus - subscription right" at an amount of NT\$65,027. In addition, with regard to the embedded callable right, according to IFRS 9 "Financial Instruments", since it is not closely related to the economic characteristic and risk of the debt instruments of the main contract, it is handled separately, and its net value is recognized under the "financial assets at fair value through profit or loss".
- 3. From January 1 to March 31, 2024, the sixth convertible corporate bonds with a face value of \$5,600 were converted into 164,222 shares of common stock, with a conversion price of NT\$34.1 per share.

(12) Short-term borrowings

	March 31, 2024	December 31, 2023	March 31, 2023
Secured bank loans	\$ 94,735	\$ 224,523	\$ 136,804
Unsecured bank loans	594,465	488,855	958,265
	<u>\$ 689,200</u>	<u>\$ 713,378</u>	<u>\$ 1,095,069</u>
Interest rate range	1.65%~7.90%	1.72%~7.90%	1.51%~5.00%

1. The interest expenses for the long and short term borrowings recognized for 2024 and January 1 to March 31, 2023 were NT\$8,276 and NT\$11,073, respectively.
2. Please refer to Note 8 for details of the collaterals provided for the short-term borrowings of the Group.

(13) Long-term borrowings

<u>Nature of borrowings</u>	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Long-term bank loans			
Secured loan	\$ 66,516	\$ 78,183	\$ 110,769
No guarantee	40,000	43,000	-
Less: Current portion of long-term borrowings	<u>( 40,010)</u>	<u>( 45,192)</u>	<u>( 42,227)</u>
	<u>\$ 66,506</u>	<u>\$ 75,991</u>	<u>\$ 68,542</u>
Interest rate range	1.953%~4.25%	1.953%~4.25%	1.826%~4.25%

1. The repayment period for secured loans is from 2021 to 2042, and the repayment period for the unsecured loans is from the 2024 to 2027.
2. The Company signed the credit extension contract with the Taipei Branch, Bangkok Bank of Thailand, which requested the financial report of the Company to satisfy the following key performance:
  - (1) The current ratio of the annual consolidated financial statements shall not be less than 100% during the duration of the credit extension contract, and the debt-to-net worth ratio shall not be greater than 250% during the duration of the credit extension contract.
  - (2) In case where the Company breaches the aforementioned commitment, the Bangkok Bank of Thailand will suspend the Company's application of new loans, and unless the consent of the Bangkok Bank of Thailand is obtained, no amount can be further drawn.

3. Detail of the loan credit not yet drawn by the Group is as follows:

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Unused amount	<u>\$ 366,931</u>	<u>\$ 354,663</u>	<u>\$ 365,712</u>

4. Please refer to Note 8 for details of the collaterals provided for the long-term borrowings of the Group.

(14) Pension

- 1.(1) By adhering to the requirements set forth in the Labor Standards Act, the Company has established its own defined retirement benefits plan, which is applicable both to the service years of all regular employees rendered before the enforcement of the Labor Pension Act on July 1, 2005, and to the service years of all employees who elected to continue applying the Labor Standards Act after the implementation of the Labor Pension Act. Pensions for employees qualified for retirement are calculated based on their servicing years and their average salaries of the 6 months prior to their retirement. Two bases are given for each full year of service rendered within 15 years (inclusive). But for the rest of the years over 15 years, one base is given for each full year of service rendered. The total number of bases shall be no more than 45. The Company contributes monthly an amount equal to 2% of the employees' monthly salaries and wages to the retirement fund deposited with Bank of Taiwan, under the name of the Independent Retirement Fund Committee. In addition, the Company estimates the balance of the said designated pension account before the end of year. If the balance calculated in the manner specified above is not sufficient to cover the amount to be paid to all employees qualifying the retirement conditions next year, a lump-sum deposit will be made before of the end of March of the following year to cover the difference.
- (2) Thai Wonderful Wire and Cable chooses to adopt the confirmed pension payment method according to the local law, and relevant pension expense is appropriated according to the expected unit payment method.
- (3) The pension costs of the Group recognized according to the aforementioned pension regulations for 2024 and January 1 to March 31, 2023 were NT\$2,253 and (NT\$4,933) respectively.
- (4) Expected contributions to the defined benefit pension plans of the



Group for 2024 amounts to NT\$1,566.

2. (1) Since July 1, 2005, the Company and Wonderful Photoelectricity have established their own pension regulations applicable to Taiwanese nationals in accordance with the Labor Pension Act. For employees of the Company that choose to apply the Labor Pension Act, the Company makes a contribution equal to 6% of the monthly salary to their individual retirement account with the Bureau of Labor Insurance. Employee pensions may be paid in monthly installments or in lump-sum payment based the accumulated amount in the employee's individual retirement account.
- (2) Wonderful Photo Electricity Dongguan, Elitech Technology and Wan Shih Hong Kong contribute a certain ratio of total amount of local employee salaries for the social insurance fund according to the social insurance system specified by the People's Republic of China (PRC). The pension for employees is managed independently by the government. Except for making a monthly contribution, the Group has no further obligation.
- (3) ABA provides the Employee 401(K) Retirement Saving Plan, and the 401(K) plan adopts the confirmed appropriation system. During the employment period of employees, a certain ratio of the salary is appropriated to the personal pension account periodically according to the regulations.
- (4) For the rest of overseas subsidiary, no retirement regulations and relevant policies have been established.
- (5) The pension costs of the Group recognized according to the aforementioned pension regulations for 2024 and January 1 to March 31, 2023 were NTD \$4,811 and NT\$5,015 respectively.

(15) Share capital

1. Up to March 31, 2024, the Company's authorized capital equal was NT\$2,000,000, paid-in capital equal was NT\$1,619,554, at par value of NT\$10 per share. All proceeds for share subscription of the Company were collected in full.

Adjustments in the number of the Company's ordinary shares outstanding (in thousand shares) are as follows:

	2024	2023
January 1	154,176	154,050
Conversion of convertible corporate bonds	164	-
December 31	154,340	154,050

## 2. Treasury shares

### (1) Reason of recovering shares and quantity change status (thousand shares):

Name of company holding shares	Reason of recovering shares	March 31, 2024	
		Number of shares	Carrying amount
The Company	For transfer of shares to employees	7,614 thousand shares	\$ 128,532

Name of company holding shares	Reason of recovering shares	December 31, 2023	
		Number of shares	Carrying amount
The Company	For transfer of shares to employees	7,614 thousand shares	\$ 128,532

Name of company holding shares	Reason of recovering shares	March 31, 2023	
		Number of shares	Carrying amount
The Company	For transfer of shares to employees	7,614 thousand shares	\$ 128,532

- (2) According to the regulations of Securities and Exchange Act, the buyback ratio of the outstanding shares of a company shall not exceed 10% of the issued shares of the company, and the total amount of the buyback shares must not exceed the retained earnings plus the premium of the issued shares and the realized capital reserve amount.
- (3) The treasury shares held by the Company, in accordance with Securities and Exchange Act, shall not be pledged and shall not enjoy the shareholders' right before transfer.
- (4) According to the regulations of the Securities and Exchange Act, the shares bought back for transfer to employees shall be

transferred within 5 years from the buyback date. If transfer is not completed by such time-limit, it shall be deemed that the Company has not issued such shares, and the registration of share cancellation must be made. In addition, for the shares bought back for the purpose of protecting the credit of the Company and the shareholders' equity, the registration of share cancellation must be made within 6 months from the buyback date.

3. The number of shares held by associates of the Company as of March 31, 2024, December 31, 2023 and March 31, 2023 were 4,200 thousand shares, 4,200 thousand shares and 9,282 thousand shares respectively.

(16) Capital surplus

Under the Company Act, capital surplus arising from shares issued at premium or from donation may be used for offsetting deficit. Furthermore, if the Company has no accumulated loss, capital surplus may be used for issuing new shares or distributing cash in proportion to shareholders' original shareholding percentage. Further, the R.O.C. Securities and Exchange Act requires that the amount of capital surplus to be capitalized mentioned above should not exceed 10% of the paid-in capital each year. The Company may use capital surplus to offset loss only when the amount of reserves is insufficient to offset the loss.

	2024							
	Issue premium	Treasury shares Trading	Receiving gifts from shareholders	Corporate debt options	Actual acquisition or disposal of subsidiary equity or difference in book value	Recognition of changes in all equity interests in subsidiaries	Changes in net equity value of affiliated companies	Total
January 1	\$274,140	\$ 19,835	\$ -	\$ 64,677	\$ 11,990	\$ 4,345	\$ 13,893	\$ 388,880
Receiving gifts from shareholders	-	-	415	-	-	-	-	415
Conversion of convertible corporate bonds	4,267	-	-	( 455)	-	-	-	3,812
March 31	<u>\$278,407</u>	<u>\$ 19,835</u>	<u>\$ 415</u>	<u>\$ 64,222</u>	<u>\$ 11,990</u>	<u>\$ 4,345</u>	<u>\$ 13,893</u>	<u>\$ 393,107</u>

	2023						
	Issue premium	Treasury shares Trading	Corporate debt options	Actual acquisition or disposal of subsidiary equity or difference in book value	Recognition of changes in all equity interests in subsidiaries	Changes in net equity value of affiliated companies	Total
January 1	\$ 270,947	\$19,835	\$ 65,027	\$ 10,511	\$ 4,345	\$ 13,012	\$ 383,677
Receiving gifts from shareholders	-	-	-	( 151)	-	-	( 151)
Conversion of convertible corporate bonds	-	-	-	-	-	12	12
March 31	<u>\$ 270,947</u>	<u>\$19,835</u>	<u>\$ 65,027</u>	<u>\$ 10,360</u>	<u>\$ 4,345</u>	<u>\$ 13,024</u>	<u>\$ 383,538</u>

### (17) Retained earnings

1. According to the Articles of Incorporation of the Company, when the Company has a profit after the closing account of a fiscal year, amount shall be appropriated to pay tax and make up losses for the preceding years first, followed by setting aside a legal reserve of 10% thereof. For the remaining amount, in addition to the distribution of dividends, If there is still remaining surplus, the distribution of shareholders' dividends shall be determined according to the resolution of the shareholders' meeting.
2. According to the dividend policy of the Company, the factors of profit status, financial plan, future development of the Company and shareholders' interests are comprehensively considered, and the Board of Directors then establishes the dividend distribution proposal annually according to the law, and the distribution amount shall not be less than 50% of the earnings after tax of the current year, and at least 10% of the cash dividends is distributed among the dividends distributed for the current year.
3. Except for covering accumulated deficits 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 the legal reserve for the issuance of stocks or cash to shareholders in proportion to their share ownership is permitted, provided that the balance of the reserve exceeds 25% of the Company's paid-in capital.
4. According to law, the Company may appropriate earnings only after it has provided special reserve under the debit balance of other equity on the balance sheet date. If subsequently the debit balance of other equity is reversed, the reversed amount may be used as appropriable earnings.
5. The 2022 earnings distribution proposal of the Company resolved by the shareholders' meeting on June 7, 2023 was as follows:

	2022	
	Amount	Dividends Per Share (In Dollars)
Statutory reserves	\$ 48,904	
Special reserves	( 49,901)	
Cash dividends	308,102	\$ 2.00
	<u>\$ 307,105</u>	

6. The 2023 earnings distribution proposal of the Company submitted to the Board of Directors on March 13, 2024 for resolution was as follows:

	2023	
	Amount	Dividends Per Share (In Dollars)
Statutory reserves	\$ 24,484	
Special reserves	23,508	
Cash dividends	185,013	\$ 1.20
	<u>\$ 233,005</u>	

The aforementioned 2023 earnings distribution proposal has not yet been resolved by the shareholder's meeting.

