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Walsin Technology Corporation

2023 Annual Report

(Translation)

(This English translation is prepared in accordance with the Chinese version and is for reference only. If there is any inconsistency between the Chinese version and this translation, the Chinese version shall prevail.)

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Name of Any Exchanges Where the Company's Securities Are Traded Offshore and Information: None.

Corporate Website: http://www.passivecomponent.com

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Letter to Shareholders

Dear ladies and gentlemen shareholders,

In year 2023, with the end of the severe special infectious pneumonia (COVID-19) epidemic, the border was fully unblocked, but under the influence of many factors such as intensified geopolitical conflicts, trade restrictions, economic development patterns have been intruded, global supply chains continue to restructure, inflation is spreading, and interest rates have not been lowered for a long time, the road to economic recovery remains full of challenges .
In response to the rising costs of supply chain restructuring of customers and suppliers, the rising cost of raw materials due to inflation and the slow recovery of end consumer demand for consumer electronics, in addition to prudent investment, the company has regulated output, strictly controlled various costs and expenses, cultivated the ability to adapt to supply chain restructuring, but also continues to increase the development of new products, and actively prepares for the next economic cycle. And hereby present a summary report on the previous year's operating results and this year's operating plan.

Operating results of the previous year
As the world is ushering in the comprehensive lifting of border closures and the resumption of various economic activities, end consumer demand is gradually heating up, and Walsin Technology's operating performance has also been improving quarter by quarter. However, many factors that are unfavorable to the overall economic recovery still suppress the recovery of end consumer demand. The financial environment is fluctuating due to the rising interest rates of the US dollar and Interest rates remain high, which in turn affects the exchange rate fluctuations between other currencies and the US dollar more severely. The Company prudently regulates investment and strengthens working capital management.
The group’s consolidated net sales amount in Year 2023 was NT$32.8 billion , a decrease of 7.1% from Year 2022; the consolidated operating gross profit was NT$5.84 billion , and the gross profit margin rate was 17.8%; the consolidated operating net profit was NT$1.79 billion , and the operating net profit margin rate was 5.5%; The net profit after tax attributable to the company was NT$1.99 billion , the net profit rate after tax was 6.1%, and basic earnings per share (EPS) was NT$4.09 , and the return on equity rate was 4.36%.

Summary of this year's business plan
(1) Business policy
Looking forward to the global economic prospects in 2024, we will continue to face the impact of high interest rates, inflation and geopolitical conflicts, and uncertainties in the growth of the global economy have not been eliminated. However, benefits from the development of various

technological applications and the constantly introduction of new products, we are optimistic about the growth of long-term industry demand. Walsin Technology's management team establishes close strategic partnerships with customers through continuous innovation and diversified regional production capacity allocation.

(2) Development strategy

In response to the current trend of global supply chain restructuring, we will integrate and optimize the production capacity of existing production bases, expand the local services of overseas service bases to improve sales energy; adjust the direction of product development according to the needs of mainstream industries and new applications, develop towards high-precision and high-reliability technology to improve profitability; and improve production and workflow automation to promote and realize a more streamlined process of human-machine collaboration through the combination of increasingly powerful networks and machine operations.

In addition to the existing production capacity and R&D basis, and the integration of new business partners to collaborate with each other, across other passive components in the field to increase product breadth and depth and optimize customer structure, actively expand marketing to grasp the competitive advantage.

Affected by external competitive environment, legal environment and overall business environment

Looking forward to 2024 years, as geopolitical conflicts continue and regional supply chains continue to form, the company will use the advantages of diversified presence to provide customers with the most convenient and high-quality services in a timely manner. In the short term, consumer demand still needs to be boosted. In the long term, facing the wave of electronic and digital technology development, the company will continue to focus on its own niche products and conduct intensive research and development to maintain market competitiveness.

Walsin Technology adheres to the integrity of management, and complies with laws and regulations and implements them in operation and management on various major issues such as environmental protection regulations, information security, customer and supplier privacy protection, occupational safety regulations, labor relations, anti-competitive behavior, and tax compliance.

Corporate Social Responsibility

ESG (Environmental, Social, and Corporate Governance) is an indicator that we continue to promote and attach great importance to, continue to uphold the concept of sustainable management, take responsibility for environmental protection, corporate social responsibility, implement corporate governance norms, create a safe working environment for employees, undertake community and environment-related policies and practices, achieve business goals in a way that is in line with the best interests of shareholders, and create sustainable value for shareholders.

Although the current global economic growth is slowing down and it still faces many challenges, Walsin Technology continues to pursue stability and excellence in business performance, cherishes the rights and interests of employees and interested parties, and fulfills its corporate responsibility

for a green earth. It is expected to achieve profits in the company, We will provide reasonable remuneration to shareholders, create a high-quality work environment that is common good and common prosper with colleagues, further fulfill our corporate social responsibilities, and demonstrate our sustainable business philosophy of paying equal attention to shareholder value, employee well-being and social responsibility.

Finally, I would like to thank all shareholders for their long-term support and trust in Walsin Technology. Walsin Technology continues to focus on its business, adhere to quality to provide high-level professional services, and pay attention to long-term stability and inheritance, carry on the past and open up the future and make a new fresh start to lead the company to grow steadily. I would like to wish all shareholders happiness, health and all the best!

Chairman

Chiao Yu-Heng

Company Profile

2.1 Date of establishment: July 29,1970

2.2 Company History & Evolution:

1970 Founder Mr. Chen Yan raised funds to establish Wanbang Electronic Enterprise Co., Ltd. The company was established on the 6th floor of No. 277, Section 3, Roosevelt Road, Taipei City. It purchased land 10 Hectare (approximately equal to 29,340 square feet) in Xinfeng Township, Hsinchu County, and set up a factory with a registered capital of NT$20,000,000, which is the first domestic precision electronics industry to manufacture semiconductor element transistors, ight-emitting diodes andintegrated circuit processing with consistent operations.

1989 Improve the company's operating structure. Walsin Lihua, a domestic high-performance enterprise, will take over the entire equity and part of the private equity of the Guidance Council to continue to guide the company's operations. The company moved to the Walsin Financial Building, 10th Floor, No. 675, Minsheng East Road, Taipei, in December 1989.

1992 Expansion of operations, the company changed its name to Walsin Technology Co., Ltd., and in July 1992, it merged and acquired the electronic division of Walsin Lihwa Corporation, and purchased projects including tangible assets such as fixed assets and inventory, and related intangible assets such as business and technology, and established the Yangmei Factory to produces precision ceramic electronic components such as multilayer capacitors and ceramic resistors to expand operations and increase revenue.

1993 The shareholders' interim meeting resolved to sell the assets of the assembly department and self-manufacturing department of the Xinfeng plant, and lay off the employees of the Xinfeng plant. The Xinfeng plant ceased productionon January 1, 1994. In order to improve profitability per share, the registeredand paid-in capital was reduced to NT$264.5 million.

1996 Established Kaohsiung branch in Kaohsiung Export Processing Zone, It is responsible for the production of chip resistors. In the same year, a 100% shareholding subsidiary was established in Singapore to expand sales in the local area, and the subsidiary invested in the establishment of overseas sales offices.

1997 Established a logistics center and established a timely distribution and supply system in Yangmei Factory.

1999 Improve operating efficiency 、control cost and expenditure, implement the integration of factory and office, and relocate all business personnel in the Taipei office to the Yangmei factory to work.

2000 Established Dongguan factory in Dongguan City, Mainland China to increase production and sales bases. It was selected by Asia Week the "best stocks in Asia" with the highest return on investment in the past year among the 1,680 stocks in Asia.
Established the high-frequency component business department and began to develop and produce high-frequency components.

2001 The SAP information management system was officially launched.
A strategic alliance with BC components in Europe, Walsin Technology Corporation's chip capacitor passive component products are sold to the 3C industry around the world through BC components' wide channels and customer bases in Europe, North America and Asia.
Concluded a strategic alliance with Pilkor Electronics in South Korea. Walsin Technology Corporation''s full range of passive component products are sold through Pilkor Electronics's channels in South Korea.
It was listed for trading on the centralized market of the Taiwan Stock Exchange, and at the same time, it was sold off the counter at the Taiwan Stock Exchange.
Gallatown Developments., Ltd., which holds 100% of its shares, increased its capital by 1,449,005,729 Japanese yen with participation in cash to acquire Nitsuko Electronics Corporation which is wholly-owned by NEC Infrontia, a subsidiary of Nissho NEC Group Nitsuko Electronics Corp. has a 70% equity and acquires the right to operate. Developing the Japanese domestic demand market through Nitsuko, and leveraging Walsin Technology Corporation's domestic and overseas channels and

customers, will further extend the Nitsuko product line to overseas markets.

2002 The Ministry of Economic Affairs approved the establishment of a global operations headquarters in the Kaohsiung Export Processing Zone.

2003 Signed a share subscription contract with Pan Overseas Industrial Co., Ltd., intends to participate in the subscription of 63,140,000 common shares of the company's private equity capital increase, and acquire 22.55% of the company's equity, in order to become a strategic partner and the expansion of the product line complementarity, optimal allocation of product economic scale, sharing of R&D resources, and cooperation in new product development effectively drive the growth of both parties' revenue and profit. This investment case was executed on May 30, 2003.

Signed a share subscription contract with EDEN High-Tech Co., Ltd. , intends to participate in the subscription of 25 million common shares of the company's private equity capital increase, and obtain 30.38% of the company's equity, so as to become a strategic partner and use distribution channels integrate to improve the quality of customer service. Both parties can take advantage of the optimized combination of product portfolio and customer segmentation to expand market share and enhance the professional image of both companies. This investment case was executed on September 29, 2001.

Signed a strategic alliance relationship with Vishay Electronic GmbH, representing Vishay Electronic GmbH, Germany, a subsidiary of Vishay Group in Europe; BCcomponents Hong Kong Limited, Hong Kong in Asia, and Vishay Dale Electronics, Inc., Americas in the United States. Walsin Technology Corporation and Vishay launched alliances in scientific research and product marketing. Relationship.

Initially, MLCC products produced by Walsin Technology Corporation will be marketed in Europe, Asia and North America through the Vishay brand and channels.

2004 Signed a merger contract with EDEN High-Tech Co., Ltd. The two parties intend to discuss at the general meeting of shareholders on April 30, 2004. The company will be the surviving company and 2.36 shares of EDEN High-Tech Co., Ltd. will be the basis of the merger on August 1, 2004. In exchange for the issuance of new shares at a ratio of 1 share of the company, after the merger, the company will increase the number of

new shares to be issued as 24,258,475 shares.

2005 Signed a merger contract with Pan Overseas Industrial Co., Ltd., and the two parties intend to discuss at the regular shareholders meeting on June 23, 2005. The company will be the surviving company and exchange 2 shares of Pan Overseas Industrial Co., Ltd. for the capital. The company will issue new shares at a ratio of one share.
After the merger, the company will issue more than 105,283,580 new shares for participation.
Signed a share transfer agreement with Taiwan Cement Corporation. The two parties used October 7, 2005 as the base date for the capital increase of the transferred shares, and the company issued new shares at a rate of 1.6 shares of Prosperity Dielectrics Co., Ltd. for 1 share of the company. Five hundred and fifty thousand shares were given to Taiwan Cement Corporation. for the conversion of its ten million shares of Prosperity Dielectrics Co., Ltd.
Set up an office in Munich, Germany, and actively expand the European market.
The share exchange was transferred to Prosperity Dielectrics Co., Ltd. common shares of 12,000,000 shares, and the capital increased to 7.5 million shares, making the paid-in capital amount to NT$5,146,568,100.
Signed a distribution contract with Arrow Electronics, Inc.; through Arrow's marketing channels and extensive customer bases all over the country, Walsin Technology Corporation extended its passive component sales tentacles to SouthernEurope and expanded its electronics industry applications.

2006 Cooperated with Japan's Mitsubishi Materials Corporation (MMC, Mitsubishi Materials Corporation) to obtain 85.84 percents of the Japanese subsidiary Kamaya Electric Co., Ltd. (Kamaya Electric Co., Ltd.) held by its group. Established theTaichung branch by acquiring the tangible fixed assets and inventories of the ceramic disc capacitor division of its Taiwan subsidiary MMC Electronics Taiwan Co., Ltd.

2009 Won the Enterprise Award of the 19th "National Quality Award" sponsored by the Ministry of Economic Affairs, R.O.C.

2011 Obtained the AEO safety certification of the Ministry of Finance and the General Customs Administration as a high-quality enterprise.

2012 Won the 21st Taiwan Excellence Award hosted by the Ministry of

Economic Affairs, R.O.C.

2013 The company moved to the 24th floor, No. 1, Songzhi Road, Xinyi District, Taipei City.

2015 Set up a branch in South Korea to engage in research, development, and trading.

2018 Newly included in the global standard index constituent stocks by MSCI.
Invited to subscribe for 45 million common shares issued by INPAQ Technology Co., Ltd. by way of private placement for cash capital increase.

2019 For outstanding performance in operation and growth, and fulfilling social responsibility, the company was awarded the Asia Pacific Entrepreneurship Awards (Asia Pacific Entrepreneurship Awards) by Enterprise Asia, a non-profit organization in the Asia-Pacific region.

2019 For long-term sustainable business development, purchased 3,895 square feet of ndustrial land on Zhongyuan Road, Zhongli District, Taoyuan City .
Prepare to build the company's headquarters, logistics, manufacturing and office use.

2020 Purchased part of the factory building (approximately 11,185 square feet) in Kaohsiung Export Processing Zone A15 from Walton Advanced Engineering, Inc. and engineering facilities to expand MLCC production capacity and office use.
Acquired 9 million shares of Silitech Technology Corporation. a listed company, holding 15% of the shares, and co-operation to strengthen the automotive product market.
For sustainable business development, the contract purchase of approximately18,693 square feet of plant area and factory equipment in Kaohsiung Luzhu Science Park, which will be used for future expansion of the company and its subsidiaries' manufacturing and production and office use.
The company's subsidiary Kamaya Electric Co., Ltd. publicly acquired 6,254,800 shares of Soshin Electric Co., Ltd., a listed company on the Tokyo Stock Exchange, accounting for 40.1% of its total outstanding shares, in order to strengthen business cooperation between the two parties, expand the scale of operations, and enhance international competition force.

2021 The company and the subsidiary Kamaya Electric Co., Ltd. accumulatively acquired 2,309,504 ordinary shares of Soshin Electric Co. Ltd. , a listed

company on the Tokyo Stock Exchange, by open market purchase and executing conversion of convertible bonds, aggregately acquired 8,564,304 ordinary shares approximately 50.08% of the total issued and outstanding ordinary shares. Soshin Electric Co. Ltd. became the company's subsidiary since November.
Newly included in the. FTSE4Good TIP Taiwan ESG Index.

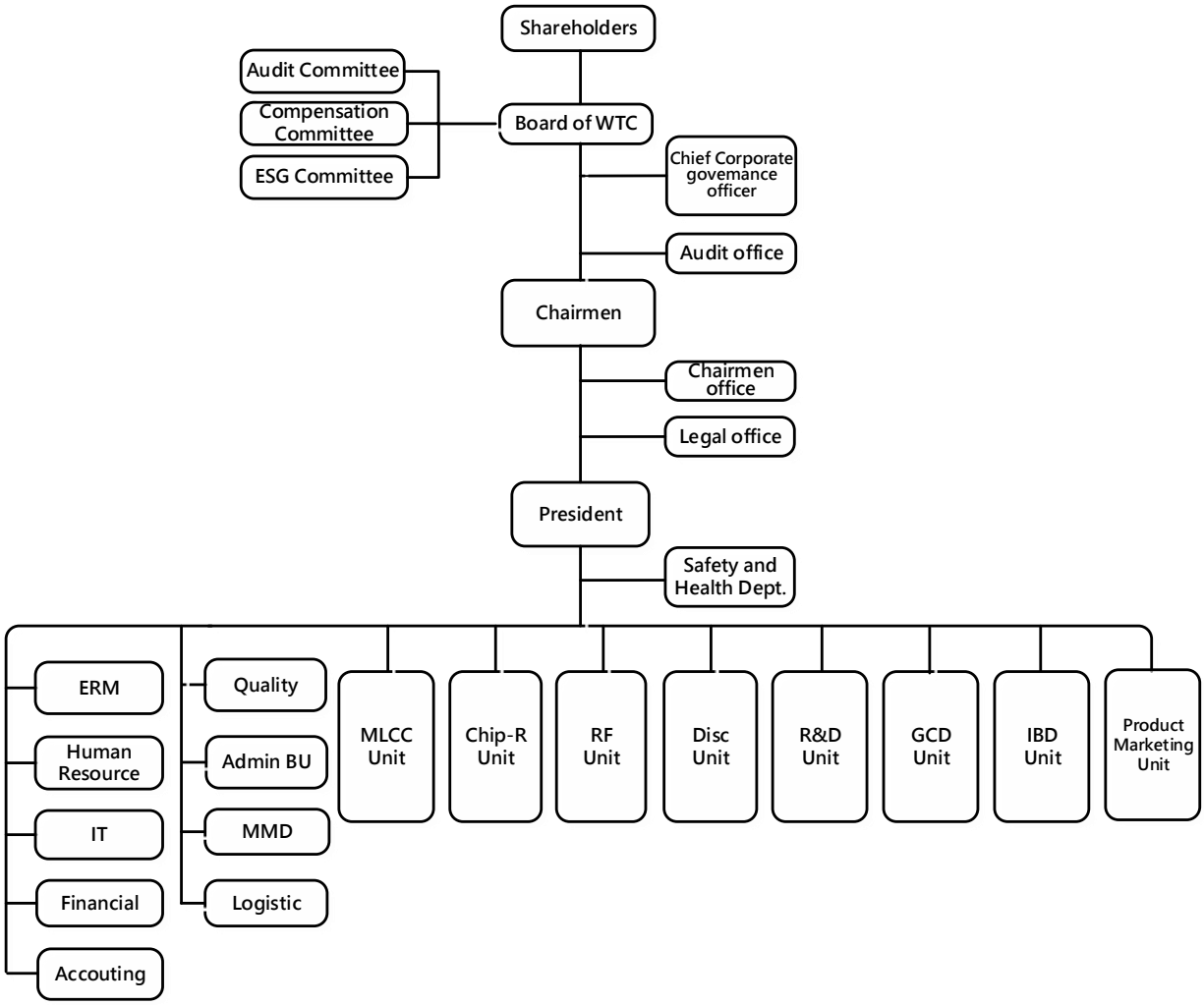
2022 Set up a subsidiary in Rotterdam, Netherlands, to build an European logistic center.
The company's subsidiary Kamaya Electric Co., Ltd. had been invited to subscribe for 638,000 common shares of Matsuo Electric Co., Ltd., a listed company on the Tokyo Stock Exchange, by specially designated third party replacement for capital increase in cash, accounting for 19.89% of its total outstanding shares, in order to expand market share in Japan and enhance group's passivecomponent product portfolio .
In order to practice corporate social responsibility, WTC established a sustainable development committee(ESG committee) in 2022.

2023 WTC was chosen into the FTSE4Good TIP Taiwan ESG index by Taiwan index Plus Corporation in December 2023.

Corporate Governance Report

3.1 Company Organization

3.1.1 Organization structure



3.1.2 Major Corporate Functions

Major Departments and Their Scope of Operations

Department	Business
Audit Office	Evaluate the deficiencies of the internal audit system and the efficiency of corporate operation. Prepare and submit the audit reports to the board of directors. Provide improving advice in due time to sustain a proper internal audit system. Implement the Internal Audit System effectively and assist management team to perform its duties faithfully. Assist departments in risk evaluation and self-check.
Chairmen Office	Business environment analysis and evaluation, monitoring and tracking of budget achievement, project management, public relationship, competitor analysis and strategy formulation, review and evaluation of mergers and acquisitions and strategic alliances.
Legal office	Draft, review and manage contracts. Research, consult and aid to legal issues. Suggest and deal with litigation and arbitration. Collect, compile, research and constantly update related rules, regulation and laws. Suggest and assist in trade secrets confidentiality and protection. Suggest and deal with legal enforcement of overdue receivables on demand. Suggest and assist in related government affairs. Promote and train for general legal knowledge training. Build up job description of legal department and train the related staffs.
Financial	Planning and maneuvering of company funds and investment management. Planning and execution of investors relations and shareholder services.
Accounting	Planning and evaluation of budget and costs. Planning and execution of accounting system and tax matters.
Information Technology	To plan, construct, maintain, and operate the company's information management systems and satisfy the user demand for system implementation in order to ensure maximized returns on information related investments and reduce information and operating risks for the company while making the company more competitive. Maximized returns on information related investments and reduce information and operating risks for the company while making the company more competitive.
Human Resources	Management of human resources and organizational development.

Enterprise Risk Management	Establish each business unit's authorities and responsibilities to risk management. Credit control, AR management and sales contract management.
Administration BU	Facility: The department manages and maintains the building and the public facilities in the factory to ensure a safe working environment.
Material Management Division	Responsible for planning and operations management of all business units, key electronics and supplier strategies, purchase process and system building, as well as global logistic planning and operations.
Occupational Safety and Health Department	Responsible for the management and implementation of occupational safety and health and fire protection.
Quality	Planning and execution of company quality policy and establishes quality standards, designs quality assurance strategies for raw materials and final products and manages quality improvement activities. In charge of internal quality management and external quality assurance, reliability assurance and handling of quality complaints.
MLCC Unit	The planning and management of MLCC manufacturing process, raw materials and finished products.
Chip-R Unit	The planning and management of Chip-R manufacturing process, raw materials and finished products.
R & D Div.	The R&D of advanced display technologies, design, and development of new products.
RF Unit	The planning and management of RF manufacturing process, raw materials and finished products.
Greater China Sale Unit	Responsible for the collection and feedback of market data in the Greater China region, the formulation and implementation of new customer and market development sales order policies. New client development and new product promotion. Management of dealers and distributors.
International Business Unit	Responsible for the collection and feedback of market data in the Non-Greater China region, the formulation and implementation of new customer and market development sales order policies. New client development and new product promotion. Management of dealers and

	distributors.
Product Marketing Unit	Marketing support and product application promotion for domestic and overseas business.
Global Logistic	Consolidate orders and plan production schedules. Packaging and shipping, warehouse management. Responsible for cargo transportation (land transportation, air transportation, shipping), import and export, and bonded affairs of various factories around the world.
DISC Unit	The planning and management of safety components process, raw materials and finished products.

3.2 Information On Board Directors, President, Vice Presidents, Assistant Vice Presidents and the Heads of Various Divisions and Branches

3.2.1 Information on Board Directors (I)

2024/04/15

Title	Nationality or Registration Country	Name	Gender /Age	Date Elected	Term	Date First Elected	Shareholding When Elected		Current Shareholding		Shares Currently Held by Spouse and Underage Children		Shares Held in Name of Others		Key Education/Work Experience	Other Current Positions Within the Company	Other Officer, Director or Supervisor Who Are Spouse or Relative within Second Degree			Note
							Number of Shares	%	Number of Shares	%	Number of Shares	%	Number of Shares	%			Position	Name	Relationship	
Chairman	R.O.C.	Chiao Yu-Heng	Male 61-70 years old	2022/6/15	3 years	1992/05	12,887,461	2.65	12,887,461	2.65	34,805	0.01	-	-	Golden Gate University MBA Vice Chairman of Walsin Lihwa Corp.	Note 2 Note 3	Director	Chiao Yu-Cheng	Brother	Note1
Director Representative	R.O.C. R.O.C.	Walsin Lihwa Corporation Chiao Yu-Cheng	Male 61-70 years old	2022/6/15	3 years	1992/05	88,902,325 205,628	18.3 0.04	88,902,325 205,628	18.3 0.04	- -	- -	- -	- -	-- Master of Washington University, MBA Chairman of Walsin Lihwa Corporation	Note 4	-- Chairman	-- Chiao Yu-Heng	-- None	
Director	R.O.C.	Yeh Pei-Chen	Male 61-70 years old	2022/6/15	3 years	2019/06	-	-	-	-	-	-	-	-	Electronics of Minghsin University of Science and Technology Industrial Technology Research Institute Engineer	Note 5	None	None	None	
Vice Chairman Representative	R.O.C. R.O.C.	Oliver Co., Ltd. Ku Li-Chin	Male 61-70 years old	2022/6/15	3 years	2022/06	133,000 708,293	0.03 0.15	2,178,000 708,293	0.45 0.15	- 526	-	-	-	Chung Yuan Christian University AVP/Vice president of Walsin Technology Corporation	Note6 Note6.1 Note6.2	None	None	None	

Title	Nationality or Registration Country	Name	Gender /Age	Date Elected	Term	Date First Elected	Shareholding When Elected		Current Shareholding		Shares Currently Held by Spouse and Underage Children		Shares Held in Name of Others		Key Education/Work Experience	Other Current Positions Within the Company	Other Officer, Director or Supervisor Who Are Spouse or Relative within Second Degree			Note
							Number of Shares	%	Number of Shares	%	Number of Shares	%	Number of Shares	%			Position	Name	Relation ship	
Independent Director	R.O.C.	Fan Po-Kang	Male 71-80 years old	2022/6/15	3 years	2019/06	-	-	-	-	-	-	-	-	California State University Department of Accounting Manager of Walsin Lihwa Corporation Supervisor of Global Brands Manufacture Ltd.	Note 7	None	None	None	
Independent Director	Malaysia	Tan Yong- Chian	Male 61-70 years old	2022/6/15	3 years	2016/06	358	0.00	358	0.00	-	-	-	-	Department of Civil Engineering, Seattle University Director of Prosperity Dielectrics Co., Ltd.	Note 8	None	None	None	
Independent Director	R.O.C.	NG Chlen Chun	Female 51-60 years old	2022/6/15	3 years	2022/06	-	-	-	-	-	-	-	-	Department of Accounting, University of Washington, USA ACCENTURE SOLUTIONS SDN BHD, KUALA LUMPUR, MALAYSIA Accenture Consulting Finance and Operations Management President of Aobi Pharmaceutical Group	Note 9	None	None	None	

Note 1: The chairman and chief executive officer of the company are the same person. The main purpose to plan the company's future development and formulate the company's operating strategy, so it is necessary. In addition, more than half of the company's directors do not serve as employees or managers, which is sufficient to perform the supervisory function of the board of directors and in line with the spirit of corporate governance.

Note 2: Mr. Chiao Yu-Heng concurrently served as the company (including Prosperity Dielectrics., Ltd.(PDC)), HannStar Board Co., Ltd.、 Global Brands Manufacture Ltd.(GBM), Walton advanced Engineering inc, and INFO-TEK Corporation.For details of other duties in the company and its subsidiaries of the aforementioned companies, please refer to "I. Related Companies" in the "I. Special Records" of each company's annual report.

