

AMPACS Corporation and Subsidiaries

**Consolidated Financial Statements for the
Nine Months Ended September 30, 2024 and 2023
and Independent Auditors' Review Report**

INDEPENDENT AUDITORS' REVIEW REPORT

The Board of Directors and Shareholders
Ampacs Corporation

Introduction

We have reviewed the accompanying consolidated balance sheets of Ampacs Corporation (the "Company" and its subsidiaries (collectively, the "Group")) as of September 30, 2024 and 2023, and the related consolidated statements of comprehensive income, the consolidated statements of changes in equity and cash flows for the nine months ended September 30, 2024 and 2023, and the related notes to the consolidated financial statements, including material accounting policy information (collectively referred to as the "consolidated financial statements"). Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Accounting Standard 34 "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

Scope of Review

Except as explained in the following paragraph, we conducted our reviews in accordance 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 avalid opinion.

Basis for Qualified Conclusion on Consolidated Financial Statements for the Third Quarter of 2023

In addition, as disclosed in Notes 13 and 32 to the consolidated financial statements, some investments accounted for using the equity method in the consolidated financial statements were not reviewed. As of September 30, 2023, the aggregate carrying amount of the investments was NT\$5,824 thousand; for the three months ended September 30, 2023, the share of profit of associates accounted for using the equity method was NT\$(2,766) thousand; for the nine months ended September 30, the share of profit of associates accounted for using the equity method was NT\$(9,645)

Unqualified conclusion and qualified conclusion

Based on our reviews, except for adjustments, if any, as might have been determined to be necessary had the financial statements of some investments accounted for using the equity method 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 consolidated financial position of the Group as of September 30, 2024 and 2023, and its consolidated financial performance for the three months ended September 30, 2024 and 2023, and its consolidated financial performance and its consolidated cash flows for the nine months ended September 30, 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 issued into effect by the Financial Supervisory Commission of the Republic of China.

The engagement partners on the reviews resulting in this independent auditors' review report are Chun-Yu Wang and Ming-Hsien Liu..

Deloitte & Touche

Taipei, Taiwan

Republic of China

August 13, 2024

Notice to Readers

The accompanying consolidated financial statements are intended only to present the consolidated financial position, financial performance and cash flows in accordance with accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to review such consolidated financial statements are those generally applied in the Republic of China.

For the convenience of readers, the independent auditors' review report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' review report and consolidated financial statements shall prevail.

AMPACS CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(In Thousands of New Taiwan Dollars)

ASSETS	September 30, 2024		December 31, 2023		September 30, 2023	
	Amount	%	Amount	%	Amount	%
CURRENT ASSETS						
Cash	\$ 235,842	2	\$ 149,957	2	\$ 124,293	1
Financial assets at fair value through profit or loss - current	-	-	-	-	7,505	-
Financial assets at amortized cost - current	527,068	5	411,261	5	404,752	5
Trade receivables, net	2,299,292	23	1,086,280	13	1,183,123	15
Other receivables	241,114	2	161,808	2	134,408	2
Inventories, net	2,329,011	23	1,821,263	23	1,780,432	22
Non-current assets held for sale	-	-	13,020	-	-	-
Other current assets	53,855	1	78,034	1	73,786	1
Total current assets	5,686,182	56	3,721,623	46	3,708,299	46
NON-CURRENT ASSETS						
Financial assets at fair value through profit or loss - non-current	31,650	-	30,710	1	32,270	-
Financial assets at fair value through other comprehensive income - non-current	278,693	3	255,361	3	9,298	-
Investments accounted for using the equity method	-	-	-	-	5,824	-
Property, plant and equipment, net	3,119,678	31	3,121,141	39	3,275,400	40
Right-of-use assets, net	481,646	5	503,441	6	542,823	7
Investment properties, net	85,156	1	86,782	1	88,883	1
Goodwill	111,722	1	108,404	1	113,911	2
Intangible assets, net	3,311	-	4,400	-	3,778	-
Deferred tax assets	137,958	2	155,140	2	166,252	2
Prepayments for equipment	125,895	1	97,572	1	75,397	1
Other non-current assets	14,123	-	13,829	-	108,514	1
Total non-current assets	4,389,832	44	4,376,780	54	4,422,350	54
TOTAL	\$ 10,076,014	100	\$ 8,098,403	100	\$ 8,130,649	100
LIABILITIES AND EQUITY						
CURRENT LIABILITIES						
Short-term borrowings	\$ 3,949,964	39	\$ 3,090,062	38	\$ 3,067,024	38
Short-term bills payable	250,000	3	250,000	3	150,000	2
Trade payables	1,721,828	17	873,500	11	942,585	12
Dividend payables	6,159	-	-	-	-	-
Other payables	222,306	2	229,462	3	202,224	2
Current tax liabilities	117,380	1	101,853	1	110,548	1
Lease liabilities - current	37,045	-	40,100	1	46,615	1
Current portion of long-term borrowings	76,662	1	91,484	1	91,269	1
Other current liabilities	50,274	1	31,566	-	29,188	-
Total current liabilities	6,431,618	64	4,708,027	58	4,639,453	57
NON-CURRENT LIABILITIES						
Long-term borrowings	678,266	7	689,829	9	714,365	9
Guarantee deposits received	2,771	-	2,771	-	2,773	-
Deferred tax liabilities	-	-	-	-	4,743	-
Lease liabilities - non-current	6,840	-	24,706	-	33,550	-
Total non-current liabilities	687,877	7	717,306	9	755,431	9
Total liabilities	7,119,495	71	5,425,333	67	5,394,884	66
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY						
Ordinary shares	1,500,000	15	1,500,000	18	1,500,000	19
Capital surplus	984,362	10	1,044,837	13	1,044,837	13
Retained earnings						
Legal reserve	182,782	2	182,782	2	182,782	2
Special reserve	200,638	2	144,026	2	144,026	2
Unappropriated earnings	439,083	4	176,839	2	168,171	2
Total retained earnings	822,503	8	503,647	6	494,979	6
Other equity						
Exchange differences on translation of the financial statements of foreign operations	(141,622)	(2)	(172,611)	(2)	(100,857)	(1)
Unrealized loss on financial assets at fair value through other comprehensive income	(27,961)	-	(27,872)	-	(28,862)	(1)
Equity directly associated with non-current assets held for sale	-	-	(155)	-	-	-
Total other equity	(169,583)	(2)	(200,638)	(2)	(129,719)	(2)
Treasury shares	(185,294)	(2)	(185,294)	(2)	(185,294)	(2)
Total equity attributable to owners of the Company	2,951,988	29	2,662,552	33	2,724,803	34
NON-CONTROLLING INTERESTS						
	4,531	-	10,518	-	10,962	-
Total equity	2,956,519	29	2,673,070	33	2,735,765	34
TOTAL	\$ 10,076,014	100	\$ 8,098,403	100	\$ 8,130,649	100

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

AMPACS CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Three Months Ended September 30				For the Nine Months Ended September 30			
	2024		2023		2024		2023	
	Amount	%	Amount	%	Amount	%	Amount	%
OPERATING REVENUE	\$ 2,445,272	100	\$ 1,020,178	100	\$ 5,398,933	100	\$ 2,934,012	100
OPERATING COSTS	<u>(1,979,724)</u>	<u>(81)</u>	<u>(816,618)</u>	<u>(80)</u>	<u>(4,378,142)</u>	<u>(81)</u>	<u>(2,386,763)</u>	<u>(81)</u>
GROSS PROFIT	<u>465,548</u>	<u>19</u>	<u>203,560</u>	<u>20</u>	<u>1,020,791</u>	<u>19</u>	<u>547,249</u>	<u>19</u>
OPERATING EXPENSES								
Selling and marketing expenses	(19,916)	(1)	(18,328)	(2)	(69,096)	(1)	(56,275)	(2)
General and administrative expenses	(112,870)	(4)	(75,678)	(8)	(305,727)	(6)	(221,055)	(7)
Research and development expenses	(42,426)	(2)	(44,188)	(4)	(129,534)	(3)	(140,016)	(5)
Expected credit (loss)/gain	<u>(31)</u>	<u>-</u>	<u>414</u>	<u>-</u>	<u>(3,329)</u>	<u>-</u>	<u>(618)</u>	<u>-</u>
Total operating expenses	<u>(175,243)</u>	<u>(7)</u>	<u>(137,780)</u>	<u>(14)</u>	<u>(507,686)</u>	<u>(10)</u>	<u>(417,964)</u>	<u>(14)</u>
OPERATING PROFIT	<u>290,305</u>	<u>12</u>	<u>65,780</u>	<u>6</u>	<u>513,105</u>	<u>9</u>	<u>129,285</u>	<u>5</u>
NON-OPERATING INCOME AND EXPENSES								
Other income	7,256	-	6,120	1	24,760	1	22,091	1
Other gains and losses	46,335	2	(19,880)	(2)	14,687	-	(25,122)	(1)
Finance costs	(61,994)	(2)	(46,301)	(5)	(155,539)	(3)	(124,629)	(4)
Share of profit of associates and joint ventures accounted for using the equity method	<u>-</u>	<u>-</u>	<u>(2,766)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(9,645)</u>	<u>(1)</u>
Total non-operating income and expenses	<u>(8,403)</u>	<u>-</u>	<u>(62,827)</u>	<u>(6)</u>	<u>(116,092)</u>	<u>(2)</u>	<u>(137,305)</u>	<u>(5)</u>
PROFIT/(LOSS) BEFORE INCOME TAX	281,902	12	2,953	-	397,013	7	(8,020)	-
INCOME TAX EXPENSE	<u>(19,401)</u>	<u>(1)</u>	<u>(1,349)</u>	<u>-</u>	<u>(65,179)</u>	<u>(1)</u>	<u>(8,648)</u>	<u>(1)</u>
NET PROFIT/(LOSS) FOR THE PERIOD	<u>262,501</u>	<u>11</u>	<u>1,604</u>	<u>-</u>	<u>331,834</u>	<u>6</u>	<u>(16,668)</u>	<u>(1)</u>
OTHER COMPREHENSIVE INCOME/(LOSS)								
Items that may be reclassified subsequently to profit or loss:								
Exchange differences on translation of the financial statements of foreign operations	(5,689)	-	21,112	2	31,462	1	14,472	1
Unrealized gain/(loss) on investments in debt instruments at fair value through other comprehensive income	166	-	(825)	-	(89)	-	(652)	-

(Continued)

AMPACS CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Three Months Ended September 30				For the Nine Months Ended September 30			
	2024		2023		2024		2023	
	Amount	%	Amount	%	Amount	%	Amount	%
Exchange differences on translation of the financial statements of affiliated companies and joint venture foreign operating institutions	\$ -	-	\$ 37	-	\$ -	-	\$ 501	-
Other comprehensive income/(loss) for the period, net of income tax	(5,523)	-	20,324	2	31,373	1	14,321	1
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD	<u>\$ 256,978</u>	<u>11</u>	<u>\$ 21,928</u>	<u>2</u>	<u>\$ 363,207</u>	<u>7</u>	<u>\$ (2,347)</u>	<u>-</u>
NET PROFIT/(LOSS) ATTRIBUTABLE TO:								
Owners of the Company	\$ 263,868	11	\$ 1,933	-	\$ 332,131	6	\$ (15,485)	(1)
Non-controlling interests	(1,367)	-	(329)	-	(297)	-	(1,183)	-
	<u>\$ 262,501</u>	<u>11</u>	<u>\$ 1,604</u>	<u>-</u>	<u>\$ 331,834</u>	<u>6</u>	<u>\$ (16,668)</u>	<u>(1)</u>
TOTAL COMPREHENSIVE INCOME/(LOSS) ATTRIBUTABLE TO:								
Owners of the Company	\$ 258,275	11	\$ 21,921	2	\$ 363,186	7	\$ (1,178)	-
Non-controlling interests	(1,297)	-	7	-	21	-	(1,169)	-
	<u>\$ 256,978</u>	<u>11</u>	<u>\$ 21,928</u>	<u>2</u>	<u>\$ 363,207</u>	<u>7</u>	<u>\$ (2,347)</u>	<u>-</u>
EARNINGS/(LOSS) PER SHARE (NEW TAIWAN DOLLARS)								
Basic	<u>\$ 1.79</u>		<u>\$ 0.02</u>		<u>\$ 2.25</u>		<u>\$ (0.10)</u>	
Diluted	<u>\$ 1.79</u>		<u>\$ 0.02</u>		<u>\$ 2.25</u>		<u>\$ (0.10)</u>	

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

(Concluded)

AMPACS CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (In Thousands of New Taiwan Dollars)