(18) Operating revenue

	January 1 to March 31, 2024	January 1 to March 31, 2023
Revenue from contracts with customers	<u>\$ 1,705,276</u>	<u>\$ 1,625,137</u>

Details of revenue from contracts with customers

The Group's revenue derived from transfer of goods at a particular point of time are classified into the following categories:

	January 1 to March 31, 2024	January 1 to March 31, 2023
LAN cables	\$ 571,855	\$ 548,097
Electronic cables	453,580	448,304
Automotive wires	158,674	163,643
Paige cables	81,777	115,573
Computer cables	21,439	30,598
Power cables	34,804	50,038
RF wires	4,106	5,720
Others	379,041	263,164
	<u>\$ 1,705,276</u>	<u>\$ 1,625,137</u>

(19) Interest income

	<u>January 1 to March 31, 2024</u>	<u>January 1 to March 31, 2023</u>
Interest income from bank deposits	\$ 3,427	\$ 3,468
Other interest income	<u>697</u>	<u>87</u>
	<u>\$ 4,124</u>	<u>\$ 3,555</u>

(20) Other income

	<u>January 1 to March 31, 2024</u>	<u>January 1 to March 31, 2023</u>
Rental income	\$ 5,166	\$ 4,134
Dividend income	575	-
Other income—others	<u>4,893</u>	<u>2,283</u>
	<u>\$ 10,634</u>	<u>\$ 6,417</u>

(21) Other gains and losses

	<u>January 1 to March 31, 2024</u>	<u>January 1 to March 31, 2023</u>
Gains on disposal of property, plant and equipment	(\$ 122)	\$ 289
Loss on disposal of intangible assets	( 19)	-
Foreign exchange gain (loss)	30,100	5,425
Financial assets at fair value through profit or loss	( 1,527)	( 3,626)
Other benefits	<u>( 39)</u>	<u>-</u>
	<u>\$ 28,393</u>	<u>\$ 2,088</u>

(22) Finance costs

	<u>January 1 to March 31, 2024</u>	<u>January 1 to March 31, 2023</u>
Interest expenses	\$ 8,216	\$ 11,133
Convertible bonds	3,311	3,272
Interest expense of lease liabilities	<u>363</u>	<u>440</u>
	<u>\$ 11,890</u>	<u>\$ 14,845</u>

(23) Depreciation, amortization and employee benefit expenses

	<u>January 1 to March 31, 2024</u>	<u>January 1 to March 31, 2023</u>
Salary expense	\$ 141,297	\$ 146,863
Labor and health insurance expense	7,851	8,419
Pension expense	7,064	82
Other personnel expense	7,481	7,767
Depreciation expenses	48,806	45,479
Amortization expenses	4,302	3,768

1. According to the Articles of Incorporation of the Company, when the Company has a profit for a fiscal year, 2% to 4% of the profit before tax and before the deduction of the distribution of remunerations of employees and directors shall be set aside as the remuneration of employees and no higher than 2% thereof shall be set aside as the remuneration of directors. However, when the Company has accumulated losses, the amount shall be reserved for making up the accumulated losses first.
2. The estimated remunerations of employees and directors of the Company are as follows.

	<u>January 1 to March 31, 2024</u>	<u>January 1 to March 31, 2023</u>
Remuneration of employees	\$ 4,798	\$ 2,676
Remuneration of directors	<u>2,399</u>	<u>1,338</u>
	<u>\$ 7,197</u>	<u>\$ 4,014</u>

- (1) The remuneration of employees and the remuneration of directors for January 1 to March 31, 2024 were estimated at 4% and 2%, respectively according to the profit status up to the current period.
- (2) The remuneration of employees and the remuneration of directors according to the resolution of the board of directors' meeting on March 13, 2024 were NT\$9,648 and NT\$4,824 respectively, and the remuneration of employees is to be distributed in the form of cash.
- (3) The difference between the employee remuneration of \$9,648 and directors' remuneration of \$4,824 in 2023 approved by the board of directors and the employee remuneration of \$11,146

and director's remuneration of \$5,573 recognized in the financial report of 2023 was an overestimation of \$2,247, which has been adjusted to the profit and loss in the first quarter of 2024.

- (4) Relevant information of the remunerations of employees and directors of the Company as resolved by the board of directors is available at the Market Observation Post System" (MOPS) website for inquiries.

(24) Income tax

1. Income tax expense

(1) Income tax components:

	<u>January 1 to March 31, 2024</u>	<u>January 1 to March 31, 2023</u>
Current income tax:		
Tax attributable to \$	30,181	\$ 23,770
taxable income of the period		
Total current income tax	<u>30,181</u>	<u>23,770</u>
Deferred income tax:		
Deferred income tax on temporary differences originated and reversed	<u>7,617</u>	<u>6,495</u>
Income tax expense	<u>\$ 37,798</u>	<u>\$ 30,265</u>

(2) Income tax associates with other comprehensive income:

	<u>January 1 to March 31, 2024</u>	<u>January 1 to March 31, 2023</u>
Translation difference (\$ of foreign operations)	6,086)	\$ 1,489
Other comprehensive (income of associates)	532)	( 20)
Remeasurement of defined benefit obligation	-	( 212)



2. The Company's profit-seeking income tax has been approved by the taxation authority through 2020.

(25) Earnings per share

	January 1 to March 31, 2024		
	After-tax amount	Weighted average number of shares outstanding (in thousands)	Earnings per share (NT\$)
<u>Basic earnings per share</u>			
Net profit attributable to owners of the parent company	\$ 77,618	154,177	\$ 0.50
<u>Diluted earnings per share</u>			
Net profit attributable to owners of the parent company	\$ 77,618	154,177	
Dilutive effects of the potential common shares			
Remuneration of employees	-	311	
Convertible bonds	2,649	23,170	
Effects of net profit attributable to owners of the parent company and potential common shares	\$ 80,267	177,658	\$ 0.45
 January 1 to March 31, 2023			
	January 1 to March 31, 2023		
	After-tax amount	Weighted average number of shares outstanding (in thousands)	Earnings per share (NT\$)
<u>Basic earnings per share</u>			
Net profit attributable to owners of the parent company	\$ 53,729	154,050	\$ 0.35
<u>Diluted earnings per share</u>			
Net profit attributable to owners of the parent company	\$ 53,729	154,050	
Dilutive effects of the potential common shares			
Remuneration of employees	-	573	
Convertible bonds	5,114	22,099	
Effects of net profit attributable to owners of the parent company and potential common shares	\$ 58,843	176,722	\$ 0.33

(26) Non-controlling interests

1. Acquisition of additional interests in subsidiaries

On February 1, 2023, the Group purchased an additional 0.40% of the issued shares of Lord Hero International for NT\$2,841 in cash. The carrying amount of the non-controlling interests of Lord Hero International on the acquisition date was NT\$173,357. The transaction reduced the non-controlling interests by \$2,690 and the equity attributable to the owners of the parent company decreased by \$151. The impact of changes in Lord Hero International's equity on the owner's equity attributable to the parent company from January 1 to March 31, 2023 is as follows:

	January 1 to March 31, 2023
Carrying amount of non-controlling interests	
acquired	\$ 2,690
Consideration paid for non-controlling interests	( 2,841)
Capital surplus - Difference between actual price of subsidiary equity acquired or disposed and the carrying value	(\$ 151)

2. Subsidiary capital increase

The Group's Thai subsidiary, Thai Wonderful Wire and Cable, issued new shares through a cash capital increase on March 25, 2024. The Group subscribed for 73.5% of its shareholding ratio, and the remaining 26.5% of the capital increase was subscribed by non-controlling interests. Therefore, the Group's interest in Thai Wonderful Wire and Cable equity remains unchanged, and the transaction increases non-controlling equity by NT\$32,830.

(27) Additional Information on Cash Flows

	January 1 to March 31, 2024	January 1 to March 31, 2023
Acquisition of property, plant, and equipment	\$ 30,434	\$ 22,938
Add: Opening balance of payable on equipment	2,329	5,076
Prepayments for business facilities at end of period	24,333	20,443
Less: Prepayments for business facilities at beginning of period	( 16,451)	( 10,293)
Ending balance of payable on equipment	( 3,152)	( 3,069)
Cash paid in the period	<u>\$ 37,493</u>	<u>\$ 35,095</u>

(28) Changes in liabilities arising from financing activities

	2024				
	Short-term borrowings	Long-term borrowings (including portion matured in one year or one operating cycle)	Lease liabilities	Bonds payable	Total liabilities from financing activities
January 1	\$ 713,378	\$ 121,183	\$ 108,042	\$ 771,581	\$ 1,714,184
Changes in cash flow from financing activities	( 24,178)	( 14,667)	( 9,536)	-	( 48,381)
Other non-monetary changes	-	-	4,919	( 2,143)	2,776
March 31	<u>\$ 689,200</u>	<u>\$ 106,516</u>	<u>\$ 103,425</u>	<u>\$ 769,438</u>	<u>\$ 1,668,579</u>

2023

	Short-term borrowings	Long-term borrowings (including portion matured in one year or one operating cycle)	Lease liabilities	Bonds payable	Total liabilities from financing activities
January 1	\$ 1,078,476	\$ 121,396	\$ 135,159	\$ 762,578	\$ 2,097,609
Changes in cash flow from financing activities	16,593	( 10,627)	( 8,837)	-	( 2,871)
Other non-monetary changes	-	-	( 494)	3,272	2,778
March 31	<u>\$ 1,095,069</u>	<u>\$ 110,769</u>	<u>\$ 125,828</u>	<u>\$ 765,850</u>	<u>\$ 2,097,516</u>

## VII. Related party transactions

### (1) Name and Relationship of Related Party

<u>Related party name</u>	<u>Relationship with the Group</u>
Wanshih Electronic Co., Ltd. (Wanshih Electronic)	Associate
Dongguan Humen Wanshih Electronics Co., Ltd. (Dongguan Humen)	"
Suzhou Wanshih Optical Communication Co., Ltd. (Suzhou Wanshih)	"
Wan Shih (Hong Kong) Co., Ltd. (Wan Shih Hong Kong)	"
Inga Nano Technology Co., Ltd. (Inga Nano Technology)	"
Vietnam Wanshih Optical Communication Co., Ltd. ( Vietnam Wanshih)	"
Alpha Treasure Investments Limited	"
Ming-Lieh Chang	Key management
Wonderful Wire Cable Co., Ltd. (Wonderful Wire Cable)	Other related parties
JBC LLC	"
Sheng-Yi Tsai	"
Mei Ming Investment Co., Ltd.	"
Ming-Dui Zhang	"

(2) Significant Transactions with Related Party

1. Operating revenue

	January 1 to March 31, 2024	January 1 to March 31, 2023
Sale of goods:		
— Associates	\$ 19,861	\$ 18,331
Key management	52	30
Other related parties	1	4
	<u>\$ 19,914</u>	<u>\$ 18,365</u>

There were no relevant transactions for the sales price of the Group to the aforementioned related parties, and the transaction terms were determined based on the negotiation of both parties. The payment receipt period of the Group from the related parties was 90~145 days, and the payment receipt period for non-related parties was 3~120 days.