Below notes of other positions of the Company or other companies(Most of them are listed below)

Note3: Chairman : Walsin Technology Corporation、Prosperity Dielectrics Co.、INFO-TEK Corp. 、Silitech Technology Corp.

Chairman and CEO:HannStar Board Corp、 Global Brands Manufacture Ltd., 、Walton Advanced Engineering, Inc.

Director: Walsin Lihwa Corp., Nitsuko Electronics Corp., KAMAYA ELECTRIC Co.,LTD., Soshin Electric Co., Ltd.

Vice Chairman and CSO:Career Technology (MFG.) Co., Ltd.

Corporation's Representative as director:Inpaq Technology Co., Ltd.

Note4. Chairman and CEO:Winbond Electronics Corporation

Director:Winbond Electronics Corporation America、Walsin Lihwa Corp., Nuvoton Technology Corp. United Industrial Gases Co., Ltd, ,Song Yong Investment Corporation, P、Cheng Hsin General

Corporation's Representative as director: Walsin Technology Corp

Note5 Chairman: Giga-Byte Technology Co., Ltd, Giga Investment Co.、Lianjia International Investment Co., Ltd.,、PG UNION CORPORATION、Giga-Byte Communications Inc.

Director: Albatron Technology Co., Ltd.

Corporation's Representative as director: Walsin Technology Corp.、BYTE International Co., Ltd、 G-STYLE Ltd., Shun On Electronic Co., Limited、 Spirox Corporation.、AMIDA Technology Inc.

Note6. Corporation's representative as director and Vice Chairman- Walsin Technology Corporation.、Corporation's representative as director of Walsin Lihwa Corporation

Note6.1 Olivier Co., Ltd. changed its director representative to Mr. Ku Li-Chin in June 2023, and Mr. Chu Yeu Yuh also resigned in June 2023.

Mr. Ku Li-Chin，the representative of Olivier Co., Ltd., was elected as the new vice chairman by all directors on July 1, 2023.

Note6.2 For details of other duties of Mr. Ku Li-Chin concurrently serving as a subsidiary of the company, please refer to ". Information about Affiliated Companies" in the "Special Records" of the company's annual report.

Note7 Independent director and member of Audit Committee and Compensation Committee: Walsin Technology Corp.

Note8 Independent director and member of Audit Committee and Compensation Committee: Walsin Technology Corp. ,

Chairman of Glorystones Co., Ltd.-, Pottery Inc.、Flying horse on Maryland Inc.

Note9 President of Aobi Pharmaceutical Group

3.2.2 Major Shareholders of the Institutional Shareholders

(A)- Walsin Lihwa Corporation

Name of Institutional Shareholder	Major Shareholders of Institutional Shareholders	Shareholding
Walsin Lihwa Corporation (2024/3/19)	Chin-Xin Investment Co., Ltd	6.15%
	Winbond Electronics Corporation	6.14%
	Teco Electric & Machinery co., Ltd.	5.22%
	The Business Department of Standard Chartered International Commercial Bank is entrusted with the custody of the special investment account of Royal Bank of Singapore (Singapore) Limited.	4.54%
	Rong Jiang Co., Ltd.	4.27%
	China Trust Commercial Bank is entrusted with the custody of Yuanta Taiwan High Dividend Securities Investment Trust Fund Special Account	3.31%
	Patricia Chiao	2.71%
	Huali Investment Corp.	2.65%
	Chunghwa Post Co., Ltd.	1.89%
	Yu-Heng Chiao	1.62%

(B) -Oliver Co., Ltd.

Name of Institutional Shareholder	Major Shareholders of Institutional Shareholders	Shareholding
Oliver Co., Ltd. (2024/3/31)	Tzu-Jui Chiao	45.45%
	Tzu-Yu Chiao	45.45%
	Yu-Cheng Chiao	9.10%

3.2.3 Major Shareholders of the Company's Major Institutional Shareholders

(A)- 1 Walsin Lihwa Corporation

Name of Institutional Shareholder	Major Shareholders of Institutional Shareholders	Shareholding
Chin-Xin Investment Co., Ltd (2024/03/19)	Winbond Electronics Corp.	37.69%
	Walsin Lihwa Corporation	36.99%
	Huali Investment Corp.	4.43%
	Yu-Cheng Chiao	3.14%
	Yu-Lon Chiao	3.14%
	Yu-Heng Chiao	3.14%
	Yu-Chi Chiao	3.14%
	Walsin Technology Corporation.	1.86%
	HannStar Board Corporation	1.34%
	Prosperity Dielectrics Co., Ltd.	0.72%

(A)-2 Walsin Lihwa Corporation

Name of Institutional Shareholder	Major Shareholders of Institutional Shareholders	Shareholding
Winbond Electronics Corporation (2024/03/19)	Walsin Lihwa Corporation	21.99%
	Chin-Xin Investment Co., Ltd	6.22%
	Standard Chartered Custody Royal Bank (Singapore) Limited	1.85%
	New Labor Pension Fund	1.68%
	Yu-Cheng Chiao	1.64%
	Cathay Life Insurance Co., Ltd.	1.29%
	Citibank (Taiwan) is entrusted with the custody of the special investment account of the Central Bank of Norway	1.04%
	JPMorgan Chase Bank Taipei Branch is entrusted with the custody of Advanced Starlight Fund Company's advanced aggregate international stock index fund investment account	1.01%
	Pai-Yung Hong	0.98%
	JPMorgan Chase Bank Taipei Branch is entrusted with the custody of the Vangard Emerging Market Stock Index Fund investment account of the manager of the Vangard Group Company.	0.94%

(A) -3Walsin Lihwa Corporation

Name of Institutional Shareholder	Major Shareholders of Institutional Shareholders	Shareholding
Teco Electric & Machinery co., Ltd. (2024/03/19)	PJ Asset Management	17.45%
	Walsin Lihwa Corporation	10.81%
	CHIA-YUAN Investment Co., Ltd.	6.34%
	CREATIVE SENSOR INC.	2.87%
	Ho Yuan International Investment Co., Ltd.	2.36%
	Tong Kuang Investment Co., Ltd.	1.50%
	Citibank (Taiwan) is entrusted with the custody of the special investment account of the Central Bank of Norway	1.45%
	JPMorgan Chase Bank Taipei Branch hosts the Vangard Emerging Market Stock Index Fund Investment Account held by the manager of the Vangard Group Company.	1.30%
	Guangyuan Industrial Co., Ltd.	1.25%
	JPMorgan Chase Bank Taipei Branch hosts the Vangard Emerging Market Stock Index Fund Investment Account held by the manager of the Vangard Group Company.	1.21%

(A)-4 Walsin Lihwa Corporation

Name of Institutional Shareholder	Major Shareholders of Institutional Shareholders	Shareholding
Rong Jiang Co., Ltd. (2024/03/19)	Tien Jiang Co., Ltd.	64.01%
	Wonderful Assets Co., Ltd	35.99%

(A)-5 Walsin Lihwa Corporation

Name of Institutional Shareholder	Major Shareholders of Institutional Shareholders	Shareholding
Huali Investment Corp. (2024/03/19)	Hannstar Display Corp.	100%

(A)-6 Walsin Lihwa Corporation

Name of Institutional Shareholder	Major Shareholders of Institutional Shareholders	Shareholding
Chunghwa Post Co., Ltd. (2024/03/19)	Ministry of Transportation and Communications	100%

3.2.4 Information on Board Directors (II)

A.Disclosure of information as professional qualifications and independent status of directors and independent directors

Qualification / Name	Professional qualifications and experience	Independent status	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
Chiao Yu-Heng	Possesses five or more years of work experience required for the Company's business; current position please the previous 3.2.1 (I)Information on Board Directors; and not been a person of an conditions defined in Article 30 of the Company Act.	(1) If a majority of the company's director seats or voting shares and those of any other company are controlled by the same person: not a director, supervisor, or employee of that other company. Not apply to independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, a public company and its parent or subsidiary or a subsidiary of the same parent. (2) Not a professional individual who, or an owner, partner, director, supervisor, or officer of a sole proprietorship, partnership, company, or institution that, provides auditing services to the company or any affiliate of the company, or that provides commercial, legal, financial, accounting or related services to the company or any affiliate of the company for which the provider in the past 2 years has received cumulative compensation exceeding NT$500,000, or a spouse thereof; provided, this restriction does not apply to a member of the remuneration committee, public tender offer review committee, or special committee for merger/consolidation and acquisition, who exercises powers pursuant to the Act or to the Business Mergers and Acquisitions Act or related laws or regulations. (3) Not a governmental, juridical person or its representative as defined in Article 27 of the Company Act.	0
Walsin Lihwa corporation representative: Chiao Yu-Cheng	Possesses five or more years of work experience required for the Company's business; current position please the previous 3.2.1 (I)Information on Board Directors; and not been a person of an conditions defined in	(1) Not an employee of the company or any of its affiliates. (2) Not a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate of one percent or more of the total number of issued shares of the company or ranking in the top 10 in holdings. (3) If a majority of the company's director seats or	1

	Article 30 of the Company Act.	voting shares and those of any other company are controlled by the same person: not a director, supervisor, or employee of that other company. Not apply to independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, a public company and its parent or subsidiary or a subsidiary of the same parent. (4) If the chairperson, general manager, or person holding an equivalent position of the company and a person in any of those positions at another company or institution are the same person or are spouses: not a director (or governor), supervisor, or employee of that other company or institution. Not apply to independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, a public company and its parent or subsidiary or a subsidiary of the same parent. (5) Not a director, supervisor, officer, or shareholder holding five percent or more of the shares, of a specified company or institution that has a financial or business relationship with the company. Not apply to independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, a public company and its parent or subsidiary or a subsidiary of the same parent, if the specified company or institution holds 20 percent or more and no more than 50 percent of the total number of issued shares of the company. (6) If a majority of the company's director seats or voting shares and those of any other company are controlled by the same person: not a director, supervisor, or employee of that other company. Not apply to independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, a public company and its parent or subsidiary or a subsidiary of the same parent.	
Yeh Pei-Chen	Possesses five or more years of work experience required for the Company's business; current position please the previous 3.2.1 (I)Information on Board Directors; and not been a person of any conditions defined in Article 30 of the Company Act.	(1) Not an employee of the company or any of its affiliates. (2) Not a director or supervisor of the company or any of its affiliates. Not apply to independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, a public company and its parent or subsidiary or a subsidiary of the same parent. (3) Not a natural-person shareholder who holds shares, together with those held by the	0

	Possesses five or more years of work experience required for the Company's business; current position please the previous3.2.1 (I)Information on Board Directors; and not been a person of any conditions defined in Article 30 of the Company Act.		person's spouse, minor children, or held by the person under others' names, in an aggregate of one percent or more of the total number of issued shares of the company or ranking in the top 10 in holdings. (4) Not a spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship, of a managerial officer under subparagraph 1 or any of the persons in the preceding two subparagraphs. (5) Not a director, supervisor, or employee of a corporate shareholder that directly holds five percent or more of the total number of issued shares of the company, or that ranks among the top five in shareholdings, or that designates its representative to serve as a director or supervisor of the company under Article 27, paragraph 1 or 2 of the Company Act. Not apply to independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, a public company and its parent or subsidiary or a subsidiary of the same parent. (6) If a majority of the company's director seats or voting shares and those of any other company are controlled by the same person: not a director, supervisor, or employee of that other company. Not apply to independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, a public company and its parent or subsidiary or a subsidiary of the same parent. (7) If the chairperson, general manager, or person holding an equivalent position of the company and a person in any of those positions at another company or institution are the same person or are spouses: not a director (or governor), supervisor, or employee of that other company or institution. Not apply to independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, a public company and its parent or subsidiary or a subsidiary of the same parent. (8) Not a director, supervisor, officer, or shareholder holding five percent or more of the shares, of a specified company or institution that has a financial or business relationship with the company. Not apply to independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, a public company and its parent or subsidiary or a subsidiary of the same parent, if the specified	0

		company or institution holds 20 percent or more and no more than 50 percent of the total number of issued shares of the company. (9) Not a professional individual who, or an owner, partner, director, supervisor, or officer of a sole proprietorship, partnership, company, or institution that, provides auditing services to the company or any affiliate of the company, or that provides commercial, legal, financial, accounting or related services to the company or any affiliate of the company for which the provider in the past 2 years has received cumulative compensation exceeding NT$500,000, or a spouse thereof; provided, this restriction does not apply to a member of the remuneration committee, public tender offer review committee, or special committee for merger/consolidation and acquisition, who exercises powers pursuant to the Act or to the Business Mergers and Acquisitions Act or related laws or regulations. (10) Not having a marital relationship, or a relative within the second degree of kinship to any other director of the Company. (11) Not a governmental, juridical person or its representative as defined in Article 27 of the Company Act.	
Oliver Co., Ltd. representative: Ku Li-Ching	Possesses five or more years of work experience required for the Company's business; current position please the previous3.2.1 (I)Information on Board Directors; and not been a person of any conditions defined in Article 30 of the Company Act.	(1)Not an employee of the company or any of its affiliates. (2)Not a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate of one percent or more of the total number of issued shares of the company or ranking in the top 10 in holdings. (3) Not a spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship, of a managerial officer under subparagraph 1 or any of the persons in the preceding two subparagraphs. (4) Not a director, supervisor, or employee of a corporate shareholder that directly holds five percent or more of the total number of issued shares of the company, or that ranks among the top five in shareholdings, or that designates its representative to serve as a director or supervisor of the company under Article 27, paragraph 1 or 2 of the Company Act. Not apply to independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, a public company and its parent or subsidiary or a subsidiary of the same parent.	0

		(5)If a majority of the company's director seats or voting shares and those of any other company are controlled by the same person: not a director, supervisor, or employee of that other company. Not apply to independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, a public company and its parent or subsidiary or a subsidiary of the same parent. (6) If the chairperson, general manager, or person holding an equivalent position of the company and a person in any of those positions at another company or institution are the same person or are spouses: not a director (or governor), supervisor, or employee of that other company or institution. Not apply to independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, a public company and its parent or subsidiary or a subsidiary of the same parent. (7) Not a director, supervisor, officer, or shareholder holding five percent or more of the shares, of a specified company or institution that has a financial or business relationship with the company. Not apply to independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, a public company and its parent or subsidiary or a subsidiary of the same parent, if the specified company or institution holds 20 percent or more and no more than 50 percent of the total number of issued shares of the company. (8) Not having a marital relationship, or a relative within the second degree of kinship to any other director of the Company. (9) Not a governmental, juridical person or its representative as defined in Article 27 of the Company Act.	
Fan Po-Kang	Possesses five or more years of work experience required for the Company's business; California State University Department of Accounting; current position please the previous 3.2.1 (I)Information on Board Directors; and not been a person of any conditions defined in Article 30 of the Company	(1) Not an employee of the company or any of its affiliates. (2) Not a director or supervisor of the company or any of its affiliates. (Not apply to independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, a public company and its parent or subsidiary or a subsidiary of the same parent.) (3) Not a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by	0

	Act.		the person under others' names, in an aggregate of one percent or more of the total number of issued shares of the company or ranking in the top 10 in holdings. (4) Not a spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship, of a managerial officer under subparagraph 1 or any of the persons in the preceding two subparagraphs. (5) Not a director, supervisor, or employee of a corporate shareholder that directly holds five percent or more of the total number of issued shares of the company, or that ranks among the top five in shareholdings, or that designates its representative to serve as a director or supervisor of the company under Article 27, paragraph 1 or 2 of the Company Act. Not apply to independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, a public company and its parent or subsidiary or a subsidiary of the same parent. (6) If a majority of the company's director seats or voting shares and those of any other company are controlled by the same person: not a director, supervisor, or employee of that other company. Not apply to independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, a public company and its parent or subsidiary or a subsidiary of the same parent. (7) If the chairperson, general manager, or person holding an equivalent position of the company and a person in any of those positions at another company or institution are the same person or are spouses: not a director (or governor), supervisor, or employee of that other company or institution. (Not apply to independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, a public company and its parent or subsidiary or a subsidiary of the same parent.) (8) Not a director, supervisor, officer, or shareholder holding five percent or more of the shares, of a specified company or institution that has a financial or business relationship with the company. Not apply to independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, a public company and its parent or subsidiary or a subsidiary of the same parent, if the specified	
Tan Yong Chian	Possesses five or more years of work experience required for the Company's business; current position please the previous 3.2.1 Information on Board Directors; and not been a person of any conditions defined in Article 30 of the Company Act.			0
NG Chlen Chun	Possesses five or more years of work experience required for the Company's business; current position please the previous3.2.1 (I)Information on Board Directors; and not been a person of any conditions defined in Article 30 of the Company Act.			0

		company or institution holds 20 percent or more and no more than 50 percent of the total number of issued shares of the company. (9) Not a professional individual who, or an owner, partner, director, supervisor, or officer of a sole proprietorship, partnership, company, or institution that, provides auditing services to the company or any affiliate of the company, or that provides commercial, legal, financial, accounting or related services to the company or any affiliate of the company for which the provider in the past 2 years has received cumulative compensation exceeding NT$500,000, or a spouse thereof; provided, this restriction does not apply to a member of the remuneration committee, public tender offer review committee, or special committee for merger/consolidation and acquisition, who exercises powers pursuant to the Act or to the Business Mergers and Acquisitions Act or related laws or regulations. (10) Not having a marital relationship, or a relative within the second degree of kinship to any other director of the Company. (11) Not a governmental, juridical person or its representative as defined in Article 27 of the Company Act.	

Note: According to the Rules Governing Review of Securities Listings as well as the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies, the Company has obtained the statement of independence for each independent director and confirms that all of them meet the independence requirements stipulated by laws and regulations.

B-1 Policy and implementation of diversity of board members

This policy adopted by the company's board of directors to achieve diversity of members.
The composition of the board of directors shall be determined by taking diversity into consideration. It is advisable that directors concurrently serving as company officers not exceed one-third of the total number of the board members, and that an appropriate policy on diversity based on the company's business operations, operating dynamics, and development needs be formulated and include basic condition(gender,nationality, education,etc)
According to Article 20 of WTC's Corporate Governance Practice Principles, members of the board of directors must generally possess the knowledge, skills and literacy necessary to perform their duties. The company has taken into account the selection of board members, and the overall members should have the following abilities:

1.Ability to make operational judgments.
2. Ability to perform accounting and financial analysis.
3. Ability to conduct management administration.
4. Ability to conduct crisis management.
5. Knowledge of the industry.
6. An international market perspective.
7. Ability to lead.
8. Ability to make policy decisions.

The company's board of directors is accountable to the shareholders' meeting, and is responsible for the various operations and arrangements of the corporate governance system to ensure that the board of directors exercises its powers in accordance with laws and regulations, the company's articles of association, or the resolutions of the shareholders' meeting.

In accordance with the spirit of diversity, the board of directors of the company is composed of experts in various fields. The specific management objectives are as follows:

1. Possess different professional backgrounds: three directors with background or experience in the electronics industry; two directors with business management related; all directors have more than five years of work experience in business-related backgrounds,(Please refer to table 1)
2. At least one female director: Ms. NG Chlen Chun, a female independent director, is included in this session of directors.
3. Possess different professional abilities: at least one of them is specialized in finance and accounting or information technology. At the same time, all directors have rich experience in the industry and have operational and risk management capabilities. The implementation situation is shown in table 2.

Table 1: Background of current board members

Title	Name	Gender	Nationality	Whether to serve as an employee of the company	Basic background	
					Professional background	age range
Chairman	Chiao Yu-Heng	Male	R.O.C	NO	Business Management	61-65
Vice Chairman	Ku Li-Chin	Male	R.O.C	NO	Industrial Management	61-65
Director	Chiao Yu-Cheng	Male	R.O.C	NO	Electrical Engineering	66-70
Director	Yeh Pei-Chen	Male	R.O.C	NO	Electrical Engineering	61-65
Independent	Fan Po-Kang	Male	R.O.C	NO	Financial	71-75

Director					Accounting	
Independent Director	Tan Yong -Chian	Male	Malaysia	NO	Electrical Engineering	61-60
Independent Director	NG Chlen- Chun	Female	Malaysia	NO	Financial Accounting	55-60

Note: Mr. Chiao Yu-Cheng is representative of Walsin Liwha Walsin Lihwa Corporation and Mr. Ku Li-Chin is representative of Oliver Co., Ltd.

Table2 :Implement a diversified situation

Title	Name	Professional skills				
		Financial Accounting	Management	Information Technology	Industry experience	Risk Management
Chairman	Chiao Yu-Heng	o	o	o	o	o
Vice Chairman	Ku Li-Chin	o	o	o	o	o
Director	Chiao Yu-Cheng	o	o	o	o	o
Director	Yeh Pei-Chen	o	o	o	o	o
Independent Director	Fan Po-Kang	o	o		o	o
Independent Director	Tan Yong -Chian	o	o	o	o	o
Independent Director	NG Chlen- Chun	o	o		o	o

The company has strengthened the functions of the board of directors in Chapter 3 of the Code of Practice for Corporate Governance and formulated a policy of diversification. The nomination and selection of members of the board of directors of the company follows the provisions of the company's articles of association and adopts a candidate nomination system. Academic qualifications and board members generally have the knowledge, skills and accomplishments necessary to perform their duties. The educational experience and concurrent job diversity of the company's current seven directors (including three independent directors) are also disclosed on the company's website.

B-2 Independence of the Board:

The current board of directors has seven directors, including three independent directors, and the proportion of independent directors is 42.8%. Except for Director Jiao Yu-Heng Chiao and Director Yu-Cheng Chiao, the representative of Walsin Lihwa Co., Ltd., who are second-degree relatives, none of the other directors has any of the circumstances specified in Items 3 and 4 of Article 26-3 of the Securities and Exchange Law.

3.2.5 Information on President, Vice Presidents, Assistant Vice Presidents and the Heads of Various Divisions and Branches

2024/04/15

Title	Nationality	Name	Gender	Date Appointed	Shares Held		Shares Held by Spouse and Underage Children		Shares Held in Name of Others		Key Education/Work Experience	Other Current Positions Within the Company	Other Officer, Director or Supervisor Who Are Spouse or Relative within Second Degree			Shares Acquired by Managers under Employee Stock Options	Note
					Number of Shares	%	Number of Shares	%	Number of Shares	%			Position	Name	Relation ship		
President	R.O.C.	Tseng ,Ming -Tsan	Male	2023/07/01	100,000	0.02	-	-	-	-	PhD in chemical engineering from National Taiwan University president of INPAQ TECHNOLOGY CO., LTD.	Note 3	None	None	None	Note1	
Vice President	R.O.C.	Peng, Chun-Hsiung	Male	2017/07/01	98,042	0.02	86	0.00	-	-	Master of National Central University/ Director of WTC	Note3	None	None	None	Note1	
Vice President	R.O.C.	Chang, Jui-Jung	Male	2017/12/09	57,000	0.01	-	-	-	-	Master of Kaohsiung First University of Science and Technology/ Director of WTC	None	None	None	None	Note1	

Title	Nationality	Name	Gender	Date Appointed	Shares Held		Shares Held by Spouse and Underage Children		Shares Held in Name of Others		Key Education/Work Experience	Other Current Positions Within the Company	Other Officer, Director or Supervisor Who Are Spouse or Relative within Second Degree			Shares Acquired by Managers under Employee Stock Options	Note
					Number of Shares	%	Number of Shares	%	Number of Shares	%			Position	Name	Relation ship		
AVP	R.O.C.	Ko, Fu-Fu	Male	2011/09/01	34,358	0.01	1,386	0.00	-	-	Master of Business Administration, Chung Yuan Christian University Manager and Director of WTC	None	None	None	None	Note1	
AVP	R.O.C.	Lee, Ting-Chu	Female	2014/08/01	114,914	0.02	-	-	-	-	Master of Business Administration in New York State, USA/ Director of WTC	None	None	None	None	Note1	
AVP	R.O.C.	Chen, Yeh-Jeng	Female	2017/09/01	30,000	0.01	-	-	-	-	Department of Law, National Taipei University/Judge of Taiwan High Court	None	None	None	None	Note1	

Title	Nationality	Name	Gender	Date Appointed	Shares Held		Shares Held by Spouse and Underage Children		Shares Held in Name of Others		Key Education/Work Experience	Other Current Positions Within the Company	Other Officer, Director or Supervisor Who Are Spouse or Relative within Second Degree			Shares Acquired by Managers under Employee Stock Options	Note
					Number of Shares	%	Number of Shares	%	Number of Shares	%			Position	Name	Relation ship		
AVP	R.O.C.	Chen, Chin-Hui	Female	2017/09/01	34,059	0.01	940	0	-	-	Master of University of East Anglia/ Director of WTC	None	None	None	None	Note1	
AVP	R.O.C.	Chen, Yi-Kuang	Male	2019/05/02	35,500	0.01	3,367	0.00	-	-	PhD, University of Cambridge/ Director of WTC	Note3	None	None	None	Note1	
AVP	R.O.C.	Liu, Hsiu-Chen	Female	2019/05/02	41,457	0.01	-	-	-	-	Master of Chung yuan University/ Director of WTC	None	None	None	None	Note1	
AVP	R.O.C.	Huang, Chih-Liang	Male	2020/03/01	53,500	0.01	-	-	-	-	Master of National Cheng Kung University/ Director of WTC	None	None	None	None	None	
AVP	R.O.C.	Yang, Tsung-Lin	Male	2020/03/01	60,783	0.01	-	-	-	-	National Ocean University/ Director of WTC	Note3	None	None	None	None	

Title	Nationality	Name	Gender	Date Appointed	Shares Held		Shares Held by Spouse and Underage Children		Shares Held in Name of Others		Key Education/Work Experience	Other Current Positions Within the Company	Other Officer, Director or Supervisor Who Are Spouse or Relative within Second Degree			Shares Acquired by Managers under Employee Stock Options	Note
					Number of Shares	%	Number of Shares	%	Number of Shares	%			Position	Name	Relation Ship		
AVP	R.O.C.	Chen, Huey-Ru	Female	2020/03/01	49,500	0.01	-	-	-	-	Master of National Taiwan University/ Director of WTC	None	None	None	None	None	
AVP	Malaysia	Ling Chek Leh	Male	2020/04/01	-	-	-	-	-	-	Honor Degree holder, University of Coventry, England Phycomp S.Asia Regional Manager; ASJ Pte Ltd, VP of Sales & Marketing; WTC Sales Director, S.Asia & Global EMS	None	None	None	None	None	
Head of Financial and Accounting	R.O.C.	Yeh, Tse-Kuang	Male	2014.08.01 2008.07.01	41,036	0.01	-	-	-	-	Master of Accounting, Chung yuan University/Director of WTC	NOTE3	None	None	None	NOTE1	

Head of Audit	R.O.C	Huang Jui-Chang	Male	2022.11.01	0	0	-	-	-	-	National Chung Cheng University Master degree of InternationalEconomics.	None	None	None	None	None	
AVP	R.O.C.	Chu, Li-Wen	Male	2021/05/04	4,000	0.00					Ph.D ,Department of Chemical Engineering, of National Tsing Hua University Direcotr of R&D	None	None	None	None	None	
AVP	R.O.C.	Chen Liang Wei.	Male	2023/07/01	0	0.00	-	-	-	-	Bachelor's degree in Department of Chemical Engineering, Tunghai University, Master of Advanced Management, National Chengchi University, AVP of PDC,AV of Walsin Technology Corporation.	Note5	None	None	None	Note1	Note4
		Wang Ching-Su.	Male	2023/07/01	29,863	0.01	-	-	-	-	Master Degress from National Cheng Kung University, Institute of Earth Sciences,	None	None	None	None	Note1	

AVP	R.O.C.										Manager of r Yageo Corporation Director of the Multilayer Capacitor Business Department of Walsin Technology Corporation						Note4

Note 1: The manager has obtained the employee stock option certificates issued by the company on June 7, 2002, May 2, 2003 and/or December 25, 2007 respectively, and the duration is five years, but they have The issuance and subscription methods execute subscriptions or expire after the expiry date, and there is no situation of holding stock warrants for existing employees.