	Equity Attributable to Owners of the Company										
	Share Capital		Capital Surplus	Retained Earnings			Other Equity	Treasury Stock	Total	Non-controlling Interests	Total Equity
	Share (In Thousands)	Amount		Legal Reserve	Special Reserve	Unappropriated Earnings					
BALANCE AT JANUARY 1, 2023	150,000	\$ 1,500,000	\$ 1,097,937	\$ 175,449	\$ 191,736	\$ 163,929	\$ (144,026)	\$ (185,294)	\$ 2,799,731	\$ 12,131	\$ 2,811,862
Appropriation of the 2022 earnings											
Legal reserve	-	-	-	7,333	-	(7,333)	-	-	-	-	-
Cash dividends distributed by the company - \$0.14 per share	-	-	-	-	-	(20,650)	-	-	(20,650)	-	(20,650)
Special reserve	-	-	-	-	(47,710)	47,710	-	-	-	-	-
Other changes in capital surplus											
Issuance of cash dividends from capital surplus - \$0.36 per share	-	-	(53,100)	-	-	-	-	-	(53,100)	-	(53,100)
Net loss for the nine months ended September 30, 2023	-	-	-	-	-	(15,485)	-	-	(15,485)	(1,183)	(16,668)
Other comprehensive Income for the nine months ended September 30, 2023, net of income tax	-	-	-	-	-	-	14,307	-	14,307	14	14,321
Total comprehensive income/(loss) for the nine months ended September 30, 2023	-	-	-	-	-	(15,485)	14,307	-	(1,178)	(1,169)	(2,347)
BALANCE AT SEPTEMBER 30, 2023	<u>150,000</u>	<u>\$ 1,500,000</u>	<u>\$ 1,044,837</u>	<u>\$ 182,782</u>	<u>\$ 144,026</u>	<u>\$ 168,171</u>	<u>\$ (129,719)</u>	<u>\$ (185,294)</u>	<u>\$ 2,724,803</u>	<u>\$ 10,962</u>	<u>\$ 2,735,765</u>
BALANCE AT JANUARY 1, 2024	150,000	\$ 1,500,000	\$ 1,044,837	\$ 182,782	\$ 144,026	\$ 176,839	\$ (200,638)	\$ (185,294)	\$ 2,662,552	\$ 10,518	\$ 2,673,070
Appropriation of the 2023 earnings											
Special reserve	-	-	-	-	56,612	(56,612)	-	-	-	-	-
Cash dividends distributed by the company - \$0.09 per share	-	-	-	-	-	(13,275)	-	-	(13,275)	-	(13,275)
Other changes in capital surplus											
Issuance of cash dividends from capital surplus - \$0.41 per share	-	-	(60,475)	-	-	-	-	-	(60,475)	-	(60,475)
Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	-	(6,008)	(6,008)
Net income/(loss) for the nine months ended September 30, 2024	-	-	-	-	-	332,131	-	-	332,131	(297)	331,834
Other comprehensive income for the nine months ended September 30, 2024	-	-	-	-	-	-	31,055	-	31,055	318	31,373
Total comprehensive income for the nine months ended September 30, 2024	-	-	-	-	-	332,131	31,055	-	363,186	21	363,207
BALANCE AT SEPTEMBER 30, 2024	<u>150,000</u>	<u>\$ 1,500,000</u>	<u>\$ 984,362</u>	<u>\$ 182,782</u>	<u>\$ 200,638</u>	<u>\$ 439,083</u>	<u>\$ (169,583)</u>	<u>\$ (185,294)</u>	<u>\$ 2,951,988</u>	<u>\$ 4,531</u>	<u>\$ 2,956,519</u>

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

AMPACS CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In Thousands of New Taiwan Dollars)

	For the Nine Months Ended	
	September 30	
	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Income/(loss) before income tax	\$ 397,013	\$ (8,020)
Adjustments to reconcile profit (loss):		
Depreciation expenses	331,911	367,125
Amortization expenses	1,411	2,491
Expected credit loss recognized on trade receivables	3,329	618
Finance costs	155,539	124,629
Interest income	(5,553)	(5,487)
Share of loss of subsidiaries, associates and joint ventures accounted for using the equity method	-	9,645
Net loss on disposal of property, plant and equipment	1,578	1,381
Gain on disposal of associate	(6,825)	-
Write-down (reversal) of inventories	19,017	(146)
Net gain on foreign currency exchange	3,359	33,966
Changes in operating assets and liabilities		
Financial assets mandatorily classified as at fair value through profit or loss	-	(28,062)
Trade receivables	(1,216,566)	(168,174)
Other receivables	(74,372)	(103,075)
Inventories	(486,028)	116,655
Other current assets	25,101	9,270
Trade payables	875,452	(186,716)
Other payables	23,482	(13,250)
Other current liabilities	<u>18,708</u>	<u>6,027</u>
Cash generated from operations	66,556	158,877
Interest received	5,553	5,487
Finance costs paid	(158,238)	(124,247)
Income tax paid	<u>(49,134)</u>	<u>(40,890)</u>
Net cash used in operating activities	<u>(135,263)</u>	<u>(773)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets at fair value through other comprehensive income	(15,761)	(6,500)
Purchase of financial assets at amortized cost	(127,958)	(371,566)
Proceeds from sale of financial assets at amortized cost	-	391,512
Net cash inflow on disposal of associate	20,000	-
Payments of property, plant and equipment	(318,781)	(60,538)
Proceeds from disposal of property, plant and equipment	7,248	9,237
Increase in refundable deposits	(711)	-
Decrease in refundable deposits	-	132
Payments for intangible assets	(301)	(138)

(Continued)

AMPACS CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS (In Thousands of New Taiwan Dollars)

	For the Nine Months Ended September 30	
	2024	2023
Increase in other non-current assets	\$ -	\$ (95,977)
Increase in prepayments for equipment	-	(60,159)
Net cash used in investing activities	<u>(436,264)</u>	<u>(193,997)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from short-term borrowings	835,560	341,978
Proceeds from short-term bills payable	-	50,000
Proceeds from long-term borrowings	49,000	-
Repayments of long-term borrowings	(75,385)	(205,504)
Refund of guarantee deposits received	-	(800)
Repayments of the principal portion of lease liabilities	(32,949)	(40,113)
Payment of cash dividends	<u>(73,750)</u>	<u>(73,750)</u>
Net cash generated from financing activities	<u>702,476</u>	<u>71,811</u>
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES		
	<u>(45,064)</u>	<u>9,028</u>
NET INCREASE/(DECREASE) IN CASH	85,885	(113,931)
CASH AT THE BEGINNING OF PERIOD	<u>149,957</u>	<u>238,224</u>
CASH AT THE END OF THE PERIOD	<u>\$ 235,842</u>	<u>\$ 124,293</u>

The accompanying notes are an integral part of the consolidated financial statements. (Concluded)

AMPACS CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2024 AND 2023 (In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

1. GENERAL INFORMATION

AMPACS Corporation (the “Company”) was founded in July 1998. The Company is mainly engaged in the design and manufacture of consumer electronics and the development of plastic components and molds. The Company’s shares were listed and have been trading on the Taiwan Stock Exchange since December 14, 2020.

The consolidated financial statements are presented in the Group’s functional currency, the New Taiwan dollar.

2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were approved by the Group’s board of directors on November 12, 2024.

3. APPLICATION OF NEW, AMENDED AND REVISED STANDARDS AND INTERPRETATIONS

- a. Initial application of the amendments to the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) (collectively, the “IFRS Accounting Standards”) endorsed and issued into effect by the Financial Supervisory Commission (FSC)

The initial application of the IFRS Accounting Standards endorsed and issued into effect by the FSC did not have material impact on the Group’s accounting policies.

- b. The IFRS Accounting Standards endorsed by the FSC for application starting from 2025

New, Amended and Revised Standards and Interpretations	Effective Date Announced by IASB
Amendments to IAS 21 “Lack of Exchangeability”	January 1, 2025 (Note)

Note: An entity shall apply those amendments for annual reporting periods beginning on or after January 1, 2025. Upon initial application of the amendments to IAS 21, the Group shall not restate the comparative information and shall recognize any effect of initially applying the amendments as an adjustment to the opening balance of retained earnings or, if applicable, to the cumulative amount of translation differences in equity as well as affected assets or liabilities.

- c. The IFRS Accounting Standards in issue but not yet endorsed and issued into effect by the FSC

New, Amended and Revised Standards and Interpretations	Effective Date Announced by IASB (Note)
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Annual Improvements to IFRS Accounting Standards - Volume 11	January 1, 2026
Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments”	January 1, 2026
Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets between an Investor and its Associate or Joint Venture”	To be determined by IASB
IFRS 17 “Insurance Contracts”	January 1, 2023
Amendments to IFRS 17	January 1, 2023
Amendments to IFRS 17 “Initial Application of IFRS 9 and IFRS 17 - Comparative Information”	January 1, 2023
IFRS 18 “Presentation and Disclosure in Financial Statements”	January 1, 2027
IFRS 19 “Subsidiaries without Public Accountability: Disclosures”	January 1, 2027

Note 1: Unless stated otherwise, the above IFRS Accounting Standards are effective for annual reporting periods beginning on or after their respective effective dates.

IFRS 18 “Presentation and Disclosure in Financial Statements”

IFRS 18 will supersede IAS 1 “Presentation of Financial Statements”. The main changes comprise:

- Items of income and expenses included in the statement of profit or loss shall be classified into the operating, investing, financing, income taxes and discounted operations categories.
- The statement of profit or loss shall present totals and subtotals for operating profit or loss, profit or loss before financing and income taxes and profit or loss.
- Provides guidance to enhance the requirements of aggregation and disaggregation: The Group shall identify the assets, liabilities, equity, income, expenses and cash flows that arise from individual transactions or other events and shall classify and aggregate them into groups based on shared characteristics, so as to result in the presentation in the primary financial statements of line items that have at least one similar characteristic. The Group shall disaggregate items with dissimilar characteristics in the primary financial statements and in the notes. The Group labels items as “other” only if it cannot find a more informative label.
- Disclosures on Management-defined Performance Measures (MPMs): When in public communications outside financial statements and communicating to users of financial statements management’s view of an aspect of the financial performance of the Group as a whole, the Group shall disclose related information about its MPMs in a single note to the financial statements, including the description of such measures, calculations, reconciliations to the subtotal or total specified by IFRS Accounting Standards and the income tax and non-controlling interests effects of related reconciliation items.

Except for the above impact, as of the date the consolidated financial statements were authorized for issue, the Group is continuously assessing the possible impact of the application of other standards and interpretations on the Group’s financial position and financial performance and will disclose the relevant impact when the assessment is completed.

4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

a. Statement of compliance

These interim consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34 “Interim Financial Reporting” as endorsed and issued into effect by the FSC. Disclosure information included in these interim consolidated financial statements is less than the disclosure information required in a complete set of annual consolidated financial statements.

b. Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis except for financial instruments which are measured at fair value.

The fair value measurements, which are grouped into Levels 1 to 3 based on the degree to which the fair value measurement inputs are observable and based on the significance of the inputs to the fair value measurement in its entirety, are described as follows:

- 1) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities;
- 2) Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- 3) Level 3 inputs are unobservable inputs for an asset or liability.

c. Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and the entities controlled by the Company (i.e., its subsidiaries).

Income and expenses of subsidiaries acquired or disposed of during the period are included in the consolidated statement of comprehensive income from the effective dates of acquisitions up to the effective dates of disposals, as appropriate.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those of the Group.

All intra-group transactions, balances, income and expenses are eliminated in full upon consolidation. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the Group’s ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the interests of the Group and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to the owners of the Company.

See Note 14, Table 6 and 7 for detailed information on subsidiaries (including percentages of ownership and main businesses).

d. Other material accounting policies

Except for the following, refer to the consolidated financial statements for the year ended December 31, 2023

1) Classification of current and non-current assets and liabilities

Current assets include:

- Assets held primarily for the purpose of trading;
- Assets expected to be realized within 12 months after the reporting period; and
- Cash unless the asset is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

Current liabilities include:

- Liabilities held primarily for the purpose of trading;
- Liabilities due to be settled within 12 months after the reporting period; and
- Liabilities for which the Group does not have an unconditional right to defer settlement for at least 12 months after the reporting period.

Assets and liabilities that are not classified as current are classified as non-current.

2) Income tax expense

Income tax expense represents the sum of the tax currently payable and deferred tax. Interim period income taxes are assessed on an annual basis and calculated by applying to an interim period's pre-tax income the tax rate that would be applicable to expected total annual earnings.

5. MATERIAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

Refer to the consolidated financial statements for the year ended December 31, 2023.

6. CASH AND CASH EQUIVALENTS

	September 30,2024	December 31,2023	September 30,2023
Cash on hand	\$ 1,324	\$ 1,813	\$ 1,679
Checking accounts and demand deposits	<u>234,518</u>	<u>148,144</u>	<u>122,614</u>
	<u>\$ 235,842</u>	<u>\$ 149,957</u>	<u>\$ 124,293</u>

7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	September 30,2024	December 31,2023	September 30,2023
<u>Financial assets - current</u>			
Financial assets mandatorily classified as at FVTPL			

RMB wealth investment product (1)	\$ <u> -</u>	\$ <u> -</u>	\$ <u> 7,505</u>
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Financial assets - non-current

Gains or losses on equity instruments mandatorily measured at fair value			
Other financial assets (2)	\$ <u> 31,650</u>	\$ <u> 30,710</u>	\$ <u> 32,270</u>

- a. The Group signed a financial investment product contract with the bank. The entire contract was recognized as financial asset at fair value through profit or loss upon initial recognition.
- b. The Group acquired financial assets containing stock options. The entire contract recognized as financial asset at fair value through profit or loss upon initial recognition.