2. Purchase

	January 1 to March 31, 2024	January 1 to March 31, 2023
Purchase of goods:		
— Associates	<u>\$ 3,065</u>	<u>\$ -</u>
Purchase returns:		
— Associates	<u>\$ -</u>	<u>(\$ 1,593)</u>

There were no relevant transactions for the purchase price of the Group from the aforementioned related parties, and the transaction terms were determined based on the negotiation of both parties. The payment period of the Group from the related parties was 90~105 days, and the payment period for non-related parties was 30~105 days.

3. Receivables from related parties

	March 31, 2024	December 31, 2023	March 31, 2023
Accounts receivable			
— Associates	\$ 25,939	\$ 14,070	\$ 29,175
Key management	-	-	5
Less: Allowance for bad debt	( 1)	( 1)	( 5)
	<u>\$ 25,938</u>	<u>\$ 14,069</u>	<u>\$ 29,175</u>

4. Payables to related parties:

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Accounts payable			
— Associates	<u>\$ 22,599</u>	<u>\$ 24,463</u>	<u>\$ 36,488</u>

## 5. Other receivables from and payables to related parties

### (1) Receivables from related parties

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Other receivables:			
— Associates	\$ 120	\$ 176	\$ 383
Less: Allowance for bad debt	<u>( 60)</u>	<u>( 60)</u>	<u>( 60)</u>
	\$ 120	\$ 176	\$ 383

### (2) Other payables to related parties

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Other payables			
— Associates	<u>\$ 49</u>	<u>\$ 33</u>	<u>\$ 53</u>

## 6. Borrowings from related parties

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Other payables:			
Ming-Lieh Chang	<u>\$ 12,000</u>	<u>\$ 12,000</u>	<u>\$ 12,000</u>
	<u>January 1 to March 31, 2024</u>	<u>January 1 to March 31, 2023</u>	
Interest expenses:			
Ming-Lieh Chang	<u>\$ 60</u>	<u>\$ 60</u>	

The terms of borrowings from Ming-Lieh Chang was repayment on the due day, and interest was collected at the annual interest rate of 2% and interest was paid on the due day.

## 7. Rental income

The Group lease the following assets to the related parties, and the details are as follows:

Leasing party	Subject property	Lease term	Rental income	
			January 1 to March 31, 2024	January 1 to March 31, 2023
Associates - Wanshih Electronic	Office at 3F to 5F of Wugu District, New Taipei City	January 1, 2023 to December 31, 2027	\$ 2,091	\$ 2,067

The Group leases office to related parties, and rent is determined according to the general rent standard of the location of the lease property and the area of use, and the rent is collected on a monthly basis.

#### 8. Lease transactions - lessee

(1) The Group leases office from related parties, and rent is determined according to the general rent standard of the location of the lease property and the area of use, and the rent is paid on a monthly basis.

##### (2) Acquisition of right-of-use assets

The Group signed the lease contract with JBC LLC in 2021, for a lease period of 5 years, and the monthly rent of approximately NT\$1,936. When the contract was signed, it was stated that the rent could be adjusted due to fluctuations in the consumer price index, so the monthly rent has increased to approximately \$2,493 since 2024.

##### (3) Lease liabilities

###### A. Ending balance

	March 31, 2024	December 31, 2023	March 31, 2023
Lease liabilities- current:			
— other related party - JBC LLC	\$ 32,244	\$ 30,507	\$ 28,650
Lease liabilities - non-current:			
— other related party - JBC LLC	\$ 51,795	\$ 57,165	\$ 72,873

###### B. Interest expenses

	January 1 to March 31, 2024	January 1 to March 31, 2023
— other related party - JBC LLC	\$ 278	\$ 336

#### 9. Other income

The incomes for providing information processing service and other support services to the associate - Wanshih Electronic in 2024 and

January 1 to March 31 were NT\$323.

(3) Key management compensation information

	January 1 to March 31, 2024	January 1 to March 31, 2023
Salaries and short-term employee benefits	\$ 7,111	\$ 7,833
Post-retirement benefits	291	217
	<u>\$ 7,402</u>	<u>\$ 8,050</u>

VIII. Pledged Assets

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

Asset item	Carrying value			Purpose of collateral
	March 31, 2024	December 31, 2023	March 31, 2023	
Other financial assets - current Investment accounted for under the equity method	\$ -	\$ 8,000	\$ 8,000	Loan security
Property, plant and equipment	47,235	46,180	48,165	"
Investment property	894,531	938,873	925,061	"
	<u>158,319</u>	<u>158,319</u>	<u>158,319</u>	"
	<u>\$ 1,100,085</u>	<u>\$ 1,151,372</u>	<u>\$ 1,139,545</u>	

IX. Significant Contingent Liabilities and Unrecognized Commitments

(1) Contingencies

None.

(2) Commitments

1. Please refer to Note 6(13).

2. Capital expenditures committed but not yet incurred:

	March 31, 2024	December 31, 2023	March 31, 2023
Property, plant and equipment	<u>\$ 139,983</u>	<u>\$ 137,399</u>	<u>\$ -</u>



X. Losses Due to Major Disasters

None.

XI. Significant Subsequent Events

None.

XII. Others

(1)Capital Management

There are no major changes in this period. Please refer to Note 12 of the consolidated financial statements for the year 2023.

(2)Financial Instrument

1. Categories of financial instruments

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
<u>Financial assets</u>			
Financial assets at fair value through profit or loss			
Financial assets	\$ 3,310	\$ 4,260	\$ 6,096
compulsorily measured at fair value through profit or loss			
Financial assets at fair value through other comprehensive income			
Investment in equity instruments of which the fair value is designated to be recognized in other comprehensive income	63,023	65,878	66,270
Financial assets/loans and receivables at amortized cost			
Cash and cash equivalents	504,371	718,389	589,704
Notes receivable	67,205	79,321	81,168
Accounts receivable	1,409,801	1,195,226	1,454,927
Accounts receivable - related party	25,938	14,069	29,175
Other receivables	88,305	76,735	72,494
Other receivables - related Party	60	116	323
Other financial assets - current	63,933	56,379	78,948
Deposit of margin (account "Other non-current assets - Others")	14,471	12,870	13,837

Other financial assets – non current (account "Other non-current assets – Others")	-	-	636
	<u>\$ 2,240,417</u>	<u>\$ 2,223,243</u>	<u>\$ 2,393,578</u>
	March 31, 2024	December 31, 2023	March 31, 2023
<u>Financial liabilities:</u>			
Financial liabilities measured at fair value through profit or loss			
Financial liabilities possessed for transaction	\$ 2,051	\$ -	\$ 1,026
Financial liabilities at amortized cost			
Short-term borrowings	689,200	713,378	1,095,069
Accounts payable	454,198	365,463	405,435
Accounts payables to related parties	22,599	24,463	36,488
Other payables	211,638	230,344	267,961
Other accounts payable - related party	12,049	12,033	12,053
Long-term borrowings due to one year	40,010	45,192	42,227
Bonds payable	769,438	771,581	765,850
Long-term borrowings	66,506	75,991	68,542
	<u>\$ 2,267,689</u>	<u>\$ 2,238,445</u>	<u>\$ 2,694,651</u>
Lease liabilities - current	\$ 39,220	\$ 37,538	\$ 35,948
Lease liabilities - non-current	64,205	70,504	89,880
	<u>\$ 103,425</u>	<u>\$ 108,042</u>	<u>\$ 125,828</u>

## 2. Risk management policy

There are no major changes in this period. Please refer to Note 12 of the consolidated financial statements for the year 2023.

## 3. Nature and Degree of Significant Financial Risks

### (1) Market risk

#### Exchange rate risk

A. The Group operates internationally and is exposed to foreign exchange risk arising from the transactions of the Company and its subsidiaries used in various functional currency, primarily with respect to the USD and THB. Foreign exchange risk arises from future commercial transactions and recognized assets and liabilities.

- B. The Group's management has formulated a relevant policy to require entities within the Group to manage the foreign exchange risks associated with their functional currency. The companies are required to hedge their entire foreign exchange risk exposure with the financial department of the Group. The measurement of exchange rate risk is based on the expected transactions that are very likely to generate USD and RMB expenses, and to use forward exchange contracts in order to reduce the impacts of exchange rate fluctuation on the expected transactions.
- C. The Group used forward exchange transactions to hedge the exchange rate risk; however, the hedge accounting was not applied. Please refer to Notes 6(2) for information on recognition of financial assets or liabilities at fair value through profit or loss.
- D. The Group's businesses involve some non-functional currency operations such that they can be affected by the exchange rate fluctuation. The information on assets and liabilities denominated in foreign currencies whose values are materially affected by the exchange rate fluctuations is as follows:

(Foreign currency: functional currency)	March 31, 2024		
	Foreign currency amount (In Thousands)	Exchange Rate	Carrying amount NT\$ thousand
<u>Financial assets</u>			
<u>Monetary items</u>			
USD : NTD	\$ 15,306	32	\$ 489,792
USD : THB	2,810	36.199	89,920
USD : VND	9,170	24,970	293,440
USD : RMB	2,803	7.288	89,696
USD : HKD	2,407	7.826	77,024
<u>Non-monetary items</u>			
USD : NTD	848	32	27,139
<u>Financial liabilities:</u>			
<u>Monetary items</u>			
USD : NTD	5,252	32	168,064
USD : THB	687	36.199	21,984
USD : VND	1,899	24,970	60,768
USD : HKD	1,169	7.826	37,408
December 31, 2023			

<b>(Foreign currency: functional currency)</b>	Foreign currency amount (In Thousands)	Exchange Rate	Carrying amount NT\$ thousand
<u>Financial assets</u>			
<u>Monetary items</u>			
USD : NTD	\$ 16,509	30.705	\$ 506,909
USD : THB	1,389	34.052	42,649
USD : VND	6,988	24,408	214,567
USD : HKD	8,663	7.815	265,997
<u>Non-monetary items</u>			
USD : NTD	733	30.705	22,510
<u>Financial liabilities:</u>			
<u>Monetary items</u>			
USD : NTD	3,542	30.705	108,757
USD : THB	1,090	34.052	33,468
USD : VND	686	24,408	21,064
USD : HKD	91	7.815	2,794

March 31, 2023

<b>(Foreign currency: functional currency)</b>	Foreign currency amount (In Thousands)	Exchange Rate	Carrying amount NT\$ thousand
<u>Financial assets</u>			
<u>Monetary items</u>			
USD : NTD	\$ 19,426	30.45	\$ 591,522
USD : THB	6,648	33.935	202,432
USD : VND	6,193	23,640	188,577
USD : HKD	3,529	7.85	107,458
<u>Non-monetary items</u>			
USD : NTD	828	30.45	25,202
<u>Financial liabilities:</u>			
<u>Monetary items</u>			
USD : NTD	4,708	30.45	143,359
USD : THB	12,179	33.935	370,851
USD : VND	4,615	23,640	140,527
USD : HKD	414	7.85	12,606

E. The total exchange gain (loss) (including realized and

unrealized) arising from significant foreign exchange variation on the monetary items held by the Group for 2024 and January 1 to March 31 2023, amounted to profit of NT\$30,100 and NT\$5,425 respectively.