Note 2: Mr. Ku Li –Ching was dismissed as the President of the company on July 1, 2023

Mr. Tseng Ming-Tsan was appointed as the new President of the company on July 1, 2023.

Mr. Chang, Jui-Tsung was dismissed as the company's executive vice president and chief of research and development and retired on September 1, 2023.

Note 3: For details of the other positions of Mr. Ku Li-Chin, Mr. Chang Jui-Tsung, Mr. Chen Kuei-Chen, and Mr. Yeh Tse-Kuang concurrently serving as subsidiaries of the company, please refer to “Related information of related companies."

Note 4: Mr. Chen Liang Wei. has been appointed as the AVP of the company since July 1, 2023.

Mr. Wang Ching-Su. has been appointed as the AVP of the company since July 1, 2023.

Note5: Mr. Chen Liang Wei. currently serves as the President of Joyin Co., Ltd.

3.3 Remuneration of Directors & Managers in 2023

3.3.1 Remuneration of Directors and Independent Directors

2023/12/31

Unit: NT$ thousands;%

Title	Name	Directors Remuneration								Amount and Ratio of Total Remuneration (A+B+C+D) and proportion of Net Income (%)		Compensation Earned by a Director Who is an Employee of the Company or of the Company's Consolidated Entities								Amount and Ratio of Total Compensation (A+B+C+D+E+F+G) and proportion of Net Income(%)		Remuneration from Ventures Other than Subsidiaries or from the Parent Company
		Base Compensation (A)		Severance Pay and Pensions (B)		Compensation to Directors (C)		Allowances (D) (Note 4)				Salary, Bonuses, and Allowances (E)		Severance Pay and Pensions (F)(Note1)		Employees' Compensation (G)						
		The Company	All Companies In Financial Statements	The Company	All Companies In Financial Statements	The Company	All Companies In Financial Statements	The Company	All Companies In Financial Statements	The Company	All Companies In Financial Statements	The Company	All Companies In Financial Statements	The Company	All Companies In Financial Statements	The Company		All Companies In Financial Statements		The Company	All Companies In Financial Statements	
																Cash	Stocks	Cash	Stock			
Chairman	Chiao Yu-Heng	0	3,407	0	0	15,315	17,908	144	307	15,459 0.78%	21,622 1.09%	1,699 (Note2)	19,799 (Note2)	63	63	0	0	145	0	17,221 0.87%	41,629 2.10%	24,866
Director	Walsin Lihwa corporation representative: Chiao Yu-Cheng																					
Director	Oliver Co., Ltd representative: Chu Yeu Yuh (Note3)																					
Director	Oliver Co., Ltd representative: Ku Li-Chin (Note4)																					
Director	Yeh Pei-Chen																					
Independent Director	Fan Po-Kang	0	0	0	0	6,550	6,550	108	194	6,658 0.33%	6,744 0.34%	0	0	0	0	0	0	0	0	6,658 0.33%	6,744 0.34%	0
Independent Director	Tan Yong Chian																					
Independent Director	NG Chlen Chun (Note7)																					

1. Independent Directors' remuneration policies, procedures, standards and structure, as well as the linkage to responsibilities, risks and time spent:
   In order to facilitate the management of the remuneration of directors and functional committee members of the Company, the Company has established the "Regulations for the Remuneration of Directors "and "Regulations for the Board of Directors' Performance" ,which clearly define the criteria for the remuneration payable to independent directors according to the level of their participation in the business operations and the values of their contributions, while taking into account the reasonableness of the Company's operating performance and future risks.
2. Except as disclosed in the above chart, remuneration to directors received due to the services provided to all companies listed in the financial statements (such as acting as advisors of parent companies/all companies /investees listed in the financial statements who are not an employee thereof) in the most recent year: 0

Note 1: Refers to accrued pension expenses, and the actual payment of pension is NTD$0.
Note 2: The Company provides a rental car which rental fees totaled NT$203 thousand during June to December 2023. And provides a dormitory and parking space for representative of corporate director which rental fees totaled NT$146 thousand during June to December 2023.
Note 3: Representative of Oliver Co. Ltd -Mr. Chu Yeu Yuh, was released from his position on June 09,2023.
Note 4: Representative of Oliver Co. Ltd -Mr. Ku Li-Chin, was newly appointed on June 09,2023.

Table of Remuneration Ranges

Range of Remuneration Paid to Directors	Names of Directors			
	Aggregate of First Four Remunerations (A+B+C+D)		Aggregate of First Seven Remunerations (A+B+C+D+E+F+G)	
	The Company	All companies in Financial Statements	The Company	The Company and All Investees
<NT$1,000,000	Ku Li-Chin、Chiao Yu-Cheng、Chu Yeu Yuh	Ku Li-Chin、Chiao Yu-Cheng、Chu Yeu Yuh	Chiao Yu-Cheng、Chu Yeu Yuh	Chiao Yu-Cheng、Chu Yeu Yuh
NT$1,000,000 (inclusive) ~ NT$2,000,000 (exclusive)	NG Chlen Chun	NG Chlen Chun	Ku Li-Chin、NG Chlen Chun	NG Chlen Chun
NT$2,000,000 (inclusive) ~ NT$3,500,000 (exclusive)	Walsin Lihwa corporation、Yeh Pei-Chen、Oliver Co., Ltd、Tan Yong Chian、Fan Po-Kang	Walsin Lihwa corporation、Yeh Pei-Chen、Oliver Co., Ltd、Tan Yong Chian、Fan Po-Kang	Walsin Lihwa corporation、Yeh Pei-Chen、Oliver Co., Ltd、Tan Yong Chian、Fan Po-Kang	Walsin Lihwa corporation、Yeh Pei-Chen、Oliver Co., Ltd、Tan Yong Chian、Fan Po-Kang
NT$3,500,000 (inclusive) ~ NT$5,000,000 (exclusive)	-	-	-	Ku Li-Chin
NT$5,000,000 (inclusive) ~ ~NT$10,000,000 (exclusive)	Chiao Yu-Heng	-	Chiao Yu-Heng	-
NT$10,000,000 (inclusive) ~ NT$15,000,000 (exclusive)	-	Chiao Yu-Heng	-	-
NT$15,000,000 (inclusive) ~ NT$30,000,000 (exclusive)	-	-	-	-
NT$30,000,000 (inclusive) ~ NT$50,000,000 (exclusive)	-	-	-	-
NT$50,000,000 (inclusive) ~NT$100,000,000 (exclusive)	-	-	-	Chiao Yu-Heng

> NT$100,000,000	-	-	-	-
Total	10	10	10	10

3.3.2 Remuneration of President, Vice President and Managers

2023/12/31

Unit: NT$ thousands; %

Title	Name	Salary (A)		Severance Pay (B)(Note1)		Bonuses and Allowances (C)		Employee Compensation (D)				Amount and Ratio of Total Compensation (A+B+C+D) and proportion of Net Income (%)		Remuneration from Ventures other than Subsidiaries or from the Parent Company
		The Company	All Companies In Financial Statements	The Company	All Companies In Financial Statements	The Company	All Companies In Financial Statements	The Company		All Companies In Financial Statements		The Company	All Companies In Financial Statements	
								Cash	Stock	Cash	Stock			
Former President	Ku Li-Chin (Note3)	9,748	9,890	324	324	5,622 (Note2)	10,652 (Note2)	3,400	0	3,400	0	19,094 0.96%	24,266 1.22%	0
President	Tseng Ming-Tsan (Note4)													
Former Vice President	Chang, Jui-Tsung (Note5)													
Vice President	Peng, Chun-Hsiung													
Vice President	Chang, Jui-Jung													

Note 1: Refers to accrued pension expenses, and the actual payment of pension is NTD$0 .

Note 2: The Company provides two rental car which rental fees totaled NT$346 thousand per year. And provides a dormitory and parking space for president & vice president which rental fees totaled NT$261 thousand per year.

Note 3: Mr. Ku Li-Chin was released from his position on July 1,2023.

Note 4: Mr. Tseng Ming-Tsan was newly appointed as President on July 1,2023.

Note 5: Mr. Chang, Jui- Tsung was retired from the position of Vice President on September 1,2023.

Table of Remuneration Ranges

Range of Remuneration to President and Vice Presidents	Name of President and Vice Presidents	
	The Company	The Company and All Investees
<NT$1,000,000	-	-
NT$1,000,000 (inclusive) ~ NT$2,000,000 (exclusive)	-	-
NT$2,000,000 (inclusive) ~ NT$3,500,000 (exclusive)	Ku Li-Chin、Chang Jui-Jung	Chang Jui-Jung
NT$3,500,000 (inclusive) ~ NT$5,000,000 (exclusive)	Tseng Ming-Tsan、Peng Chun-Hsiung	Peng Chun-Hsiung
NT$5,000,000 (inclusive) ~ ~NT$10,000,000 (exclusive)	Chang Jui-Jung	Ku Li-Chin、Tseng Ming-Tsan、Chang Jui-Jung
NT$10,000,000 (inclusive) ~ NT$15,000,000 (exclusive)	-	-
NT$15,000,000 (inclusive) ~ NT$30,000,000 (exclusive)	-	-
NT$30,000,000 (inclusive) ~ NT$50,000,000 (exclusive)	-	-
NT$50,000,000 (inclusive) ~NT$100,000,000 (exclusive)	-	-
> NT$100,000,000	-	-
Total	5	5

3.3.3 Distribution of Employees' Compensation to Managers

2024/04/30

Unit: NT$ thousands; %

	Title	Name	Stock	Cash	Total	Percentage of the Total to After-tax Net Income (%)
Managers	Former President	Ku, Li-Chin(Note1)	0	11,017	11,017	0.56%
	President	Tseng Ming-Tsan(Note2)				
	Former vice President	Chang, Jui-Tsung (Note3)				
	Vice President	Peng, Chun-Hsiung				
	Vice President	Chang, Jui-Jung				
	AVP	Ko, Fu-Fu				
	AVP	Lee, Ting-Chu				
	AVP	Chen, Yeh-Jeng				
	AVP	Chen, Chin-Hui				
	AVP	Chen, Yi-Kuang				
	AVP	Liu, Hsiu-Chen				
	AVP	Chen,Huey-Ru				
	AVP	Huang, Chih-Liang				
	AVP	CHEN, LIANG-WEI				
	AVP	Wang, Ching Su				
	AVP	Yang, Tsung-Lin				
	AVP	Ling ChekLeh				
	AVP	Chu,Li Wen				
	AVP(Chief Financial and Accounting Officer)	Yeh, Tse-Kuang				
	Chief Auditing Officer	Huang Jui Chang				

Note 1: Mr. Ku Li-Chin was released from his position on July 1,2023.

Note 2: Mr. Tseng Ming-Tsan was newly appointed as President on July 1,2023.

Note 3: Mr. Chang, Jui- Tsung was retired from the position of Vice President on September 1,2023.

3.3.4 Analysis of the ratio of total remunerations for Directors, President and vice presidents to Net Income (Loss) in the last two years and description of the policy, standards and packages of remunerations, procedure for making such decision and relation to business performance:

1. Information of total remunerations to Directors, President and vice presidents in the last two years:

Title	Total Remunerations as Percentage (%) of After-tax Net Income (Loss)			
	2022		2023	
	Company	All companies in Consolidated Financial Statements	Company	All Companies in Consolidated Financial Statements
Directors	1.94%	5.09%	1.20%	2.44%
President & Vice Presidents	2.36%	4.45%	0.96%	1.22%

2. Description of the policy, standards and packages of remunerations, procedure for making such decision and relation to business performance:

The remuneration to Directors of the company include transportation subsidy and remuneration to directors of earnings distribution. The transportation subsidy which is refer to the same industry standards and be reviewed by the Compensation Committee. The remuneration of earnings distribution in accordance with the Articles of Incorporation, shall be resolved by the board of directors and proposed to shareholders' meeting. The remuneration of the President and Vice Presidents include salary, bonus and employee bonus etc., that shall be performed in accordance with their position, responsibility, and reference to the remuneration level by the same position of the same industry, also based on business performance results is also taken into account. And report to the Compensation Committee for review and agreement.

3.4 Implementation of Corporate Governance

3.4.1 Operation of Board of Directors:

- **The Board of Directors totally held 7 (A) meetings in the most recent year(2023), the attendance records for Directors are as follows:**

Title	Name	Attended in Person (B)	Attended by Proxy	Attendance Percentage (%)【B/A】	Remarks
Chairman	Chiao Yu-Heng	7	0	100%	
Vice Chairman	Oliver Co., Ltd. Representative: Ku Li-Chin	3	0	100%	Note1
Director	Oliver Co., Ltd. Representative: Chu Yeu-Yuh	4	0	100%	Note1
Director	Walsin Lihwa corporation representative: Chiao Yu-Cheng	5	2	71.4%	
Director	Yeh Pei-Chen	5	2	71.4%	
Independent Director	Fan Po-Kang	7	0	100%	
Independent Director	Tan Yong Chian	7	0	100%	

Independent Director	NG Chlen Chun	7	0	100%	

Note 1: The representative of Olivier Co., Ltd. was reassigned from Chu Yeu-Yuh to Ku Li-Chin on June 9, 2023 (four board meetings were held before June 9 , three board meetings held after June 9).
Note2:Independent directors attended each board meeting: 7 board meetings were held in 2023, and all three independent directors attended in person.

Other details that need to be recorded in meeting minutes:

1. In the event of the occurrence of any of the following scenarios with the operation of the Board of Directors, the dates of meetings, session number, resolution, opinions of all Independent Directors and the Company's subsequent action in response to these opinions shall be clearly stated:

(1) Matters and items stipulated in Article 14-3 of the Securities and Exchange Act: The Securities and Exchange Act §14-3 is not be applicable because the Company has established the Audit Committee. For relevant information,
please refer to the "Audit Committee Meeting Status" in this Annual Report.

(2) In addition to the foregoing, there were other matters to be resolved by directors board meetings about which an independent director expressed objections or reservations that had been included in records or stated in writing: Not applicable

2. Director recusals due to conflicts of interests totaled 2 times.

2023/12/31

No.	Term/Meeting Date	Name(s) of Directors	Proposal	Reason for Recusal	Participated in Vote or Not
1	16h Term 9th Meeting May 04 2023	Chiao Yu-Heng, Chu Yeu-Yuh, Chiao Yu-Cheng, Yeh Pei-Chen, Fan Po-Kang Tan Yong Chian, NG Chlen Chun	2023 directors Remuneration,	Personally interested	Recused as provided by law, not participating in discussions and voting
2	16th Term 11th Meeting Aug.10, 2023	Ku Li-Chin	Manager's bonus for reaching the standard in the first half of 2023	Personally interested	Recused as provided by law, not participating in discussions and voting

3.**The Execution Status of Board of Directors Evaluation**

Cycle of Evaluation	Period of Evaluation	Scope of Evaluation	Method of Evaluation	Indexes and Scoring Criteria
Once every year	2023/1/1~ 2023/12/31	Board of Directors	Internal evaluation of the Board of Directors,	- Participation in the operation of the Company. - Improvement of the quality of the Board of Directors' decision making. - Composition and structure of the Board of Directors. - Election and continuing education of the directors. - Internal control. -

Once every year	2023/1/1~ 2023/12/31	Each director	Self-evaluation by individual board members.	- Familiarity with the goals and missions of the company. - Awareness of the duties of a director. - Participation in the operation of the Company. - Management of internal relationship and communication. - The director's professionalism and continuing education. - Internal control.
Once every year	2023/1/1~ 2023/12/31	Functional Committees (including Compensation Committee, Audit Committee and Sustainable development committee)	Internal selfevaluation of the functional committees	- Involvement in the operation of - the Company. - Awareness of responsibilities of - the functional committees. - Improve the quality of decision - making in the functional - committees. - Composition and selection of - functional committee members. - Internal control.

4.Evaluation of achievement of enhancing the Board's performance (e.g. establishing an Audit Committee and increasing information transparency):
A. The Company has formulated the "Regulation and Procedure for Board of Directors Meetings"、"Procedures for Handling Material Inside Information"、 "Procedures for Ethical Management and Guidelines for Conduct"、"Corporate Governance Practice Principles" ""Standard operating procedures for handling directors' requests"to strengthen operations and compliance.
B. The Sustainability Development Committee has reported regularly to the Board of Directors since 2023 and continues to pay attention to sustainability-related issues.

3.4.2 Operation of the Audit Committee:

1. The Audit Committee's Duties and Annual Work Summary
(1) The major matters reviewed by the Audit Committee include:

1. The adoption of or amendments to the internal control system pursuant to Article 14-1 of the Securities and Exchange Act.
2. Assessment of the effectiveness of the internal control system.
3. The adoption or amendment, pursuant to Article 36-1 of the Securities and Exchange Act, of the procedures for handling financial or business activities of a material nature, such as acquisition or disposal of assets, derivatives trading, loaning of funds to others, and endorsements or guarantees for others.
4. Matters in which a director is an interested party.
5. Asset transactions or derivatives trading of a material nature.
6. Loans of funds, endorsements, or provision of guarantees of a material nature.
7. The offering, issuance, or private placement of equity-type securities.
8. The hiring or dismissal of a certified public accountant, or their compensation.
9. The appointment or discharge of a financial, accounting, or internal audit officer.
10. Financial report signed or sealed by the Chairman, manager and accounting officer.
11. Other material matters as may be required by the company or by the competent authority.

(2) Annual Work Summary:

1. Agendas prepared for the Audit Committee and other communication meetings.
2. Meeting arrangements such as meeting notifications and minutes for the Audit Committee.
3. Follow-through to implement the improvements required by Audit Committee.
4. Provision of the information necessary for independent directors to fulfill their duties.
5. Annual self-assessment of the Audit Committee.
6. Promulgation of and amendment to the Audit Committee Charter and relevant operation methods.
7. Declaration of the matters relevant to the Audit Committee Charter and how the Committee operates.
8. Related party transactions and possible conflicts of interest among all employees, managerial officers, and directors of the board.
9. Review financial reports.
10. Supervise the effective implementation of the company's internal control.
11. Follow relevant laws and regulations.

2. **The Audit Committee of the second term started on June 15, 2022 and ended on June 14, 2025. The meetings were held a total of 8 times(A) in 2023, and the attendance of the independent directors in 2023 is as follows:**

Title	Name	Attended in Person (B)	Attended by Proxy	Attebdabce Percentage (%)【B/A】	Remarks
Independent Director	Fan Po-Kang	8	0	100	
Independent Director	Tan Yong Chian	8	0	100	
Independent Director	NG Chlen-Chun	8	0	100	

Other matters that need to be recorded in meeting minutes:

(1) If any of the following circumstances occurs during the operation of the Audit Committee, the Board meeting date, meeting number, the proposal contents, the resolution of the Audit Committee and our company's handling of the Audit Committee's opinions shall be clearly described.

A. Items listed in Article 14-5 of the Securities and Exchange Act:

December 31, 2023

Audit Committee Meeting Number and Date	Proposals and Resolutions	Independent directors' opinion	Company's Handling of Audit Committee Member's Opinion
2th Term 6th Meeting Jan. 17, 2023	Proposal: Kamaya Electric Co. Ltd.,is the company's 99.99% own grandson company through Gallatown Developments Ltd., intends to apply for a loan funding from its 70%-owned subsidiary, Nitsuko Electronics Co., Ltd., and submit this proposal for approval. Resultion: Proposal passed.	None	None
2th Term 7th Meeting Feb. 23, 2023	Proposal: Approval for the company's 2022 business report, stand-alone financial statements and consolidated financial statements. Resultion: Proposal passed.	None	None
	Proposal: Approval for the company's 2022 consolidated business report of related companies and consolidated financial statements of related companies. Resultion: Proposal passed.	None	None
	Proposal: The company and Kamaya Electric Co. Ltd.,is the company's 99.99% own grandson company through Gallatown Developments Ltd., jointly own 50.08% subsidiary Soshin Electric Co., Ltd. , intends to apply for a loan funding from its 100%-owned subsidiary, Soshin Electronics (HK) Limited, and submit this proposal for approval. Resultion: Proposal passed.	None	None
	Proposal: Approval for the company's 2022 declaration of internal control system. Resultion: Proposal passed.	None	None

	Proposal: Proposal to amend the Standards for the internal control system of stock services ,general principles of internal control system ,and self-assessment regulations of internal control system,and submit it for approval. Resultion: Proposal passed.	None	None
2th Term 8th Meeting Mar. 21, 2023	Proposal: Walsin Technology Holding Corporation (HK) Ltd., the grandson of the company's 100% comprehensive holding, intends to lend the funds to Kamaya Electric Co., Ltd., which is the company holding 99.99% its shares through Gallatown Developments Ltd., and submit this proposal for approval. Resultion: Proposal passed.	None	None
	Proposal: The company and Walsin Technology Holding Corporation (HK) Ltd., the grandson of the company's 100% comprehensive holding, intends to lend the funds to Kamaya Electric (M) SDN. BHD., a 100% owned subsidiary of the company through Gallatown Developments Ltd's 99.99% subsidiary Kamaya Electric Co., Ltd. ,and submit it for approval. Resultion: Proposal passed.	None	None
	Proposal: The company and Kamaya Electric Co. Ltd.,is the company's 99.99% own grandson company through Gallatown Developments Ltd., jointly own 50.08% subsidiary Soshin Electric Co., Ltd. , intends to apply for a loan funding from its 100%-owned subsidiary, Risshin Electronics Co.,Ltd, , and loaned the funds to its 100% subsidiary Soshin Device Co.Ltd. and Soshin Powertech Co., Ltd. respectively, and submit this proposal for approval. Resultion: Proposal passed.	None	None
2th Term 9th Meeting May 4, 2023	Proposal: Approval for the company's 2022 earning distribution statement. Resultion: Proposal passed.	None	None
	Proposal: Proposal for the annual remuneration payable to the CPA firm and the assessment of the independence and suitability of the CPAs. Resultion: Proposal passed.	None	None
	Proposal: Approval for the company's consolidated financial statements for the first quarter of 2023. Resultion: Proposal passed.	None	None
	Proposal:The company intends to provide an endorsement guarantee of 750 million yen for Kamaya Electric Co., Ltd.,which is 99.99% owned by the company through Gallatown Developments Ltd., and it obtained Tokyo branch of Taishin International commercial Bank three-years bank credit line by Kamaya Electric Co.,Ltd.,and submit this proposal for approval. Resultion: Proposal passed.	None	None
	Proposal: The company intends to provide an endorsement guarantee of USD 23 million for Kamaya Electric (M) Snd. Bhd, a 100% owned subsidiary of the company through Gallatown Developments Ltd's 99.99% subsidiary Kamaya Electric Co., Ltd.,and it obtained SUMITOMO MITSUI BANKING CORPORATION MALAYSIA BERHAD (Company No. 201001042446 (926374-U)) comprehensive line of USD 20 million and financial transaction line of USD 3 million.The contract is valid for two years, which is for Kamaya Electric (M) SDN. BHD.'s operation turnover use,and submit the proposal for approval. Resultion: Proposal passed.	None	None
	Proposal: The company and Walsin Technology Holding Corporation (HK) Ltd., the grandson of the company's 100% comprehensive holding, intends to lend the funds to Kamaya Electric (M) SDN. BHD., a 100% owned subsidiary of the company through Gallatown Developments Ltd's 99.99% subsidiary Kamaya Electric Co., Ltd,and	None	None

	submit the proposal for approval. Resultion: Proposal passed.		
	Proposal: The approval for the company and Kamaya Electric Co. Ltd., is the company's grandson company, jointly own 50.08% subsidiary Soshin Electric Co., Ltd. , intends to lend the funds to its 100% holding subsidiary Soshin Electronics (M) Sdn. Bhd.. Resultion: Proposal passed.	None	None
	Proposal: Approval to release the non-competition responsibilities of directors known to the company for self-operating or operating similar businesses for others. Resultion: Proposal passed.	None	None
	Proposal: Proposal to amend the Company's internal control system - principles of stock services and internal audit implementation rules, and submit it for approval. Resultion: Proposal passed.	None	None
2th Term 12th Meeting Aug. 10, 2023	Proposal: Approval for the company's consolidated financial statements for the second quarter of 2023. Resultion: Proposal passed.	None	None
	Proposal: Walsin Technology Corporation (HK) Ltd. ," 100% owned by the company through Gallatown Developments Ltd., " is proposed to lend the funds to Kamaya Electric (M) SDN. BHD., a 100% owned subsidiary of the company through Gallatown Developments Ltd's 99.99% subsidiary Kamaya Electric Co., Ltd. Resultion: Proposal passed.	None	None
2th Term 13th Meeting Oct. 31, 2023	Proposal: The approval for the company's consolidated financial statements for the third quarter of 2023. Resultion: Proposal passed.	None	None
	Proposal: The company and Walsin Technology Holding Corporation (HK) Ltd., the grandson of the company's 100% comprehensive holding,and Kamaya Electric Co. Ltd.70% own subsidiary, Nitsuko Electronics Co., Ltd.,intends to lend the funds to Kamaya Electric Co. Ltd.,is the company's 100% own grandson company through Gallatown Developments Ltd., , and submit the proposal for approval. Resultion: Proposal passed.	None	None
	Proposal:Proposal for the merger of Dongguan Walsin Technology Electronics Co., Ltd. and Dongguan Huafai Trading Co., Ltd.,which both are 100% owned by Walsin Technology Holding Corporation (HK) Ltd.,and submit the proposal for approval. Resultion: Proposal passed.	None	None
	Proposal: The 2024 annual audit plan was submitted for approval. Resultion: Proposal passed.	None	None

B. Except for the foregoing items, the items that were not approved by the Audit Committee but were resolved by more than two-thirds of all directors: No such situation.