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	September 30,2024	December 31,2023	September 30,2023
<u>Non-current</u>			
Investments in equity instruments	\$ 253,200	\$ 245,680	\$ -
Investments in debt instruments	<u>25,493</u>	<u>9,681</u>	<u>9,298</u>
	<u>\$ 278,693</u>	<u>\$ 255,361</u>	<u>\$ 9,298</u>

- a. Investments in equity instruments at FVTOCI

	September 30,2024	December 31,2023	September 30,2023
<u>Non-current</u>			
Foreign unlisted shares	\$ 284,697	\$ 284,697	\$ 26,835
Adjustments for change in value of investment	<u>(31,497)</u>	<u>(39,017)</u>	<u>(26,835)</u>
	<u>\$ 253,200</u>	<u>\$ 245,680</u>	<u>\$ -</u>

These investments in equity instruments are held for medium- to long-term strategic purposes. Accordingly, the management elected to designate these investments in equity instruments as at FVTOCI as they believe that recognizing short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Group's strategy of holding these investments for long-term purposes.

b. Investments in debt instruments at FVTOCI

	September 30,2024	December 31,2023	September 30,2023
<u>Non-curren</u>			
Foreign investments			
Corporate bonds - Ford Motor Company (1)	\$ 3,757	\$ 3,522	\$ 3,164
Corporate bonds - Pfizer Inc. (2)	6,473	6,159	6,134
Corporate bonds - Apple Inc.(3)	<u>15,263</u>	<u>-</u>	<u>-</u>
	<u>\$ 25,493</u>	<u>\$ 9,681</u>	<u>\$ 9,298</u>

- 1) In February 2021, the Group bought 26-year corporate bonds issued by Ford Motor Company with a coupon rate of 5.29 % and an effective interest rate of 4.70%.
- 2) In August 2023, the Group bought 10-year corporate bonds issued by Pfizer Inc. with a coupon rate of 4.75% and an effective interest rate of 4.63%.
- 3) In September 2024, the Group bought 30-year corporate bonds issued by Apple Inc. with a coupon rate of 4.38% and an effective interest rate of 4.45%.

9. FINANCIAL ASSETS AT AMORTIZED COST

	September 30,2024	December 31,2023	September 30,2023
<u>Current</u>			
Pledged demand deposits	\$ 257,985	\$ 208,868	\$ 236,508
Pledged time deposit	249,083	182,393	168,244
Pledged repurchase agreements collateralized by bonds	<u>20,000</u>	<u>20,000</u>	<u>-</u>
	<u>\$ 527,068</u>	<u>\$ 411,261</u>	<u>\$ 404,752</u>

Refer to Note 30 for information relating to investments in financial assets at amortized cost pledged as security.

10. TRADE RECEIVABLES, NET

	September 30,2024	December 31,2023	September 30,2023
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Trade receivables

At amortized cost

Gross carrying amount	\$ 2,303,662	\$ 1,087,276	\$ 1,185,088
Allowance for impairment loss	(<u>4,370</u>)	(<u>996</u>)	(<u>1,965</u>)
	<u>\$ 2,299,292</u>	<u>\$ 1,086,280</u>	<u>\$ 1,183,123</u>

In order to minimize credit risk, the management of the Group has delegated a team responsible for determining credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover past due receivables. In addition, the Group reviews the recoverable amount of each individual trade debt at the end of the reporting period to ensure that adequate allowance is made for possible irrecoverable amounts. In this regard, the management believes the Group's credit risk was significantly reduced.

The Group measures the loss allowance for trade receivables at an amount equal to lifetime ECLs. The expected credit losses on trade receivables are estimated by reference to the past default records of the customer, the customer's current financial position and economic condition of the industry in which the customer operates. Since the credit loss historical experience of the Group shows that there is no significant difference in the loss of different customer bases, the expected credit loss rate is only determined by the number of days overdue accounts receivable without further distinguishing customer groups.

The Group recognizes adequate loss allowance when there is evidence indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, whichever occurs earlier. For loss allowance that has been recognized adequate, the Group continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognized in profit or loss.

The aging of trade receivables is as follows:

	September 30,2024	December 31,2023	September 30,2023
Up to 30 Days	\$ 2,280,961	\$ 1,056,402	\$ 1,098,007
31 to 120 Days	17,996	25,385	73,171
121 to 240 Days	448	3,932	9,980
241 to 360 Days	-	561	1,965
Over 360 Days	<u>4,257</u>	<u>996</u>	<u>1,965</u>
	<u>\$ 2,303,662</u>	<u>\$ 1,087,276</u>	<u>\$ 1,185,088</u>

The above is an aging analysis based on the number of past due days.

The movements of the loss allowance of trade receivables were as follows:

	For the Nine Months Ended September 30,2024	For the Nine Months Ended September 30,2023
Balance at January 1	\$ 996	\$ 1,298
Add: Provision for impairment	3,329	618

losses in the current period		
Foreign exchange gains and losses	<u>45</u>	<u>49</u>
Balance at September 30	<u>\$ 4,370</u>	<u>\$ 1,965</u>

Refer to Note 30 for information on the part of trade receivables pledged as security.

11. NON-CURRENT ASSETS HELD FOR SALE

	September 30,2024	December 31,2023	September 30,2023
Non-current assets held for sale	<u>\$ -</u>	<u>\$ 13,020</u>	<u>\$ -</u>

The Group invested in Ability Technologies Co., Ltd., the investee company, which is an unlisted company with low stock liquidity. On December 27, 2023, the Group signed a share purchase agreement with other shareholders of Ability Technologies Co., Ltd., the purchaser, and agreed to purchase 2,000 thousand shares of Ability Technologies Co., Ltd.'s stock held by the Group by June 2024 and complete the delivery. Therefore, the equity-method investment was reclassified as non-current assets held for sale. The Group completed share delivery on June 28, 2024

12. INVENTORIES, NET

	September 30,2024	December 31,2023	September 30,2023
Raw materials	\$ 939,907	\$ 942,647	\$ 810,677
Work in progress	513,013	24,902	202,632
Semi-finished goods	268,478	298,203	241,108
Finished goods	<u>607,613</u>	<u>555,511</u>	<u>526,015</u>
	<u>\$ 2,329,011</u>	<u>\$ 1,821,263</u>	<u>\$ 1,780,432</u>

The nature of the cost of goods sold is as follows:

	July 1 to September 30,2024	July 1 to September 30,2023	Jan. 1 to September 30,2024	Jan. 1 to September 30,2023
Operating costs related to inventory	\$ 1,970,422	\$ 816,628	\$ 4,359,125	\$ 2,386,909
Write-down and obsolescence (reversal) loss	<u>9,302</u>	<u>(10)</u>	<u>19,017</u>	<u>(146)</u>
	<u>\$ 1,979,724</u>	<u>\$ 816,618</u>	<u>\$ 4,378,142</u>	<u>\$ 2,386,763</u>

13. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

Associate and venture

	September 30,2024	December 31,2023	September 30,2023
Associate and venture that is not individually material			
Ability Technologies Co., Ltd.	\$ <u> -</u>	\$ <u> -</u>	\$ <u> 5,824</u>

The joint venture that are not individually material is as follows:

Company Name	Nature of Activities	Principal Places of Business	Rights Held and Voting Right Ratio		
			September 30,2024	December 31,2023	September 30,2023
Ability Technologies Co., Ltd.	Manufacturing of computer peripheral equipment, photographic equipment, electronic components and trading	New Taipei City	-	-	40%

As of December 31, 2023, the Group has reclassified its equity-method investment in Ability Technologies Co., Ltd. as a non-current asset held for sale; refer to Note 11.

The investments accounted for using the equity method and the share of profit or loss and other comprehensive income or loss for the Group were calculated based on the audited financial statements.

14. SUBSIDIARIES

- a. The entities included in the consolidated financial statements are listed below:

Investor	Investee	Nature of Activities	Proportion of Ownership (%)			Remark
			September r 30,2024	December 31,2023	Septembe r 30,2023	
Ampacs Corporation, (parent company)	Tech. Pioneer, Ltd.	Investment activities	100.00	100.00	100.00	-
	Ampacs International company Limited	Production and sale of plastic products and consumer electronics	100.00	100.00	100.00	Note (1)
	Vogten Import Export Trading Co., Ltd	Sale of consumer electronics	100.00	-	-	Note (2)
Tech. Pioneer, Ltd.	Brilliance Investment Co., Ltd.	Investment activities and the sale of plastic products	100.00	100.00	100.00	-
Tech. Pioneer, Ltd.	Sunlight Ocean Holding Limited	Investment activities	100.00	100.00	100.00	-
Tech. Pioneer, Ltd.	Richmake International Limited	Investment activities and the sale of consumer electronics	100.00	100.00	100.00	-
Tech. Pioneer, Ltd.	Fortune Channel	Investment activities	100.00	100.00	100.00	-

	Universal Limited	and sale of plastic products				
Brilliance Investment Co., Ltd.	Dong Guan Yi Zhuo Electronics Co., Ltd.	Production and sale of plastic products	100.00	100.00	100.00	—
Sunlight Ocean Holding Limited	Dong Guan Han Lei Electronics Co., Ltd.	Production and sale of plastic products and consumer electronics	100.00	100.00	100.00	—
Richmake International Limited	Dong Guan Yi Xing Electronics Co., Ltd.	Production and sale of plastic products and consumer electronics	100.00	100.00	100.00	—
Fortune Channel Universal Limited	Modern Pioneer (Kunshan) Co., Ltd.	Production and sale of plastic products	100.00	100.00	100.00	—
Dong Guan Han Lei Electronics Co., Ltd.	Dongguan Shi Hong Jun Electronics Co., Ltd.	Production and sale of headphone cables	51.00	51.00	51.00	—

Note(1): On December 29, 2022, the Company's board of directors resolved to increase its capital in the subsidiary Ampacs International Company Limited in the amount of US\$20,000 thousand, and the Company's shareholding increased 100% after the acquisition. As of December 31, 2023, the Company had paid US\$20,000 thousand for the capital increase.

Note(2): The company established Vogten Import Export Trading Co., Ltd in the second quarter of 2024, with an investment amount of US\$200,000.

b. Subsidiaries excluded from consolidated financial statements: None.

c. Details of subsidiaries that have material non-controlling interests: None.

15. PROPERTY, PLANT AND EQUIPMENT

	Land	Buildings	Machinery Equipment	Transportation Equipment	Office Equipment	Other Equipment	Property under construction	Total
<u>Cost</u>								
Balance at January 1, 2024	\$ 1,206,525	\$ 879,945	\$ 1,853,958	\$ 21,362	\$ 31,002	\$ 411,675	\$ 4,946	\$ 4,409,413
Additions	-	59	240,056	-	2,876	21,475	2,062	266,528
Disposals	-	-	(27,637)	(6,636)	(2,286)	(36,813)	-	(73,372)
Reclassifications	-	2,740	(39,595)	-	(485)	(34,598)	(6,233)	(78,171)
Effects of foreign currency exchange differences	-	16,159	42,548	579	506	5,720	80	65,592
Balance at September 30, 2024	<u>\$ 1,206,525</u>	<u>\$ 898,903</u>	<u>\$ 2,069,330</u>	<u>\$ 15,305</u>	<u>\$ 31,613</u>	<u>\$ 367,459</u>	<u>\$ 855</u>	<u>\$ 4,589,990</u>
<u>Accumulated depreciation</u>								
Balance at January 1, 2024	\$ -	\$ 229,706	\$ 756,547	\$ 13,223	\$ 23,829	\$ 264,967	\$ -	\$ 1,288,272
Depreciation expenses	-	32,328	202,263	1,085	2,595	48,368	-	286,639
Disposals	-	-	(22,778)	(5,972)	(2,252)	(33,544)	-	(64,546)
Reclassifications	-	(45)	(38,728)	-	(486)	(33,342)	-	(72,601)
Effects of foreign currency exchange differences	-	6,259	19,643	384	368	5,894	-	32,548
Balance at September 30, 2024	<u>\$ -</u>	<u>\$ 268,248</u>	<u>\$ 916,947</u>	<u>\$ 8,720</u>	<u>\$ 24,054</u>	<u>\$ 252,343</u>	<u>\$ -</u>	<u>\$ 1,470,312</u>
Carrying amount at September 30, 2024	<u>\$ 1,206,525</u>	<u>\$ 630,655</u>	<u>\$ 1,152,383</u>	<u>\$ 6,585</u>	<u>\$ 7,559</u>	<u>\$ 115,116</u>	<u>\$ 855</u>	<u>\$ 3,119,678</u>
Carrying amount at December 31, 2023 and January 1 2024	<u>\$ 1,206,525</u>	<u>\$ 650,239</u>	<u>\$ 1,097,411</u>	<u>\$ 8,139</u>	<u>\$ 7,173</u>	<u>\$ 146,708</u>	<u>\$ 4,946</u>	<u>\$ 3,121,141</u>

<u>Cost</u>								
Balance at January 1, 2023	\$1,206,525	\$ 898,162	\$2,032,822	\$ 18,704	\$ 65,019	\$ 492,699	\$ 1,960	\$4,715,891
Additions	-	4,090	71,338	4,018	117	19,648	1,552	100,763
Disposals	-	-	(36,301)	(1,136)	(13,158)	(44,295)	-	(94,890)
Reclassifications	-	(52)	(86,341)	-	(20,112)	(16,753)	971	(122,287)
Effects of foreign currency exchange differences	-	13,615	23,455	193	199	4,069	70	41,601
Balance at September 30, 2023	<u>\$1,206,525</u>	<u>\$ 915,815</u>	<u>\$2,004,973</u>	<u>\$ 21,779</u>	<u>\$ 32,065</u>	<u>\$ 455,368</u>	<u>\$ 4,553</u>	<u>\$4,641,078</u>
<u>Accumulated depreciation</u>								
Balance at January 1, 2023	\$ -	\$ 191,146	\$ 707,247	\$ 13,677	\$ 47,335	\$ 276,069	\$ -	\$1,235,474
Depreciation expenses	-	32,426	206,491	1,051	7,959	66,284	-	314,211
Disposals	-	-	(26,055)	(785)	(13,155)	(44,277)	-	(84,272)
Reclassifications	-	-	(82,865)	-	(18,521)	(12,076)	-	(113,462)
Effects of foreign currency exchange differences	-	3,967	7,194	94	99	2,373	-	13,727
Balance at September 30, 2023	<u>\$ -</u>	<u>\$ 227,539</u>	<u>\$ 812,012</u>	<u>\$ 14,037</u>	<u>\$ 23,717</u>	<u>\$ 288,373</u>	<u>\$ -</u>	<u>\$1,365,678</u>
Carrying amount at September 30, 2023	<u>\$1,206,525</u>	<u>\$ 688,276</u>	<u>\$1,192,961</u>	<u>\$ 7,742</u>	<u>\$ 8,348</u>	<u>\$ 166,995</u>	<u>\$ 4,553</u>	<u>\$3,275,400</u>

The above items of property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives as follows:

Buildings	20-50 years
Machinery equipment	2-10 years
Transportation equipment	4-10 years
Office equipment	3-10 years
Other equipment	2-10 years

Property, plant and equipment used by the Group and pledged as collateral for bank borrowings are set out in Note 30.