F. Foreign exchange risks arising from significant exchange rate changes that the Group is exposed to are as follows:

January1 to March 31, 2024				
Sensitivity Analysis				
(Foreign currency: functional currency)	Fluctuation	Effects on P/L	Effect on other comprehensive income	
<u>Financial assets</u>				
<u>Monetary items</u>				
USD : NTD	1%	\$ 4,898	-	
USD : THB	1%	899	-	
USD : VND	1%	2,934	-	
USD : HKD	1%	770	-	
<u>Financial liabilities:</u>				
<u>Monetary items</u>				
USD : NTD	1%	1,681	-	
USD : THB	1%	220	-	
USD : VND	1%	608	-	
USD : HKD	1%	374	-	

January1 to March 31, 2023				
Sensitivity Analysis				
(Foreign currency: functional currency)	Fluctuation	Effects on P/L	Effect on other comprehensive income	
<u>Financial assets</u>				
<u>Monetary items</u>				
USD : NTD	1%	\$	5,915	-
USD : THB	1%		2,024	-
USD : VND	1%		1,886	-
USD : HKD	1%		1,075	-
<u>Financial liabilities:</u>				
<u>Monetary items</u>				
USD : NTD	1%		1,434	-
USD : THB	1%		3,709	-
USD : VND	1%		1,405	-
USD : HKD	1%		126	-

### Price risk

- A. The Group is exposed to equity securities price risk due to the financial assets and available-for-sale financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income held and accrued by the Group. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group.
- B. The Group mainly invests in equity instruments issued by a domestic or foreign company. The price of such equity instruments can be affected by changes in future value of their investment targets. If the prices of these equity instruments had increased/decreased by 1% with all other variables held constant, the profit or loss of the equity instruments measured at fair value through profit or loss for the net income after tax of 2024 and January 1 to March 31 2023, would have increased or decreased by NT\$19 and NT\$20 respectively; and for other comprehensive income of 2024 and January 1 to March 31 2023 classified as the equity instrument measured at fair value through comprehensive income, the profit or loss would have increased or decreased by NT\$630 and NT\$663 respectively.

### Cash flow and fair value interest rate risk

- A. The borrowing interest rate risk of the Group mainly came from the short-term borrowings. Due to the borrowings at floating interest rate, the Group borne the cash flow interest rate risk, and a portion of the risk was being offset by the cash and cash equivalents held. The borrowing according to the fixed interest rate caused the Group to be under the fair value interest rate risk.
- B. The borrowing of the Group was measured at amortized cost, and re-pricing was performed according to the annual interest rate specified in the contract. Therefore, the Group is exposed to the risk of future market interest rate change.
- C. When the borrowing interest rate in NTD increases or decreases by 1%, with other variables remain constant, the net income after tax for 2024 and January 1 to March 31 2023 will also decrease or increase by NT\$1,989 and NT\$2,738, respectively, which is mainly due to changes in interest expense caused by borrowings bearing a floating interest rate.

### (2) Credit risk

- A. The Company's credit risk refers to the risk of financial loss to the Company arising from default by the clients or transaction counterparties of financial instruments on the contract obligations. Such risk is mainly due to the counterparties cannot

repay the accounts payable according to the payment terms, classified as the contract cash flow.

- B. The Group establishes a framework for managing credit risks from a group's perspective. As the internal credit approval policy stipulates, an operating entity within the Group shall manage and analyze the credit risk of a new client before proposing terms and conditions pertaining to payments and delivery of goods. Internal risk control is achieved by evaluating a client's credit quality against the client's financial position, credit records, and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the board of directors. The utilization of credit limits is regularly monitored.
- C. The Group adopts IFRS 9 to provide preliminary assumption, and when the payment specified according to the contract term has exceeded 90 days, a breach of contract is deemed to have occurred.
- D. The Group adopts IFRS 9 to provide the following preliminary assumption, in order to use it as the basis for determining whether the credit risk of financial instruments has increased significantly since the original recognition:  
If the contract payments are past due over 30 days based on the terms, it is deemed that there has been a significant increase in credit risk on that instrument since initial recognition.
- E. The Group classifies accounts receivable due from clients according to the characteristics of trading credit risk, and adopts the simplified approach that measures expected credit losses based on the preparation matrix.
- F. (A) The expected loss rate of customers in the related party group is 0.02%. Accounts receivable as of March 31, 2024, December 31, 2023, and March 31, 2023 - total book value of related parties and allowance for losses. They are NT\$25,939 and NT\$1, NT\$14,070 and NT\$1, NT\$29,180 and NT\$5 respectively.  
(B) Based on historical experience, the Group uses individual assessments to calculate expected credit losses for customers with higher credit risks. The total book value and allowance losses as of March 31, 2024, December 31, 2023, and March 31, 2023 were NT\$9,068 and NT\$4,361, NT\$4,185 and NT\$4,185, and NT\$4,150 and NT\$4,150 respectively.  
(C) By including the forward-looking consideration on the global economic information, the Group adjusts the expected credit loss rate that was established based on historical or present information, so as to estimate the preparation matrices of the loss allowance for the accounts and notes

	receivable as follows:					
	Not overdue	Overdue within 30 days	Overdue 60 days	Overdue 90 days	Overdue 90 days	Total
March 31, 2024						
Expected loss (%)	0.02%~1.28%	0.5%~16.69%	6.64%~46.80%	24.81%~77.96%	100%	
Total carrying amount	<u>\$ 1,425,006</u>	<u>\$ 42,275</u>	<u>\$ 9,401</u>	<u>\$ 625</u>	<u>\$ 26,679</u>	<u>\$1,503,986</u>
Allowance for loss	<u>\$ 1,911</u>	<u>\$ 1,241</u>	<u>\$ 1,496</u>	<u>\$ 360</u>	<u>\$ 26,679</u>	<u>\$ 31,687</u>
	Not overdue	Overdue within 30 days	Overdue 60 days	Overdue 90 days	Overdue 90 days	Total
December 31, 2023						
Expected loss (%)	0.02%~1.28%	0.5%~16.69%	6.64%~46.80%	24.81%~77.96%	100%	
Total carrying amount	<u>\$ 1,219,467</u>	<u>\$ 49,582</u>	<u>\$ 3,457</u>	<u>\$ 10,503</u>	<u>\$ 22,329</u>	<u>\$1,305,338</u>
Allowance for loss	<u>\$ 3,369</u>	<u>\$ 1,105</u>	<u>\$ 603</u>	<u>\$ 3,385</u>	<u>\$ 22,329</u>	<u>\$ 30,791</u>
	Not overdue	Overdue within 30 days	Overdue 60 days	Overdue 90 days	Overdue 90 days	Total
March 31, 2023						
Expected loss (%)	0.02%~1.97%	0.03%~21.54%	0.03%~35.10%	0.03%~77.61%	100%	
Total carrying amount	<u>\$ 1,443,321</u>	<u>\$ 59,458</u>	<u>\$ 21,965</u>	<u>\$ 20,747</u>	<u>\$ 37,020</u>	<u>\$1,582,511</u>
Allowance for loss	<u>\$ 1,281</u>	<u>\$ 835</u>	<u>\$ 751</u>	<u>\$ 6,529</u>	<u>\$ 37,020</u>	<u>\$ 46,416</u>

G. The loss allowance change table for accounts and notes receivable (including related party) of the Group is as follows:

	2024
January 1	\$ 34,977
Impairment losses recognized	915
Exchange rate effects	157
March 31	<u>\$ 36,049</u>
	2023
January 1	\$ 45,952
Impairment losses recognized	4,748
Exchange rate effects	( 129)



March 31

\$ 50,571

The impairment losses recognized for notes receivable and accounts (including related parties) arising from customer contracts from January 1 to March 31, 2024 and 2023 were NT\$915 and NT\$4,748 respectively.

(3) Liquidity risk

- A. Cash flows forecast is done by each operating entity; the Financial Department of the Group is responsible only for summarizing the results. The financial department of the Group monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs.
- B. The table below analyses the Group's non-derivative financial liabilities into relevant maturity groupings based on the remaining period from the balance sheet date to the contractual maturity date for non-derivative financial liabilities. Derivative financial liabilities were analyzed based on the balance sheet date to the retaining period at the expected maturity date. The table below disclosed the contractual cash flows not discounted.

March 31, 2024

<u>Non-derivative financial liabilities:</u>	<u>Within 1 year</u>	<u>Over 1 year</u>
Short-term borrowings	\$ 689,200	\$ -
Accounts payable (including related party)	476,797	-
Other payables (including related party)	223,687	-
Lease liabilities	39,731	65,167
Bonds payable	-	790,100
Long-term borrowings (including portion matured in one year or one operating cycle)	40,010	66,506
<u>Derivative financial liabilities</u>	<u>Within 1 year</u>	<u>Over 1 year</u>
Forward exchange agreement (FXA)	\$ 2,051	\$ -

December 31, 2023

<u>Non-derivative financial liabilities:</u>	<u>Within 1 year</u>	<u>Over 1 year</u>
Short-term borrowings	\$ 713,378	\$ -
Accounts payable (including related party)	389,926	-
Other payables (including related party)	242,377	-
Lease liabilities	38,579	72,221
Bonds payable	-	795,700
Long-term borrowings (including portion matured in one year or one operating cycle)	45,192	75,991

March 31, 2023

<u>Non-derivative financial liabilities:</u>	<u>Within 1 year</u>	<u>Over 1 year</u>
Short-term borrowings	\$ 1,095,069	\$ -
Accounts payable (including related party)	441,923	-
Other payables (including related party)	280,014	-
Lease liabilities	37,612	93,822
Bonds payable	-	800,000
Long-term borrowings (including portion matured in one year or one operating cycle)	42,227	68,542
<u>Derivative financial liabilities</u>	<u>Within 1 year</u>	<u>Over 1 year</u>
Forward exchange agreement (FXA)	\$ 1,026	\$ -

### (3) Fair Value Information

- Below are the definitions assigned to each level of valuation technique used to measure the fair value of financial and non-financial assets.

Level 1	Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. A market is regarded as active where a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The fair value of the Group's investment in listed shares is included in Level 1.
Level 2	Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. The fair value of the Group's investment in most of the derivatives is included in Level 2.
Level 3	Level 3: Unobservable inputs for the asset or liability. The Group's investments in equity instrument investment of non-active market and investment properties are included in Level 3.