(2) Independent Director recusals due to conflicts of interests totaled: No such situation.

(3) Communication between independent directors, the chief internal auditor and CPAs (which should include major events, methods, results, etc. as regards the Company's financial and business conditions):

A. Communication policy between independent directors, chief internal auditor and CPAs:

(A) The CPAs are invited to attend Audit Committee meetings at least twice a year and to report to the Audit Committee on the review or audit results of our Company's and its affiliates' financial statements and the internal control audit status. The CPA shall fully communicate any material adjustments to entries or any amendments to laws and regulations.

(B) If necessary, a communication meeting may be called at any time with the CPAs.
(C) The chief internal auditor attends the Audit Committee meeting at least once a quarter, and reports to independent directors how internal audit and control are implemented at the company. An Ad hoc meeting may be held anytime in case of major abnormality.
(D) The company sends independent directors audit reports monthly and improvement action follow-up reports quarterly for review. Independent directors can also directly contact or communicate with the chief internal auditor via email or telephone on the content of the report as necessary.

B. Summary of previous communications between independent directors and CPAs for 2023:

Date	Meeting	Communication Highlights	Communication situation and results	Execution results on Directors' Recommendation
2023/02/23	Audit Committee Meeting	1. The company's 2022 financial statements. 2.Key audit matters. 3. Non-Assurance Services-Pre-approval Policy. 4. Audit Quality Indicators (AQI) report.	Discussed and Approved by all members of the audit committee	Independent directors have no comment.
2023/10/31	Audit Committee Meeting	1. The company's financial statements for the third quarter of 2023. 2. Key audit matters. 3. Sustainable development action plans implementation schedule and IFRS Sustainability Standards (S1/S2).	Discussed and Approved by all members of the audit committee	Independent directors have no comment.

C. Summary of previous communications between independent directors and Chief Internal Auditor for 2023:

Date	Meeting	Communication Highlights	Communication situation and results	Execution results on Directors' Recommendation
2023/01/17	Audit Committee Meeting	Reporting on internal audit activities in Dec.,2022.	Approved by the audit committee, and submit a report to the board of directors.	Independent directors have no comment.
2023/02/23	Audit Committee Meeting	1. Reporting on internal audit activities in Jan.,2023. 2. Statement of internal control of 2022 3. Reporting on improvement action follow-up report.	1. All independent directors have no objection. 2. Approved by the audit committee, and submit to the board of directors for resolution.	Independent directors have no comment.
2023/03/21	Audit Committee Meeting	Reporting on internal audit activities in Feb .,2023.	Approved by the audit committee, and submit a report to the board of directors.	Independent directors have no comment .
2023/05/04	Audit Committee Meeting	1.Reporting on internal audit activities in Feb ~ Mar.,2023. 2. Reporting on improvement action follow-up report. 3. Revision for Standards for the internal control system of shareholder services and internal audit system as well.	1. All independent directors have no objection. 2. Approved by the audit committee, and submit to the board of directors for resolution.	Independent directors have no comment.
2023/06/30	Audit Committee Meeting	Reporting on internal audit activities in Apr ~ May, 2023.	Approved by the audit committee, and submit a report to the board of	Independent directors have no comment.

Date	Meeting	Communication Highlights	Communication situation and results	Execution results on Directors' Recommendation
			directors.	
2023/08/10	Audit Committee Meeting	Reporting on internal audit activities in Jun.,2023	Approved by the audit committee, and submit a report to the board of directors.	Independent directors have no comment.
2023/10/31	Audit Committee Meeting	1. Reporting on internal audit activities in Jul. ~ Sep. 2023. 2. Audit plan of 2024.	1. All independent directors have no objection. 2. Approved by the audit committee, and submit to the board of directors for resolution.	Independent directors have no comment.

3.4.3 Corporate Governance Implementation Status and Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies

Corporate governance officer

The board of directors appointed Ms. Chen, Yeh-Jeng, the board of directors passed on November 2 ,2020 and took office on November 3,the company's legal counsel and chief legal officer, as the head of corporate governance, responsible for corporate governance-related matters, including handling matters related to the board of directors, audit committee, remuneration committee and shareholders meeting in accordance with the law; assisting directors in appointment and continuing education; providing directors Information required for business execution; and assisting directors to comply with laws and regulations, etc.

Please refer to the "Corporate Governance" of this annual report for the business execution status of the corporate governance officer.

Assessment Item	Implementation Status (Note)			Deviations from Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and Reason(s)
	Yes	No	Explanation	
1. Has the company set and disclosed the principles for practicing corporate governance according to the "Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies?"	V		The Company has formulated “Corporate Governance Best Practice Principles” approved by BOD which according to the "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies" and disclosed them on the Company's website. https://www.passivecomponent.com/zh-hant/about	In line with the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies.
2. Shareholding Structure & Shareholders’ Rights (1) Does Company have Internal Operation Procedures for handling shareholders’ suggestions, concerns, disputes and litigation matters. If yes, has these procedures been implemented accordingly? (2) Does Company possess a list of major shareholders and beneficial owners of these major shareholders? (3) Has the Company built and executed a risk management system and “firewall” between the Company and its affiliates? (4) Has the Company established internal rules prohibiting insider trading on undisclosed information?	V V V		(1) The Company establishes a spokesperson system to handle related matters in accordance with regulations. In order to protect the interests of shareholders, the spokesperson designates personnel exclusively dedicated to handling shareholder proposals, inquiries and disputes. (2) The Company shall control it according to the register of shareholders provided by the stock affairs office. The Company discloses periodically important information about its shareholders holding more than 10 percent of the outstanding shares of the Company relating to the pledge, increase or decrease of share ownership, or other matters that may possibly trigger a change in the ownership of their shares, and it has a good grasp of the list of major shareholders. (3)a. The company has established the "Regulations Governing Supervision and Management of Subsidiaries" to monitor each investee that	(1)~(4) In line with the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies.

Assessment Item	Implementation Status (Note)			Deviations from Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and Reason(s)
	Yes	No	Explanation	
	V		directly or indirectly controlled by the Company. b.The Company establishes sound objectives and systems for management of finance, operations, and accounting in accordance with applicable laws and regulations. It further, together with its affiliated enterprises, properly conducts an overall risk assessment of major banks they deal with and customers and suppliers, and implement the necessary control mechanisms to reduce credit risk. c.The Company has drawn up rigorous rules governing the lending, the endorsement/ guarantees as well as the management of disposal/acquisition of assets and derivatives transactions to/for/with its affiliates. (4) The company has established the "Management Procedures of inside Material Information and Prevention of Insider Transactions". When the target is informed of material information, from the moment of the establishment of the material information, to the disclosure of the important news within 18 hours, they are not allowed to purchase or sell shares of the Company or any other equity-type security of the Company; otherwise it would violate the relevant laws and regulations of insider trading. The company will notify the relevant insiders and directors of the "lock-up period of stock trading" in advance every quarter and year.	

Assessment Item	Implementation Status (Note)			Deviations from Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and Reason(s)
	Yes	No	Explanation	
3. Composition and Responsibilities of the Board of Directors (1) Does the Board established a diversity policy, specific management goals and implemented it accordingly? (2) Other than the Compensation Committee and the Audit Committee which are required by law, does the Company plan to set up other Board committees? (3) Has the Company established methodology for evaluating the performance of its Board of Directors, on an annual basiss, reported the results of performance to the Board of Directors and use the results as reference for directors' remuneration and renewal? (4) Does the Company regularly evaluate its external auditors' independence?	V		(1) The board of directors of the Company is responsible to the shareholders meeting, and is responsible for the various procedures and arrangements of the corporate governance system to ensure that the board of directors exercises its authority in accordance with the laws and regulations, the articles of incorporation or the resolutions of the shareholders meeting of the Company. Chapter Three of the Corporate Governance Best Practice Principles set out by the Company is to strengthen the authority of the board of directors, and to formulate a diversity principle. The nomination and election of members of the company's board of directors adopts a candidate nomination system in accordance with the articles of incorporation of the Company. In addition to assessing the qualifications of each candidate, all members of the board shall have the knowledge, skills, and experience necessary to perform their duties. The qualifications and their holding diversity posts of the incumbent 7 directors including 3 independent directors of the Company were disclosed in the information of directors of this annual report. The Corporate Governance Best Practice Principle of the Company formulates diversified policies on	(1) ~(4)In line with the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies.

Assessment Item	Implementation Status (Note)			Deviations from Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and Reason(s)
	Yes	No	Explanation	
			the composition of board members and is published on the Company's website and the annual report .	
	V		(2) In addition to the establishment of the Compensation Committee, the company also has established a Sustainable Development Committee, a Training and Development Committee, a Personnel Appraisal Committee, an Employee Welfare Committee, and an Information Security Committee, which are responsible for strengthening the execution of each function	
	V		(3) The company formulated the regulations governing the board performance evaluation in January 2020 for annual evaluation. The Company will base its determination of an individual director's remuneration on the evaluation results of his or her performance and base its election or nomination on the evaluation results of the performance of the board. The results of the performance evaluation of the 2023 Board of Directors please refer to the annual report and WTC's website. The company conduct the performance evaluation of the board of directors by an external organization every three years, and the evaluation results will be placed on the company's website and the annual report.	
	V		(4) Please see the note at the end of the form.	

Assessment Item	Implementation Status (Note)			Deviations from Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and Reason(s)
	Yes	No	Explanation	
4. Does the Company appoint competent and appropriate corporate governance personnel and corporate governance officer to be in charge of corporate governance affairs (including but not limited to furnishing information required for business execution by directors, assisting directors' compliance of law, handling matters related to board meetings and shareholders' meetings according to law, and recording minutes of board meetings and shareholders' meetings, etc.)?	V		The Company has set up a chief corporate governance officer, the Company's corporate governance related matters (including providing information required by current directors to perform business, handling matters related to the board of directors and shareholders meeting in accordance with the regulations, handling company registration and change registration, and preparing the meeting minutes of board and shareholders, etc.), and formulated and revised"Standard Operational Protocol for Responding to Requests from Directors"by BOD, so that the Company has a consistent approach in handling directors' requests for information or assistance, so as to avoid affecting directors' performance of their duties and damaging investors' rights and interests. The Company had set up a chief corporate governance officer within a time limit according to regulations. Also, directors' training information is provided from time to time to meet the continuing education hours stipulated in the Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEx Listed Companies.	In line with the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies.
5. Has the Company established a means of communicating with its Stakeholders (including but not limited to shareholders, employees, customers, suppliers, etc.) or created a Stakeholders Section on its Company website? Does the Company respond to stakeholders' questions on corporate responsibilities?	V		The Company has established a stakeholder section on Company's website to respond properly important corporate social responsibility issues of concern to stakeholders.	In line with the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies.

Assessment Item	Implementation Status (Note)			Deviations from Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and Reason(s)
	Yes	No	Explanation	
6. Has the Company appointed a professional registrar for its Shareholders' Meetings?	V		The Company has established a share affairs office in charge of the affairs of the shareholders meeting.	In line with the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies.
7. Information Disclosure (1) Has the Company established a corporate website to disclose information regarding its financials, business and corporate governance status? (2) Does the Company use other information disclosure channels (e.g. maintaining an English-language website, designating staff to handle information collection and disclosure, appointing spokespersons, webcasting investors conference etc.)? (3) Does the Company announce and report the annual financial statements within two months after the end of the fiscal year, and announce and report the first, second, and third quarter financial statements as well as the operating status of each month before the prescribed deadline?	V V V		(1)The Company discloses periodically and non-periodically financial and business affairs as well as corporate governance information on its website. (2)The Company has maintained its website, designated staff in charge of information collection and disclosure, implemented the spokesperson system and uploaded corporate forum information on the Company's website. The website of the Market Observation Post System is http://mops.twse.com.tw The website of the Company is http://www.passivecomponent.com (3)The Company publishes and reports annual financial report within two months after the end of a fiscal year, and publishes and reports its financial reports for the first, second and third quarters as well as its operating status for each month before the specified deadline.	(1)~(3) In line with the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies.
8. Has the Company disclosed other information to facilitate a better understanding of its corporate governance practices (e.g. including but not limited to employee rights, employee wellness, investor relations, supplier relations, rights of stakeholders, directors' training records, the implementation of risk	V		1.In order to fulfill its social responsibilities, the Company has formulated many relevant regulations and standards to prevent the harm caused by the production and the process of enterprise operations, and ensure the interests of our living space, employees, suppliers, investors and stakeholders,	In line with the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies.

Assessment Item	Implementation Status (Note)			Deviations from Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and Reason(s)
	Yes	No	Explanation	
management policies and risk evaluation measures, the implementation of customer relations policies, and purchasing insurance for directors)?			etc., such as domestic and foreign employee transfer/posting measures, retention without pay, employee leave measures, retirement measures, education and training measures, intellectual property rights management measures, inspection standards for all kinds of raw materials, noise/energy resource management measures, waste and wastewater management methods, toxic substances management methods, soil and groundwater pollution prevention management methods, safety and health risk assessment management, abnormal workload-promoting disease prevention management methods, workplace violence prevention and treatment methods and other relevant regulations. In addition, since the establishment of the Charity Society in 2000, the employees of the Company have spontaneously donated money and participated in charitable activities. 2.The company's global factories have established ISO14001 environmental management systems to properly handle environmental issues derived from activities, services and products. The system has effectively met the requirements of environmental responsibility; global factories have also established ISO45001/OHSAS18001 occupational safety Hygiene management system to Meet the requirements of safety and health responsibility. 3. The company is based on the principles of Bing Chengxin, protection and commercial law,	

Assessment Item	Implementation Status (Note)			Deviations from Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and Reason(s)
	Yes	No	Explanation	
			established in January 1994, a new commercial requirement "Innocent Acknowledgment"; the needle regularly provides raw materials, commercial demand and deposits, and high efficiency; In accordance with the principle of supplying materials and equipment to the local society, we shall continue to pay attention to the global environment, and comply with RoHS standards for business requirements. 4.The directors of the company do not participate in discussions and votes when encountering proposals with interests. 5.Directors' training: The company provides relevant laws and updated legal information from time to time for directors and supervisors to refer to, and provides relevant training course information, and invites directors and supervisors to participate in relevant training courses. Directors' training status is shown in Appendix 1, which is disclosed in accordance with legal regulations. At the "Market Observation Post System", the website is: http://mops.twse.com.tw. 6.Directors' attendance at the board meeting: More than half of the directors attend the convening of the company's board of directors. Since the independent directors established the audit committee to replace the supervisor, all independent directors have attended (including entrusted attendance) each board meeting. The attendance status is disclosed in accordance with	

Assessment Item	Implementation Status (Note)			Deviations from Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and Reason(s)
	Yes	No	Explanation	
			laws and regulations. , website: http://mops.twse.com.tw. 7.The company will continue to purchase "Directors, Supervisors and Important Staff Liability Insurance" for one year from December 1, 2023, with an insured amount of US$10 million. 8.Over the years, the company has cared for the community, practiced green environmental protection, sponsored many public welfare and charity activities, and hoped to be a first-class citizen.	
9. With respect to the results of the annual Corporate Governance Evaluation most recently issued by the Corporate Governance Center of Taiwan Stock Exchange, please describe the improvements and provide priority and measures to enhance those matters that have not yet been improved. The disclosure of the composition, responsibilities and operations of the Sustainability Committee will be strengthened in the future.				

Note: Does the Company regularly evaluate its external auditors' independence?

The Company self-assesses the independence and competency of the CPA once annually. In addition to requiring the CPA provide "Declarations of impartiality and independence", it also evaluates with reference to the Audit Quality Indicators(AQIs). Before we appoint a new CPA annually, its independence and competency shall be examined by the Audit Committee and Board of Directors for approval by resolution. In addition, we request the CPA to provide "Declarations of impartiality and independence" & "Report of the Audit Quality Indicators(AQIs)" each year. We have to confirm that except for the expenses paid to the CPA for certifying our financial statements and for handling certain financial, tax affairs, we have no other business dealings with the CPA and that their family members have not violated the independence requirements, and the independence and competency assessment of CPAs have been approved by the Company's Audit Committee and Board of Directors.

Items for assessment of the CPA's independence and competency are shown as follows.

Appraisal Items	Results	Compliant with Independence?
1.The CPA and/or any of his/her family members has/have no direct or indirect significant financial interest in the Company.	True	Yes
2.The CPA and/or any of his/her family members has/have no financing or guarantee act with the Company or its directors.	True	Yes
3.The CPA and/or any of his/her family members has/have no commercial relations with the Company, its directors and managers, which affects the CPA's independence.	True	Yes
4.Currently or in the most recent two years, the CPA does/did not hold any posts in the Company, such as the director, manager or any post which significantly influences the auditing work, neither did company promise its CPA any foregoing post.	True	Yes
5.During the audit period, no family member of the CPA held the posts in the Company, such as the director, managers or any post which directly and significantly influences the audit work.	True	Yes
6.During the audit period, none of the CPA's direct blood relations, direct relations by marriage, or collateral blood relations within the second degree of kinship acts as the Company's directors, managers or any position that has a direct and material effect on the audit work.	True	Yes
7.The CPA did not receive from the Company or its directors, managers, or major shareholders any offer or gift, the value of which exceeds the usual social etiquette standards.	True	Yes
8.The CPA's audit team has implemented the necessary procedures regarding independence/conflicts of interests without any violation of the independence or any unsettled conflict of interests.	True	Yes
Appraisal Items	Results	Compliant with Competency?
1.The professionalism of CPAs, audit team and firm (audit experience, training hours, turnover rate, professional support) has reached the audit quality index.	True	Yes
2.The quality control of CPAs, audit teams and firms (CPAs' load, audit investment, case quality control review (EQCR) review status, quality control support capabilities) has reached the audit quality index.	True	Yes
3.The independence of the firm (non-audit services, customer familiarity) has reached the audit quality index.	True	Yes
4.The firm implements supervision (missing external inspections and punishments, letters from competent authorities to improve) in accordance with relevant laws and standards.	True	Yes
5.The firm's innovation capability (innovative planning or initiative) has reached the audit quality index.	True	Yes
Note: Family members: They mean the CPA's spouse (or cohabitant), minors or other dependents. Audit period: It usually begins from the date on which the members of the audit team start auditing and ends on the date when the audit report is issued. If the audit case is cyclical, the cycle period belongs to the audit period.		

3.4.4. Duties, Composition and Operation of the Compensation Committee:

- **Information of the members of the Compensation Committee**

Identify	Condition / Name	Professional Qualification Requirements	Independence Criteria	Number of Other Public Companies in Which the Member Concurrently Serving as a Compensation Committee Member
Independent Director	FAN PO-KANG	Please refer to the relevant information on the professional qualifications of directors and the disclosure of information on the independence of independent directors.	1. Not an employee of the company or any of its affiliates; 2. Not a director or supervisor of the company or any of its affiliates; 3. Not a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate amount of one percent or more of the total number of issued shares of the company or ranks as one of its top ten shareholders; 4. Not a spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship, of any of the officer in the preceding 1 subparagraph, or of any of the above persons in the preceding subparagraphs 2 and 3; 5. Not a director, supervisor, or employee of a corporate/institutional shareholder that directly holds five percent or more of the total number of issued shares of the company, ranks as of its top five shareholders, or has representative director(s) serving on the company's board based on Article 27 of the Company Law; 6. Not a director, supervisor, or employee of a company of which the majority of board seats or voting shares is controlled by a company that also controls the same of the company; 7. Not a director, supervisor, or employee of a company of which the chairman or CEO (or equivalent) themselves or their spouse also serve as the company's chairman or CEO (or equivalent); 8. Not a director, supervisor, officer, or shareholder holding five percent or more of the shares of a specified company or institution that has a financial or business relationship with the company; 9. Other than serving as a compensation committee member of the company, not a professional individual who, or an owner, partner, director, supervisor, or officer of a sole proprietorship, partnership, company, or institution that, provides commercial, legal, financial, accounting services or consultation to the company or to any affiliate of the company, or a spouse thereof, and the service provided is an "audit service" or a "non-audit service which total compensation within the recent two years exceeds NTD500,000"; 10. Not been a person of any conditions defined in Article 30 of the Company Law.	0
Independent Director	TAN YONG CHIAN			0
Committee member	CHANG PI- LAN	Education: Fu Jen Catholic University/MBA Experence: Vice Chairman of Chaintech Corporation. Current Job: Independent Director of ITC. Independent Director of GlobalSat WorldCom Corp. Director of G-HOME TECHNOLOGIES, INC.		1

- **Information on Operation of the Compensation Committee**

1. The Company's Compensation Committee is comprised of three members.
2. Term for the current committee members: From June 15, 2022 to June 14, 2025. The Compensation Committee met 6 times in 2023 and the job titles and attendance records of the committee members are as follows:

Title	Name	Attended in Person (B)	Attended by Proxy	Attendance Percentage (%) (B/A)	Remarks
Independent director	FAN, PO-KANG	6	0	100	Re-elected
Independent director	TAN, YONG CHIAN	6	0	100	Re-elected
Member	CHANG , PI- LAN	6	0	100	Re-elected
1. The items that were not approved by the Compensation Committee but were resolved by the Board of Directors: No such situation. 2. Decisions made by the Compensation Committee for which certain committee members were against or reservations that were recorded or expressed via written statements: No such situation.					

Other matters that need to be recorded in meeting minutes:

3. The matters for discussion and resolution by the Compensation Committee and the Company’s handling of the opinions of the members of the Compensation Committee:

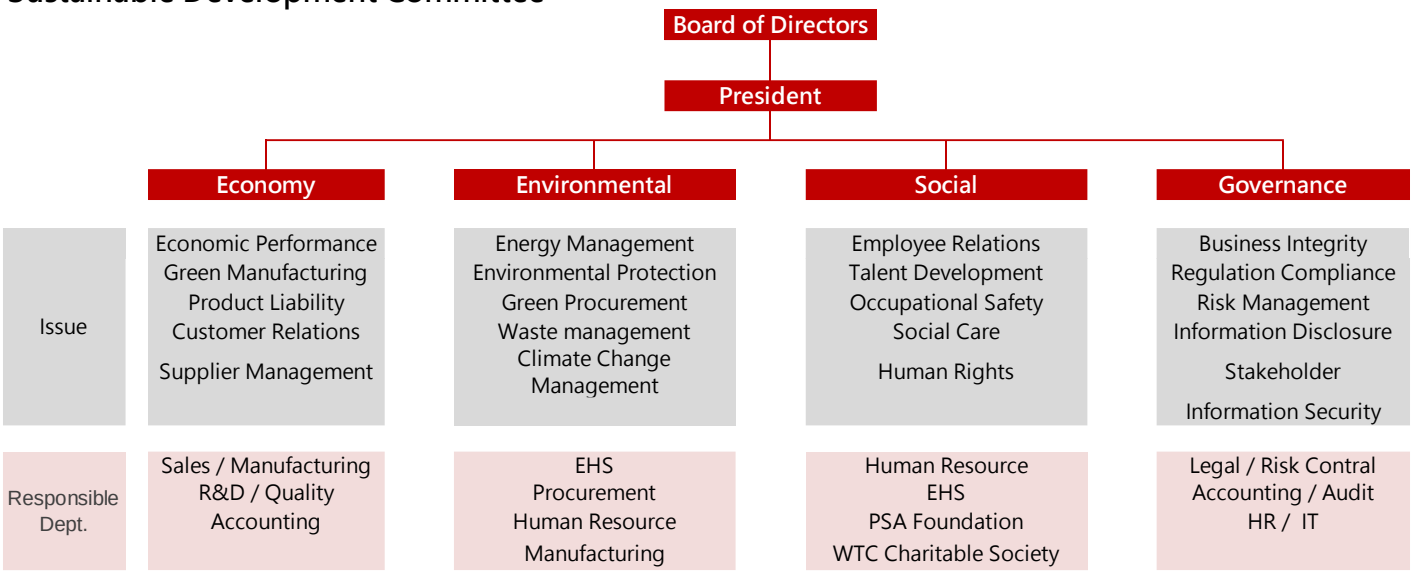
compensation committee	Proposals	Resolution of Compensation Committee	Company’ s Handling of Compensation Committee Member’ s Opinion
5th Term 5th Meeting 2023.01.11	The allocation of managers year-end performance bonus for 2022.	Proposal passed by the Compensation Committee.	Directors approved the proposal unanimously.
	The allocation rate of employees and directors compensation for 2022.	Except for the members who have not participated in the discussion and voting according to the law, it is approved by the remaining members present.	Directors approved the proposal unanimously.
	Old pension system settlement in advance.	Proposal passed by the Compensation Committee.	Directors approved the proposal unanimously.
5th Term 6th Meeting 2023.02.23	The allocation of managers second half Gate keeper bonus for 2022.	Proposal passed by the Compensation Committee.	Directors approved the proposal unanimously.

5th Term 7th Meeting 2023.05.04	The allocation of the directors and supervisor compensation for 2022.	Except for the members who have not participated in the discussion and voting according to the law, it is approved by the remaining members present.	Directors approved the proposal unanimously.
	The allocation of the manager's employees compensation for 2022.	Proposal passed by the Compensation Committee.	Directors approved the proposal unanimously.
5th Term 8th Meeting 2023.06.30	Salary package for the new president.	Proposal passed by the Compensation Committee.	Directors approved the proposal unanimously.
	Salary package for the new Disc BU head.	Proposal passed by the Compensation Committee.	Directors approved the proposal unanimously.
	Proposal for promotion of top management	Proposal passed by the Compensation Committee.	Directors approved the proposal unanimously.
	Old pension system settlement in advance.	Proposal passed by the Compensation Committee.	Directors approved the proposal unanimously.
5th Term 9th Meeting 2023.08.10	The allocation of the managerss first half year gate keeper bonuses for 2023.	Proposal passed by the Compensation Committee.	Directors approved the proposal unanimously.
	The allocation of functional chief's mid year performance bonuses for 2023.	Proposal passed by the Compensation Committee.	Directors approved the proposal unanimously.
	Senior executive retirement case	Proposal passed by the Compensation Committee.	Directors approved the proposal unanimously.
	Salary adjustment proposal for functional chief.	Proposal passed by the Compensation Committee.	Directors approved the proposal unanimously.
5th Term 10th Meeting 2023.10.31	The allocation of the manager's employee compensation for the first time of 2023.	Proposal passed by the Compensation Committee.	Directors approved the proposal unanimously.