16. LEASE ARRANGEMENTS

a. Right-of-use assets

	September 30, 2024	December 31, 2023	September 30, 2023
<u>Carrying amount</u>			
Land use rights	\$ 438,167	\$ 439,335	\$ 463,458
Buildings	43,479	61,271	75,447
Transportation equipment	-	2,835	3,918
	<u>\$ 481,646</u>	<u>\$ 503,441</u>	<u>\$ 542,823</u>
	July 1 to September 30, 2024	July 1 to September 30, 2023	Jan. 1 to September 30, 2024
Addition for right-of-use assets	<u>\$ 5,011</u>	<u>\$ -</u>	<u>\$ 11,323</u>
			Jan. 1 to September 30, 2023
			<u>\$ -</u>

Depreciation charge for right-of-use assets				
Land use rights	\$ 2,155	\$ 3,044	\$ 9,024	\$ 9,107
Buildings	9,715	12,797	31,247	38,638
Transportation equipment	<u>862</u>	<u>1,014</u>	<u>2,911</u>	<u>3,061</u>
	<u>\$ 12,732</u>	<u>\$ 16,855</u>	<u>\$ 43,182</u>	<u>\$ 50,806</u>

The amount of the right-of-use assets that set as loan guarantee, please refer to Note 30.

b. Lease liabilities

	September 30,2024	December 31,2023	September 30,2023
Current	<u>\$ 37,045</u>	<u>\$ 40,100</u>	<u>\$ 46,615</u>
Non-current	<u>\$ 6,840</u>	<u>\$ 24,706</u>	<u>\$ 33,550</u>

Range of discount rate for lease liabilities was as follows

	September 30,2024	December 31,2023	September 30,2023
Buildings	1.32%~5.91%	1.32%~2.85%	1.32%~2.85%
Transportation equipment	1.43%~2.85%	1.43%~2.85%	1.43%~2.85%

c. Other lease information

	July 1 to September 30, 2024	July 1 to September 30, 2023	Jan. 1 to September 30, 2024	Jan. 1 to September 30, 2023
Expenses relating to short-term leases	<u>\$ 6,531</u>	<u>\$ 841</u>	<u>\$ 12,032</u>	<u>\$ 2,893</u>
Expenses relating to low-value asset leases	<u>\$ 213</u>	<u>\$ 181</u>	<u>\$ 615</u>	<u>\$ 696</u>
Total cash outflow for leases	<u>\$ 17,312</u>	<u>\$ 14,662</u>	<u>\$ 46,358</u>	<u>\$ 44,726</u>

The Group's leases of certain office equipment qualify as short-term and low-value asset leases. The Group has elected to apply the recognition exemption and thus, did not recognize right-of-use assets and lease liabilities for these leases.

17. INVESTMENT PROPERTY (OTHER NON-CURRENT ASSETS OF THE ACCOUNT)

INVESTMENT
PROPERTY

<u>Cost</u>	
Balance at January 1, 2024	\$ 95,576
Net exchange differences	<u>550</u>
Balance at September 30,2024	<u>\$ 96,126</u>
 <u>Accumulated amortization</u>	
Balance at January 1, 2024	\$ 8,794
Depreciation expense	2,090
Net exchange differences	<u>86</u>
Balance at September 30,2024	<u>\$ 10,970</u>
 Balance at September 30,2024	 <u>\$ 85,156</u>
 Carrying amount at December 31,2023 and January1, 2024	 <u>\$ 86,782</u>
 <u>Cost</u>	
Balance at January 1, 2023	\$ 96,677
Net exchange differences	<u>550</u>
Balance at September 30,2023	<u>\$ 97,227</u>
 <u>Accumulated amortization</u>	
Balance at January 1, 2023	\$ 6,156
Depreciation expense	2,108
Net exchange differences	<u>80</u>
Balance at September 30,2023	<u>\$ 8,344</u>
 Carrying amount at September 30,2023	 <u>\$ 88,883</u>

The above items of property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives as follows:

Buildings	20-50 years
Right-of-use asset	45 years

The Group's investment properties are located in Vietnam. Because the transaction price of similar real estate in the adjacent area is negotiated by both parties, and the market transaction price is hard to obtain, it is impossible to obtain a reliable alternative fair value estimate, so it is impossible to reliably determine the fair value.

The fair values of investment properties located in Taipei were not evaluated by an independent valuer but valued by the Group's management refers to the market evidence of similar properties transaction prices. The fair values obtained from the appraisals on September 30, 2024 and September 30, 2023 are not significantly different from those on 2023/12/31 and 2022/12/31 respectively. Please refer to the notes on investment real estate in the consolidated financial reports for 2023 and 2022.

The investment properties pledged as collateral for bank borrowings are set out in Note 30.

18. Goodwill

	Jan.1 to September 30,2024	Jan.1 to September 30,2023
<u>Cost</u>		
Balance at January 1	\$ 108,404	\$ 108,404
Net exchange differences	<u>3,318</u>	<u>5,507</u>
Balance at September 30	<u>\$ 111,722</u>	<u>\$ 113,911</u>

19. BORROWINGS

a. Short-term borrowings

	September 30,2024	December 31,2023	September 30,2023
<u>Secured borrowings</u> (Note 30)			
Bank loans	\$ 2,537,331	\$ 2,139,463	\$ 2,152,722
Trade receivables	<u>975,487</u>	<u>488,166</u>	<u>519,285</u>
	<u>3,512,818</u>	<u>2,627,629</u>	<u>2,672,007</u>
<u>Unsecured borrowings</u>			
Bank loans	<u>437,146</u>	<u>462,433</u>	<u>395,017</u>
	<u>\$ 3,949,964</u>	<u>\$ 3,090,062</u>	<u>\$ 3,067,024</u>
Interest rate range	<u>2.23%~6.95%</u>	<u>2.00%~7.30%</u>	<u>2.00%~7.30%</u>

b. Short-term bills payable

	September 30,2024	December 31,2023	September 30,2023
Commercial notes payable	<u>\$ 250,000</u>	<u>\$ 250,000</u>	<u>\$ 150,000</u>
Interest rate range	<u>1.58%~2.89%</u>	<u>1.56%~2.73%</u>	<u>1.52%~2.63%</u>

c. Long-term borrowings

	September 30,2024	December 31,2023	September 30,2023
<u>Secured borrowings</u> (Note 30)			
Bank loans	\$ 747,428	\$ 743,813	\$ 760,634
Less: Current portion	(<u>69,162</u>)	(<u>61,484</u>)	(<u>61,269</u>)
	<u>678,266</u>	<u>682,329</u>	<u>699,365</u>
<u>Unsecured borrowings</u>			
Line of credit borrowings	7,500	37,500	45,000
Less: Current portion	(<u>7,500</u>)	(<u>30,000</u>)	(<u>30,000</u>)

	<u>-</u>	<u>7,500</u>	<u>15,000</u>
	<u>\$ 678,266</u>	<u>\$ 689,829</u>	<u>\$ 714,365</u>
Interest rate range	<u>1.24%~2.10%</u>	<u>2.05%~2.35%</u>	<u>1.95%~2.20%</u>

20. OTHER PAYABLES

	<u>September 30,2024</u>	<u>December 31,2023</u>	<u>September 30,2023</u>
Payables for salaries and bonuses	\$ 124,322	\$ 87,426	\$ 71,319
Payables for equipment	7,363	31,293	42,257
Payables for interest	11,978	14,677	11,962
Payables for professional services	3,459	4,147	4,471
Others (Note)	<u>75,184</u>	<u>91,919</u>	<u>72,215</u>
	<u>\$ 222,306</u>	<u>\$ 229,462</u>	<u>\$ 202,224</u>

Note: Mainly including miscellaneous purchases, repair fee, utilities fee and employee food expenses, etc.

21. RETIREMENT BENEFIT PLANS

The Company adopted a pension plan under the Labor Pension Act (LPA), which is a state-managed defined contribution plan. Under the LPA, the Company makes monthly contributions to employees' individual pension accounts at 6% of monthly salaries and wages.

Some subsidiaries, which are mainly investment holding companies, have no staff. Such subsidiaries have no pension plans; thus, they do not contribute to pension funds and do not recognize pension costs.

Except for such subsidiaries, the remaining subsidiaries all contribute to pension funds and recognize pension costs based on the regulations of their local governments.

22. EQUITY

a. Share capital

Ordinary shares

	<u>September 30,2024</u>	<u>December 31,2023</u>	<u>September 30,2023</u>
Number of shares authorized (in thousands)	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>
Shares authorized	<u>\$ 5,000,000</u>	<u>\$ 5,000,000</u>	<u>\$ 5,000,000</u>
Number of shares issued and fully paid	<u>150,000</u>	<u>150,000</u>	<u>150,000</u>

(in thousands)			
Shares issued	<u>\$ 1,500,000</u>	<u>\$ 1,500,000</u>	<u>\$ 1,500,000</u>

b. Capital surplus

	September 30,2024	December 31,2023	September 30,2023
<u>May be used to offset a deficit, distributed as cash dividends, or transferred to share capital (1)</u>			
Share premiums	\$ 978,700	\$ 1,039,175	\$ 1,039,175
Difference between the consideration received or paid and the carrying amount of the subsidiaries' net assets during actual disposal or acquisition	2,481	2,481	2,481
Treasury share transactions	<u>801</u>	<u>801</u>	<u>801</u>
	<u>981,982</u>	<u>1,042,457</u>	<u>1,042,457</u>
<u>May only be used to offset a deficit</u>			
Changes in percentage of ownership interests in subsidiaries (2)	<u>2,380</u>	<u>2,380</u>	<u>2,380</u>
	<u>\$ 984,362</u>	<u>\$ 1,044,837</u>	<u>\$ 1,044,837</u>

- 1) Such capital surplus may be used to offset a deficit; in addition, when the Company has no deficit, such capital surplus may be distributed as cash dividends or transferred to share capital (limited to a certain percentage of the Company's capital surplus and to once a year).
- 2) Such capital surplus arises from the effects of changes in ownership interests in subsidiaries resulting from equity transactions other than actual disposals or acquisitions.

c. Retained earnings and dividends policy

Under the dividends policy as set forth in the Company's amended articles of incorporation (the "Articles"), where the Company made a profit in a fiscal year, the profit shall be first utilized for paying taxes, offsetting losses of previous years, setting aside as legal reserve 10% of the remaining profit, and setting aside or reversing a special reserve in accordance with the laws and regulations. If the Company distribute its earnings in the form of cash, it shall be approved by the board of directors in their meeting; if the earnings are distributed in the form of new shares, it shall be approved by the shareholders in their meeting.

For the policies on the distribution of compensation of employees and remuneration of directors after the amendment, refer to compensation of employees and remuneration of directors in Note

24-f.

Appropriation of earnings to the legal reserve shall be made until the legal reserve equals the Company's paid-in capital. The legal reserve may be used to offset deficits. If the Company has no deficit and the legal reserve has exceeded 25% of the Company's paid-in capital, the excess may be transferred to capital or distributed in cash.

When a special reserve is appropriated for cumulative net debit balance reserves from prior period, the sum of net profit for current period and items other than net profit that are included directly in the unappropriated earnings for current period is used if the prior unappropriated earnings is not sufficient.

The distribution of dividends to shareholders of the Company can be made in cash or shares, the distribution is dependent on the Company's current and future investment environment, capital needs, domestic and international competition and capital budget, etc., taking into account the interests of shareholders, balance of dividends and long-term financial planning of the Company. The Company's dividend distribution shouldn't be less than 10% of the accumulated retained earnings for each year should be distributed as shareholder dividends., however, that if the accumulated retained earnings is less than 10% of the capital paid up, the Company may not declare dividends. If the Company decides to distribute dividends to shareholders, the proportion of cash dividends should not be less than 10% of the total dividends.