- Financial instruments not measured at fair values

Except for the ones listed in the table below, including cash and cash equivalents, notes receivable, accounts receivable, other accounts receivable, other financial assets, long/short-term borrowings, notes payable, accounts payable and other accounts payable, their book values are approximate to the reasonably close values of fair values:

March 31, 2024				
Carrying amount	Fair value			
	Level 1	Level 2	Level 3	
Financial liabilities:				
Bonds payable	\$ 769,438	\$ -	\$ 767,208	\$ -
December 31, 2023				
Carrying amount	Fair value			
	Level 1	Level 2	Level 3	
Financial liabilities:				
Bonds payable	\$ 771,581	\$ -	\$ 770,148	\$ -

March 31, 2023				
	Carrying amount	Fair value		
		Level 1	Level 2	Level 3
Financial liabilities:				
Bonds payable	<u>\$ 765,850</u>	<u>\$ -</u>	<u>\$ 768,409</u>	<u>\$ -</u>

3. Financial and non-financial assets at fair value are classified by nature, characteristic, risk, and fair value level, stated as follows:

(1) The Group classifies its assets and liabilities by their function; stated as follows:

March 31, 2024	Level 1	Level 2	Level 3	Total
<b>Assets</b>				
<u>Recurring fair value</u>				
Financial assets at fair value through profit or loss				
Equity instruments	\$ 1,923	\$ -	\$ -	\$ 1,923
Forward commodity	-	387	-	387
Ordinary corporate bonds	1,000	-	-	1,000
Financial assets at fair value through other comprehensive income				
Equity instruments	-	-	63,023	63,023
Investment property	-	-	247,868	247,868
	<u>\$ 2,923</u>	<u>\$ 387</u>	<u>\$ 310,891</u>	<u>\$ 314,201</u>
March 31, 2024	Level 1	Level 2	Level 3	Total

#### Liabilities

##### Recurring fair value

Financial liabilities measured at fair value through profit or loss

Forward exchange agreement (FXA)	<u>\$ -</u>	<u>\$ 2,051</u>	<u>\$ -</u>	<u>\$ 2,051</u>
----------------------------------	-------------	-----------------	-------------	-----------------

December 31, 2023	Level 1	Level 2	Level 3	Total
<b>Assets</b>				
<u>Recurring fair value</u>				
Financial assets at fair value through profit or loss				
Equity instruments	\$ 1,919	\$ -	\$ -	\$ 1,919

Forward exchange agreement (FXA)	-	1,340	-	1,340
Ordinary corporate bonds	1,001	-	-	1,001
Financial assets at fair value through other comprehensive income				
Equity instruments	-	-	65,878	65,878
Investment property	-	-	158,319	158,319
	<u>\$ 3,921</u>	<u>\$ 1,340</u>	<u>\$ 224,197</u>	<u>\$ 229,458</u>

March 31, 2023	Level 1	Level 2	Level 3	Total
<b>Assets</b>				
<u>Recurring fair value</u>				
Financial assets at fair value through profit or loss				
Equity instruments	\$ 2,037	\$ -	\$ -	\$ 2,037
Forward exchange agreement (FXA)	-	595	-	595
Convertible corporate bond redemption right	-	-	3,464	3,464
Financial assets at fair value through other comprehensive income				
Equity instruments	-	-	66,270	66,270
Investment property	-	-	158,319	158,319
	<u>\$ 2,037</u>	<u>\$ 595</u>	<u>\$ 228,053</u>	<u>\$ 230,685</u>

## Liabilities

### Recurring fair value

Financial liabilities measured at fair value through profit or loss

Forward commodity	\$ -	\$ 191	\$ -	\$ 191
Forward exchange agreement (FXA)	-	835	-	835
	<u>\$ -</u>	<u>\$ 1,026</u>	<u>\$ -</u>	<u>\$ 1,026</u>

(2) The techniques and assumptions used by the Group to measure fair value are stated as follows:

- A. For the equity-based securities that the Group used the market quoted price as the fair value (i.e. level 1 inputs), the market quoted price refers to the closing price on the balance sheet date.
- B. Except for financial instruments with an active market, the fair value of other financial instruments is obtained either based on

the valuation technique or by reference to the quotes from counter-parties. The fair value of financial instruments measured by using valuation techniques can be referred to current fair value of instruments with similar terms and characteristics in substance, discounted cash flow method or other valuation methods, including calculated by applying model using market information available at the consolidated balance sheet date (such as the reference yield curve of TPEx, Reuters commercial paper interest rate average price).

- C. When assessing non-standard and low-complexity financial instruments, such as forward exchange and forward commodity, the Group adopts the 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.
- D. For high-complexity financial instruments, the Group measures the fair value by using self-developed valuation model based on the valuation method and technique widely used within the same industry. Such type of valuation model is normally applied to derivative financial instruments, embedded derivative debt instruments or securitized commodities. Certain inputs used in such type of valuation model are not observable at market, and the Group must make reasonable estimates based on its assumptions. For the impacts of non-market observable parameters on financial instrument valuation, please refer to Notes 12(3)-8 for details.
- E. The valuation of derivative financial Instrument is based on the valuation model widely used and accepted by users in the market, such as discount method and option pricing model. Forward exchange agreement is typically evaluated based on the current forward exchange rate.
- F. The fair value valuation technique for investment property at fair value adopted by the Group complies with the provisions of the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and the fair value is determined according to the valuation result of independent expert. Please refer to Note 6(9) for details.
- G. Outputs from the valuation models are estimates and valuation techniques may not be able to reflect all relevant factors of the financial and non-financial instruments held by the Group. 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 in the consolidated balance sheet. The inputs and pricing information used during valuation are carefully assessed and adjusted based on current market conditions.

4. For 2024 and January 1 to March 31 2023, there was no transfer between Level 1 and Level 2.
5. The following table shows the change of Level 3 for 2024 and January 1 to March 31 2023.

	2024		
	Equity instruments	Investment property	Total
January 1	\$ 65,878	\$ 158,319	\$ 224,197
Gains recognized in other comprehensive income	( 2,304)	85,235	82,931
Transfer in this period	-	4,314	4,314
Exchange rate effects	( 551)	-	( 551)
March 31	<u>\$ 63,023</u>	<u>\$ 247,868</u>	<u>\$ 310,891</u>

	2023			
	Equity instruments	Convertible bonds Callable right:	Investment property	Total
January 1	\$ 64,921	\$ 5,960	\$ 158,319	\$ 229,200
Gains recognized in other comprehensive income	1,250	-	-	1,250
Recognized in P/L	-	( 2,496)	-	( 2,496)
Exchange rate effects	<u>99</u>	<u>-</u>	<u>-</u>	<u>99</u>
March 31	<u>\$ 66,270</u>	<u>\$ 3,464</u>	<u>\$ 158,319</u>	<u>\$ 228,053</u>

6. There were no transfers in or out from the Level 3 from January 1 to March 31, 2024 and January 1 to March 31, 2023.
7. For the investment property of the Group, it is assumed that the Group has retained an external appraiser to perform appraisal according to the valuation method and parameter announced by the FSC. The financial department establishes the financial instrument

and investment property fair value valuation policy, valuation procedure and verifies the compliance with requirements of relevant International Financial Reporting Standards.

8. The significant non-observable input value quantified information and significant non-observable input value change sensitivity analysis for the valuation model used in relation to the Level 3 fair value measurements are as follows:

	March 31, 2024 Fair value	Valuation technique	Significant unobservable inputs	Range (weighted average)	Input value and fair value relationship
Investment property - Wugu Building	\$ 158,319	Cash flow discount method	Discount rate	2.750%	The higher the discount rate, the lower the fair value
Investment property - Hong Kong Building	89,549	Cash flow discount method	Discount rate	5.750%	The higher the discount rate, the lower the fair value
Non-derivative equity instruments-stocks not listed in the stock exchange or the OTC market	-	Cash flow discount method	Discount rate	5.180%	The higher the discount rate, the lower the fair value
Non-derivative equity instruments-stocks not listed in the stock exchange or the OTC market	20,155	Public company comparables	Enterprise value to operating revenue ratio	0.4289~1.6664	The higher the value multiples, the higher the fair value
Non-derivative equity instruments-stocks not listed in the stock exchange or the OTC market	22,209	Public company comparables	Price-book ratio (PBR)	0.9250~1.2339	The higher the value multiples, the higher the fair value
Non-derivative equity instruments-stocks not listed in the stock exchange or the OTC market	20,659	Public company comparables	Price-book ratio (PBR)	1.9584~2.8907	The higher the value multiples, the higher the fair value
- Convertible corporate bond	-	Least-squares	Volatility	29.660%	The higher the volatility, the



redemption right		Monte Carlo simulation approach			higher the fair value
	December 31, 2023		Significant unobservable inputs	Range (weighted average)	Input value and fair value relationship
	Fair value	Valuation technique			
Investment property	\$ 158,319	Cash flow discount method	Discount rate	2.750%	The higher the discount rate, the lower the fair value
- Wugu Building					
Non-derivative equity instruments-stocks not listed in the stock exchange or the OTC market	-	Cash flow discount method	Discount rate	5.180%	The higher the discount rate, the lower the fair value
Non-derivative equity instruments-stocks not listed in the stock exchange or the OTC market	19,964	Public company comparables	Enterprise value to operating revenue ratio	0.3833~1.0347	The higher the value multiples, the higher the fair value
Non-derivative equity instruments-stocks not listed in the stock exchange or the OTC market	28,066	Public company comparables	Price-book ratio (PBR)	1.0125~1.6825	The higher the value multiples, the higher the fair value
Non-derivative equity instruments-stocks not listed in the stock exchange or the OTC market	17,848	Public company comparables	Price-book ratio (PBR)	1.9891~3.0916	The higher the value multiples, the higher the fair value
- Convertible corporate bond redemption right	-	Least-squares Monte Carlo simulation approach	Volatility	29.210%	The higher the volatility, the higher the fair value
	March 31, 2023		Significant unobservable inputs	Range (weighted average)	Input value and fair value relationship
	Fair value	Valuation technique			
Investment property	\$ 158,319	Cash flow discount method	Discount rate	2.720%	The higher the discount rate, the lower the fair value

Non-derivative equity instruments-stocks not listed in the stock exchange or the OTC market	-	Cash flow discount method	Discount rate	5.18%	The higher the discount rate, the lower the fair value
Non-derivative equity instruments-stocks not listed in the stock exchange or the OTC market	17,176	Public company comparables	Enterprise value to operating revenue ratio	0.3506~0.6586	The higher the value multiples, the higher the fair value
Non-derivative equity instruments-stocks not listed in the stock exchange or the OTC market	25,325	Public company comparables	Price-book ratio (PBR)	1.3256~2.0268	The higher the value multiples, the higher the fair value
Non-derivative equity instruments-stocks not listed in the stock exchange or the OTC market	23,769	Public company comparables	Price-book ratio (PBR)	1.7987~3.3677	The higher the value multiples, the higher the fair value
- Convertible corporate bond redemption right	3,464	Least-squares Monte Carlo simulation approach	Volatility	38.77%	The higher the volatility, the higher the fair value

### XIII. Other Disclosures

#### (1)Information on Significant Transactions

1. Loaning funds to others: Please refer to Table 1.
2. Provision of endorsements and guarantees: Please refer to Table 2.
3. Marketable securities held at the end of the period (excluding investment in subsidiaries, affiliated companies, and the control portion in a joint venture): Please refer to Table 3.
4. Accumulative purchase or disposal of the same marketable securities reaching NT\$300 million or 20% of paid-in capital or more: None.
5. Acquisition of real estate reaching NT\$300 million or 20% of paid-in capital or more: None.

6. Disposal of real estate reaching NT\$300 million or 20% of paid-in capital or more: None.
7. Transaction with related party reaching NT\$100 million or 20% of paid-in capital or more: Please refer to Table 4.
8. Receivables due from related party reaching NT\$100 million or 20% of paid-in capital or more: Please refer to Table 5.
9. Trading in derivative instruments: Please refer to Note 6(2) for details.
10. Business relationship, significant transactions, and significant transaction amount between parent and subsidiaries, or among subsidiaries: Please refer to Table 6.

(2)Information on Investees

Name and location of investees (excluding those in Mainland China): Please refer to Table 7.

(3)Information on investments in Mainland China

1. Basic Information: Refer to Table 8.
2. Significant transactions with investees in Mainland China that are invested by the Company directly or Indirectly through another third region entity: Please refer to Table 6.