Avoidance of interests
The committee shall explain at the meeting when discussing the salary of its members that if it is harmful to the interests of the company, the member shall not participate in the discussion and vote, and shall avoid the discussion and vote, and shall not represent other salary Members of the Remuneration Committee exercise their voting rights.

3.4.5 Fulfillment of Sustainable Development Implementations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies

Sustainable Development Committee



ESG committee members:

Independent Director Fan Po-Kang
Independent Director Tan Yong-Chian
President Tseng Ming-Tsan

For the resume of the Sustainability Committee, please refer to the annual report for director and manager related information.

Assessment Item	Implementation Status			Deviation from Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Explanations	
1.Does the Company establish a governance structure to promote sustainable development, established a dedicated (part-time) unit to promote sustainable development; and did the Board of Directors authorize senior management to handle it and report the supervisory status to the Board of Directors?	V		Following the vision and mission of the WTC's ESG policy, the "Corporate Social Responsibility Committee" was established in 2011, and was renamed the "Sustainable Development Committee" at the end of 2021. The committee was approved by the board of directors on December 14, 2022 to be incorporated into a functional committee under the board of directors One, the independent director serves as the convener and inspects the company together with a number of middle and senior executives in different fields. The core operational capabilities of the company identify sustainable issues related to the company's operations and stakeholders' concerns through meetings, plan and implement the annual plan, and track the implementation results to ensure that the sustainable development strategy is fully implemented in the company's daily operations.The implementation results are reported to the Board of Directors at least once a year.	In line with the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies
2. Does the company assess ESG risks associated with its operations based on the principle of materiality, and establish related risk management policies or strategies?	V		1. The disclosure covers the sustainability performance of the Company’s main locations during January to December, 2023. The risk assessment mainly focuses on the Company, which includes locations at Taiwan and China. Meanwhile, subsidiaries of the Company, which are Dongguan Walsin Technology Electronics Co., Ltd.、Suzhou Walsin Technology Electronics	In line with the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies

Assessment Item	Implementation Status			Deviation from Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Explanations	
			Co., Ltd. and Pan Overseas (Guangzhou) Electronics Co., Ltd., are considered within the assessment based on the relevance to the business and the impact on major program of the Company. 2. Establish following risk management policies or strategies after risk assessment ,Please see the note 1. after the table.	
3. Environmental issues				
(1) Does the Company establish an appropriate environmental management system according to its industrial characteristics?	V		Our company has established an ISO14001 environmental management system in all factories, formulated procedures, performed internal audits, and continues to pass third-party verification every year to ensure that the company complies with environmental regulations and related standards, reduces the impact of operations on the environment, and allows the company to develop sustainably. The ISO certificate has been publicly disclosed on the company's official website. (Company official website: http://www.passivecomponent.com/zh-hant/about/environment-and-safety/)	In line with the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies
(2) Does the company endeavor to utilize all resources more efficiently and use renewable materials which have low impact on the environment?	V		1. We understand our own carbon emissions by conducting greenhouse gas inventories every year. When planning a carbon reduction plan, we start with carbon reduction plans for process	In line with the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies

Assessment Item	Implementation Status			Deviation from Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Explanations	
			equipment, factory equipment, and finding low-carbon energy sources. Therefore, the company participate in investment a green energy company in 2023 and will develop plans to gradually increase the use of renewable energy through self-consumption of solar photovoltaics, outsourced renewable energy, and purchase of renewable energy certificates, hoping to comprehensively reduce operational carbon emissions. 2. The raw materials we use all comply with the EU's RoHS, REACH, and halogen-free specifications. In order to reduce the impact on the environment, we continue to pay attention to and manage production activities and product manufacturing stages, and do not use raw materials containing harmful substances. Therefore, the purchase amount of recycled materials has increased significantly, and it has continued to receive the Green Procurement Excellence Award from Taoyuan City since 2019.	
(3) Does the company evaluate the potential risks and opportunities in climate change with regard to the present and future of its business, and take appropriate action to counter climate change issues	V		Risks and opportunities posed by climate change, which may have significant influences to operations, incomes or expenses of the Company. Despite no budget to execute the TCFD simulation program, the Company still develops the following measures to deal with climate change.Follow the Company regulation "Emergency Response Measures". 1. Follow the Company regulation "Emergency Response Measures".	In line with the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies

Assessment Item	Implementation Status			Deviation from Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Explanations	
			2. Regularly implement drills, inspections and disaster prevention organization training. 3. There are always personnel at site no matter the occurrence of typhoons, earthquakes, heavy rain or other weather conditions, who can inspect the factory conditions immediately. Also, there are securities who can guarantee the safety of all personnel. 4. The Department of EHS and the Department of Factory Affair would execute a pre-check within the Company and prepare sandbags for the upcoming typhoon season. 5. Pay attention to whether the area where the customer's company or factory is located is subject to typhoons, hurricanes, earthquakes,If something happens due to heavy rain, the business management unit will check its transaction volume and accounts receivable status, and notify the business to contact the customer immediately to understand its operation or disaster loss status to further reduce the risk of debt.	
(4) Does the company take inventory of its greenhouse gas emissions, water consumption, and total weight of waste in the last two years, and implement policies on energy efficiency and carbon dioxide reduction, greenhouse gas reduction, water reduction, or waste management?	V		1.Walsin has established a greenhouse gas inventory management system, which is still ongoing in each factory since 2009.The parent company has continued to obtain ISO14064-1 third-party verification certificates since 2019. 2. The Dongguan subsidiary has continued to obtain ISO14064-1 third-party verification certificates since 2021, and the certificates have	In line with the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies

Assessment Item	Implementation Status			Deviation from Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Explanations	
			been made public on our official website. Our greenhouse gas emissions, carbon reduction measures, water consumption, waste usage and other activity data are disclosed in the "Environmental Protection" chapter of our ESG sustainability report every year. 3. Reference URL published on the official website ISO14064-1 : http://www.passivecomponent.com/zh-hant/about/environment-and-safety/ Policies and Target : http://www.passivecomponent.com/zh-hant/about/environment-and-safety/ ESG Sustainability Report : http://www.passivecomponent.com/zh-hant/csr/csr-reports/	
4. Social Issues				
(1) Does the company formulate appropriate management policies and procedures according to relevant regulations and the International Bill of Human Rights?	V		WTC recognizes and voluntarily follows internationally recognized human rights standards such as the "United Nations Universal Declaration of Human Rights" and "United Nations International Labor Organization", formulates the "Human Resources and Human Rights Policy", and publishes it on the company's website. In accordance with relevant labor laws and regulations, human rights conventions, and occupational safety and health laws and regulations, the company has formulated "recruitment, selection and appointment methods", "work rules", "sexual harassment	In line with the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies

Assessment Item	Implementation Status			Deviation from Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Explanations	
			prevention measures, complaints and disciplinary measures", "RBA manual", "abnormal workload" Preventive Management Procedures," "Workplace Unlawful Infringement Prevention Management Procedures", "Mother Health Protection Management Procedures", etc., to safeguard the rights and interests of employees and protect the health and safety of employees. The company passed the RBA third-party audit in June 2023 and won the SILVER Award. A total of 2,478 person-hours of human rights courses will be conducted in 2023.	
(2) Does the company have reasonable employee benefit measures (including salaries, leave, and other benefits),and do business performance or results reflect on employee salaries?	V		Employee welfare measures and remuneration policies are implemented in accordance with the WTC's various management measures; in 2023, employee salaries were adjusted by about 4.5%. In addition, Article 31 of the company's articles of association stipulates that the company's annual pre-tax net profit before employee remuneration and directors' remuneration shall be allocated 2% to 10% as employee remuneration. Affiliate employees of the conditions set out. Employee welfare measures: WTC has established an employee welfare committee to plan and provide various high-quality benefits for colleagues, such as: employee travel subsidies, birthday gift certificates, marriage allowances, maternity allowances, funeral allowances, hospital condolences, New Year celebrations, etc. The company provides colleagues group insurance, free medical examination, meal allowance and other	In line with the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies

Assessment Item	Implementation Status			Deviation from Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Explanations	
			benefits. In the vacation system, there are two days off per week, and special vacations are given in accordance with the Labor Standards Act. For colleagues who have childcare, serious injuries, major accidents, etc. and need a longer vacation, they can also apply for leave without pay. , in order to balance the needs of personal and family care. Diversity and equality in the workplace realize equal pay for equal work and equal promotion opportunities for men and women, and promote sustainable and inclusive economic growth. In 2023, the average proportion of female staff was 54%, and the average proportion of female supervisors was 46.9%. The company attaches great importance to the rights and welfare of employees. In terms of hardware facilities, it provides steam, parking lot, nursing room, staff restaurant, coffee bar, etc., to provide employees with convenient daily needs. In terms of taking care of the physical and mental health of employees, we arrange on-site services for visually impaired masseurs, annual health checks, on-site physician services, health seminars, etc., to provide employees with stress relief and health care.	
(3) Does the company provide a healthy and safe working environment and organize training on health and safety for its employees on a regular basis?	V		1.The company’s factories respectively have already set up ISO45001 system for the management of occupation safety and health, along with QC 080000 system for the management of zero harmful materials. Each factory also	In line with the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies

Assessment Item	Implementation Status			Deviation from Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Explanations	
			established the protocol for running both systems. It will be an annual internal inspection on the operations of both systems and additional proof from the verification by a third party to ensure that the company passes the mandatory requirements for our systems. (The official website for individual factory ISO45001/QC080000 certificate : http://www.passivecomponent.com/zh-hant/about/environment-and-safety/) 2. Additionally, in cases involving the cooperation with suppliers, the company forbids using conflict metals. (The policy of not using conflict minerals has publicly posted on our official website : http://www.passivecomponent.com/zh-hant/about/environment-and-safety/ 3.The total amount of employee occurrence 8 case and the ratio of total employees is 0.3%,for occurrence case doing horizontal development,prevent the occurrence of industrial diseases and occupational injuries. 4.In 2023, we record zero fire incidents and achieved zero deaths and injuries resulting from such incidents. 5. The company attaches great importance to the rights and welfare of employees, and provides steam and machine parking lots, lactation rooms, staff restaurants, coffee bars, etc., to provide employees with convenient daily needs. In terms of taking care of the physical and mental health of	

Assessment Item	Implementation Status			Deviation from Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Explanations	
			employees, we arrange on-site services for visually impaired masseurs, annual health check-ups, resident physician services, health lectures, etc., to provide employees with stress relief and health care. 6.In 2023, the company has held a total of 53.5 hours of courses related to employee safety and healthy working environment, with 1070 participants.	
(4) Does the company provide its employees with career development and training Terms?	V		The company plans complete functional training for supervisors and colleagues at all levels according to the job description, including newcomer training, professional training, supervisor training, etc., to help colleagues continue to learn and grow through multiple learning methods, and according to the training plan or needs proposed by each supervisor, Arrange relevant personnel to participate in professional training courses externally to cultivate the key professional abilities of colleagues. In 2023, a total of 5,916 people participated in the training, and the total training cost was 2,534,444. During the annual regular performance interviews, the supervisors discuss with the employees and set up personal annual ability development plans. Through regular review and feedback, they help employees to tailor the best career ability development plans.	In line with the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies

Assessment Item	Implementation Status			Deviation from Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Explanations	
(5) Does the company's products and services comply with relevant laws and international standards in relation to customer health and safety, customer privacy, and marketing and labeling of products and services, and are relevant consumer protection and grievance procedure policies implemented?	V		Walsin Technology Corporation has obtained the ISO/27001 international standard for Information Security Management Systems (ISMS), aimed at assisting organizations in establishing, implementing, maintaining, and continuously improving information security solutions. This standard offers a structured approach to ensure the security of information assets, reduce potential risks, and comply with legal regulations and customer demands. Walsin Technology's actions cover the following three aspects: Safeguarding information confidentiality. Ensuring information integrity. Guaranteeing information availability. By obtaining the ISO 27001 certification, the company demonstrates its commitment to information security and enhances the trust of customers, suppliers, and other relevant parties in its information security practices.	In line with the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies

Assessment Item	Implementation Status			Deviation from Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Explanations	
(6) Does the company implement supplier management policies, requiring suppliers to observe relevant regulations on environmental protection, occupational health and safety, or labor and human rights? If so,describe the results.	V		Supplier Management Policy contains 4 sections : local procurement, systematization of Environment-Related Substance management, Responsible Sourcing of Minerals and Labour Rights for suppliers and contractors. Suppliers are asked to agree to comply with the Responsible Business Alliance (RBA) Code of Conduct 7.0; and there are 1,268 suppliers have signed it in the Vendor Information Sheet (34-T-009) until 2023. The Company conducts an annual audit on the significant raw material suppliers which are listed in the "Annual Supplier Performance Evaluation" according to their transaction risk assessment levels. The audit items include the Environmental Safety Management and the Responsible Business Alliance (RBA) Code of Conduct. Unqualified suppliers will be asked to stop transacting immediately and correct the failures within three months. Transaction only can be continued after being reassessed and qualified. A total of 35 raw materials in the products were investigated that – Tantalum (Ta), Tin (Sn), Tungsten (W), Gold (Au), Cobalt (Co), for example – did not come from “conflict-affected and high-risk areas (CAHRAs)” In 2023, the purchase amount of materials with FSC forest certification will be increased by 36% from the previous year.	In line with the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies

Assessment Item	Implementation Status			Deviation from Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Explanations	
5. Does the company reference internationally accepted reporting standards or guidelines, and prepare reports that disclose non-financial information of the company, such as corporate social responsibility reports? Do the reports above obtain assurance from a third party verification unit??	V		The Company first released the "Corporate Social Responsibility Report" in 2013. The Company compiled the Corporate Social Responsibility Report in accordance with the GRI standards. In addition to disclosing the company's financial information, it also disclosed the company's non-financial information. The company's 2020 CSR report has obtained the assurance or assurance opinion of the BSI third-party verification agency. The 2023 ESG Report will be published on the company's website in June 2024.	In line with the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies
6.Describe the difference, if any, between actual practice and the corporate social responsibility principles, if the company has implemented such principles based on the Corporate Social Responsibility Best Practice Principles for TWSE/TPEx Listed Companies: In March 2017, the board of directors of the company approved the "Code of Practice for Corporate Social Responsibility". In May 2020, the board of directors approved and revised the code to strengthen the implementation of corporate social responsibility. The most recent amendment to the Code was approved by the Board of Directors in December 2021 and renamed as "Sustainable Development Code of Practice". The company regularly reviews the implementation of this code and makes improvements accordingly. So far, there is no discrepancy in implementation.				
7.Other useful information for explaining the status of corporate social responsibility practices: The company's Cihui Club has long-term adopted primary schools in remote areas. In 2023, a total of 27 schools will be donated, with a total of NTD1,601,260 Won the "Enthusiastic Public Welfare Award of the "Bureau of Industrial Parks" 1111 Manpower Bank 2023 Happy Enterprise Won the Enthusiastic Public Welfare Award 2023 RBA Silver Medal				

Note 1.

Establish following risk management policies or strategies after risk assessment:

Major issues	Risk Type	Illustration
Environ-ment	Climate change risk	1. To take the social responsibility of caring for Earth as starting point, Walsin Technology persist in building an active environment management system aiming for "preventing pollution, improving the efficiency of consuming of energy and resource, creating sustainable operations, and fulfilling corporate social responsibility". ISO 14001 Environmental Management System is established in all Walsin's manufacturing site. 2. To prevent pollution, reduce greenhouse-gas emissions and commit to sustainable and feasible operation. The total power savings of domestic and overseas factories in 2022 was 8,698,706Kwh (31,315,343 billion joules).
Society	Environmental Protection and Occupational Safety	1. Walsin Technology Co., Ltd. takes the protection of the global environment as its sacred mission, and promises that "the control of hazardous substances meets international regulations as well as customers' requirements. Also, no hazardous products were produced." 2. Employees of Walsin highly recognize the importance of reducing the use of hazardous substances and collaboratively achieve this goal. 3. The procedures of Departments of R&D, Procurement, M&M, P&P and HR are also integrated into the quality management system, in order to achieve the goal of matching each stage of RoHS, WEEE, REACH, etc. 4.In 2023, the Department of HR worked with the Department of ESH to arrange green-products-and-the-environment-related courses, which include 3 hours of RoHS-substances course and 2 hours of hazardous-substances-in-SDS course, in order to teach employees the importance of protecting the environment. 5. The Department of ESH arranges not only fire drills (4 hours) annually, but also aperiodic evacuation drills (fire and earthquakes), which require all employees to take part in. 6. Continuously improve the environmental management system and environmental performance.
	Product Safety	Walsin Technology concentrates on drastically reducing the impact of products towards the environment. In order to cooperate with the EU's laws related to the promotion of green consumption and the restriction to the use of hazardous substances, In 2010, Walsin Technology brought Hazardous Substance Management System (IECQ QC 080000) in its system. The hazardous-substances standards of all products of Walsin Technology meet international regulations as well as customers' requirements. Also, no hazardous products were produced.
Corporate Governance	Socioeconomic and Legal Compliance	Ensure all personnel of the Company strictly comply with relevant laws and regulations by establishing administration organization and implementing internal control mechanism.
	Risk Management	1. The Department of Risk Management conducts at least one risk assessment annually. For high-risk items, the Department will track and re-assess these items within half of the year, which will continue until the items turn medium-risk or low-risk. 2. The annual report of risk assessment was completed on October 20, 2023 and approved by the general manager of the Company. 3 On October 31, 2023, the risk assessment report, which reports the work results of risk management during 2023, was submitted to and approved

		by the board of directors. The report was later announced on the Company's website.
	Information Security	1. Walsin Technology obtained the ISO27001 certification on December 13, 2018. The Company complies with the regulations of ISO27001 Information Security Management System and establishes policies of information security. Also, the Company sets up a committee of information security, which makes information-security-related rules and regulations and promote related activities. 2. An ISO27001 audit meeting was held on October 3, 2023 and the Company's ISO27001 certificate was renewed later on November 7, 2023. Training courses of information security are held annually within the Company: 2 hours of course for ordinary employees, over 3 hours of course for information-security-related employees.
	Strengthen the functions of directors	1 Plan relevant training topics for directors. Provide directors with the latest regulations and policies and the development of the System every year. In 2023, the Company launched training classes for directors, which contains different topics e.g. impact of ESG & climate change on enterprises, insider trading and corporate social responsibility, etc. 2. Provide directors with director liability insurance to protect therirs rights.
	Ways of Communication for Interested Parties	1. For shareholders/investors: (1) Announcements through the website: Public Information Observatory, which had both Chinese and English version, (2) Aperiodic phone call conferences with shareholders. 2. For end customers: (1) Provided technical support services (Field Application Engineering): 300 products technical services, 1,000 telephone consultation to help solve the problems, 200 on-site services. Obtain over 95% of FAE satisfaction from customers overall. (2) Customer satisfaction survey. 183 questionnaires were returned, among which the satisfaction of product quality was 99%, the satisfaction of sales service quality was 99% and the satisfaction of responses to customer complaints was 97%, which leads to the result of 95% of overall satisfaction. (3) The information provided by customers was classified and stored appropriately in accordance with the Trade Secrets Act, Personal Data Protection Act and the ISO27001 regulations, (4) In 2021, the Company successfully passed 171 on-site audits launched by end customers. 3. To suppliers: The Responsible Business Alliance Code of Conduct (RBA 7.0) has been 100% communicated to suppliers. There are no actual or potential negative human rights impacts among suppliers. 4. For governments and other non-profit organizations: (1) Aperiodic communication with the local governments to ensure the immediacy and accuracy of the reported information. (2) Aperiodic correspondences within the Company. (3) Aperiodic policies and regulations publicity meetings, surveys, training courses etc. within the Company. (4) The company's Cihui Club has long-term adopted primary schools in remote areas. In 2023, a total of 27 schools will be donated, with a total of NTD1,601,260

Climate-related Information of TWSE/TPEx Listed Companies

Item		Implementation status
1	Describe supervision and governance of climaterelated risks and opportunities by the board of directors and management	WTC handles or discloses relevant climate-related information in accordance with the schedule set by the government or relevant competent authorities, and reports the progress of greenhouse gas inventory to the board of directors every quarter. All relevant risk management and climate-related information will be reported to the company's sustainable development committee by relevant units based on the significance of the issue, and will be submitted to the board of directors along with the sustainability report on a regular basis.
2.	Describe how the climate risks and opportunities identified affect the Company's business, strategies, and financial position (shortterm, mid-term, long term)	Risk Short-term: Increasing international environmental standards require the company to adjust its production processes to meet new environmental standards, thereby increasing costs. Carbon emissions and carbon taxes: The company faces additional cost pressures. Medium-term: Rising raw material prices increase the company's production costs. Long-term: Rising temperatures directly impact the company's production facilities and supply chain, thereby increasing operational risks and costs. Opportunities Short-term: Implementing recycling programs to enhance resource utilization efficiency, reduce waste, and lower costs. Participating in green energy programs and adopting renewable energy sources can reduce carbon emissions and may also qualify for government subsidies or tax incentives. Seek and utilize renewable energy sources to reduce reliance on traditional energy sources. Medium-term: Evaluating alternative materials, avoiding reliance on a limited number of suppliers, reducing supply chain risks, and ensuring the sustainability of product production. Long-term: Promoting energy-saving and carbon reduction production plans, reducing energy consumption and carbon emissions through technological innovation and equipment upgrades. Financial Impact (1) Cost increase: Investment and adjustments required to comply with new environmental standards and carbon emission requirements. (2) Driving supplier compliance: Collaboration with suppliers to promote environmental measures may increase coordination costs. (3) Increased production costs: Due to rising raw material costs and increased energy costs. (4) Expansion restrictions: Climate change may necessitate restrictions on expansion in certain regions, adding constraints to production layout. (5) Increased electricity costs: Introducing green energy programs may increase initial investment costs. Strategies and Business Directions (1) Review suppliers' green product-related documents to ensure environmental compliance throughout the supply chain. (2) Assess internal carbon reduction plans and green energy installations and allocate resources accordingly to achieve goals. (3) Increase diversity in alternative vendors and material choices to reduce supply chain risks. (4) Optimize production line efficiency through technological upgrades and

		production process improvements to reduce energy consumption and production costs. (5) Expand efficient equipment to improve product quality and production efficiency while reducing energy consumption.
3.	Describe the financial impact of extreme climate events and transition actions	1) Financial impact of extreme weather events risk: a. Flood/drought (operations, supply chain): Production is affected, resulting in an increase in related operating costs and a decrease in revenue. b. Rising temperature: electricity consumption, costs and carbon emissions rise. Chance: a. Improve factory energy efficiency: reduce operating water and electricity costs. b. Improve natural disaster defense capabilities: strengthen resilience on climate and reduce the probability of operational interruption and possible losses. 2) Financial impact of transformation actions: risk: a. Total control and carbon fee for greenhouse gases exceeding 25,000 tons: production capacity expansion is limited and operating costs increase. b. Uncertainty about the development of new energy-saving and carbon-reducing technologies in the future: New process technology production lines will increase electricity consumption, resulting in increased operating costs. c. Environmental impact assessment commitment: Due to the difficulty in obtaining renewable energy and recycled water, advanced technology production is hindered and cannot meet customer needs. Chance: a. Develop low-carbon products, services and product yields: meet customer needs for energy-saving products and increase revenue. b. Seek renewable energy opportunities: Plan the demand for renewable energy early to reduce Taipower’s electricity consumption, reduce the company’s operating costs, and smoothly expand production capacity.
4.	Describe how the identification, assessment, and management process of climate risks is integrated in the overall risk management system	The Company strictly takes the issue of climate change seriously, and is committed to improving its adaptability and problem-solving capabilities in response to climate change. It will incorporate the effective management and response to the impact of climate change risks into the discussion, management and promotion of relevant procedures by the Sustainable Development Committee. At the same time, Assess significant opportunities and risks. In accordance with the company's 【Risk Management Policies and Procedures】, the risks that may arise from climate change should be controlled within an acceptable range. In order to effectively identify, measure, supervise and control various risks, we conduct annual audits based on the company's goals and the current domestic and international policies. The risk assessment topics are formulated and provided to each risk department for assessment, and then the risk assessment execution status report is submitted to the Sustainable Development Committee and the Board of Directors.

		(Risk Assessment Report： https://www.passivecomponent.com/investor-relations/risk-management/)
5.	If scenario analysis is carried out to evaluate resilience to climate change risks, describe the scenarios, parameters, assumptions, analysis factors, and main financial impact.	Currently planning.
6.	If there is a transition plan in place in response to climate-related risks, describe the contents of the plan and the indicators and goals used to identify and manage physical risks and transition risks.	Currently planning.
7.	If internal carbon pricing is used as a planning tool, describe the basis for pricing	Our company has not yet planned a carbon pricing plan. In the future, we will follow international trends and the national carbon fee charging mechanism to formulate the basis for scenario assumptions.
8.	If climate-related goals were set, describe the activities covered, scope of GHG emissions, schedule, and progress each year. If carbon offset or RECs are used to achieve goals, describe the source and amount of offset quota or the number of RECs.	Our company has set an annual carbon reduction target of 1%, conducts greenhouse gas inventories every year, conducts internal review meetings for factories with larger total carbon emissions, and proposes reduction plans. The reduction plan includes planning to install solar energy in existing factories to reduce carbon emissions from electricity consumption.
9.	GHG(Greenhouse Gas) inventory and assurance	Greenhouse Gas inventory and assurance status in the most recent two-year period: 1. Greenhouse Gas inventory information:WTC's paid-in capital does not reach NT$5 billion, so the parent company does not need to disclose inventory information this year. 2. Greenhouse Gas assurance status: WTC's paid-in capital does not reach NT$5 billion, so the parent company does not need to disclose inventory information this year.

A .Company's systems and measures and implementation status with respect to, community involvement, social contribution, social service, public interest, consumer interests, human rights, and other social responsibility activities:

In order to practice and fulfill the corporate responsibility to society, the company's charity association has been established in early 1989, and has continuously carried out various care for Tao Yuan City, Kaohsiung City and the remote areas of Taiwan where the company operates, such as the adoption of schoolchildren and the sponsorship of funds from disadvantaged groups. At the same time, it also cooperated with various units to organize charity sales activities.

All donations from the WTC Charity Association are 100% donated to disadvantaged groups and each donation is issued with a receipt, which can be tax deductible. 90% of the company’s income depends on donations from more than 300 members and the company’s relative allocation, and another 10% comes from colleagues (including non-members) who have set up locations in the factory, vending machine manufacturers, labor unions, on-site charity activities, and social benevolent people. Donate. We spend 72% of our funds on assisting disadvantaged children and long-term assistance to disadvantaged children in elementary schools in remote areas, including nutritional meals, after-school guidance, book supplements, teaching equipment repairs, transportation, charity sales, talent courses, Mandarin daily subscriptions, etc. . Provide the resources that schools and children really need, and make regular visits to ensure that every funding is used for disadvantaged children.