The appropriations of earnings for 2023 and 2022 were as follows:

	Appropriation of Earnings		Dividends Per Share (NT\$)	
	For the Year Ended December 31		For the Year Ended December 31	
	2023	2022	2023	2022
Legal reserve	\$ -	\$ 7,333	\$ -	\$ -
(Reversal) special reserve	56,612	(47,710)	-	-
Cash dividends	13,275	20,650	0.09	0.14
Share dividends	-	-	-	-
Cash dividends from capital surplus	60,475	53,100	0.41	0.36

The above appropriations of earnings as cash dividends were resolved by the Company's board of directors on April 25, 2024 and April 27, 2023, respectively; the other proposed appropriations were resolved by the shareholders in their meeting on June 21, 2024 and June 16, 2023, respectively.

d. Treasury shares

Purpose of Buy-back	Jan. 1 to September 30, 2024	Jan. 1 to September 30, 2023
Number of shares at January 1 and June 30 (in	<u>2,500</u>	<u>2,500</u>

thousand shares)

In August 2021, the Company's board of directors approved to buy back treasury shares and intend to transfer shares to the employees.

Under the Securities and Exchange Act, the Company shall neither pledge treasury shares nor exercise shareholders' rights on these shares, such as the rights to dividends and to vote.

23. REVENUE

	July 1 to September 30, 2024	July 1 to September 30, 2023	Jan. 1 to September 30, 2024	Jan. 1 to September 30, 2023
Revenue from contracts with customers				
Consumer electronics	\$ 2,410,061	\$ 941,150	\$ 5,218,345	\$ 2,725,391
Plastic components	<u>35,211</u>	<u>79,028</u>	<u>180,588</u>	<u>208,621</u>
	<u>\$ 2,445,272</u>	<u>\$ 1,020,178</u>	<u>\$ 5,398,933</u>	<u>\$ 2,934,012</u>

24. NET PROFIT (LOSS)

a. Other income

	July 1 to September 30, 2024	July 1 to September 30, 2023	Jan. 1 to September 30, 2024	Jan. 1 to September 30, 2023
Rental income	\$ 6,397	\$ 5,831	\$ 19,207	\$ 16,604
Interest income	<u>859</u>	<u>289</u>	<u>5,553</u>	<u>5,487</u>
	<u>\$ 7,256</u>	<u>\$ 6,120</u>	<u>\$ 24,760</u>	<u>\$ 22,091</u>

b. Other gains and losses

	July 1 to September 30, 2024	July 1 to September 30, 2023	Jan. 1 to September 30, 2024	Jan. 1 to September 30, 2023
Net foreign exchange (loss) gains	\$ 44,676	(\$ 21,870)	\$ 18,012	(\$ 21,996)
Gain (loss) on disposal of property, plant and equipment	(1,222)	388	(1,578)	(1,381)
Depreciation expense of investment property	(680)	(702)	(2,090)	(2,108)
Disposal of interests of affiliated enterprises	-	-	6,825	-
Others	<u>3,561</u>	<u>2,304</u>	<u>(6,482)</u>	<u>363</u>
	<u>\$ 46,335</u>	<u>(\$ 19,880)</u>	<u>\$ 14,687</u>	<u>(\$ 25,122)</u>

c. Finance costs

	July 1 to September 30, 2024	July 1 to September 30, 2023	Jan. 1 to September 30, 2024	Jan. 1 to September 30, 2023
Interest on loans	\$ 57,115	\$ 44,907	\$ 150,117	\$ 120,648
Interest on lease liabilities	329	289	762	1,024
Fees on pledged trade receivables	<u>4,550</u>	<u>1,105</u>	<u>4,660</u>	<u>2,957</u>
	<u>\$ 61,994</u>	<u>\$ 46,301</u>	<u>\$ 155,539</u>	<u>\$ 124,629</u>

d. Depreciation and amortization

	July 1 to September 30, 2024	July 1 to September 30, 2023	Jan. 1 to September 30, 2024	Jan. 1 to September 30, 2023
An analysis of depreciation by function				
Operating costs	\$ 94,631	\$ 97,340	\$ 280,771	\$ 294,620
Operating expenses	15,600	21,487	49,050	70,397
Other gains and losses	<u>680</u>	<u>702</u>	<u>2,090</u>	<u>2,108</u>
	<u>\$ 110,911</u>	<u>\$ 119,529</u>	<u>\$ 331,911</u>	<u>\$ 367,125</u>
An analysis of amortization by function				
Operating expenses	<u>\$ 440</u>	<u>\$ 642</u>	<u>\$ 1,411</u>	<u>\$ 2,491</u>

e. Employee benefits expense

	July 1 to September 30, 2024	July 1 to September 30, 2023	Jan. 1 to September 30, 2024	Jan. 1 to September 30, 2023
Short-term benefits	\$ 419,817	\$ 246,645	\$ 1,078,572	\$ 742,224
Other employee expenses	3,519	2,853	8,343	7,714
Post-employment benefits				
Defined contribution plans	<u>14,273</u>	<u>8,105</u>	<u>40,090</u>	<u>31,146</u>
Total employee benefits expense	<u>\$ 437,609</u>	<u>\$ 257,603</u>	<u>\$ 1,127,005</u>	<u>\$ 781,084</u>

An analysis of employee benefits expense by

	July 1 to September 30, 2024	July 1 to September 30, 2023	Jan. 1 to September 30, 2024	Jan. 1 to September 30, 2023
function				
Operating costs	\$ 330,984	\$ 183,635	\$ 844,596	\$ 561,269
Operating expenses	<u>106,625</u>	<u>73,968</u>	<u>282,409</u>	<u>219,815</u>
	<u>\$ 437,609</u>	<u>\$ 257,603</u>	<u>\$ 1,127,005</u>	<u>\$ 781,084</u>

f. Compensation of employees and remuneration of directors and supervisors

According to the Company's Articles, the Company accrues the compensation of employees and remuneration of directors and supervisors at rates of no less than 1% and no higher than 3%, respectively, of net profit before income tax, compensation of employees, and remuneration of directors and supervisors. However, if the Company has accumulated losses, it should offset the losses in advance.

The Company's estimated employee remuneration and director's remuneration amounts from January 1 to September 30, 2024, are based on past experience and based on possible amounts, and are estimated based on the aforementioned pre-tax benefits. The period from January 1 to September 30, 2023 is net loss, so employee compensation and director compensation are not estimated.

Accrual rate

	Jan. 1 to September 30, 2024	Jan. 1 to September 30, 2023
Compensation of employees	1%	-
Remuneration of directors and supervisors	1%	-

	July 1 to September 30, 2024	July 1 to September 30, 2023	Jan. 1 to September 30, 2024	Jan. 1 to September 30, 2023
Compensation of employees	\$ <u>2,908</u>	\$ <u>-</u>	\$ <u>4,030</u>	\$ <u>-</u>
Remuneration of directors and supervisors	\$ <u>2,908</u>	\$ <u>-</u>	\$ <u>4,030</u>	\$ <u>-</u>

It is a net loss in 2023, so employee remuneration and director remuneration are not included. The employee remuneration and director remuneration for 2022 were resolved by the board of directors on March 22, 2023 as follows:

Accrual rate

	For the Year Ended December 31	
	2023	2022
Compensation of employees	-	1%

Remuneration of directors and supervisors - 1%

Amount

	For the Year Ended December 31			
	2023		2022	
	Cash	Shares	Cash	Shares
Compensation of employees	\$ -	\$ -	\$ 1,090	\$ -
Remuneration of directors	-	-	1,090	-

If there is a change in the amounts after the annual consolidated financial statements are authorized for issue, the differences are recorded as a change in the accounting estimate.

There is no difference between the actual amounts of compensation of employees and remuneration of directors paid and the amounts recognized in the consolidated financial statements for the year ended December 31, 2022.

Information on the compensation of employees and remuneration of directors resolved by the Company's board of directors is available at the Market Observation Post System website of the Taiwan Stock Exchange.

25. INCOME TAXES

a. Income tax recognized in profit or loss

Major components of income tax expense are as follows:

	July 1 to September 30, 2024	July 1 to September 30, 2023	Jan. 1 to September 30, 2024	Jan. 1 to September 30, 2023
Current tax				
In respect of the current year	\$ 21,617	(\$ 259)	\$ 64,091	\$ 7
Adjustments for prior year	<u>3,197</u>	<u>989</u>	<u>844</u>	<u>8,001</u>
	<u>24,814</u>	<u>730</u>	<u>64,935</u>	<u>8,008</u>
Deferred tax				
In respect of the current year	(<u>5,413</u>)	<u>619</u>	<u>244</u>	<u>640</u>
Income tax expense recognized in profit or loss	<u>\$ 19,401</u>	<u>\$ 1,349</u>	<u>\$ 65,179</u>	<u>\$ 8,648</u>

According to the Law on Corporate Income Tax approved by the government of Vietnam, local subsidiaries are eligible for tax exemption in the first two years and a 50% deduction in the following four years since the first profit-earning year should they have investments in the industrial park.

b. Income tax assessments

The income tax returns of the Company through 2022 have been assessed by the tax authorities.

26. EARNINGS (LOSS) PER SHARE

Unit: NT\$ Per Share

	July 1 to September 30, 2024	July 1 to September 30, 2023	Jan. 1 to September 30, 2024	Jan. 1 to September 30, 2023
Basic (loss) earnings per share	<u>\$ 1.79</u>	<u>\$ 0.02</u>	<u>\$ 2.25</u>	<u>(\$ 0.10)</u>
Diluted (loss) earnings per share	<u>\$ 1.79</u>	<u>\$ 0.02</u>	<u>\$ 2.25</u>	<u>(\$ 0.10)</u>

The (loss) earnings and weighted average number of ordinary shares outstanding used in the computation of earnings per share are as follows:

Net Profit (Loss) for the Year

	July 1 to September 30, 2024	July 1 to September 30, 2023	Jan. 1 to September 30, 2024	Jan. 1 to September 30, 2023
Earnings (loss) used in the computation of basic and diluted earnings (loss) per share	<u>\$ 263,868</u>	<u>\$ 1,933</u>	<u>\$ 332,131</u>	<u>(\$ 15,485)</u>

Unit: in thousands of shares

	July 1 to September 30, 2024	July 1 to September 30, 2023	Jan. 1 to September 30, 2024	Jan. 1 to September 30, 2023
Weighted average number of ordinary shares used in the computation of basic earnings per share	147,500	147,500	147,500	147,500
Effect of potentially dilutive ordinary shares Compensation of employees	<u>46</u>	<u>-</u>	<u>63</u>	<u>-</u>
Weighted average number of ordinary shares used in the computation of diluted earnings per share	<u>147,546</u>	<u>147,500</u>	<u>147,563</u>	<u>147,500</u>

The Group may settle the compensation of employees in cash or shares; therefore, the Group assumes that the entire amount of the compensation will be settled in shares, and the resulting potential shares will be included in the weighted average number of shares outstanding used in the computation of diluted earnings per share, as the effect is dilutive. Such dilutive effect of the potential shares is included in the computation of diluted earnings per share until the number of shares to be distributed to employees is resolved in the following year. Since the compensation of employees are anti-dilutive in the computation of diluted losses per share from January 1 to September 30, 2023, they are excluded from the computation.

27. CAPITAL MANAGEMENT

The Group conducts capital management to ensure the Group will be able to continue as going concerns while maximizing the return to stakeholders through the optimization of the debt and equity balance. There is no material change in the overall strategy of the Group.

The Group must maintain its capital to support equipment upgrades. The capital management of the Group is to make sure that the Group has sufficient and necessary financial resources and operating plans to be able to provide the required funds for operating capital, capital expenditure, research and development expenses, repayment of debts, and payment of dividends.

28. FINANCIAL INSTRUMENTS

- a. The fair value of financial instruments at amortized cost

The management of the Group considered that the carrying amount of financial assets and financial liabilities at amortized cost in the financial statement is close to the fair value.