(4)Information on Major Shareholders

Major shareholder information: Please refer to Table 9.

XIV. Operating Segment Information

(1)General Information

The Group management has determined the operating segments based on the reports reviewed by the operating decision maker that are used to make strategic decisions. The operating decision maker of the Group operates business according to the region and performs the sale of various types of wires and cables as the main source of income. Taiwan, China, and Hong Kong, Thailand are the main regions for the manufacturing and sales activities of the Group. The Group provides the individual operation result indicated in the consolidated statements to the operating decision maker for review and approval, in order to evaluate the performance of the segment.

(2)Segment Information

The Company and subsidiaries report the net income or loss before tax of each region to the main operating decision maker, and the income and expenses indicated in the income statement adopts consistent measurement method. In addition, the performance of each operating

segment is evaluated according to the net income and loss before tax. The Company and subsidiaries have not provided the amounts of the total assets and total liabilities to the operating decision maker to make operational decisions.

The relevant regional financial information of the Group for 2024 and January 1 to March 31, 2023 is as follows:

January1 to March 31, 2024							
	Taiwan	China and Hong Kong	Thailand	Vietnam	U.S.A.	Adjustment and write-off	Total
Revenue from external customers	\$ 512,938	\$ 189,144	\$ 505,964	\$ 257,654	\$ 239,576	\$ -	\$ 1,705,276
Inter-segment transactions	243,375	74,599	40,029	178,918	-	( 536,921)	-
Segment revenue	<u>\$ 756,313</u>	<u>\$ 263,743</u>	<u>\$ 545,993</u>	<u>\$ 436,572</u>	<u>\$ 239,576</u>	<u>(\$ 536,921)</u>	<u>\$ 1,705,276</u>
Net income before tax of segment	<u>\$ 103,822</u>	<u>(\$ 13,071)</u>	<u>\$ 38,191</u>	<u>\$ 60,924</u>	<u>\$ 1,413</u>	<u>(\$ 67,399)</u>	<u>\$ 123,880</u>

January1 to March 31, 2023							
	Taiwan	China & Hong Kong	Thailand	Vietnam	U.S.A.	Adjustment and write-off	Total
Revenue from external customers	\$ 535,932	\$ 126,111	\$ 493,688	\$ 254,243	\$ 215,163	\$ -	\$ 1,625,137
Inter-segment transactions	181,409	66,299	102,445	74,837	-	( 424,990)	-
Segment revenue	<u>\$ 717,341</u>	<u>\$ 192,410</u>	<u>\$ 596,133</u>	<u>\$ 329,080</u>	<u>\$ 215,163</u>	<u>(\$ 424,990)</u>	<u>\$ 1,625,137</u>
Net income before tax of segment	<u>\$ 71,100</u>	<u>\$ 1,050</u>	<u>\$ 45,718</u>	<u>\$ 29,083</u>	<u>(\$ 1,506)</u>	<u>(\$ 49,746)</u>	<u>\$ 95,699</u>

### (3) Reconciliation of Segment Profit or Loss

Since the operating decision maker evaluates the segment performance and determines the allocation of resources based on the segment revenue and segment net operating income or loss, adjustment of the profit or loss of the segment is not required.

### (4) Reportable Reconciliation of Segment Profit or Loss

The Company reports the net income or loss after tax of each region to the operating decision maker, and the income and expenses indicated in the statement of comprehensive income adopt a consistent measurement method. The Company has not provided the amounts of the total assets and total liabilities to the operating decision maker to make operational decisions. Since there is no difference between the statements provided to the operating decision maker to make segment operational decisions and the segment income statement, adjustment is not required.

Wonderful Hi-Tech Co., Ltd. and Subsidiaries

Loaning funds to others

January 1 to March 31, 2024

Table 1

Unit: NT\$ thousand; thousand shares

(unless otherwise specified)

															<u>Loan limit for specific borrower (Note 7)</u>	<u>Total loan limit (Note 7)</u>	<u>Remarks</u>
<u>No. (Note 1)</u>	<u>Lending company</u>	<u>Borrower</u>	<u>Current items (Note 2)</u>	<u>Whether related</u>	<u>Current maximum amount (Note 3)</u>	<u>Ending balance (Note 8)</u>	<u>Actually paid</u>	<u>Interest rate range</u>	<u>Loan nature (Note 4)</u>	<u>Current amount (Note 5)</u>	<u>Reason for short- term financing (Note 6)</u>	<u>Allowa nce for loss</u>	<u>Security</u>	<u>Name</u>	<u>Value</u>		
0	Wonderful Hi-Tech Co., Ltd.	Thai Wonderful Wire Cable Co., Ltd.	Financing funds receivable	Yes	64,000	64,000	64,000	4.0%	2	-	Working capital	-	Promissory note	USD 2,000	100,000	485,866	
0	Wonderful Hi-Tech Co., Ltd.	Shanghai Elitech Technology Co., Ltd.	Financing funds receivable	Yes	14,222	13,511	13,511	N/A	2	-	Working capital	-	-	-	100,000	485,866	
1	Wonderful Photoelectricity (Dongguan) Co. Ltd.	Shanghai Elitech Technology Co., Ltd.	Financing funds receivable	Yes	31,517	22,961	22,961	N/A	2	-	Working capital	-	-	-	30,090	57,268	
2	Lord Hero Co., Ltd.	Thai Wonderful Wire Cable Co., Ltd.	Financing funds receivable	Yes	48,000	48,000	48,000	4.0%	2	-	Working capital	-	Promissory note	USD 1,500	49,068	50,787	

Note 1: Instruction for the number column is as follows:

(1) Fill in 0 for the issuer.

(2) The investees are numbered in order starting from number 1.

Note 2: Accounts receivable from related companies, receivable from related parties, shareholder current account, advance payments, temporary payments... or any other items of loan nature must be filled in this field.

Note 3: The maximum balance of funds lent in the current year.

Note 4: The loan nature shall be specified as business payment or short-term financing.

(1) For business payment, please fill in 1.

(2) For short-term financing, please fill in 2.

Note 5: If the loan is a business payment, the amount should be filled in. The amount of business payment refers to the amount of the business transaction between the lending company and the borrower in the recent one year.

Note 6: If the loan is a short-term financing, the reason for the loan and use by the borrower shall be specified, such as repayment of loans, purchase of equipment, business turnover... etc..

Note 7: (1) For companies or firms that do business with Wonderful Hi-Tech Co., Ltd., the total loan amount shall not exceed 30% of the lower of the paid-up capital and net value of Wonderful Hi-Tech Co., Ltd., with individual loan amount not exceeding the amount of business transactions between the two parties in the recent one year, and shall not exceed NT\$100 million based on risk considerations.

For companies or firms that need short-term financing, the total loan amount shall not exceed 30% of the lower of the paid-up capital and net value of Wonderful Hi-Tech Co., Ltd., with the individual loan amount not exceeding NT\$60 million.

(2) The total amount of loan lent by Thai Wonderful Wire Cable Co., Ltd. shall not exceed 30% of the lower of the paid-up capital and net value of Thai Wonderful Wire Cable Co., Ltd., with the individual loan amount not exceeding THB 25 million.

(3) The total amount of loan lent by Lord Hero Co., Ltd. Wire Cable Co., Ltd. shall not exceed 30% of the lower of the paid-up capital and net value Lord Hero Co., Ltd. Cable Co., Ltd., with the individual loan amount not exceeding THB 25 million.

Note 8: If the public offering company proposes the loan to the board of directors one by one in accordance with paragraph1 of Article 14 of the Standards for the Treatment of Capital Loan and Endorsement Guarantee of Public Offering Company, the amount approved by the resolution of the board of directors shall be filled in to disclose the risk taking even though it is not yet paid; however, in case of subsequent repayment, the

balance after repayment shall be disclosed to reflect the adjustment of risks. However, if the funds are subsequently repaid, the balance after repayment should be disclosed to reflect the risk adjustment. If a publicly issued company authorizes the chairman of the board of directors by resolution of the board of directors to allocate loans in installments or use them on a recurring basis within a certain amount and within a period of one year in accordance with Article 14, Paragraph 2 of the Treatment Guidelines. Fill in “The balance of loss of each subsidiary directly reinvested in the current period shall still be the loan limit approved by the board of directors. Although the funds may be repaid later, considering the loan may be granted again, the amount approved by the board of directors shall still be listed as the balance.

Wonderful Hi-Tech Co., Ltd. and Subsidiaries

Provision of Endorsements and Guarantees  
January 1 to March 31, 2024

Table 2

Unit: NT\$ thousand

(unless otherwise specified)

<u>No.</u> <u>(Note 1)</u>	<u>Endorsement and</u> <u>guarantee provider</u>	<u>The endorsed or guaranteed</u>  <u>Company name</u>	<u>Relations</u> <u>(Note 2)</u>	<u>Limit of</u> <u>endorsement and</u> <u>guarantee for a</u> <u>single enterprise</u> <u>(Note 3)</u>	<u>Current maximum</u> <u>balance of</u> <u>endorsement and</u> <u>guarantee</u> <u>(Note 4)</u>	<u>Ending balance of</u> <u>endorsement and</u> <u>guarantee</u> <u>(Note 5)</u>	<u>Actually paid</u> <u>(Note 6)</u>	<u>Amount of</u> <u>endorsement</u> <u>and guarantee</u> <u>secured by</u> <u>property</u> <u>(Note 6)</u>	<u>Ratio of accumulated</u> <u>amount of</u> <u>endorsement and</u> <u>guarantee to the net</u> <u>value of the most</u> <u>recent financial</u> <u>statement</u> <u>(Note 6)</u>	<u>Maximum limit of</u> <u>endorsement and</u> <u>guarantee</u> <u>(Note 3)</u>	<u>Endorsement</u> <u>and guarantee</u> <u>provided by the</u> <u>parent company</u> <u>to a subsidiary</u> <u>company</u> <u>(Note 7)</u>	<u>Endorsement</u> <u>and guarantee</u> <u>provided by a</u> <u>subsidiary</u> <u>company to the</u> <u>parent company</u> <u>(Note 7)</u>	<u>Endorsement</u> <u>and guarantee</u> <u>provided to the</u> <u>mainland China</u> <u>(Note 7)</u>	<u>Remarks</u>
1	Thai Wonderful Wire Cable Co., Ltd.	Vietnam Wonderful Wire Cable Co., Ltd.	2	116,609	38,400	38,400	-	-	3.29%	466,435	N	N	N	
1	Thai Wonderful Wire Cable Co., Ltd.	Vietnam Wonderful Wire Cable Co., Ltd.	2	116,609	19,200	19,200	19,200	-	1.65%	466,435	N	N	N	

Note 1: Instruction for the number column is as follows:

- (1) Fill in 0 for the issuer.
- (2) The investees are numbered in order starting from Arabic digit 1.

Note 2: There are 7 types of relationship between the endorser and the endorsed as follows, fill in the code:

- (1) A company having business dealings with the Company.
- (2) A company in which the Company directly or indirectly holds more than 50% of shares with voting rights.
- (3) A company that directly or indirectly holds more than 50% of shares with voting rights of the Company.
- (4) Between companies where the Company directly or indirectly holds more than 90% of shares with voting rights.
- (5) Companies of the same trade or joint manufactures that are mutually endorsed for the needs of the contracted works.
- (6) A company endorsed and guaranteed by all the contributing shareholders in accordance with their shareholding ratio due to the joint investment relationship.
- (7) Joint and several performance guarantee of the same trade for pre-sale house sales contracts in accordance with the consumer protection law.