The WTC Charity Society has footprints throughout the north and south of Taiwan, including 24 remote elementary schools in Yilan, Taoyuan, Hsinchu, Changhua, Hualien, Nantou, Yunlin, Chiayi, Kaohsiung, Pingtung and other places. In 2020, due to the impact of covid-19, the WTC charity Society has provided additional funds to adopted schools to help families of children whose economic conditions are affected to overcome difficulties.

Not only externally, the WTC charity organization also assists colleagues who are in financial difficulties due to sudden changes in their families, and provide emergency relief and living assistance; in addition to the normal single grant subsidy, we will also treat them as equals. Project-based subsidies are added.

The various donations of WTC Charity Society in 2023 are as follows:

Subsidy items	Charity	Improved dining quality	Improved traffic safety for school children	Employee Emergency Relief Fund	Class support	Books and equipment subsidies	Bank transfer fee	Others activity fees	total
amount (NTD)	120,000	247,076	120,000	30,000	957,520	102,000	23,134	1,530	1,601,260
percentage	7.49%	15.43%	7.49%	1.87%	59.80%	6.37%	1.44%	0.10%	100%

B、Consumer Rights

The company has a dedicated unit responsible for the annual satisfaction survey of consumers (customers), listening to the voices and opinions of consumers, as the company's efforts and positive improvement goals; and for consumers (customers) complaints, set "customer Complaints Handling Measures", the protection of the rights and interests of consumers (customers) has never slackened. We also conduct regular employee satisfaction surveys for internal customers (employees), and give formal responses to the survey results to respond to the expectations and expectations of internal customers for the company.

C、Human Rights

We attach great importance to the rights and health of employees. We prohibit the hiring of workers under 15 years of age, and treats all employees in accordance with the principles of fairness and reasonableness. In compliance with national laws and regulations, we prohibit any and every form of job discrimination, sexual harassment and inhuman treatment of employees, and we respect the free agency of job candidates to choose employment and employees' right of free association. Our personnel systems (e.g. salary, benefits, performance review, promotion, award and discipline, employee cultivation, job assignment, termination of employment contract, etc.) do not harbor differential treatment because of

employee's race, color, nationality, glass, language, ideology, religion, political affiliation, hometown, place of birth, gender, sexual orientation, age, marital status, pregnancy, look, features, disability or previous status as a workers' representative. With respect to management and supervision of working hours, we pay our employees compensation in compliance with local laws, including those relating to minimum wage, overtime hours and legally mandated benefits. We hold communication meetings regularly and propagate the setup of communication channels for employees to voice their opinions.

In addition, the company also publicly announces to all employees in response to the aforementioned human resources and human rights policies, and creates a high-quality work environment for symbiosis and co-prosperity with employees.

D、Other social responsibility activities

In order to practice and fulfill its social responsibilities, the company has formulated many relevant methods and standards to prevent the hazards caused by production and business operations, and to ensure the rights and interests of our living space, employees, suppliers and stakeholders. Since the establishment of the charity society in 2000, the company's colleagues have spontaneously donated and participated in charity activities. Every year, the company purchases gifts and agricultural products from caring groups or nursery factories and farmers to give employees a total of NTD 634,500 in 2023.

3.4.6 Fulfillment of Ethical Corporate Management and Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/ TPEx Listed Companies

Assessment Item	Implementation Status (Note)			Deviation from Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Explanations	
1. Establishment of Corporate Conduct and Ethics Policy and Implementation Measures				
(1) Does the Company have a clear ethical corporate management policy approved by its Board of Directors, and bylaws and publicly available documents addressing its corporate conduct and ethics policy and measures, and commitment regarding implementation of such policy from the Board of Directors and the top management team?	V		(1)The "Code of Conduct and Operating Procedures for Corporate Integrity Management" and "Code of Ethical Conduct for Directors and Managers" disclosed on the company's website is approved by the board of directors. The company actively implements corporate governance and implements the integrity management policy.	(1)~(3) In line with the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies.
(2) Whether the Company has established an assessment mechanism for the risk of unethical conduct; regularly analyzes and evaluates within a business context, the business activities with a higher risk of unethical conduct; has formulated a program to prevent unethical conduct with a scope no less than the activities prescribed in paragraph 2, Article 7 of the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies?	V		(2) For operating activities within the scope of business with higher risk of unethical conduct, the Company has established relevant procedures, including "Procedure for Acquisition or Disposal of Assets", "Rules for Endorsements and Guarantees", "Operating Procedure for Fund Lending","Operating Procedure for Transactions with Group Enterprises, Specific Companies and Related Parties", "Operating Rules for Donations","Risk Management Policies and Procedures", and "Appeals and Reports Management Measures" in place, and observes those procedures and regulations in related-party transactions to prevent unethical conduct.	
(3) Whether the Company has established relevant policies that are duly enforced to prevent unethical conduct, provided implementation procedures, guidelines, consequences of violation and complaint procedures, and periodically reviews and revises such policies?				

Assessment Item	Implementation Status (Note)			Deviation from Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Explanations	
	V		(3) All employees sign an employee service agreement and suppliers must sign an integrity undertaking. It is strictly forbidden to accept bribes/bribery by employees. The qualifications and conditions of cooperating suppliers and customers are strictly reviewed by the management unit of materials and risk control. Regarding political contributions, it is strictly forbidden to accept or offer bribes. Handle according to laws and regulations. In 2023, all new 135 suppliers were added and all signed integrity commitments, and a total of new 242 employees were newly recruited and all employees signed service agreements.	
2. Ethic Management Practice (1) Whether the Company has assessed the ethics records of whom it has business relationship with and include business conduct and ethics related clauses in the business contracts? (2) Whether the Company has set up a unit which is dedicated to promoting the company's ethical standards and regularly (at least once a year) reports directly to the Board of Directors on its ethical corporate management policy and relevant matters, and program to prevent unethical conduct and monitor its implementation? (3) Whether the Company has established policies to prevent conflict of interests, provide appropriate communication and complaint channels and implement	V V		(1) Handle in accordance with the "Company Code of Conduct and Operating Procedures for Integrity Management". The contract signed with the transaction partner expressly stipulates the good faith behavior clause. The risk control industry management and materials unit is responsible for reviewing the qualifications and integrity records of customers and suppliers. It also signs a letter of integrity commitment to prohibit employees from accepting bribes/offering bribes. In 2023, a total of 210 customers were reviewed for their qualifications and integrity records.	(1)~(5) In line with the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies.

Assessment Item	Implementation Status (Note)			Deviation from Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Explanations	
such policies properly? (4) To implement relevant policies on ethical conducts, has the Company established effective accounting and internal control systems, audit plans based on the assessment of unethical conduct, and have its ethical conduct program audited by internal auditors or CPA periodically? (5) Does the Company provide internal and external ethical conduct training programs on a regular basis?	V V		(2) In order to improve the management of integrity management, the company's human resources unit is responsible for the formulation and promotion of the integrity management policy, and the audit unit is responsible for supervision. The establishment of an audit committee and a compensation committee in accordance with the law, related meetings and audit reports have been submitted to the board of directors for deliberation, and always pay attention to the development of relevant standards for integrity management at home and abroad, so as to strengthen the effectiveness of the company's integrity management. In 2023, a total of 8 audit committee meetings and 6 compensation ommittee meetings were held. (3) Follow the company’s "Code of Practice on Corporate Governance", "Code of Conduct and Operating Procedures for Corporate Integrity Management", "Management of Important Internal Information and Prevention of Insider Transactions". It is strictly forbidden to transfer interests between the company and its related parties and shareholders and to prevent them Conflict of interest policy. Provide proper channels for presentation and implement them. (4) The company actively implements integrity	

Assessment Item	Implementation Status (Note)			Deviation from Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Explanations	
	V		management and follows the accounting system and internal control system regulations. The financial statements are reviewed by accountants on a quarterly basis, and the audit unit regularly conducts internal control reviews and reports the audit results to the board of directors. (5) New employees are required to sign an employee service agreement when registering, and receive training on relevant rules and regulations. The company's integrity management policy was strengthened through bulletin boards and electronic bulletin boards. In 2023, training related to integrity management (including courses on business secrets, insider trading prevention, fraud prevention and information security) was conducted, with a total of 370 people and a total of 814 hours.	
3. Implementation of the Company's Whistleblowing System (1) Has the Company established concrete whistleblowing and reward system, has a convenient reporting channel in place and assigns an appropriate person to communicate with the accused? (2) Whether the Company has established standard operation procedures for investigating the complaints received, follow-up measures after investigation are completed, and ensuring such complaints are handled in a confidential manner?	V V		(1) The company has established the "Appeals and Reports Management Measures", which provides reporting mailboxes and channels for complaints. It also verifies according to the content of the complaint. Appropriate responsible personnel are assigned to the reported object. (2) Follow the "Company Code of Conduct and Operating Procedures for Integrity Management". Standard operating procedures and related confidentiality mechanisms have	(1)~(3) In line with the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies.

Assessment Item	Implementation Status (Note)			Deviation from Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Explanations	
(3) Did the Company adopt measures for protecting the whistleblower from improper treatment or retaliation?	V		been established for the investigation and acceptance of reported matters. (3) The company follows the "Code of Conduct and Operating Procedures for Corporate Integrity Management". It is clearly committed to protect informants from being improperly disposed of due to reports.	
4. Enhancing information disclosure Has the Company disclosed its integrity principles and progress onto its website and Market Observation Post System (MOPS)?	V		The Company has disclosed its "Code of Conduct and Operating Procedures for Corporate Integrity Management" on its website to make it known internally/ externally	In line with the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies.
5. If the Company has established its ethical corporate management principles in accordance with the "Ethical Corporate Management Best Practice Principles for TWSE/ TPEx listed Companies", please state the difference between such principles and implementation: The Company has established "Code of Conduct and Operating Procedures for Corporate Integrity Management" in accordance with the "Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies" and internal rules, and related implementation does not deviate from the established principles.				
6. Other important information to facilitate better understanding of the company's corporate conduct and ethics compliance practices (e.g., review the Company's corporate conduct and ethics policy). The company added a specific whistleblowing system and handling procedures in 2017. It is also disclosed on the " Market Observation Post System " and the company's website: The website of " Market Observation Post System " is http://mops.twse.com.tw; The company's website is http://www.passivecomponent.com				

Note: The Company shall provide explanations regardless of whether Implementation Status ticked "Yes" or "No."

3.4.7 Company's Corporate Governance Principles and Related Regulations:

Please refer to Company's website. http://www.passivecomponent.com.

And M.O.P.S http://www.mops.twse.com.tw

3.4.8 Other important information:

Information for 2023 and as of Arpil 21,2024 regarding directors' and managers' participation in advanced training courses, as well as licenses held by personnel involved in transparency of financial information:

- **Advanced Training Courses for Directors**
-

Title	Name	Date	Organizer	Course Title	Hours	Total Hours
Chairman	Chiao Yu-Heng	2023/05/05	Taiwan Corporate Governance Association	New Trends and Prospects in Global Politics and Economics-China-US Competition and Cross-Strait Relations	3.0	15
		2023/11/03	SECURITIES&FUTURES INSTITUTE	Listed OTC Companies-Insight into the Derivative Financial Market and Move towards Corporate Sustainability Seminar	3.0	
		2023/11/06	SECURITIES&FUTURES INSTITUTE	Directors and senior executives of listed companies' understanding of current supervision authorities -	3.0	
		2023/11/06	SECURITIES&FUTURES INSTITUTE	Technical development and application opportunities of chatbot ChatGPT	1.5	
		2023/11/06	SECURITIES&FUTURES INSTITUTE	Response to the new world situation	1.5	
		2024/01/26	Taiwan Corporate Governance Association	Analysis of Taiwan's Economic Trend in 2024	3.0	
Director	Chiao Yu-Cheng	2023/02/23	Taiwan Corporate Governance Association	Lesson Learned in Amazon;AI smart operations management and its application	3.0	22.5
		2023/07/13	Taiwan Corporate Governance Association	Use policy resources and diversified strategies to connect Taiwan's local communities to reach corporate CSR and international net-zero new technologies	3.0	
		2023/07/13	Taiwan	From the 2007 Hsinchu Baoshan	3.0	

			Corporate Governance Association	Native Plant Conservation Environmental Education Talk about politics, economy and finance under global multi-polar development		
		2023/10/26	Taiwan Corporate Governance Association	Contemporary Architecture Culture Integration Social Innovation International Carbon Border Adjustment Development	3.0	
		2023/10/26	Taiwan Corporate Governance Association	The Rise of Southeast Asia and the Changing new Indo-Pacific: Strategies for Regional Economic Resilience from Geopolitical Risks	1.5	
		2024/01/26	Taiwan Corporate Governance Association	Analysis of Taiwan's Economic Trend in 2024	3.0	
		2024/03/14	Taiwan Corporate Governance Association	Opportunities and challenges of generative AI; making good use of climate legal and economic tools to respond to Scope 3 carbon reduction challenges	3.0	
		2024/03/14	Taiwan Corporate Governance Association	Flowers bloom in troubled times; dialogue on current economic situation and geopolitical contradictions; Mozart ~ Music Messenger from Heaven	3.0	
Director	Yeh Pei-Chen	2023/04/18	Accounting Research and Development Foundation	The fiscal and tax thinking Taiwanese companies should have under the trend of global redistribution of supply chains	3.0	6
		2023/08/11	Accounting Research and Development Foundation	Operational decentralization strategy under geopolitical risks	3.0	
Director	Ku Li-Ching	2023/10/20	SECURITIES& FUTURES INSTITUTE	2023 Annual Insider Trading Prevention Promotion Conference	3.0	9
		2023/11/06	SECURITIES& FUTURES INSTITUTE	Directors and senior executives of listed companies' understanding of current supervision authorities	3.0	
		2023/11/06	SECURITIES& FUTURES INSTITUTE	Response to the new world situation	1.5	
		2023/11/06	SECURITIES& FUTURES INSTITUTE	Technical development and application opportunities of chatbot ChatGPT	1.5	
Independent Director	Fan Po-Kang	2023/11/06	SECURITIES& FUTURES INSTITUTE	Directors and senior executives of listed companies' understanding	3.0	6

				of current supervision authorities		
		2023/11/06	SECURITIES& FUTURES INSTITUTE	Technical development and application opportunities of chatbot ChatGPT	1.5	
		2023/11/06	SECURITIES& FUTURES INSTITUTE	Response to the new world	1.5	
Independent Director	Tan Yong Chian	2023/11/06	SECURITIES& FUTURES INSTITUTE	Response to the new world	1.5	6
		2023/11/06	SECURITIES& FUTURES INSTITUTE	Technical development and application opportunities of chatbot ChatGPT	1.5	
		2023/11/06	SECURITIES& FUTURES INSTITUTE	Directors and senior executives of listed companies' understanding of current supervision authorities	3.0	
Independent Director	NG Chlen Chun	2023/07/21	Taiwan Corporate Governance Association	How to carry out equity planning and organizational structure design for new startups	3.0	6
		2023/08/25	Taiwan Corporate Governance Association	Corporate financial statement fraud and case studies	3.0	

◆ **Advanced Training Courses for Managers**

Title	Name	Date	Organizer	Course Title	Hours	Total Hours
Head of Financial and Accounting Div.	Yeh, Tse-Kuang	2023/05/31	Accounting Research and Development Foundation	Common deficiencies in financial report review and practical analysis of important internal control regulations	6.0	12
		2023/06/12		Promote sustainable development of enterprises through "risk management"	6.0	
Head of Audit	Huang Jui-Chang	2023/10/23	The Institute of Internal Auditors	Audit moral and ethical mission and the impact of internal crime	6.0	12
		2023/11/07	The Institute of Internal Auditors	"Information Security Protection" and "Cloud Security" Audit Practice Research	6.0	
Head of Corporate Governance	Chen, Yeh-Jeng	2023/10/23	Accounting Research and Development Foundation	Use intellectual property management to improve corporate governance and internal control and compliance	6.0	15
		2023/11/06	SECURITIES&FUTURES INSTITUTE	Directors and senior executives of listed companies' understanding of current supervision authorities	3.0	

		2023/11/06	SECURITIES&FUTURES INSTITUTE	Response to the new world	1.5	
		2023/11/06	SECURITIES&FUTURES INSTITUTE	Technical development and application opportunities of chatbot ChatGPT	1.5	
		2023/11/22	SECURITIES&FUTURES INSTITUTE	2023 Annual Insider Equity Transaction Legal Compliance Promotion and Briefing Session	3.0	

3.4.9 Implementation Status of Internal Control System:

- **Statement of Internal Control System**

Walsin Technology Corporation

Statement on Internal Control System

Date: February 23, 2024

Based on the findings of a self-assessment, Walsin Technology Corporation states the following with regard to its internal control system during the year 2023:

1. The Company is aware that it is the Board's and managers' responsibility to establish, implement and maintain an internal control system, and the Company has set up such a system. The purpose of the system is to ensure the effectiveness and efficiency (including profitability, performance and safeguarding of assets) of the Company's operations, compliance with relevant laws and regulations and that its financial statements are reliable, timely and transparent.
2. Internal control systems have their inherent limitations. No matter how perfectly they are designed, an effective internal control system can only reasonably ensure achievement of the three above objectives. In addition, the effectiveness of an internal control system may change as the environment and circumstances change. The internal control system of the Company features a self-monitoring mechanism. The Company will take actions to rectify any deficiency once identified.
3. The Company evaluates whether the design and implementation of its internal control system is effective by referring to the criteria stated in the Regulations Governing Establishment of Internal Control Systems by Public Companies (hereinafter the "Regulations"). The Regulations provides measures for judging the effectiveness of the internal control system. There are five components of an internal control system, as specified in the Regulations, which are broken down based on the management-control process, namely: (1) control environment, (2) risk assessment, (3) control activities, (4) information and communication and (5) monitoring activities. Each of the components in turn contains certain audit items. Refer to the Regulations for details.
4. The Company uses the above criteria to evaluate whether the design and implementation of its internal control system is effective.
5. After an evaluation of the Company's internal control system based on the above criteria, the Company is of the opinion that, as of December 31, 2023, its internal control system (including supervision and management of subsidiaries) is effective and therefore can reasonably ensure achievement of the above objectives, which include awareness of the degree to which operating results and goals are achieved, compliance with the law and that its financial reporting is reliable, timely and transparent.
6. This statement shall become a principal part of the Company's annual report and prospectus and be made available to the public. Any illegal misrepresentation or omission relating to the public statement above is subject to the legal consequences under Articles 20, 32, 171 and 174 of the Securities and Exchange Act.
7. This statement has been approved by the Board of Directors in their meeting held on February 23,2024, with none of the seven attending directors expressing dissenting opinions, and the remainder all affirming the content of this Statement.

Walsin Technology Corporation

Chairman : Yu-Heng Chiao (chop)

President : Ming-Tsan Tseng (chop)

If CPAs are engaged to review the internal control system, their report shall be disclosed: None.

3.4.10 Where the Company and its personnel have been penalized according to the law, or the Company has penalized its personnel for having violated its internal control system, and if the result of the penalty is likely to have a material impact on shareholders' interests or the price of securities as of the day when the annual report was prepared in the most recent year, the contents of such penalty, major deficiencies and improvement actions shall be specified: None.

3.4.11 Material resolutions of a shardholders meeting or a board of directors meeting in the most recent year and up to the date of publication of the annual report:

- **Shardholders Meeting Material Resolutions and Implementation**

The most recent year and as of the publication date of the annual report, Important resolutions of the shareholders meeting and the board of directors:

The important resolution of the regular shareholders meeting held on June 20,2023.

1.Proposal: Approval for the company's 2022 business report, alone financial statements and consolidated financial statements.
Resolution: After the voting result, the agreed weight exceeds the statutory mount, and this proposal is passed.
Implementation status: Announcement of important information on the day of the shareholders meeting (important resolutions of the shareholders meeting).

2.Proposal: Approval for the company's 2022 Earnings distribution statement.
Resolution: According the voting result, the agreed weight exceeds the statutory amount, and this proposal is passed.
Implementation status: Announcement of important information on the day of the shareholders meeting (important resolutions of the shareholders meeting).
The cash dividend (distribution of cash $ 2.40495045 per share), and had paid on 2023.08.16.

3. Proposal: The proposal of amendments to the Company's Rules of the Procedures of Acquisition or Disposal of Assets.
Resolution: After the voting result, the agreed weight exceeds the statutory amount, and the proposal is passed.
Implementation status: Announcement of important information on the day of the shareholders meeting (important resolutions of the shareholders meeting) , It is processed in accordance with the revised procedures and has been announced on the company's website.

4.Proposal: Proposal of release the prohibition on directors from participation in competitive business.
Resolution: After the voting result, the agreed weight exceeds the statutory amount, and the proposal is passed.
Implementation status: Announcement of important information on the day of

the shareholders meeting (important resolutions of the shareholders meeting) , It is processed in accordance with the revised procedures and has been announced on the company's website.

Important resolutions of the board of directors in 2023 and up to the publication date of the 2024 annual report:

- **Summary of important resolutions of the board of directors**

Meeting Date	Proposal	Resolutions
2023.01.17 16th Term 6th meeting	new appointment for managerial officer for kaohsiung branch company	Directors approved the proposal unanimously.
2023.02.23 16th Term 7th meeting	Approval for the company's 2022 business report, stand-alone financial statements and consolidated financial statements.	Directors approved the proposal unanimously.
2023.03.21 16th Term 8th meeting	In order to regularly convene the company's regular. shareholders' meeting in 2023, the proposal is submitted for approval .	Directors approved the proposal unanimously.
2023.05.04 16th Term 9th meeting	1.Approval for the company's 2022 earning distribution statement. 2.Approval for the company's consolidated financial statements for the first quarter of 2023 3.Approval to release the non-competition responsibilities of managerial officer known to the company for self-operating or operating similar businesses for others.	1.Directors approved the proposal unanimously.
2023.06.30 16th Term 10th meeting	1.Approval to appoint new president of WTC 2.Approval to release the non-competition responsibilities of managerial officer known to the company for self-operating or operating similar businesses for others. 3.WTC elected vice chairman of board	1.&2.Directors approved the proposal unanimously. 3. Oliver Co., Ltd. Representative Ku Li Chin is the new vice chairman.
2023.08.10 16th Term 11th meeting	1.Approval for the company's consolidated financial statements for the second	Directors approved the proposal unanimously.

	quarter of 2023 2.The change of the members of the company's Sustainable Development Committee.	
2023.10.31 16th Term 12th meeting	1.Approval for the company's consolidated financial statements for the third quarter of 2023 2.Approval for merger with Dongguan Huafai Trading Co., Ltd. on behalf of Dongguan Walsin Technology Electronics Co., Ltd.	Directors approved the proposal unanimously.
2024.01.31 16th Term 13th meeting	BOD resolution to make donation to the related party	Except for Chairman Chiao Yu Heng and Vice Chairman Ku Li Chin, who abstained from participating in discussions and voting, and abstained from voting, all other directors present agreed to pass the resolution.
2024.02.23 16th Term 14th meeting	1.Approval for the company's 2023 business report, stand-alone financial statements and consolidated financial statements 2.Announcement of the resolution by the board of directors to distribute dividends, on behalf of subsidiary Dongguan Walsin Technology Electronics Co Lt 3. Announcement on behalf of a ubsidiary, Walsin Technology Holding Corporation (HK) Ltd., for the establishment of its subsidiary in Japan. 4.BOD resolved to convene the 2023 Annual General Shareholders' Meeting etc.	Directors approved the proposal unanimously.
2024.03.25 16th Term 15th meeting	1. Approval for the company's 2023 earning distribution statement. 2. Announcement on behalf of subsidiary, Kamaya Electric Co., Ltd. for its making a public tender offer to acquire	1.Directors approved the proposal unanimously. 2. Except for Chairman Chiao Yu Heng ,who abstained from participating in discussions and voting,

	common shares of Soshin Electric Co., Ltd.	and abstained from voting, all other directors present agreed to pass the resolution.
2024.04.29 16th Term 16th meeting	1.Approval for the company's consolidated financial statements for the first quarter of 2023. 2. Approval to release the non-competition responsibilities of managerial officer known to the company for self-operating or operating similar businesses for others.	Directors approved the proposal unanimously.

3.4.12 In the most recent year and up to the date of publication of the annual report, directors held different opinions (on record or with written statement) about important resolutions passed at Board meetings and the major contents are: None.

3.4.13 In the most recent year and up to the date of publication of the annual report, any of Chairman, President, Chief Accounting Officer, Chief Finance Officer, Chief Internal Auditor, Corporate Governance Officer and R&D Head resigned or was discharged:

2024/04/05

Title	Name	Inauguration date	Resignation date	Reason
President	Ku Li-Chin	2012.12.10	2023.06.30	Job Adjustment of group
RD officer	Chang Jui-Tsung	2000.08.01	2023.09.01	Retirement

3.5 Information on CPAs' Fees

3.5.1 (I) CPA fee schedule

Unit: NT$ thousands

Name of CPA firm	CPA name	CPA audit period	Audit fees	Non-audit fees					Remarks
				System design	Business registration	Human Resources	Others	Sub-total	
Deloitte Touche Tohmatsu Limited	Chin-Chuan Shih	2023.01.01 ~2023.12.31	8,965	-	-	50	1,440	1,490	(Note)
	Kuo-Tyan Hong	2023.01.01 ~2023.12.31							

(Note) "Others" item in the non- audit fees: Transfer pricing report 500 thousand dollars, Tax Advisory Service 90 thousand dollars, Country-by-Country Report and Master File Report 750 thousand dollars, Department of Investment Review Report 100 thousand dollars

(I) Change of CPA firm and the audit fees paid in the year of the change are less than those paid in the previous year: Not applicable.

(II) Audit fees paid in the current year are at least 10% less than those paid in the previous year : The audit fees decreased by 1,436 thousand dollars compared to the previous period, a decrease of 13.8%, mainly due to audit and review fees of the 2021 financial statements of the newly consolidated subsidiary (Soshin Electric Co., Ltd.), 1,800 thousand dollars, paid in the previous fiscal year.

3.6 Information on the Replacement of CPAs: Information on the Replacement of CPAs: None.

3.7 Chairman, President, or managers responsible for financial or accounting affairs who worked for the firm to which the certifying CPA belongs or its affiliate in the most recent year: None.