- b. Fair value of financial instruments measured at fair value on a recurring basis

Fair value hierarchy

September 30, 2024

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Financial assets at FVTPL				
Other financial assets	\$ -	\$ -	\$ 31,650	\$ 31,650
<u>Financial assets at</u>				
<u>FVTOCI</u>				
Foreign unlisted shares	\$ -	\$ -	\$ 253,200	\$ 253,200
Investments in debt				
instruments	<u>25,493</u>	<u>-</u>	<u>-</u>	<u>25,493</u>
합 計	<u>\$ 25,493</u>	<u>\$ -</u>	<u>\$ 253,200</u>	<u>\$ 278,693</u>

December 31, 2023

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Financial assets at FVTPL				

Other financial assets	\$ <u> -</u>	\$ <u> -</u>	\$ <u>30,710</u>	\$ <u>30,710</u>
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Financial assets at

FVTOCI

Foreign unlisted shares	\$ -	\$ -	\$ 245,680	\$ 245,680
Investments in debt instruments	<u>9,681</u>	<u>-</u>	<u>-</u>	<u>9,681</u>
	\$ <u>9,681</u>	\$ <u>-</u>	\$ <u>245,680</u>	\$ <u>255,361</u>

September 30, 2023

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Financial assets at FVTPL				
RMB wealth investment product	\$ -	\$ -	\$ 7,505	\$ 7,505
Other financial assets	<u>-</u>	<u>-</u>	<u>32,270</u>	<u>32,270</u>
	\$ <u>-</u>	\$ <u>-</u>	\$ <u>39,775</u>	\$ <u>39,775</u>
Financial assets at FVTOCI				
Investments in debt instruments	<u>\$ 9,298</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,298</u>

There were no transfers between Levels 1 and 2 in 2024 and 2023 from January 1 to September 30.

c. Reconciliation of Level 3 fair value measurements of financial instruments

January 1 to September 30, 2024

<u>Financial Assets</u>	<u>Financial Assets at FVTPL Equity Instruments</u>	<u>Financial Assets at FVTOCI Equity Instruments</u>	<u>Total</u>
Balance at January 1	\$ 30,710	\$ 245,680	\$ 276,390
Recognized in profit or loss (included in other gains and losses)	<u>940</u>	<u>7,520</u>	<u>8,460</u>
Balance at September 30	\$ <u>31,650</u>	\$ <u>253,200</u>	\$ <u>284,850</u>

January 1 to September 30, 2023

<u>Financial Assets</u>	<u>Financial Assets at FVTPL</u>
Balance at January 1	\$ 11,461
Increase in currently	32,017
Decrease in currently	(3,956)

Recognized in profit or loss (included in other gains and losses)	253
Balance at September 30	<u>\$ 39,775</u>

d. Valuation techniques and inputs applied for Level 3 fair value measurement

The fair value of unlisted equity instruments is estimated based on the most recent trading price of the investee and the valuation multiplier of comparable companies, etc., and is not based on assumptions supported by prices or interest rates in an observable market. The remaining financial assets were based on the Group use counterparty quotations as evaluation techniques and significant unobservable input values to calculate the expected return from the investment.

e. Categories of financial instruments

	September 30,2024	December 31,2023	September 30,2023
<u>Financial assets</u>			
Financial assets classified as at FVTPL			
Financial assets mandatorily classified as at FVTPL	\$ 31,650	\$ 30,710	\$ 39,775
Financial assets at amortized cost (1)	3,315,802	1,820,576	1,858,118
Financial assets at FVTOCI	278,693	255,361	9,298
 <u>Financial liabilities</u>			
Measured at amortized cost (2)	6,901,797	5,227,108	5,170,240

- 1) The balances include financial assets at amortized cost, which comprise cash, financial assets at amortized cost, receivables, other receivables and refundable deposits.
- 2) The balances included financial liabilities measured at amortized cost, which comprise short-term borrowings, short-term bills payable, trade payables, other payables, current portion of long-term borrowings, long-term borrowings and guarantee deposits received.

f. Financial risk management objectives and policies

The Group's major financial instruments include trade receivables, trade payables, lease liabilities, short-term and long-term borrowings. The Group's corporate treasury function provides services to the business, coordinates access to domestic and international financial markets, and monitors and manages the financial risks relating to the operations of the Group through internal risk reports that analyze exposures by degree and magnitude of risks. These risks include market risk (including foreign currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

1) Market risk

The Group's activities exposed it primarily to the financial risks of changes in foreign currency exchange rates (see (a) below) and interest rates (see (b) below).

There has been no change to the Group's exposure to market risks or the manner in which these risks are managed and measured.

a) Foreign currency risk

The Group had foreign currency sales and purchases, which exposed the Group to foreign currency risk. The management routinely monitors foreign currency risk and would take necessary measures in response to significant foreign currency fluctuations.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities (including those eliminated on consolidation) at the end of the year are set out in Note 31.

Sensitivity analysis

The Group is mainly exposed to the U.S. dollar.

The following table details the Group's sensitivity to a 1% increase and decrease in the New Taiwan dollar, Chinese Yuan and Vietnamese dong (the functional currency) against the U.S. dollar. The sensitivity analysis included only outstanding foreign currency denominated monetary items, financial assets at fair value through profit or loss and investment in debt instruments at fair value through other comprehensive income. A negative number below indicates an decrease in pre-tax profit associated with the New Taiwan dollar weakening 1% against the U.S. dollar. For a 1% strengthening of the New Taiwan dollar against the U.S. dollar, there would be an equal and opposite impact on profit or loss, and the balances below would be positive.

	USD Impact	
	Jan. 1 to September 30, 2024	Jan. 1 to September 30, 2023
Profit or loss	(\$ <u>9,717</u>)	(\$ <u>8,362</u>)

b) Interest rate risk

The Group is exposed to interest rate risk because the Group borrows funds at floating interest rates. The risk is managed by the Group by maintaining an appropriate mix of floating rate borrowings.

The carrying amounts of the Group's financial assets and financial liabilities with exposure to interest rates at the end of the year were as follows:

Fair value interest	<u>September 30,2024</u>	<u>December 31,2023</u>	<u>September 30,2023</u>
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rate risk						
Financial assets	\$	269,083	\$	202,393	\$	168,244
Financial						
liabilities		293,885		314,806		230,165
Cash flow interest						
rate risk						
Financial assets		492,369		356,879		358,988
Financial						
liabilities		4,704,892		3,871,375		3,872,658

Sensitivity analysis

The sensitivity analysis below was determined based on the Group's exposure to interest rates for both derivative and non-derivative instruments at the end of the year. For floating rate liabilities, the analysis was prepared assuming the amount of each liability outstanding at the end of the year was outstanding for the whole year. A 100 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 100 basis points higher and all other variables were held constant, the Group's pre-tax profit from January 1 to September 30, 2024 and 2023 would have decreased by \$31,594 thousand and \$26,353 thousand, respectively, which was mainly a result of variable-rate bank deposits and variable-rate borrowings. If interest rates had been 100 basis points lower, there would be an equal and opposite impact on pre-tax profit, and the balances would be negative.

c) Other price risk

The merged company incurs equity price risk due to its investment in equity securities. This equity investment is not held for trading but is a strategic investment, and the combined company does not actively trade these investments.

If the equity price increases/decreases by 10%, other comprehensive income and losses in 2024 will increase/decrease by \$25,320 thousand due to the increase/decrease in the fair value of financial assets measured at fair value through other comprehensive income and losses.

The Group was exposed to debt instrument price risk through its investments in debt instrument. The main purpose of the Group is to collect the cash flow of debt instruments and evaluate to sell if necessary.

2) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. As at the end of the reporting period, the Group's maximum exposure to credit risk which would cause a financial loss to the Group due to failure of counterparties to discharge an obligation provided by the Group could arise from the carrying amount of the respective recognized financial assets as stated in the balance sheet.

The Group's accounts receivable is mainly from the sale of wireless headsets, game headsets, and plastic products in various geographic regions. The Group continuously evaluates the financial status of its accounts receivable customers. The Group's credit risk is concentrated in the Americas and Asia.

3) Liquidity risk

The Group manages liquidity risk by monitoring and maintaining a level of cash and cash equivalents deemed adequate to finance the Group's operations and mitigate the effects of fluctuations in cash flows. In addition, management monitors the utilization of bank borrowings and ensures compliance with loan covenants.

The Group relies on bank borrowings as a significant source of liquidity. As of September 30, 2024, December 31, 2023 and September 30, 2023, the Group had available unutilized short-term bank loan facilities set out in (2) below.

a) Liquidity and interest rate risk table for non-derivative financial liabilities

The following table details the Group's remaining contractual maturities for its non-derivative financial liabilities with agreed upon repayment periods. The table has been drawn up based on the undiscounted cash flows of financial liabilities from the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows. Specifically, bank loans with a repayment on demand clause were included in the earliest time band regardless of the probability of the banks choosing to exercise their rights. The maturity dates for other non-derivative financial liabilities were based on the agreed upon repayment dates.

To the extent that interest flows are at floating rates, the undiscounted amount was derived from the interest rate curve at the end of the year.

September 30, 2024

	Less than 1 Year	1-5 Years	5+ Years
<u>Non-derivative financial liabilities</u>			
Variable interest rate liabilities	\$ 4,049,140	\$ 318,442	\$ 408,740
Fixed interest rate liabilities	250,000	-	-
Non-interest bearing	1,938,314	-	-
Lease liabilities	<u>37,969</u>	<u>8,149</u>	<u>-</u>
	<u>\$ 6,275,423</u>	<u>\$ 326,591</u>	<u>\$ 408,740</u>

December 31, 2023

	Less than 1 Year	1-5 Years	5+ Years
--	-----------------------------	------------------	-----------------

<u>Non-derivative</u> <u>financial</u> <u>liabilities</u>			
Variable interest rate liabilities	\$ 3,206,620	\$ 295,595	\$ 447,718
Fixed interest rate liabilities	250,000	-	-
Non-interest bearing	1,083,265	-	-
Lease liabilities	40,676	24,829	-
	<u>\$ 4,580,561</u>	<u>\$ 320,424</u>	<u>\$ 447,718</u>

September 30, 2023

	<u>Less than</u> <u>1 Year</u>	<u>1-5 Years</u>	<u>5+ Years</u>
<u>Non-derivative</u> <u>financial</u> <u>liabilities</u>			
Variable interest rate liabilities	\$ 3,180,185	\$ 303,201	\$ 467,247
Fixed interest rate liabilities	150,000	-	-
Non-interest bearing	1,132,847	-	-
Lease liabilities	47,331	33,756	-
	<u>\$ 4,510,363</u>	<u>\$ 336,957</u>	<u>\$ 467,247</u>

b) Financing facilities

	<u>September</u> <u>30,2024</u>	<u>December</u> <u>31,2023</u>	<u>September</u> <u>30,2023</u>
Unsecured bank overdraft facilities:			
Amount used	\$ 444,646	\$ 499,933	\$ 440,017
Amount unused	330,104	274,652	285,628
	<u>\$ 774,750</u>	<u>\$ 774,585</u>	<u>\$ 725,645</u>
Secured bank overdraft facilities:			
Amount used	\$ 4,510,246	\$ 3,621,442	\$ 3,582,641
Amount unused	5,711,300	4,846,764	5,133,322
	<u>\$10,221,546</u>	<u>\$ 8,468,206</u>	<u>\$ 8,715,963</u>

g. Transfers of financial assets

As of September 30, 2024, December 31, 2023 and September 30, 2023, the Group discounted the derecognized trade receivables with an aggregate carrying amount of \$1,252,133 thousand, \$565,830 thousand and \$604,615 thousand, respectively, to banks for cash proceeds of related debt of \$975,487 thousand, \$488,166 thousand and \$519,285 thousand, respectively. According to the contract, if these trade receivables are not recoverable at maturity, banks have the right to request that the Group pay the unsettled balance. As the Group has not transferred the significant risks and rewards relating to these trade receivables, it continues to recognize the full carrying amounts of these trade receivables and treats these trade receivables that have been transferred to banks as collateral for borrowings (see Note 30).

29. TRANSACTIONS WITH RELATED PARTIES

Balances and transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not disclosed in this note. Details of transactions between the Group and other related parties are disclosed as follows.

a. Related party name and category

<u>Related Party Name</u>	<u>Related Party Merged Company</u>
Ability Technology Co., Ltd.	Other related parties (Non-related person from June 2024)

b. Sales of goods

<u>Line Item</u>	<u>Related Party Category/ Name</u>	<u>July 1 to September 30, 2024</u>	<u>July 1 to September 30, 2023</u>	<u>Jan. 1 to September 30, 2024</u>	<u>Jan. 1 to September 30, 2023</u>
Sales	Ability Technology Co., Ltd.	<u>\$ -</u>	<u>\$ 6,498</u>	<u>\$ 10,118</u>	<u>\$ 14,934</u>

The Group's sales price and collection period to related parties are the same as those to regular customers.

c. Receivables from related parties

<u>Line Item</u>	<u>Related Party Category/ Name</u>	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Trade receivables	Ability Technology Co., Ltd.	\$ -	\$ 5,789	\$ 7,060
Other receivables	Ability Technology Co., Ltd.	-	847	977
		<u>\$ -</u>	<u>\$ 6,636</u>	<u>\$ 8,037</u>

c. Receivables from related parties

Line Item	Related Party Category/Name	September 30,2024	December 31,2023	September 30,2023
Trade receivables	Ability Technology Co., Ltd.	\$ -	\$ 5,789	\$ 7,060
Other receivables	Ability Technology Co., Ltd.	-	847	977
		<u>\$ -</u>	<u>\$ 6,636</u>	<u>\$ 8,037</u>

The outstanding receivables from related parties are unsecured. For the nine months ended September 30, 2023, no impairment losses were recognized for trade receivables from related parties.

d. Lease arrangements

Operating lease

In 2023, the Group leases the factory to its associates, Ability Technology Co., Ltd. as the operating lease with the lease term of five year, and the rent is referred to the similar assets' rental level, and a fixed payment is received monthly according to the lease agreement. As of December 31, 2023 and September 30, 2023, the total lease payments to be received in the future will be NT\$13,093 thousand and NT\$13,993 thousand respectively. The rental income recognized from July 1 to September 30 in 2024 and 2023 and from January 1 to September 30 in 2024 and 2023 are NT\$0 thousand, NT\$1,785 thousand, NT\$3,515 thousand and NT\$4,463 thousand respectively. .

e. Compensation of key management personnel

	July 1 to September 30, 2024	July 1 to September 30, 2023	Jan. 1 to September 30, 2024	Jan. 1 to September 30, 2023
Short-term employee benefits	\$ 9,207	\$ 6,673	\$ 20,822	\$ 16,874
Post-employment benefits	81	108	269	269
	<u>\$ 9,288</u>	<u>\$ 6,781</u>	<u>\$ 21,091</u>	<u>\$ 17,143</u>

The remuneration of directors and key executives is based on the performance of individuals and market trends.

30. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

	September 30,2024	December 31,2023	September 30,2023
Property, plant and equipment (including construction in progress)	\$ 2,610,523	\$ 2,639,696	\$ 2,294,690
Trade receivables	1,252,133	565,830	604,615
Right-of-use assets	182,359	174,356	193,863
Pledged demand deposits (classified as financial assets at amortized cost)	507,068	391,261	404,752

Investment property	85,156	86,782	88,883
Pledged repurchase agreements collateralized by bonds (classified as financial assets at amortized cost)	<u>20,000</u>	<u>20,000</u>	<u>-</u>
	<u>\$ 4,657,239</u>	<u>\$ 3,877,925</u>	<u>\$ 3,586,803</u>

The above assets were provided as collateral for bank borrowings.

31. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

The Group's significant financial assets and liabilities denominated in foreign currencies aggregated by the foreign currencies other than functional currencies of the entities in the Group and the related exchange rates between the foreign currencies and the respective functional currencies were as follows:

September 30, 2024

	Foreign Currency (In Thousands)	Exchange Rate	Carrying Amount (In Thousands)
<u>Financial assets</u>			
<u>Monetary items</u>			
USD	\$ 109,073	31.650 (USD:TWD)	\$ 3,452,149
USD	26,351	6.9976 (USD:CNY)	<u>834,013</u>
			<u>\$ 4,286,162</u>
<u>Non-monetary items</u>			
Non-derivative financial assets			
USD	9,805	31.650 (USD:TWD)	<u>\$ 310,343</u>
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD	89,060	25,020 (USD:VND)	\$ 2,818,747
USD	66,250	31.650 (USD:TWD)	2,096,818
USD	10,814	6.9976 (USD:CNY)	<u>342,250</u>
			<u>\$ 5,257,815</u>

December 31, 2023

<u>Foreign Currency (In</u>	<u>Exchange Rate</u>	<u>Carrying Amount (In Thousands)</u>
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Thousands)

Financial assets

Monetary items

USD	\$ 111,696	30.71 (USD:TWD)	\$ 3,430,183
USD	17,346	7.0973 (USD:CNY)	<u>532,691</u>
			<u>\$ 3,962,874</u>

Non-monetary items

Non-derivative financial assets

USD	9,315	30.71 (USD:TWD)	<u>\$ 286,071</u>
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Financial liabilities

Monetary items

USD	47,436	30.71 (USD:TWD)	\$ 1,466,049
USD	84,364	24,667 (USD:VND)	2,590,824
USD	8,801	7.0973 (USD:CNY)	<u>270,271</u>
			<u>\$ 4,327,144</u>

September 30, 2023

	Foreign Currency (In Thousands)	Exchange Rate	Carrying Amount (In Thousands)
<u>Financial assets</u>			
<u>Monetary items</u>			
USD	\$ 88,323	32.270 (USD:TWD)	\$ 2,850,183
USD	18,177	7.3092 (USD:CNY)	<u>586,570</u>
			<u>\$ 3,436,753</u>
<u>Non-monetary items</u>			
Non-derivative financial assets			
USD	288	32.270 (USD:TWD)	<u>\$ 9,298</u>
 <u>F i n a n c i a l l i a b i l i t i e s</u>			
<u>Monetary items</u>			
USD	77,283	24,728 (USD:VND)	\$ 2,493,928
USD	45,447	32.270 (USD:TWD)	1,466,554
USD	9,683	7.3092 (USD:CNY)	<u>312,478</u>
			<u>\$ 4,272,960</u>

The combined company's foreign currency exchange gains (losses) (realized and unrealized) from July 1 to September 30, 2024 and 2023, and from January 1 to September 30, 2024 and 2023, respectively, were NT\$44,676 thousand, (21,870) thousand, 18,012 thousand and (21,996) thousand. It is impractical to disclose net foreign exchange gains (losses) by each significant foreign currency due to the variety of the foreign currency transactions and functional currencies of the entities in the Group.

32. SEPARATELY DISCLOSED ITEMS

a. Information on significant transactions and b. information on investees:

- 1) Financing provided to others (Table 1)
- 2) Endorsements/guarantees provided (Table 2)
- 3) Marketable securities held (excluding investments in subsidiaries and associates) (Table 3)
- 4) Marketable securities acquired or disposed of at costs or prices of at least NT\$300 million or 20% of the paid-in capital (None)
- 5) Acquisition of individual real estate at costs of at least NT\$300 million or 20% of the paid-in capital (None)
- 6) Disposal of individual real estate at prices of at least NT\$300 million or 20% of the paid-in capital (None)
- 7) Total purchases from or sales to related parties amounting to at least NT\$100 million or 20% of the paid-in capital (Table 4)
- 8) Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital (Table 5)
- 9) Trading in derivative instruments (None)
- 10) Information on investees (Table 6)

c. Information on investments in mainland China

- 1) Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, net income of investees, investment income or loss, carrying amount of the investment at the end of the year, repatriations of investment income, and limit on the amount of investment in the mainland China area (Table 7)
- 2) Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third party, and their prices, payment terms, and unrealized gains or losses (Tables 1, 2, 4 and 5)

d. Intercompany relationships and significant intercompany transactions (Table 8)

e. Information of major shareholders: List all shareholders with ownership of 5% or greater showing the name of the shareholder, the number of shares owned, and percentage of ownership of each shareholder (Table 9)

33. SEGMENT INFORMATION

Information reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance focuses on the types of goods or services delivered or provided. Specifically, the Group's reportable segments were the manufacture, process and sale of audio electronic devices, computer peripherals and plastic products. For the purposes of financial statement presentation, these individual operating segments have been aggregated into a single operating segment given that the Group centrally manages the manufacture and sale of products.

AMPACS CORPORATION AND SUBSIDIARIES

FINANCING PROVIDED TO OTHERS
FOR THE NINE MONTHS ENDED September 30, 2024
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

No.	Lender	Borrower	Financial Statement Account	Related Party	Highest Balance for the Period (Note 5)	Ending Balance (Note 5)	Actual Amount Borrowed	Interest Rate (%)	Nature of Financing	Business Transaction Amount	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower	Aggregate Financing Limit	Note
													Item	Value			
1	Brilliance Investment Co., Ltd.	Richmake International Limited	Other receivables from related parties	Yes	\$ 278,520 (USD 8,800)	\$ 278,520 (USD 8,800)	\$ 253,817 (USD 8,020)	-	Short-term financing	\$ -	Operational needs	\$ -	-	\$ -	\$ 323,227 (USD 10,212)	\$ 323,227 (USD 10,212)	Note 3
2	Dong Guan Yi Zhuo Electronics Co., Ltd.	Brilliance Investment Co., Ltd.	Other receivables from related parties	Yes	159,516 (USD 5,040)	159,516 (USD 5,040)	154,688 (USD 4,887)	-	Short-term financing	\$ -	Operational needs	-	-	-	199,804 (CNY 44,175)	199,804 (CNY 44,175)	Note 4

Note 1: The subsidiaries are coded consecutively beginning from "1" in the order presented in the table above.

Note 2: The amount was calculated using the spot rate on September 30, 2024 (US\$1=NT\$31.65; CNY1=NT\$4.523).

Note 3: The aggregate financing limit and financing limit for each borrower of Brilliance Investment Co., Ltd., calculated based on the Group's policy, were both 120% of the Company's net asset value.

Note 4: The aggregate financing limit and financing limit for each borrower of Dong Guan Yi Zhuo Electronics Co., Ltd., calculated based on the Group's policy, were both 120% of the Company's net asset value.

Note 5: The highest balance and ending balance for the period are the financing limits approved by the lender's board of directors.

Note 6: All intercompany financing transactions have been eliminated upon consolidation.

AMPACS CORPORATION AND SUBSIDIARIES

ENDORSEMENTS/GUARANTEES PROVIDED
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2024
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

No.	Endorser/Guarantor	Endorsee/Guarantee		Limit on Endorsement/ Guarantee Given on Behalf of Each Party (Note 2)	Maximum Amount Endorsed/ Guaranteed During the Period (Note 3)	Outstanding Endorsement/ Guarantee at the End of the Period (Note 3)	Actual Amount Borrowed (Note 3)	Amount Endorsed/ Guaranteed by Collateral (Note 3)	Ratio of Accumulated Endorsement/ Guarantee to Net Equity in Latest Financial Statements (%)	Aggregate Endorsement/ Guarantee Limit (Note 2)	Endorsement/ Guarantee Given by Parent on Behalf of Subsidiaries	Endorsement/ Guarantee Given by Subsidiaries on Behalf of Parent	Endorsement/ Guarantee Given on Behalf of Companies in Mainland China	Note
		Name	Relationship (Note 1)											
1	Modern Pioneer (Kunshan) Co., Ltd.	AMPACS Corporation	b	\$ 233,118 (CNY51,540)	\$ 205,725 (USD6,500)	\$ - -	\$ - -	\$ - -	0%	\$ 233,118 (CNY51,540)	N	Y	N	

Note 1: Relationship between endorser/guarantor and endorsee/guarantee are as follows:

- a. Business relationship.
- b. A subsidiary in which the Company holds directly and indirectly over 50% of an equity interest.
- c. An investee in which the Company and its subsidiaries hold directly and indirectly over 50% of an equity interest.

Note 2: a. The aggregate amount of guarantees/endorsements by Modern Pioneer (Kunshan) Co., Ltd. and for any single entity should not exceed 100% of its net worth.
b. The net worth is based on the latest audited financial statements.

Note 3: The amount was calculated using the spot rate on September 30, 2024 (US\$1=NT\$31.65; CNY1=NT\$4.523).

AMPACS CORPORATION AND SUBSIDIARIES

MARKETABLE SECURITIES HELD

SEPTEMBER 30, 2024

(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	JUNE 30, 2024				Note
				Shares/Units (Note 2)	Carrying Amount	Percentage of Ownership (%)	Fair Value	
AMPACS Corporation	<u>Bounds</u> Ford Motor Company	-	Financial assets at FVTOCI - non-current	US\$ 130	\$ 3,757	-	\$ 3,757	
	Corporate bonds - Pfizer Inc.	-	Financial assets at FVTOCI - non-current	US\$ 200	6,473	-	6,473	
	Corporate bonds - Apple Inc.	-	Financial assets at FVTOCI - non-current	US\$ 500	15,263	-	15,263	
	Government bonds	-	Financial assets at amortized cost	20,000	20,000	-	20,000	
	<u>Other financial assets</u> 4EST INC.	-	Financial assets at fair value through profit or loss - non-current	-	31,650	-	31,650	
	<u>Ordinary shares</u> Substrate Manufacturing Corporation	-	Financial assets at FVTOCI - non-current	2,247	253,200	-	253,200	
	Richmake International Limited	<u>Ordinary shares</u> Iota Communications, Inc.	-	Financial assets at FVTOCI - non-current	2,478,000	-	1.26%	-

Note 1: The carrying values of financial instruments were all assessed for impairment.

Note 2: The number of units of the bonds is the face value of the bonds.

TABLE 4

AMPACS CORPORATION AND SUBSIDIARIES

**TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2024
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

Buyer	Related Party	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts (Payable) or Receivable		Note
			Purchase/Sale	Amount	% to Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% to Total	
AMPACS Corporation	Ampacs International Company Limited	Subsidiary	Purchase	(\$ 4,428,759)	(90%)	About 120 days	Contract price	No significant difference	\$ -	-	
AMPACS Corporation	Richmake International Limited	Subsidiary	Purchase	(301,828)	(6%)	About 120 days	Contract price	No significant difference	-	-	
AMPACS Corporation	Fortune Channel Universal Limited	Subsidiary	Purchase	(146,913)	(3%)	About 120 days	Contract price	No significant difference	(134,242)	(27%)	
Tech. Pioneer, Ltd.	AMPACS Corporation	Parent company	Purchase	(666,277)	(100%)	About 120 days	Contract price	No significant difference	(253,031)	(100%)	
Richmake International Limited	Dongguan Yi Xing Electronics Co., Ltd.	Subsidiary	Purchase	(325,442)	(100%)	About 180 days	Contract price	No significant difference	-	-	
Fortune Channel Universal Limited	Modern Pioneer (Kunshan) Co., Ltd.	Subsidiary	Purchase	(146,913)	(100%)	About 180 days	Contract price	No significant difference	(145,799)	(100%)	
Ampacs International Company Limited	Dongguan Yi Xing Electronics Co., Ltd.	Sister company	Purchase	(367,888)	(9%)	About 180 days	Contract price	No significant difference	(138,778)	(6%)	
Ampacs International Company Limited	Dongguan Han Lei Electronics Co., Ltd.	Sister company	Purchase	(549,454)	(13%)	About 180 days	Contract price	No significant difference	(458,932)	(20%)	
Ampacs International Company Limited	AMPACS Corporation	Parent company	Sale	4,428,759	99%	About 120 days	Contract price	No significant difference	-	-	
Richmake International Limited	AMPACS Corporation	Parent company	Sale	301,828	92%	About 120 days	Contract price	No significant difference	-	-	
Fortune Channel Universal Limited	AMPACS Corporation	Parent company	Sale	146,913	100%	About 120 days	Contract price	No significant difference	134,242	100%	
AMPACS Corporation	Tech. Pioneer, Ltd.	Subsidiary	Sale	666,277	13%	About 180 days	Contract price	No significant difference	253,031	12%	
Dongguan Yi Xing Electronics Co., Ltd.	Richmake International Limited	Sister company	Sale	325,442	48%	About 180 days	Contract price	No significant difference	-	-	
Modern Pioneer (Kunshan) Co., Ltd.	Fortune Channel Universal Limited	Sister company	Sale	146,913	84%	About 180 days	Contract price	No significant difference	145,799	72%	
Dongguan Yi Xing Electronics Co., Ltd.	Ampacs International Company Limited	Sister company	Sale	367,888	54%	About 180 days	Contract price	No significant difference	138,778	49%	
Dongguan Han Lei Electronics Co., Ltd.	Ampacs International Company Limited	Sister company	Sale	549,454	100%	About 180 days	Contract price	No significant difference	458,932	100%	

Note: All intercompany gains and losses from investment have been eliminated upon consolidation.