Note 3: (1) The total amount of external endorsement and guarantee provided by Wonderful Hi-Tech Co., Ltd. shall not exceed 40% of the current net value of Wonderful Hi-Tech Co., Ltd., and the limit of endorsement and guarantee for a single enterprise shall not exceed 10% of the current net value.

However, this limit does not apply to the inter-company endorsement guarantee limit where the company directly and indirectly holds 100% of the voting shares.

The net value shall be subject to the most recent financial statement audited or reviewed by an accountant.

- (2) The total amount of external endorsement and guarantee provided by Thai Wonderful Wire Cable Co., Ltd. shall not exceed 40% of the current net value of Thai Wonderful Wire Cable Co., Ltd., and the limit of endorsement and guarantee for a single enterprise shall not exceed 20% of the current net value of Thai Wonderful Wire Cable Co., Ltd. if it is a subsidiary that Thai Wonderful Wire Cable Co., Ltd. directly holds more than 90% of the equity of common shares, and 10% for others.

Subsidiaries with more than 90% common stock equity shall not exceed 20% of the current net worth, and the remaining subsidiaries shall not exceed 10% of the current net worth of Thailand Wantai Wire and Cable Co., Ltd.

For those provided with endorsement and guarantee due to business relationship with Thai Wonderful Wire Cable Co., Ltd., in addition to the foregoing limit, the amount of individual endorsement or guarantee shall not exceed the amount of business transaction between the two parties.

The net value shall be subject to the most recent financial statement audited or reviewed by an accountant.

For those provided with endorsement and guarantee due to business relationship with Thai Wonderful Wire Cable Co., Ltd., in addition to the foregoing limit, the amount of individual endorsement or guarantee shall not exceed the amount of business transaction between the two parties.

Note 4: The maximum balance of endorsement and guarantee provided for others in the current year.

Note 5: The amount approved by the board of directors shall be disclosed. However, if the board of directors authorizes the Chairman to determined the amount in accordance with paragraph 8 of Article 12 of the Standards for the Treatment of Capital Loan and Endorsement Guarantees of Public Offering Company, it refers to the amount decided by the Chairman.

Note 6: The actual amount used by the endorsed or guaranteed within the balance of the endorsement and guarantee amount.

Note 7: Fill in Y for endorsement and guarantee provided by the listed parent company to a subsidiary, or provided by a subsidiary to the parent company, or provided to the mainland China.



Wonderful Hi-Tech Co., Ltd. and Subsidiaries

Marketable Securities Held at the End of the Period (Excluding Investment in Subsidiaries, Affiliated Companies, and the Control Portion in a Joint Venture)

March 31, 2024

Table 3

Unit: NT\$ thousand  
(unless otherwise specified)

<u>Holding company</u>	<u>Type and name of marketable securities</u> (Note 1)	<u>Relationship with the</u> <u>marketable securities</u> <u>issuer</u> (Note 2)	<u>Account</u>	<u>Number of</u> <u>shares (in</u> <u>thousands)</u>	<u>Carrying</u> <u>amount</u> (Note 3)	<u>Shareholding</u> <u>percentage</u>	<u>Fair value</u>	<u>Remarks</u> (Note 4)
Wonderful Hi-Tech Co., Ltd.	Sanitar Co., Ltd.	-	Financial assets measured at fair the consideration through profit or loss - current	51.00	\$ 1,908	-	\$ 1,908	-
	NT Pharma Group Co., Ltd. (Hong Kong Stock)	-	Financial assets measured at fair the consideration through profit or loss - current	170.00	15	-	15	-
	Taiwan Semiconductor Manufacturing Co., Ltd. 2023	-	Financial assets measured at fair the consideration through profit or loss - current	10.00	1,000	-	1,000	-
	The second tranche of unsecured ordinary corporate bonds Class A (P12 TSMC 2A)	-						
	Asahi Malaysia Co., Ltd.	-	Financial assets at fair the consideration through other comprehensive income - non-current	1,900.00	20,155	9.40	20,155	-
	M-Mobility Co. Ltd.	-	Financial assets at fair the consideration through other comprehensive income - non-current	0.67	-	4.53	-	-
Thai Wonderful Wire Cable Co., Ltd.	Sunpower Energy Technology Co., Ltd.	-	Financial assets at fair the consideration through other comprehensive income - non-current	663.00	20,659	2.78	20,659	-
	Focuz Manufacturing Company Ltd.	-	Financial assets at fair the consideration through other comprehensive income - non-current	58.82	22,209	4.90	22,209	-

Note 1: The "marketable securities" in this table refer to stocks, bonds, beneficiary certificates and securities derived from the above items falling within IFRS No. 9 "Financial Instruments".

Note 2: If the issuer of marketable securities is not a related party, this column can be left blank.

Note 3: If measured at fair value, please fill in the book balance after the adjustment of fair value evaluation and deducting the accumulated impairment in the carrying amount column; if it is not measured at fair value, please fill in the book balance of original acquisition cost or amortized cost minus accumulated impairment in the carrying amount column.

Note 4: If the marketable securities are subject to restricted use due to the provision of guarantee, pledge loan or others agreed upon, the number of shares guaranteed or pledged, the amount of guarantee or pledge and the restricted use shall be indicated in the remarks column.

Wonderful Hi-Tech Co., Ltd. and Subsidiaries  
Transaction with related party reaching NT\$100 million or 20% of paid-in capital or more.  
January 1 to March 31, 2024

Table 4

Unit: NT\$ thousand  
(unless otherwise specified)

			<u>Transaction</u>		<u>The circumstances and reasons why the terms of transaction are different from those of ordinary transactions</u> (Note 1)				<u>Bills receivable (payable), accounts</u>		
<u>Involved company</u>	<u>Name of Counterparty</u>	<u>Relationship</u>	<u>Transaction</u>	<u>Amount</u>	<u>Ratio to total transaction</u>	<u>Period of credit granting</u>	<u>Unit price</u>	<u>Period of credit granting</u>	<u>Balance</u>	<u>Ratio to total bills receivable (payable) and accounts</u>	<u>Remarks</u> (Note 2)
Wonderful Hi-Tech Co., Ltd.	ABA Industry Inc.	Subsidiary	Sales	\$ (209,259)	29%	90 days	\$ -	-	\$ 351,685	40%	None
Wonderful Hi-Tech Co., Ltd.	Vietnam Wonderful Wire Cable Co., Ltd.	Subsidiary	Purchase	147,103	24%	90 days	-	-	( 176,977)	34%	None

Note 1: If the related party transaction conditions are different from the general transaction conditions, the situation and reasons for the difference shall be stated in the field of unit price and credit granting period.

Note 2: If any payment is received (paid) in advance, the reasons, terms agreed, amount and the difference from the general transaction type shall be stated in the remarks column.

Note 3: The sale and purchase between Wonderful Hi-Tech Co., Ltd. and its subsidiaries is equivalent to the purchase and sale between the subsidiaries and Wonderful Hi-Tech Co., Ltd., so the relative transactions will not be disclosed separately.

Wonderful Hi-Tech Co., Ltd. and Subsidiaries

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

March 31, 2024

Table 5

Unit: NT\$ thousand

(unless otherwise specified)

<u>Company disclosing</u>			<u>Balance of receivables</u>		<u>Overdue Receivables due from</u>	<u>Amount recovered</u>		
<u>receivables</u>			<u>due from related</u>		<u>related parties</u>	<u>after the payment</u>		
<u>Name of Counterparty</u>			<u>parties</u>	<u>Turnover rate</u>	<u>Accounting</u>	<u>period of</u>	<u>receivable from</u>	<u>Allowance for loss</u>
<u>Relationship</u>			<u>(Note 1)</u>		<u>Amount</u>	<u>treatment method</u>	<u>related parties</u>	
Wonderful Hi-Tech Co., Ltd.	ABA Industry Inc.	Subsidiary	\$ 351,685	2.59	\$ 3,993	Strengthen collection	\$ 90,689	\$ -

Note 1: Please fill in separately according to the accounts receivable, bills, other receivables... etc.

Note 2: Paid-in capital refers to the paid-in capital of the parent company. If the issuer's shares have no par value or the par value of each share is not NT\$10, the transaction amount requirement of 20% of the paid-in capital shall be calculated at 10% of the equity attributable to the owner of the parent company in the balance sheet.

Note 3: The post-payment period ends on February 28, 2023

Wonderful Hi-Tech Co., Ltd. and Subsidiaries

Business relationship, significant transactions, and significant transaction amount between parent and subsidiaries, or among subsidiaries.

January 1 to March 31, 2024

Table 6

Unit: NT\$ thousand  
(unless otherwise specified)

			<u>Transaction circumstance</u>				<u>Ratio to total consolidated revenue or total assets</u>
<u>No.</u> <u>(Note 1)</u>	<u>Name of trader</u>	<u>Counterparty</u>	<u>Relationship with the trader</u> <u>(Note 2)</u>	<u>Item</u>	<u>Amount</u>	<u>Conditions</u>	<u>(Note 3)</u>
0	Wonderful Hi-Tech Co., Ltd.	Thai Wonderful Wire Cable Co., Ltd.	1	Purchase	21,577	Note 4	1%
0	Wonderful Hi-Tech Co., Ltd.	Vietnam Wonderful Wire Cable Co., Ltd.	1	Purchase	147,103	Note 4	9%
0	Wonderful Hi-Tech Co., Ltd.	Lord Hero Co., Ltd.	1	Purchase	58,486	Note 4	3%
0	Wonderful Hi-Tech Co., Ltd.	ABA Industry Inc.	1	Sales revenue	209,259	Note 4	12%
0	Wonderful Hi-Tech Co., Ltd.	ABA Industry Inc.	1	Accounts receivable	351,685	Note 4	6%
0	Wonderful Hi-Tech Co., Ltd.	Vietnam Wonderful Wire Cable Co., Ltd.	1	Accounts payable	176,977	Note 4	3%
0	Wonderful Hi-Tech Co., Ltd.	Lord Hero Co., Ltd.	1	Accounts payable	65,270	Note 4	1%

Note 1: The business transaction information between the parent company and its subsidiaries shall be indicated in the number column respectively, details are as follows:

(1) Fill in 0 for the parent company.

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

Note 2: There are 3 types of relationship with counterparties as follows, fill in the code:

(1) The parent company to a subsidiary.

(2) A subsidiary to the parent company.

(3) Among subsidiaries.

Note 3: The ratio of transaction amount to total consolidated revenue or total assets shall be calculated by the ending balance as a percentage of the consolidated total assets for assets and liabilities items; for profit and loss items, it shall be calculated by the cumulative amount as a percentage of the consolidated total revenue.

Note 4: In accordance with the general sales method.

Note 5: Individual transaction with an amount less than 1% of the consolidated total revenue and consolidated total assets will not be disclosed.

Wonderful Hi-Tech Co., Ltd. and Subsidiaries  
Name and location of investees (excluding those in Mainland China).