3.8 Any Transfer and Pledge of Shares of the Directors, Managers and Shareholders Holding More Than 10% of the Company's Shares

3.8.1 Net Change in Shares Held

Unit: shares

Title	Name	2023		As of Closure Date April 15, 2024	
		Increase (decrease) of shares held	Increase (decrease) of shares pledged	Increase (decrease) of shares held	Increase (decrease) of shares pledged
Chairman	Chiao Yu-Heng(Note1)	0		0	
Director and major shareholder over 10%	Walsin Lihwa corporation	0		0	
Director Representative	Chiao Yu-Cheng	0		0	
Director	Yeh Pei-Chen	0		0	
Vice Chairman	Oliver Co., Ltd.	1,100,000		745,000	
Director Representative	Chu Yeu Yuh (Note2)	0		N/A	
Former President/ Vice Chairman Representative	Ku Li-Chin (Note1)/(Note2) (Note3)	0		0	
Independent director	Tan Yong Chian	0		0	
Independent director	Fan Po-Kang	0		0	
Independent director	NG Chlen Chun	0		0	
Former Executive Vice President /R&D Officer	Chang Jui-Tsung (Note 3)	31,763		N/A	
President and R&D officer	Tseng Ming-Tsan	100,000		0	
Assistant Vice President	Ko Fu-Fu	0		0	
Assistant Vice President	Lee Ting-Chu	0		0	
Assistant Vice President	Peng Chun-Hsiung	(9,000)		40,768	
Assistant Vice President	Chen, Yeh-Jeng	0		0	
Assistant Vice President	Chen Chin-Hui	3,363		0	
Assistant Vice President	Chang, Jui-Jung	0		0	
Assistant Vice President	Chen Yi-Kuang	0		0	
Assistant Vice President	Liu, Hsiu-Chen	0		0	
Assistant Vice President	Huang Chih-Liang	0		0	

Assistant Vice President	Yang Tsung-Lin	0		15,783	
Assistant Vice President	Chen Huey-Ru	0		0	
Assistant Vice President	Chen Chun- Hsueh (Note4)	0		N/A	
Assistant Vice President	Ling Chek Leh	0		0	
Assistant Vice President(Head of Financial and Accounting Div.)	Yeh, Tse-Kuang	0		0	
Head of Audit Div	HUANG JUI-CHANG	0		0	
Assistant Vice President	Chu, Li-Wen	0		0	
Assistant Vice President	Chen Liang Wei. (Note4)	0		0	
Assistant Vice President	Wang Ching-Su. (Note4)	29,863		0	

Note1: The original CEO of the company: Mr. Chiao Yu-Heng and Vice CEO: Mr. Ku Li-Chin resigned the position of CEO/Vice CEO in June 2022, and has not been recruited that position since then. Therefore, until the end of 2022 and up to now, there is no chairman who is the same as the general manager or other equivalent ranks Issues concerning persons or each other as spouses or first degree relatives.

Note2: The original legal representative of Oliver Co., Ltd.,: Mr. Chu Yeu Yuh resigned on June 9,2023, and the settlement of the equity changes ended on that date of Year 2023.
Mr. Ku Li-Chin has been newly appointed as Vice Chairman of the Corporate Director Representative of Oliver Co., Ltd. Since June 9,2023.
Mr. Ku Li-Chin ， the representative of Olivier Co., Ltd., was elected as the new vice chairman by all directors on July 1, 2023.

Note3.: Mr. Ku Li-Chin was dismissed as the president of the company on July 1, 2023, and Mr. Tseng Ming-Tsan was newly appointed as the President of the company on July 1, 2023. His changes in equity were calculated from that date.
Mr. Chang Jui-Tsung was dismissed as the company's executive vice president and R&D officer and retired on September 1, 2023. His changes in equity in 2023 were settled until that date. The R&D officer is concurrently held by Tseng Ming-Tsan, the President of the company.

Note4: Chen Chun- Hsueh resigned as the AVP of the company on July 1, 2023, and the settlement of equity changes in 2023 ended on that date.
Mr. Chen Liang Wei. and Mr. Wang Ching-Su. has been appointed as the AVP of the company since July 1, 2023, and the changes in equity are calculated from that date.

3.9 Information on Relationships amongst the Top Ten Shareholders and Their Relationships with Spouses or Relatives within the Second Degree of Kinship

2024/04/15

Name	Shareholding by Self		Shareholding by Spouse and Underage Children		Shareholding under the Title of a Third Party		Name and Relationships of Related Parties to Top ten Shareholders (Spouse and Relatives within the Second Degree		Remarks
	Quantity of Shares	Proportion of Shareholding	Quantity of Shares	Proportion of Shareholding	Quantity of Shares	Proportion of Shareholding	Title (or name)	Relation	
Walsin Lihwa Corporation	88,902,325	18.30%	0	0	0	0%	Walton advanced engineering, inc.	Note1	None
							Chiao Yu-Heng	Note2	
							Winbond Electronics Corporation	Note1 Note3	
							GLOBAL BRANDS MANUFACTURE LTD.	Note4	
							HannStar Board Corp.	Note5	
							Chin-Xin Investment Co., Ltd	Note1 Note6	
							TSAI YI CORPORATION	Note1	
Walsin Lihwa Corporation representative: Chiao Yu-Lun	411,058	0.08%	140,000	0.03%	0	0	Walton advanced engineering, inc.	Note7	
							HannStar Board Corp.	Note7	
							GLOBAL BRANDS MANUFACTURE LTD.	Note7	
							Chiao Yu-Heng	Note8	
							Chin-Xin Investment Co., Ltd	Note7	
							Winbond Electronics Corporation.	Note7	
HannStar Board Corp. (HSB)	38,267,115	7.88%	0	0	0	0	Walsin Lihwa Corporation	Note5	
							Walton advanced engineering, inc.	Note10	
							Global brands manufacture ltd.	Note9	

							Winbond Electronics Corporation	Note16	
							Chiao Yu-Heng	Note15	
							Chin-Xin Investment Co., Ltd	Note17	
HannStar Board Corp. representative: Chiao Yu-Hen	12,887,461	2.65%	34,805	0.01%	0	0	Walsin Lihwa corporation	Note2	
							Global brands manufacture ltd.	Note18	
							Walton advanced engineering, inc.	Note19	
							Chiao Yu-Hen	Self	
							Chin-Xin Investment Co., Ltd	Note7	
							Winbond Electronics Corporation.	Note7	
Global brands manufacture ltd.(GBM)	17,152,481	3.53%	0	0	0	0	Walsin Lihwa corporation	Note4	
							HannStar Board Corp.	Note11 Note9	
							Walton advanced engineering, inc.	Note12	
							Chiao Yu-Hen	Note18	
							Chin-Xin Investment Co., Ltd	Note7	
							Winbond Electronics Corporation.	Note14	
Global brands manufacture ltd. representative: Chiao Yu-Hen	12,887,461	2.65%	34,805	0.01%	0	0	Walsin Lihwa corporation	Note2	
							HannStar Board Corp.	Note15	
							Walton advanced engineering, inc.	Note19	
							Chiao Yu-Hen	Self	
							Chin-Xin Investment Co., Ltd	Note7	
							Winbond Electronics Corporation.	Note7	
Walton advanced	13,357,083	2.75%	0	0	0	0	Walsin Lihwa Corporation	Note1	

engineering, inc.(Walton)									
							HannStar Board Corp.	Note10	
							Global brands manufacture ltd.	Note13	
							Chiao Yu-Hen	Note19	
							Chin-Xin Investment Co., Ltd	Note21	
							Winbond Electronics Corporation.	Note22	
Walton advanced engineering, inc. representative: Chiao Yu-Hen	12,887,461	2.65%	34,805	0.01%	0	0	Walsin Lihwa Corporation	Note7	
							HannStar Board Corp.	Note15	
							Global brands manufacture ltd.	Note18	
							Chiao Yu-Hen	Self	
							Chin-Xin Investment Co., Ltd	Note7	
							Winbond Electronics Corporation.	Note7	
Chiao Yu-Hen	12,887,461	2.65%	34,805	0.01%	0	0	Walsin Lihwa Corporation	Note2	
							HannStar Board Corp.	Note15	
							Global brands manufacture ltd.	Note18	
							Walton advanced engineering, inc.	Note19	
							Chin-Xin Investment Co., Ltd.	Note7	
							Winbond Electronics Corporation	Note7	
Kim Eng Securities Private Co., Ltd. investment account under the custody of Citibank Taiwan Ltd	11,326,967	2.33%	0	0	0	0	N/A	N/A	
Giga Investment Co.	6,678,085	1.37%	0	0	0	0	N/A	N/A	
Giga Investment Co. representative: Yeh Pei-Chen	0	0	0	0	0	0	N/A	N/A	
Chin-Xin Investment Co., Ltd.	6.215.379	1.28%	0	0	0	0	Walsin Lihwa Corporation	Note6	

							HannStar Board Corp.	Note17	
							Global brands manufacture ltd.	Note24	
							Walton advanced engineering, inc.	Note21	
							Chiao Yu-Hen	Note25	
							Winbond Electronics Corporation	Note26	
Chin-Xin Investment Co., Ltd. representative: Chiao Yu-Cheng	205,628	0.04%	0	0	0	0	Walsin Lihwa Corporation	Note7	
							HannStar Board Corp.	Note7	
							Global brands manufacture ltd.	Note7	
							Walton advanced engineering, inc.	Note7	
							Chiao Yu-Hen	Note8	
							Winbond Electronics Corporation	Note23	
TSAI YI CORPORATION	5.385,070	1.11%	0	0	0	0	Walsin Lihwa Corporation	Note1	
TSAI YI CORPORATION representative: Tao Cheng-han	0	0	0	0	0	0	N/A	N/A	
Winbond Electronics Corporation	5,300,117	1.09%	0	0	0	0	Walsin Lihwa Corporation	Note1	
							HannStar Board Corp.	Note16	
							Global brands manufacture ltd.	Note14	
							Walton advanced engineering, inc.	Note22	
							Chiao Yu-Hen	Note28	
							Chin-Xin Investment Co., Ltd.	Note26	
Winbond Electronics Corporation representative: Chiao Yu-Cheng	205,628	0.04%	0	0	0	0	Walsin Lihwa Corporation	Note7	
							HannStar Board Corp.	Note7	
							Global brands manufacture ltd.	Note7	
							Walton advanced engineering,	Note7	

							inc.		
							Chiao Yu-Hen	Note8	
							Chin-Xin Investment Co., Ltd.	Note27	

Note:The shareholding ratio is calculated based on the number of ordinary shares.
Note1: The investee company of Walsin Lihwa Corporation accounted for under the equity method
Note2.: Director of Walsin Lihwa Corporation
Note3: The chairman of Walsin Lihwa Corporation is a second-class relative of the chairman of Winbond Electronics Corporation
Note4: The chairman of Walsin Lihwa Corporation is a second-class relative of the chairman of Global brands manufacture ltd.
Note5: The chairman of Walsin Lihwa Corporation is a second-class relative of the chairman of HannStar Board Corp
Note6: The chairman of Walsin Lihwa Corporation is a second-class relative of the chairman of Chin-Xin Investment Co., Ltd.
Note7: The second parent relationship with the chairman of the legal person shareholder
Note8: Second-parent relationship
Note9: GBM is a subsidiary of HSB
Note10: The chairman of HSB and the chairman of Walton advanced engineering, inc. are the same person
Note11: The chairman of GBM and the chairman of HSB are the same person
Note12: The chairman of GBM and the chairman of WALTON are the same person
Note 13: The chairman of GBM is a second-class relative of the chairman of Walton advanced engineering, inc.
Note 14:The chairman of GBM is a second-class relative of the chairman of Winbond Electronics Corporation.
Note 15:The chairman of HSB.
Note 16:The chairman of HSB is a second-class relative of the chairman of Winbond Electronics Corporation.
Note 17:The chairman of HSB is a second-class relative of the chairman of Chin-Xin Investment Co., Ltd.
Note 18:The chairman of GBM.
Note 19:The chairman of Walton advanced engineering, inc.
Note 20:The chairman of Walton advanced engineering, inc. is a second-class relative of the chairman of HSB.
Note 21:The chairman of Walton advanced engineering, inc. is a second-class relative of the chairman of Chin-Xin Investment Co., Ltd.
Note 22:The chairman of Walton advanced engineering, inc. is a second-class relative of the chairman of Winbond Electronics Corporation
Note 23:The chairman of Winbond Electronics Corporation
Note 24:The chairman of Chin-Xin Investment Co., Ltd. is a second-class relative of the chairman of GBM.
Note 25:The chairman of Chin-Xin Investment Co., Ltd. is a second-class relative of Chiao Yu-Hen.
Note 26:The chairman of Chin-Xin Investment Co., Ltd. and the chairman of Winbond Electronics Corporation are the same person
Note 27:The chairman of Chin-Xin Investment Co., Ltd.
Note 28: The second parent relationship with the chairman of Winbond Electronics Corporation.

3.10 The Total Number of Shares of the Same Investee Held by the Company, Its Directors, Managers and Which the Company Controls Directly or Indirectly, with the Aggregate Shareholding Percentages

As of March 31, 2024

Units: Shares; %

Re-Investment Companies (Note)	Investment by the Company		Investment of Directors, Supervisors, Managers or Enterprises under Their Direct or Indirect Control		Combined Investment	
	Quantity of Shares	Proportion of Shareholding	Quantity of Shares	Proportion of Shareholding	Quantity of Shares	Proportion of Shareholding
Prosperity Dielectrics Co., Ltd.	74,186,468	43.13	1,097,759	0.64	75,284,227	43.77
HannStar Board Corp.	107,381,026	20.32	81,056,535	15.34	188,437,561	35.66
Pan Overseas (B.V.I.) Investments Co., Ltd.	21,836,000	100.00	0	0	21,836,000	100.00
Gallatown Developments Ltd.	95,129,047	89.15	11,572,858	10.85	106,701,905	100.00
Walsin Technology Europe B.V.	1,500,000	100.00	0	0	1,500,000	100.00
Tsai Yi Corporation	39,052,142	26.62	54,768,045	37.34	93,820,187	63.96
Inpaq Technology Co., Ltd.	51,782,658	34.76	160,844	0.11	51,943,502	34.87
Walsin New Energy Corporation	1,250,000	25.00	500,000	10.00	1,750,000	35.00
Silitech Technology Corporation	17,000,000	25.00	10,000	0.01	17,010,000	25.01
Falcon Automation Equipment Corporation	3,348,000	43.90	0	0	3,348,000	43.90
Soshin Electric Co., Ltd.	330,800	1.93	8,233,504	48.15	8,564,304	50.08

Note: Long term Investments accounted for using the equity method.

Fundraising Overview

4.1 Capital and Shares

4.1.1 Sources of Share Capital

- Historical Sources of Share Capital

Year/ Month	Issue price	Authorized capital		Paid-in Capital		Remarks		
		Shares	Amount	Shares	Amount(NT$)	Source of capital	Paid with property other than cash	Other
1997/05	10	120,000,000	1,200,000,000	110,000,000	1,100,000,000	Capital increase by earnings	No	Note1
1998/06	10	174,000,000	1,740,000,000	121,000,000	1,210,000,000	Capital increase by earning	No	Note2
2000/03	10	240,000,000	2,400,000,000	141,000,000	1,410,000,000	Capital increase by cash	No	Note 3
2000/11	10	240,000,000	2,400,000,000	185,000,000	1,850,000,000	Capital increase by cash	No	Note4
2001/11	10	423,900,000	4,239,000,000	262,978,500	2,629,785,000	Capital increase by earning	No	Note5
2003/01	10	423,900,000	4,239,000,000	281,844,452	2,818,444,520	The conversion of Convertible overseas Corporate bond lead to an an increase in equity.	No	Note6
2003/04	10	423,900,000	4,239,000,000	285,257,576	2,852,575,760	The conversion of Convertible overseas Corporate bond lead to an increase in equity.	No	Note7
2003/07	10	423,900,000	4,239,000,000	305,942,613	3,059,426,130	The conversion of Convertible overseas Corporate bond lead to an increase in equity.	No	Note8
2003/09	10	423,900,000	4,239,000,000	336,141,452	3,361,414,520	1.The conversion of Convertible overseas Corporate bond lead to an increase in equity. 2. Capital increase by earnings	No	Note 9
2003/12	10	423,900,000	4,239,000,000	353,558,895	3,535,588,950	The conversion of Convertible overseas Corporate bond lead to an increase in equity.	No	Note 10
2004/06	10	520,000,000	5,200,000,000	366,482,039	3,664,820,390	1.The conversion of Convertible overseas Corporate bond lead to an increase in equity. 2. Capital increase	No	Note 11

						by earnings		
2004/08	10	52,000,000	5,200,000,000	390,740,514	3,907,405,140	Merge EDEN High-Tech Co.,Ltd.lead to an increase in equity.	No	Note 12
2005/01	10	520,000,000	5,200,000,000	392,103,378	3,921,033,780	The conversion of Convertible overseas Corporate bond lead to an increase in equity.	No	Note 13
2005/04	10	520,000,000	5,200,000,000	394,829,106	3,948,291,060	The conversion of Convertible overseas Corporate bond lead to an increase in equity.	No	Note 14
2005/08	10	520,000,000	5,200,000,000	403,590,286	4,035,902,860	Capital increase by earnings	No	Note15
2005/09	10	520,000,000	5,200,000,000	507,156,810	5,071,568,100	Merge Pan Overseas Industrialco., ltd. lead to an increase in equity	No	Note 16
2005/11	10	520,000,000	5,200,000,000	514,656,810	5,146,568,100	Share Exchange Of PDC Stock	No	Note 17
2006/01	10	520,000,000	5,200,000,000	515,298,810	5,152,988,100	The conversion of Employee stock Options certificate lead to anincrease in equity	No	Note 18
2006/04	10	592,000,000	5,920,000,000	557,909,252	5,579,092,520	1. The Conversion of Employee Stock Options certificate lead to an Increase in equity 2. The conversion of Convertible overseas Corporatebond lead to an increase in equity.	No	Note 19
2006/07	10	660,000,000	6,600,000,000	558,262,696	5,582,626,960	1. The Conversion of Employee stock options Certificate lead to an increase in equity 2. The conversion of Convertible overseas Corporate bond lead to an increase in equity.	No	Note 20
2006/09	10	660,000,000	6,600,000,000	587,999,896	5,879,998,960	1.Capital increase by earnings 2. The conversion of Employee stock options certificate lead to anincrease in equity	No	Note 21

2007/01	10	660,000,000	6,600,000,000	592,177,386	5,921,773,860	1. The conversion of Employee stock options Certificate lead to an increase in equity 2. The conversion of Convertible overseas Corporate bond lead to an increase in equity.	No	Note22
2007/04	10	660,000,000	6,600,000,000	593,322,886	5,933,228,860	The conversion of Employee stock options Certificate lead to an increase in equity	No	Note 23
2007/07	10	660,000,000	6,600,000,000	594,816,236	5,948,162,360	1. The conversion of Employee stock options Certificate lead to an Increase in equity 2. The conversion of Convertible overseas Corporate bond lead to an increase in equity.	No	Note 24
2007/10	10	660,000,000	6,600,000,000	595,480,665	5,954,806,650	1. The conversion of Employee stock options Certificate lead to an increase in equity 2. The conversion of Convertible overseas Corporate bond lead to an increase in equity.	No	Note 25
2008/01	10	660,000,000	6,600,000,000	595,653,665	5,956,536,650	The conversion of Employee stock options Certificate lead to an increase in equity	No	Note 26
2008/04	10	660,000,000	6,600,000,000	595,738,665	5,957,386,650	The conversion of Employee stock options Certificate lead to an increase in equity	No	Note 27
2008/07	10	660,000,000	6,600,000,000	596,038,665	5,960,386,650	The conversion of Employee stock options Certificate lead to an increase in equity	No	Note 28
2008/10	10	800,000,000	8,000,000,000	667,128,265	6,671,282,650	Capital Increase by earnings lead to an Increase in equity	No	Note 29
2009/08	10	800,000,000	8,000,000,000	663,802,265	6,638,022,650	Cancellation of treasury shares,resulting in a decre equity.	No	Note 30
2010/04	10	800,000,000	8,000,000,000	663,829,265	6,638,292,650	The conversion of Employee stock options Certificate lead to an Increase in equity	No	Note 31
2010/07	10	800,000,000	8,000,000,000	663,963,765	6,639,637,650	The conversion of Employee stock options Certificate lead to an Increase in equity	No	Note32
2011/01	10	800,000,000	8,000,000,000	663,988,765	6,639,887,650	The conversion of Employee stock options Certificate lead to an Increase in equity	No	
2011/	10	800,000,000	8,000,000,000	664,343,765	6,643,437,650	The conversion of	No	Note 34

05						Employee stock options Certificate lead to an Increase in equity		
2011/09	10	800,000,000	8,000,000,000	690,063,380	6,900,633,800	Capital Increase by Earnings lead to an Increase in equity	No	Note35
2014/11	10	800,000,000	8,000,000,000	683,063,380	6,830,633,800	Cancellation of treasury Shares Resulting in a decrease in equity	No	Note36
2015/08	10	800,000,000	8,000,000,000	560,000,000	5,600,000,000	Capital Reduction by cash resulting in a decrease in equity.	No	Note 37
2016/08	10	800,000,000	8,000,000,000	518,000,000	5,180,000,000	Capital Reduction by cash resulting in a decrease in equity.	No	Note 38
2017/08	10	800,000,000	8,000,000,000	485,800,000	4,858,000,000	Capital Reduction by cash resulting in a decrease in equity.	No	Note 39
2020/12	10	800,000,000	8,000,000,000	485,804,299	4,858,042,990	The conversion of corporate bond lead to an increase in equity	No	Note 40
2024/04	10	800,000,000	8,000,000,000	485,804,774	4,858,047,740	The conversion of corporate bond lead to an increase in equity	No	Note 41

Note1: Capital increased NT$100,000,000 by earnings,Issued at a par value of NT$10 per share. Used to retain own funds to continue to support the factory expansion plan.

Note2: Capital increased NT$110,000,000 by earnings, with a par value of NT$10 per share. To retain its own funds to continue to support the factory expansion plan, and another NT$500 million is reserved for the issuance of corporate bonds with conversion shares.

Note3: Increased capital of NT$ 200 million , with a par value of NT$ 10 per share. It is used to add new factories and expand production equipment. And another NT$ 500 million is reserved for the issuance of corporate bonds with conversion shares.

Note4: Increased capital of NT$ 440 million, with a par value of NT$ 10 per share. It is used to add new factories and expand production equipment. And another NT$ 500 million is reserved for the issuance of corporate bonds with conversion shares.

Note5: Capital increased by NT$779,785,000 earnings, with a par value of NT$ 10 per share. Used to support future capital expenditures and enrich expenditures and working capital. And another 800 million is reserved for the issuance of corporate bonds with conversion shares, another NT$100 million is reserved for the issuance of employee stock options certificate.

Note6: Increase share capital NT$188,659,520

Note 7: Increase share capital NT$34,131,240

Note8: Increase share capital NT$206,850,370

Note9: 1.Increase share capital NT$209,288,390

2. Capital increase by NT$92,700,000 earnings, with a par value of NT$10 per share. Used to support future capital expenditures and enrich expenditures and working capital.
And another NT$200 million was reserved for the issuance of employee stock options certificate.

Note10: Increase share capital NT$174,174,430

Note11: 1.Increase share capital NT$48,958,340

2. Capital increased by NT$80,273,100 earnings, with a par value of NT$10 per share. Used to support future capital expenditures and enrich expenditures and working capital.
And another NT$200 million was reserved for the issuance of employee stock options certificate.

Note12: Increased share capital NT$242,584,750 The par value per share is NT$10.

Note13: Increase share capital NT$ 13,628,640

Note 14: Increase share capital NT$ 27,257,280

Note 15: Capital increased by NT$87,611,800 earnings, with a par value of NT$10 per share. Used to support future capital expenditures and enrich expenditures and working capital.
And another NT$200 million was reserved for the issuance of employee stock options certificate.

Note 16: Increase share capital by NT$ 1,052,835,800, with a par value of NT$ 10 per share.At the same time, the

original share capital NT$17,170,560 held by the Pan Overseas
Industrial co., ltd was Cancelled
Note17: Capital increased by NT$ 75,000,000 , with a par value of NT$10 per share
Note18: Capital increased by NT$ 6,420,000 , with a par value of NT$10 per share.
Note 19: 1.Increase share capital NT$ 17,270,000 2.Increase share capital NT$ 408,834,420.
Note20: 1.Increase share capital NT$ 1,445,000 2.Increase share capital NT$ 2,089,440
Note21: 1.Capital increased by NT$295,692,000 earnings, with a par value of NT$10 per share. Used to support future capital expenditures and enrich expenditures and working capital. and another NT$200 million was reserved for the issuance of employee stock options certificate.
2. Increase share capital NT$ 1,680,000
Note22: 1.Increase share capital NT$ 14,640,000 2.Increase share capital NT$ 27,134,900
Note23: Increase share capital NT$ 11,455,000
Note24: 1.Increase share capital NT$ 12,000,000 2.Increase share capital NT$ 2,933,500
Note25:1.Increase share capital NT$ 1,400,000 2.Increase share capital NT$ 5,244,290
Note26: Increase share capital NT$ 1,730,000
Note27: Increase share capital NT$ 850,000
Note 28: Increase share capital NT$ 3,000,000
Note 29: Capital increased by NT$710,896,000 earnings, with a par value of NT$10 per share. Used to support future capital expenditures and enrich expenditures and working capital.
And another NT$200 million was reserved for the issuance of employee stock options certificate.
Note 30: Reduce share capital NT$ 33,260,000
Note31: Increase share capital NT$ 270,000
Note 32: Increase share capital NT$ 1,345,000
Note33: Increase share capital NT$ 250,000
Note 34: Increase share capital NT$ 3,550,000
Note35: Capital increased by NT$257,196,150 earnings, with a par value of NT$10 per share. Used to support future capital expenditures and enrich expenditures and working capital.
And another NT$200 million was reserved for the issuance of employee stock options certificate
Note36: Reduce share capital NT$ 70,000,000
Note 37: Reduce share capital NT$1,230,633,800
Note 38: Reduce share capital NT$ 420,000,000
Note39: Reduce share capital NT$ 322,000,000
Note40: Increase share capital NT$ 42,990
Note41: Increase share capital NT$ 4,750

4.1.2 Types of Shares

2024/4/15

Type of share	Authorized Capital			Remarks
	Circulating shares Issued and Outstanding (Publicly-traded Shares)	Unissued Shares	Total	
Common stock	485,804,774	314,195,226	800,000,000	None

- **Information on Shelf Registration:** None.