TABLE 5

AMPACS CORPORATION AND SUBSIDIARIES

**RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL
SEPTEMBER 30, 2024
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

Company Name	Related Party	Relationship	Ending Balance of Trade Receivables	Ending Balance of Other Receivables	Turnover Rate	Past Due		Amounts Received in Subsequent Period	Allowance for Impairment Loss
						Amount	Action Taken		
Dongguan Yi Xing Electronics Co., Ltd.	Ampacs International Company Limited	Sister company	\$ 138,778	\$ -	2.93	-	—	\$ 31,650	-
Dong Guan Yi Zhuo Electronics Co., Ltd.	Brilliance Investment Co., Ltd.	Sister company	-	154,688	Note 3	-	—	-	-
AMPACS Corporation	Ampacs International Company Limited	Subsidiary	-	434,960	Note 2	-	—	-	-
AMPACS Corporation	Tech. Pioneer, Ltd.	Subsidiary	253,031	-	5.54	-	—	93,684	-
Brilliance Investment Co., Ltd.	Richmake International Limited	Sister company	-	253,817	Note 3	-	—	-	-
Modern Pioneer (Kunshan) Co., Ltd.	Fortune Channel Universal Limited	Subsidiary	145,799	-	1.34	-	—	31,650	-
Fortune Channel Universal Limited	AMPACS Corporation	Parent company	134,242	-	1.57	-	—	15,825	-
Dongguan Han Lei Electronics Co., Ltd.	Ampacs International Company Limited	Sister company	458,932	-	3.13	-	—	-	-

Note 1: All intercompany gains and losses from investment have been eliminated upon consolidation.

Note 2: The other receivables are collection and payment transactions on behalf of other companies

Note 3: Financing.

AMPACS CORPORATION AND SUBSIDIARIES

INFORMATION ON INVESTEEES
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2024
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		Balance as of September 30, 2024			Net Income (Losses) of the Investee	Share of Profits/Losses of Investee	Note
				September 30, 2024	Jan. 1, 2024	Number of Shares (In Thousands)	Percentage of Ownership (%)	Carrying Amount			
AMPACS Corporation	Tech. Pioneer, Ltd.	Samoa	Investment activities	USD 21,780 HKD 9,500	USD 21,780 HKD 9,500	23,003	100.00	\$ 795,593	(\$ 72,593) (USD -2,266)	(\$ 72,593)	Subsidiary
	Ampacs International company Limited	Vietnam	Production and sale of plastic products and consumer electronics	USD 50,000	USD 50,000	-	100.00	1,183,858	164,957 (VND 130,401,142)	164,957	Subsidiary
	Vogten Import Export Trading Co., Ltd	Vietnam	Sale of consumer electronics	USD 200	-	-	100	3,677	(2,724) (VND 2,153,741)	(2,724)	Subsidiary
Tech. Pioneer, Ltd.	Brilliance Investment Co., Ltd.	Samoa	Investment activities and the sale of plastic products	USD 1,050	USD 1,050	1,050	100.00	269,357	(5,054) (USD 158)	(5,054)	Subsidiary
	Sunlight Ocean Holding Limited	Samoa	Investment activities	USD 850	USD 850	850	100.00	74,144	9,164 (USD 286)	9,164	Subsidiary
	Richmake International Limited	Samoa	Investment activities and the sale of consumer electronics	HKD 9,500	HKD 9,500	1,224	100.00	78,521	(52,775) (USD 1,648)	(52,775)	Subsidiary
	Fortune Channel Universal Limited	Seychelles	Investment activities and the sale of plastic products	USD 16,000	USD 16,000	16,000	100.00	381,143	(19,870) (USD 620)	(19,870)	Subsidiary

Note 1: Refer to Table 7 for information on investments in mainland China.

Note 2: All intercompany gains and losses from investment have been eliminated upon consolidation.

TABLE 7

AMPACS CORPORATION AND SUBSIDIARIES

INFORMATION ON INVESTMENTS IN MAINLAND CHINA
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2024
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investee Company	Main Businesses and Products	Total Amount of Paid-in Capital (Note 3)	Method of Investment	Accumulated Outflow of Investment from Taiwan as of January 1, 2024 (Note 3)	Investment of Flows (Note 2)		Accumulated Outflow of Investment from Taiwan as of September 30, 2024 (Note 3)	Net Income (Loss) of the Investee (Note 4,6)	Ownership of Direct or Indirect Investment	Investment Gain (Loss) (Note 4,6)	Carrying Amount as of September 30, 2024 (Note 3)	Accumulated Inward Remittance of Earnings as of September 30, 2024
					Outflow	Inflow						
Dongguan Yi Zhao Electronics Co., Ltd.	Production and sale of plastic products	\$ 33,233 (USD 1,050)	Note 1	\$ 33,233 (USD 1,050)	\$ -	\$ -	\$ 33,233 (USD 1,050)	\$ 34,013 (CNY 7,655)	100%	\$ 34,013 (USD 1,062)	\$ 166,504 (USD 5,261)	\$ -
Dongguan Han Lei Electronics Co., Ltd.	Production and sale of plastic products and consumer electronics	26,903 (USD 850)	Note 1	26,903 (USD 850)	-	-	26,903 (USD 850)	9,199 (CNY 2,070)	100%	9,199 (USD 287)	72,677 (USD 2,296)	-
Dongguan Yi Xing Electronics Co., Ltd.	Production and sale of plastic products and consumer electronics	38,713 (HKD 9,500)	Note 1	38,713 (HKD 9,500)	-	-	38,713 (HKD 9,500)	(44,349) (CNY -9,982)	100%	(44,349) (USD -1,385)	156,883 (USD 4,957)	-
Modern Pioneer (Kunshan) Co., Ltd.	Production and sale of plastic products	427,275 (USD 13,500)	Note 1	427,275 (USD 13,500)	-	-	427,275 (USD 13,500)	(14,389) (CNY -3,238)	100%	(19,873) (USD -620)	393,490 (USD 12,433)	-
Dongguan Shi Hong Jun Electronics Co., Ltd.	Production and sale of headphone wire	9,046 (CNY 2,000)	Note 2	Note 2	-	-	Note 2	(606) (CNY -136)	51%	(309) (CNY -70)	4,716 (CNY 1,043)	-

Accumulated Investment in Mainland China as of SEPTEMBER 30, 2024 (Note 3)	Investment Amounts Authorized by Investment Commission, MOEA (Note 3)	Upper Limit on Investment
\$ 526,124 (USD 15,400) (HKD 9,500)	\$ 526,124 (USD 15,400) (HKD 9,500)	\$ 1,773,911 (Note 5)

Note 1: The companies were invested through regions outside of Taiwan and mainland China (the third region).

Note 2: The capital of Dongguan Shi Hong Jun Electronics Co., Ltd. is remitted out with the self-owned fund of Dongguan Han Lei Electronics Co., Ltd.

Note 3: The amount was calculated using the spot rates on September 30, 2024 (US\$1=NT\$31.65; HK\$1=NT\$4.075; CNY1=NT\$4.523).

Note 4: Converted based on the average exchange rates from January 1 to September 30, 2024 (US\$1=NT\$32.03; HK\$1=NT\$4.100; CNY1=NT\$4.443).

Note 5: The amount was calculated based on 60% of the Group's net worth.

Note 6: It is recognized based on the financial statements for the same period reviewed by accountants.

Note 7: All intercompany gains and losses from investment have been eliminated upon consolidation.

AMPACS CORPORATION AND SUBSIDIARIES

INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT INTERCOMPANY TRANSACTIONS FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2024 (Amounts in Thousands of New Taiwan Dollars)

No. (Note 1)	Company Name	Counterparty	Nature of Relationship (Note 2)	Intercompany Transaction			
				Financial Statement Item	Amount	Terms	% of Consolidated Net Revenue or Total Assets (Note 3)
0	AMPACS Corporation	Ampacs International Company Limited	1	Advance payment	\$ 524,641	Mutual agreement	5%
0	AMPACS Corporation	Ampacs International Company Limited	1	Other receivables	434,960	Mutual agreement	4%
0	AMPACS Corporation	Tech. Pioneer, Ltd.	1	Sales	666,277	Mutual agreement	12%
0	AMPACS Corporation	Tech. Pioneer, Ltd.	1	Accounts receivable	253,031	Mutual agreement	3%
1	Ampacs International Company Limited	AMPACS Corporation	2	Sales	4,428,759	Mutual agreement	82%
2	Richmake International Limited	AMPACS Corporation	2	Sales	301,828	Mutual agreement	6%
2	Richmake International Limited	Dongguan Yi Xing Electronics Co., Ltd.	3	Advance payment	175,008	Mutual agreement	2%
3	Fortune Channel Universal Limited	AMPACS Corporation	2	Sales	146,913	Mutual agreement	3%
3	Fortune Channel Universal Limited	AMPACS Corporation	2	Accounts receivable	134,242	Mutual agreement	1%
4	Brilliance Investment Co., Ltd.	Richmake International Limited	3	Other receivables	253,817	Financing provided	3%
5	Dongguan Yi Xing Electronics Co., Ltd.	Ampacs International Company Limited	3	Sales	367,888	Mutual agreement	7%
5	Dongguan Yi Xing Electronics Co., Ltd.	Richmake International Limited	3	Sales	325,442	Mutual agreement	6%
5	Dongguan Yi Xing Electronics Co., Ltd.	Ampacs International Company Limited	3	Accounts receivable	138,778	Mutual agreement	1%
6	Modern Pioneer (Kunshan) Co., Ltd.	Fortune Channel Universal Limited	3	Sales	146,913	Mutual agreement	3%
6	Modern Pioneer (Kunshan) Co., Ltd.	Fortune Channel Universal Limited	3	Accounts receivable	145,799	Mutual agreement	1%
7	Dongguan Yi Zhao Electronics Co., Ltd.	Brilliance Investment Co., Ltd.	3	Other receivables	154,688	Financing provided	2%
8	Dongguan Han Lei Electronics Co., Ltd.	Ampacs International Company Limited	3	Sales	549,454	Mutual agreement	10%
8	Dongguan Han Lei Electronics Co., Ltd.	Ampacs International Company Limited	3	Accounts receivable	458,932	Mutual agreement	5%

Note 1: The Company and its subsidiaries are coded as follows:

- The Company is coded "0".
- The subsidiaries are coded consecutively beginning from "1" in the order presented in the table above.

Note 2: Nature of relationship is as follows:

- From the Company to its subsidiary.
- From a subsidiary to its parent company.
- Between subsidiaries.

Note 3: The percentage calculation is based on the consolidated total operating revenues or total assets. For balance sheet items, each item's period-end balance was shown as a percentage to consolidated total assets as of September 30, 2024. For profit or loss items, the cumulative amounts were shown as a percentage to consolidated total operating revenues for the nine months ended September 30, 2024.

Note 4: The above table only discloses each of the related-party transactions which amount to at least 1% of total revenue or total assets, while the reverse flow of transactions are not additionally disclosed.

Note 5: The intercompany transactions have been eliminated upon consolidation.

TABLE 9**AMPACS CORPORATION AND SUBSIDIARIES****INFORMATION OF MAJOR SHAREHOLDERS
SEPTEMBER 30, 2024**

Name of Major Shareholder	Shares	
	Number of Shares	Percentage of Ownership (%)
Huang, Chang-Ching	27,671,900	18.44
Lung An Investment Co., Ltd.	11,907,304	7.93
Chang An Investment Co., Ltd.	11,681,569	7.78
Hsiao, Hsiu-Ju	9,387,545	6.25

Note 1: The information of major shareholders presented in this table is provided by the Taiwan Depository & Clearing Corporation based on the number of ordinary shares and preferred shares held by shareholders with ownership of 5% or greater, that have been issued without physical registration (including treasury shares) by the Company as of the last business day for the current quarter. The share capital in the consolidated financial statements may differ from the actual number of shares that have been issued without physical registration because of different preparation basis.

Note 2: If a shareholder delivers the shareholdings to the trust, the above information will be disclosed by the individual trustor who opened the trust account. For shareholders who declare insider shareholdings with ownership greater than 10% in accordance with the Security and Exchange Act, the shareholdings include shares held by shareholders and those delivered to the trust over which shareholders have rights to determine the use of trust property. For information relating to insider shareholding declaration, please refer to the Market Observation Post System website of the TWSE.