January 1 to March 31, 2024

Table 7

Unit: NT\$ thousand  
(unless otherwise specified)

<u>Name of investor</u>	<u>Name of investee</u> (Note 1, Note 2)	<u>Location</u>	<u>Main business items</u>	<u>Original investment amount</u>		<u>Shareholding at the end of the period</u>		<u>Carrying amount</u>	<u>Current gain and loss of the investee</u>	<u>Investment gains and losses recognized in the current period</u>	<u>Remarks</u>
				<u>At the end of the period</u>	<u>At the end of last year</u>	<u>Number of shares</u>	<u>Ratio</u>		(Note 2(2))	(Note 2(3) and 3)	
Wonderful Hi-Tech Co., Ltd.	Wonderful Holding (Cayman) Co., Ltd.	Cayman Islands	Holding company of investment	\$ 363,273	\$ 272,219	12,256,479	100.00	\$ 999,562	\$ 26,659	\$ 26,659	Subsidiary of the Company.
Wonderful Hi-Tech Co., Ltd.	Wanshih Electronic Co., Ltd.	Taiwan	Assembly of distribution lines	280,180	280,180	17,497,272	24.11	230,580	( 7,765)	( 1,872)	The investee evaluated by the equity method.
Wonderful Hi-Tech Co., Ltd.	Lord Hero International Co., Ltd.	BBritish Virgin Islands	Holding company of investment	461,167	461,167	16,326	81.63	619,565	( 10,389)	( 8,482)	Subsidiary of the Company.
Wonderful Hi-Tech Co., Ltd.	Yi-Tai Technology Co., Ltd.	Hong Kong	Holding company of investment	83,120	83,120	21,377,348	100.00	( 7,512)	( 2,683)	( 2,683)	Subsidiary of the Company.
Wonderful Hi-Tech Co., Ltd.	Wonderful Cabling Systems Corporation	Taiwan	Sales of wires and cables	12,800	12,800	2,000,000	80.00	65,061	5,008	3,968	Subsidiary of the Company.
Wonderful Hi-Tech Co., Ltd.	Vietnam Wonderful Wire Cable Co., Ltd.	Vietnam	Sales and manufacturing of wires and cables	217,101	217,101	-	50.00	389,671	48,268	24,359	Subsidiary of the Company.
Wonderful Hi-Tech Co., Ltd.	Wan Shih (Hong Kong) Co., Ltd.	Hong Kong	Assembly of distribution lines	28,541	28,541	3,067,500	17.04	19,654	( 997)	( 170)	The investee evaluated using the equity method.
Wonderful Hi-Tech Co., Ltd.	Inga Nano Technology Co., Ltd.	Taiwan	Other Textile Products Manufacturing	42,725	34,325	3,010,000	28.00	36,356	( 4,154)	( 1,297)	The investee evaluated using the equity method.
Wonderful Hi-Tech Co., Ltd.	ABA Industry Inc.	U.S.A.	Sales of wires and cables	171,766	171,766	92,000	56.10	168,128	3,396	852	Subsidiary of the Company.
Wonderful Hi-Tech Co., Ltd.	ACTife Hi-Tech Co., Ltd.	Taiwan	Sales of non-woven fabric processing products	68,000	68,000	2,000,000	100.00	( 20,574)	( 1,014)	( 1,044)	Subsidiary of the Company.
Wonderful Hi-Tech Co., Ltd.	Leading LOHAS International Trading Company	Taiwan	Sales of non-woven fabric processing products	1,000	1,000	100,000	100.00	660	( 12)	( 12)	Subsidiary of the Company.
Wonderful Hi-Tech Co., Ltd.	Alpha Treasure Investments Limited	Republic of Seychelles	Holding company of investment	15,105	10,123	507,500	35.00	7,485	( 2,374)	( 831)	The investee evaluated using the equity method.
Wonderful Holding (Cayman) Co., Ltd.	Wonderful International (Cayman) Co., Ltd.	Cayman Islands	Holding company of investment	363,273	272,219	12,256,479	100.00	999,562	26,659	Note 3	Sub-subsidiary of the Company.

Wonderful International (Cayman) Co., Ltd.	ABA Industry Inc.	U.S.A.	Sales of wires and cables	20,909	20,909	72,000	43.90	143,490	3,396	Note 3 Subsidiary of the Company.
Wonderful International (Cayman) Co., Ltd.	Wonderful Holding (Thailand) Co., Ltd.	Thailand	Holding company of investment	47	47	490	100.00	317,236	9,620	Note 3 Sub-subsidiary of the Company.
Wonderful International (Cayman) Co., Ltd.	Thai Wonderful Wire Cable Co., Ltd.	Thailand	Sales and manufacturing of wires and cables	215,407	124,353	992,892	46.30	448,845	35,368	Note 3 Great-subsidiary of the Company.
Wonderful Holding (Thailand) Co., Ltd.	Thai Wonderful Wire Cable Co., Ltd.	Thailand	Sales and manufacturing of wires and cables	103,781	103,781	583,372	27.20	317,176	35,368	Note 3 Great-subsidiary of the Company.
Thai Wonderful Wire Cable Co., Ltd.	Vietnam Wonderful Wire Cable Co., Ltd.	Vietnam	Sales and manufacturing of wires and cables	226,415	226,415	-	50.00	395,921	48,268	Note 3 Subsidiary of the Company.
Lord Hero International Co., Ltd.	Lord Hero Co., Ltd.	Hong Kong	Sales of wires and cables	245,513	245,513	41,401,000	100.00	678,349	( 10,389)	Note 3 Sub-subsidiary of the Company.

Note 1: If the public offering company has a foreign holding company and the consolidated financial report is the main financial report according to the local law, the disclosure of information about the foreign investee may be disclosed only to the information about the holding company.

Note 2: For persons other than those mentioned in Note 1, fill in the following:

- (1) The columns of "the investee's name", "location", "main business items", "original investment amount" and "ending shareholding situation" shall be filled out in accordance with the reinvestment situation of the (publicly issued) company and the reinvestment of the investee directly or indirectly under control. Indicate in the remarks column the relationship between each investee and the (public offering) company (if it is a subsidiary or a great -subsidiary).
- (2) The "current profit and Loss of investees" shall be fill in the amount of current profit and loss of each investee.
- (3) The column "investment profit and loss recognized in the current period" is only required to fill in the profit and loss of the subsidiaries recognized by the (public offering) company for direct reinvestment and that of the investee evaluated by the equity acquisition method. The rest is not required. When filling in the "current profit and loss amount of each subsidiary recognized as direct reinvestment", it should be confirmed that the current profit and loss amount of each subsidiary has included the investment profit and loss that should be recognized by its reinvestment in accordance with regulations.

Note 3: The investment profit and loss listed in the current period only discloses the part recognized by Wonderful Hi-Tech Co., Ltd., and the rest is exempted from completion according to regulations.

Wonderful Hi-Tech Co., Ltd. and Subsidiaries  
Information on investments in Mainland China - Basic Information  
January 1 to March 31, 2024

Table 8

Unit: NT\$ thousand  
(unless otherwise specified)

<u>Name of investee in Mainland China</u>	<u>Main business items</u>	<u>Paid-in capital</u>	<u>Form of investment</u>	<u>Accumulated investment remitted from Taiwan at the beginning of the period</u>	<u>Investment remitted or recovered in the current period</u>		<u>Accumulated investment remitted from Taiwan at the end of the period</u>	<u>Current gain and loss of the investee</u>	<u>The Company's shareholding in direct or indirect investment</u>	<u>Recognize investment gains and losses in the current period</u>	<u>Carrying amount of investment at the end of the period</u>	<u>Repatriated investment income as of the current period</u>	<u>Remarks</u>
			(Note 1)		Remitted	Recovered				(Note 2)			
Suzhou Wanshih Optical Communication Co., Ltd.	Assembly of distribution lines	\$ 520,584	1	\$ 11,380	\$ -	\$ -	\$ 11,380	\$ 5,119	2.56%	\$ -	\$ -	\$ 5,008	Note 3
Siyang Wanshih Electronic Element Co., Ltd.	Assembly of distribution lines	367,939	2	16,099	-	-	16,099	-	-	-	-	-	Note 4
Shanghai Elitech Technology Co., Ltd.	Computer software development, manufacturing and sales of own products and surveillance equipment	83,081	2	83,081	-	-	83,081	( 2,683)	100.00%	(2,683) (2) C	( 7,512)	-	
Wonderful Photoelectricity (Dongguan) Co., Ltd.	Sales and manufacturing of wires and cables	177,616	2	50,624	-	-	50,624	( 13,041)	81.63%	(10,645) (2) B	242,191	-	
<u>Company name</u>	<u>Cumulative investment remitted from Taiwan to the mainland China at the end of the period</u>	<u>The investment approved by the Ministry of Economic Affairs</u>	<u>Investment to the Mainland China approved by the Ministry of Economic Affairs</u>										
Wonderful Hi-Tech Co., Ltd.	\$ 325,940	\$ 360,985	\$ 1,623,717										

Note 1: Investments are made in the following four ways, fill in the code:

- (1) Direct investment in mainland China.
- (2) Re-investment in Mainland company through a third region company (please specify the third region company).
  - A. Reinvestment in Siyang Wanshih Electronic Element Co., Ltd., through Wonderful Holding (Cayman) Co., Ltd., and then through Wonderful International (Cayman) Co., Ltd.
  - B. Reinvestment in Shanghai Elitech Technology Co., Ltd. through Yi-Tai Technology Co., Ltd.
  - C. Reinvestment in Wonderful Photoelectricity (Dongguan) Co., Ltd. through Lord Hero International Co.,

Ltd.

- (3) Other ways.

Note 2: In the investment profit and loss recognized in the current period:

- (1) Please specify if it is in preparation and there is no investment gain or loss.
- (2) Investment profit and loss are recognized on the following three basis, which should be specified.
  - A. Financial statements audited by an international accounting firm in partnership with a Republic of China accounting firm.
  - B. Financial statements audited by certified accountants of the parent company in Taiwan.
  - C. Financial statements prepared and not verified by accountants for the corresponding period

Note 3: Suzhou Wanshih Optical Communication Co., Ltd., an investee held by the Company under the acquisition equity method, is provided for impairment in full in 2012 because its recoverable amount is lower than the book value.

Note 4: Siyang Wanshih Electronic Element Co., Ltd., an investee held by the Group under the equity method, was disposed of in 2020.



Wonderful Hi-Tech Co., Ltd. and Subsidiaries  
Information on Major Shareholders  
March 31, 2024

Table 9

	<u>Name of major shareholders</u>	<u>Number of shares held</u>	<u>Shares</u>	<u>Shareholding percentage</u>
Ming-Lieh Chang		11,465,911		7.07%
Mei Ming Investment Co., Ltd.		13,126,070		8.10%

Note 1: The information on major shareholders in this table shows the information of shareholders holding more than 5% of the Company's ordinary and special shares (including treasury shares) that have been delivered without physical registration as calculated by the depository company.

The capital stock recorded in the financial report may be different from the actual number of shares delivered by the Company without physical registration due to a different calculation basis.

Note 2: If the above information involves shareholder's handing over their shareholding to the trust, it shall be disclosed by the individual account of the trustor whose special trust account is opened by the trustee.

As for shareholders who hold more than 10% of the shares and are subject to reporting requirements under the securities trading laws, this includes their own shareholding as well as shares held through entrusted arrangements where they have decision-making power over the entrusted assets. For insider share declaration information, please refer to the Market Observation Post System.