4.1.3 Shareholder Structure

2024/04/15

Shareholder Structure / Quantity	Government Agency	Financial Institution	Other Institutional Entities	Individual	Foreign Institution and Foreigner	Total

No. of persons	4	42	177	80,036	304	80,563
Quantity of shares	1,928,000	6,149,764	193,177,834	230,651,007	53,898,169	485,804,774
Proportion of shareholding	0.40%	1.27%	39.76%	47.48%	11.09%	100%

Note: The calculation of the shareholding ratio is based on the number of ordinary shares

4.1.4 Distribution of Shareholders

◆ **Distribution of Common Shares**

2024/04/15

Shareholding	Number of Shareholders	Quantity of Shares	Proportion of Shareholding
1 to 999	22,638	4,453,357	0.92
1,000 to 5,000	49,999	94,398,419	19.43
5,001 to 10,000	4,659	35,895,396	7.39
10,001 to 15,000	1,181	15,103,509	3.11
15,001 to 20,000	761	13,992,675	2.88
20,001 to 30,000	512	13,224,822	2.72
30,001 to 40,000	224	8,054,001	1.66
40,001 to 50,000	134	6,261,068	1.29
50,001 to 100,000	258	18,412,482	3.79
100,001 to 200,000	104	14,394,215	2.96
200,001 to 400,000	47	12,662,626	2.61
400,001 to 600,000	11	5,256,398	1.08
600,001 to 800,000	8	5,305,155	1.09
800,001 to 1,000,000	5	4,522,424	0.93
1,000,001 and more	22	233,868,227	48.14
Total	80,563	485,804,774	100.00

Note：1. Distribution of Preferred Shares: None.

2. The "shareholding ratio" is calculated based on the number of ordinary shares

4.1.5 List of Major Shareholders

2024/04/15

Shares / Major Shareholders	Quantity of Shares	Proportion of Shareholding
Walsin Lihwa Corporation	88,902,325	18.30%
HannStar Board Corporation	38,267,115	7.88%
Global Brands Manufacture Ltd.	17,152,481	3.53%
Walton Advanced Engineering, Inc.	13,357,083	2.75%

Yu-Heng Chiao	12,887,461	2.65%
Citigroup (Taiwan) Commercial Bank entrusted with the custody of Maybank Kim Eng Securities Sdn Bhd investment account	11,326,967	2.33%
Giga Investment Co.	6,678,085	1.37%
Chin-Xin Investment Co., Ltd	6,215,379	1.28%
TSAI YI CORPORATION	5,385,070	1.11%
Winbond Electronics Corporation	5,300,117	1.09%

4.1.6 Stock Price, Net Value, Earnings, Dividends and Related Information for the Past Two Years

Unit: Dollar, share

Item \ Year			2022	2023	Current Year up to April 30, 2024 (Note9)
Share Price (Note 1)	High		180.50	143.50	126.00
	Low		71.60	78.20	102.00
	Average		108.34	102.88	110.46
Net Value per Share (Note 2)	Basic		91.34	96.08	-
	Diluted		88.93	93.92(Note 8)	-
Earnings per Share	Weighted average shares (thousand shares)		484,804	484,804	-
	Earnings per Share (Note 3)	Before Adjustment	3.40	4.09	-
		After Adjustment	3.40	4.09	-
Dividend per Share	Cash dividend (Note4)		2.405	2.15(Note 8)	-
	Stock Dividends	Stock Dividends Appropriated from Retained Earnings	-	-	-
		Stock Dividends Appropriated from Capital Reserve	-	-	-
	Accumulated unpaid dividend		-	-	-
Return Analysis	Price-earnings ratio (Note 5)		31.86	25.15	-
	Price-dividend ratio (Note 6)		45.05	47.85(Note 8)	-
	Cash dividend yield (Note 7)		2.22%	2.09%(Note 8)	-

Note 1: The highest and lowest share prices for each year are provided, with the average price for the year computed based on each year's transaction amount and volume.
Note 2: Use the number of the outstanding issued shares at year's end and the distribution passed at the following year's shareholders' meeting to fill in.
Note 3: If it is necessary to make adjustments retroactively due to situations such as issuance of bonus shares, the earnings per share before and after the adjustments should be listed.
Note 4: Cash dividends include earnings distribution and capital surplus.
Note 5: Price-earnings ratio = Average per share closing price for the year / earnings per share.
Note 6: Price-dividend ratio = Average per share closing price for the year / cash dividend per share.
Note 7: Cash dividend yield = Cash dividend per share / average per share closing price for the year.

Note 8: The proposal for 2023 appropriation of earnings approved with resolution by the Company's board of directors on March 25, 2024. But has not yet been resolved by the 2024 annual shareholders' meeting.
Note 9: The net value per share and earnings per share should be filled in with the information of the Independent Auditors' (Review) Report in the most recent quarter of the annual report. The remaining fields should be filled in the year of the date of publication of the annual report.

4.1.7 Dividend Policy and Implementation Status

4.1.7.1 Dividend Policy

According to the surplus distribution policy stipulated in Article 31 of the Articles of Incorporation of the Company, the Company should first set aside 10% of such profits as a legal reserve after its losses have been covered and all taxes and dues have been paid at the time of allocating surplus profits when the Company makes a profit during the fiscal year. However, it shall not apply when the legal reserve amount to the authorized capital. After the special surplus reserve is allocated or reversed according to the regulations of the law or the competent authority, the special surplus reserve may be set aside according to the Company's operating needs. If there is a balance, it shall be accumulated to the undistributed surplus. The board of directors shall draft a surplus distribution plan and submit to the shareholders' meeting for adopting a resolution of the distribute dividends to shareholders. The Company set out the distribution policy of employee compensation and director in the Article of Incorporation (See 4.1.9).

In addition to the Company surplus earnings distribution in accordance with Article 31 of the Articles of Incorporation of the Company, the shareholder dividends distributed in the current fiscal year shall be based on the principle that the proportion of stock dividends shall not exceed 50%, and the rest shall be distributed in cash dividends. However, when sufficient funds are obtained to meet the annual funding needs, the above-mentioned cash distribution ratio may be increased to 100% at discretion. As listed in the preceding paragraph, the Company may determine the most appropriate dividend policy and payment method based on the actual operating conditions of the current year and considering the capital expenditure budget plan for the next year.

4.1.7.2 The basis for estimating the amount and the actual distribution of employee and director compensation (see 4.1.9).

4.1.7.3 Proposed dividend allocation for approval at annual shareholders' meeting

According to the resolution of the Company's board of directors on March 25, 2024, it is proposed to distribute cash dividends from the earning in 2023 to shareholders shall be NT$1,044,479,243, with NT$2.15 per share (which is calculated based on 485,804,299 shares).

The above distribution, it is proposed that the Chairman be authorized to determine the ex-dividend date and related matters of cash dividend distribution after resolution is made in this shareholders' meeting. In the event of changes of the Company's common shares, conversion of

the company's convertible corporate bonds, repurchase of treasury stocks or transfer treasury stocks to employees, etc., thereby affecting the number of outstanding shares and then causing the proposed cash distribution per share to change, it is proposed that the Chairman be authorized to adjust the same based on the number of actual shares outstanding on the ex-dividend base date.

The distribution of the cash dividends shall be rounded down to the nearest New Taiwan Dollar. The aggregate of the remaining cash will be credited to Other Revenue by the Company.

4.1.8 Impact of issuance of stock dividends proposed in this shareholders' meeting upon the Company's business performance and earning per share (EPS):N/A

4.1.9 Remuneration for Employees and Directors

1.The percentages or ranges with respect to employees and directors compensation, as set forth in the Articles of Incorporation of the Company.
The Company carried out the distribution of employees and directors compensation in accordance with the Article 31 of the Articles of Incorporation of the Company, "If the company makes a profit during the fiscal year, it shall allocate 2% to 10% of the said profit as employees compensation, which shall be distributed in stocks or cash. Also, it shall be decided by a resolution to be adopted by a majority vote of the directors at a meeting of the board of directors attended by at least two-thirds of the entire directors of the company, and report to the shareholders' meeting. Employees include employees of the affiliates, who meet certain conditions. The company may allocate no more than 2% of the said profit as directors remuneration according to the adoption by the meeting of board of the directors".

2. The basis for estimating the amount of employees and directors compensation, for calculating the number of shares to be distributed as employees compensation, and the accounting treatment of the discrepancy, if any, between the actual distributed amount and the estimated figure, for the current period.
According to the dividend policy of the company's Articles of Incorporation and referring to the previous year contribution, the basis for estimating the amount of employees and directors compensation, for calculating the number of shares to be distributed as employees compensation, the company should enter adjusted entries based on the treatment of the change in accounting estimates, if there is any discrepancy between the actual distributed amount and the estimated figure. Furthermore, the company didn't make accounting estimates for calculating the number of shares to be distributed as employees compensation.

3. Information on any approval by the board of directors of distribution of compensation:
a. The amount of any employees compensation distributed in cash or stocks and compensation for directors.
The resolution of company's board of directors was adopted on February 23, 2024 that the total amount of employees compensation and directors compensation for the year 2023 was NT$71,061 thousand, and the total amount was distributed in cash. The estimates and distributions are as follows:

Unit: NT$ thousands

Item	Estimated figure in 2023	Adoption of the resolution by the board of directors on 23 Feb., 2024	Discrepancy	Accounting treatment
Directors compensation	21,865	21,865	0	None
Employees compensation distributed in cash	49,196	49,196	0	None

b. The amount of employees compensation distributed in stocks, and the size of that amount as a percentage of the sum of the after-tax net income for the current period and total employees compensation: None.

4 The actual distribution of employees and directors compensation for the previous fiscal year (with an indication of the number of shares, monetary amount, and stock price, of the shares distributed), and, if there is any discrepancy between the actual distribution and the recognized employees or directors compensation, additionally the discrepancy, cause, and how it is treated.

The resolution of the shareholders' meeting in 2022 was adopted the actual allotment in cash of NT$ 15,701 thousand for directors remuneration and NT$ 39,251 thousand for employees remuneration. The said resolution is consistent with the resolution of the original board of directors.

4. 1.10 The Execution Status of Shares Buyback:

Repurchases already completed

2024/04/30

Treasury stocks: Batch Order	16th Batch	17th Batch
Purpose of buy-back	transfer shares to employees	transfer shares to employees
Timeframe of buy-back	Forcast:2021/03/26~2021/05/25 Actual:2021/03/26~2021/04/01	Forcast:2021/05/04~2021/07/02 Actual:2021/05/04~2021/06/15
Price range	NTD240~252	NTD230~252
Class, quantity of shares repurchased	Common stock 600,000 shares	Common stock 400,000 shares
Value of shares repurchased (in NT$ thousands)	NTD151,104,443	NTD85,275,824
Quantity of repurchased shares as a percentage of total shares to be	100%	100%

repurchased (%)		
Shares sold/transferred	0	0
Accumulated number of company shares held	600,000 shares	1,000,000 shares
Percentage of total company shares held (%)	0.12%	0.21%

4.2 Issuance of Corporate Bonds:

4.2.1 Corporate Bonds

Corporate Bond Type		2020 1st Unsecured Corporate Bonds
Issue date		April 29, 2020
Denomination		NT$100,000
Issuing and transaction location		N/A
Issue price		Issue by denomination
Total price		NT$4,800,000,000
Coupon rate		0 %
Tenor		4 years Maturity: April 29, 2024
Guarantee agency		None
Consignee		ChinaTrust Commercial Bank
Underwriting institution		Horizon Securities
Certified lawyer		Lin Sen-min
CPA		Shih Chin-Chuan and Yu Hung-Bin
Repayment method		Repayment in lump sum upon maturity
Outstanding principal		NT$4,798,900,000 (The bonds will be repaid after maturity on April 29, 2024)
Terms of redemption or advance repayment		According to the Clause 10 of the issue and conversion method of our company's 1st unsecured corporate bond for 2020,denomination in cash is to be paid upon maturity, except those cases when the convertible bond holders convert the bond into common stocks in accordance with clause 10 or early redemption from the securities company's business office in accordance with Clause 18.
Restrictive clause		None
Name of credit rating agency, rating date, rating of corporate bonds		None
Other rights attached	As of the printing date of this annual report, converted amount of (exchanged or subscribed) ordinary shares, GDRs or other securities	Converted corporate bonds amounted to NT$1,100,000, with 4,774 common shares converted in total till April 29,2024
	Issuance and conversion (exchange or	Please refer to the issue and conversion method of our company's 1st unsecured corporate bond for 2020.

	subscription) method	
Issuance and conversion, exchange or subscription method, issuing condition dilution, and impact on existing shareholders' equity		Calculate the remaining corporate bond value according to the present conversion price if all convertible bonds are exchanged to become common stocks, then our company needs to reissue common stocks with a capital inflation rate of 4.49%, which would have limited impact on shareholders' equity.
Transfer agent		N/A

The corporate bonds matured on April 29,2024

4.2.2 Convertible Bonds

Corporate bond type		1rd Unsecured Convertible Corporate Bond				
Item \ Year		2020	2021	2022	2023	As of the printing date of this annual report(2024/04/29)
Market price of the convertible bond	Highest	118	128	111.8	102	100.35
	Lowest	101.5	103	96	96	99.45
	Average	105.68	116.42	104.32	99.37	99.73
Convertible Price		NT$240 (Conversion price adjusted to NT232.6 since 2020/08/12)	NT$232.6 (Conversion price adjusted to NT225.6 since 2021/09/05)	NT$225.6 (Conversion price adjusted to NT215.6 since 2022/08/16)	NT$210.2 (Conversion price adjusted to NT210.2 since 2023/08/05)	NT$210.2
Issue date and conversion price at issuance		Issue Date: 2020/04/29 Conversion price at issuance: NT$240				
Conversion methods		Issuing of new stocks				

Note:The corporate bonds matured on April 29,2024

4.3 Issuance of Preferred Shares: None.

4.4 Issuance of Global Depositary Receipts: None.

4.5 Status of Employee Stock Option Plan or Employee Restricted Stock: None.

4.6 Status of New Share Issuance in Connection with Mergers and Acquisitions:
None.

4.7 Financing Plans and Implementation:

1.Contents of Plan:

A. Competent authority approval document number: Letter No. 1090334095 of FSC(Financial Superisory Commission)issued on March 25, 2020.

B. Issued the first domestic unsecured conversion corporate bonds. The total number of issued bonds is limited to 48,000, each with a denomination of NT$100,000. It is issued based on the par value. The total amount of issuance is capped at NT$4.8 billion. The annual coupon rate is 0%, and the issuance period is 4 years and expiredon 2024.04.29.

C. Planned project and progress of funds

Item	Scheduled Finish date	Actual Finish date
Purchase plant, equipment and factory facilities	Year 2022 Q1	Year 2021 Q3

D. Expected possible benefits:

a. Purchase of factory buildings: The original leased Kaohsiung factory has completed the transfer of ownership in the third quarter of 2021, which can save annual rental expenses NTD70,484 thousands, improve the company's autonomy in space utilization, and improve management efficiency and overall operating performance. Strengthen the long-term development of sustainable operation in the future.

b. Purchase of equipment and factory facilities: Although the relevant equipment and factory facilities for the purchase and production of this plan have been completed, the global economic development in 2022 was affected by the new crown epidemic, war and inflation, resulting in shrinking market demand and a significant reduction in orders. The new production capacity has actually been put into production. Benefits will be deferred.

Operational Highlights

5.1 Business Activities

5.1.1 Business scope

(1) Business scope

1. Core Business - Products and Services

The company is engaged in the researching and developing, manufacturing, processing, and sales of assorted passive components. Product lineups include multiple-layer ceramic capacitors (MLCC), chip-resistor, RF devices, disc capacitors, inductors, disc type safety capacitors, varistor, thermistor, chip fuse, ceramic dielectric powder, disc type semiconductive capacitor elements, diodes, and inductors.

2.Revenue ratio.

Primary products	Revenue Ratio of parent company	Revenue Ratio of Global sales
MLCC	72.4%	41.5%
Chip-R	17.3%	20.7%
Disc	1.0%	4.1%
Thin Film	0.0%	1.4%
RF	8.2%	15.8%
Others	1.1%	16.5%
Total	100.0%	100.0%

3. Products and Services

(1) Multiple-layer ceramic capacitor (MLCC)
(2) Chip Resistors (Chipr-R) and Chip-R Array
(3) Disc Capacitors
(4) RF Components
(5) Varistors, NTC Thermistor
(6) Inductors
(7) Chip Fuse
(8) Dielectric porcelain powder
(9) Disc type semiconductive capacitor elements
(10) Protection component

4. Recent development plan of new product

With the development and progress of science and technology in recent years, the main development directions of multi-layer ceramic capacitors (MLCC) in Walsin are focusing on the higher volumetric capacitance, high frequency application, high reliability for automotive application and diversified features of device. Through the self-developed and state-of-the-art ceramic technology, the higher capacitance MLCCs with X5R, X7R and NPO characteristics are innovated and launched continually. Due to the booming demand for high-speed computing of AI, the high-capacitance X5R MLCCs tend to possess better temperature characteristics in application. WTC has been upgrading relevant technologies to meets above need, and also applying to the

miniaturized MLCCs (including 01005 size) and three-terminals (Feedthrough type) MLCC derivatives. In response to the recent technological revolution in vehicle, such as EV & ADAS, WTC has not only expanded the production capacity of automotive MLCCs, but also developed more competitive automotive MLCC categories by in-house material formulations, process technology and manufacturing management for providing a high-reliability and AEC-Q200 compliant product to customers. Including the high-voltage automotive MLCCs (X7R & NPO, ≥100V), soft-termination automotive MLCCs and high-Q automotive MLCCs with upgraded specifications have been launched one after another. Regarding recent wireless communication applications of 5G or wifi-7, several new series of microwave MLCCs, respectively with high capacitance precision, high temperature characteristic (X8G) and ultra-small size (01005), have been developed and hit the shelves.

In terms of chip resistors, we keep focusing on miniaturized and high reliability products for anti-sulfurization, anti-oil bath, anti-surge,anti-high temperature and ultra-low ohm current sending resistors. Regarding the requirements of vehicle, we have developed igh-power,antisurge and Lead-Free resistor products, and many products have been launched on the market. About the on-going projects of thin-film resistors, we are developing on the current sensing resistor with low TCR and the automotive thin-film resistor.

Because of applied current become larger of industrial power , we focus to develop the Hi-cap & Higher –surge protection DISC Cap

In regard to the radio-frequency (RF) LTCC components, new products development focus on sub-6G, ultra wide band(UWB), WIFI 6E, WIFI7, LEO and millimeter wave applications, including diplexer、triplexer、bandpass filter、automotive grade filters and IOT switch modules, etc. Since 5G communication products have multiple frequency bands, the anti-interference ability between each frequency band needs to be improved. Therefore, all products are developed for low loss and high out band suppression. Under the continuous optimization of process capability and design architecture, the newly competitive products are promoted to market timely. WIFI 7 BPF, Diplexer, Triplexer have all become reference designs for major IC Design Houses; automotive WIFI 7 products have become reference designs for automotive ICs; UWB automotive filters have been successfully introduced to major car manufacturers. Additionally, with the development of new materials and the enhancement of technological capabilities, a low Earth orbit satellite diplexer module has been developed, providing RF component solutions for the FR3 frequency band.

5.1.2 Overview of Industry

Passive Component Industry Overview:

1. Passive Component Industry Status

The passive component industry is a vital part of the electronics industry, providing essential indispensable components such as capacitors, resistors, and inductors. These components work together to influence the flow of electricity running through them and protect the active units in electronic devices.

According to multiple market researches analyzed, the global passive components market size for 2023 is estimated at around US$36B. Although the estimated market size for 2024 vary slightly from company to company, all believe that the growth trend will continue. Among them,

capacitors account for 65% of the global passive components market, and resistors account for 28%.

In recent years, the industry has experienced steady growth, driven by increasing demand for electronics devices in sectors such as automotive, 5G, IoT, networking, industrial, medical, and aerospace sectors. The passive component industry is dominated by Japanese vendors while suppliers from South Korea, Mainland China, and Taiwan contribute the most production capacity. The Asia-Pacific region consumes approximately 70% of the global passive component supply.

The global passive components market can be classified into several sectors, including automotive, telecommunications, information technology (IT), consumer electronics, industrial, healthcare, and defense, with telecommunications accounting for approximately 30% of the entire market.

2.Passive Component Industry Development Trend

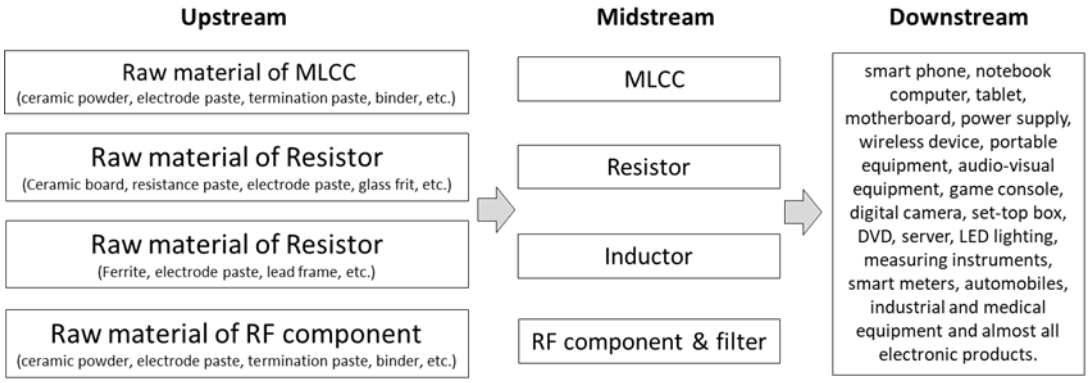
The automotive electronics and smartphone industries have had a profound impact on the passive component market. With entertainment systems, GPS navigation, and other safety-driving assistance systems (such as ADAS) being increasingly incorporated into standard vehicle features, the demand for automotive passive components is growing at an unprecedented rate. For example, a typical internal combustion engine car requires 2,000 to 3,000 capacitors, while an electric vehicle requires as many as 15,000 capacitors. As more features become digitized, the demand for passive components will continue to grow.

Automotive grade passive components enjoy a stable price and profit level due to additional quality and reliability requirements. Demand forecasts are also more stable and accurate. As various governments' incentive measures and pollution control regulations are about to be implemented worldwide, the automotive passive component market is expected to continue to grow at a double-digit rate over the next few years, making it a target for all manufacturers.

Besides automotive electronics, smartphones have always been another major driver of the growth of the passive components market. In 2023, due to the challenges of the overall economy and excessive inventory, global smartphone shipment reached its lowest point in ten years. However, the recovery in the second half of the year consolidated the expected rebound in 2024, and the demand for passive components is anticipated to return to growth.

The shift towards new communication standards such as 5G and 6G will also a positive impact on the market. The increasing adoption of digitalization, connectivity, and mobility further increases the complexity of electronic products and drives demand for passive components, which is likely to continue in the foreseeable future.

3. Correlation between Upstream, Midstream, and Downstream in the Supply Chain



The upstream of the passive component industry is a supplier of materials such as interface ceramic powder, ceramic substrates, alumina substrates, quartz substrates, conductive adhesives, cathode foils, etc. The raw materials of WTC's main product MLCC are ceramic powder and internal and external electrode materials.

In the early days of operation, the above-mentioned raw materials were all outsourced, after long-term efforts, the self-made ratio of related raw materials has increased significantly.

The middle reaches of the passive component industry are the manufacturers of resistors, capacitors, inductors, filters, oscillators and so on. Passive components are indispensable components in each electronic circuit. According to their functions, they are divided into three categories: capacitors, resistors and inductors. Capacitors control and filter electric waveforms, resistors adjust current and voltage, and inductors filter noise and prevent electromagnetic interference. Through the combination of these three components, the purpose of controlling and optimizing the electrics and protecting the active components during operation can be achieved.

Since passive components are widely used in various electronic products. The downstream applications include smart phone, notebook computer, tablet, motherboard, power supply, wireless or bluetooth device, portable equipment, audio-visual equipment, game console, digital camera, set-top box, DVD, server, LED lighting, measuring instruments, smart meters, automobiles, industrial and medical equipment and almost all electronic products.

4. Development directions and application trends of the product and the market situation

(a) Capacitor products

- Higher volumetric capacitance and miniaturization: Potable communication devices such as smartphones, tablets, smart watches, and wearable devices are constantly being introduced, causing MLCC components to develop towards high-capacitance and miniaturization. Recently, due to the increased demand for high-speed computing of AI, the high-capacitance MLCCs are developing towards higher temperature characteristics.
- Higher frequency application: High-speed wireless communication technology continues to innovate, and relevant products like 5G base stations and WiFi-7 wireless routers are on the market. Therefore, the request of MLCC components used in higher frequency application is expected to gradually increase. In addition, the automotive communication technology and market are gradually maturing, which also requires this type of MLCC to have automotive grade on reliability.
- High reliability for automotive application: The electric vehicle market was recovered from the epidemic in 2023. Coupled with the increasingly popular autonomous driving technology, the demand for automotive MLCCs will continue to increase.
- High voltage types for different applications: As the demand for vehicle charging piles, energy-saving equipment, LED lighting, machine tools, etc. the market demand for

high-voltage MLCCs and safety MLCCs is steady.

(b) Chip-R products

- Significant requirements of anti-sulfurization and high-power resistors in application.
- As environmental awareness increases, the demand for lead-free resistors that comply with Rohs standards is gradually increasing for general consumer electronics and automotive industry.
- Low resistance current sensing Chip-R, and the anti-sulfuration Chip-R are wildly used in automotive electronic equipment.
- The demand for thin film resistors continues to grow due to their high precision and long-term stability. -

(C) RF components

- Miniaturization and thinning: In response to the multi-functional requirements of smart phones and smart wearable devices, the usage amount of passive components has increased significantly. Under the same available layout area, miniaturization and thinning are the development trends of RF components.
- Modularization: As mentioned above, modular products are also a development trend, especially for the modularization of RF front-end receiving circuits has become a development trend. Therefore, the demand of ultra-thin filters for the module will also increase significantly.
- High reliability and automotive use: The construction of 5G base stations has become the development goal for major telecom operators. Therefore, RF components with high reliability and long life cycle must also be the direction of development in the coming years; In terms of vehicle use, due to the requirement for interconnection between vehicle networking and multimedia equipment, the demand for RF components must meet AEC-Q200 that will also grow significantly.
- FR2, FR3 Application Frequencies: With the development of low Earth orbit satellites, the demand for RF products in the 7~24 GHz range will grow annually.

5. Countermeasures of the market trend

(a) In response to market demand directions, a wide variety of new MLCC products are being developed as follows,

- High-capacitance: To develop the novel technologies including material and process for getting higher volumetric capacitance (>20uF/mm3) of MLCC with superior temperature characteristic.
- Miniaturized & diversified: 01005-sized chip MLCCs with different temperature characteristics are mass-produced gradually and three-terminal MLCCs (feedthrough type) with high capacitance and low ESL have been launched and upgrading continually.
- High-frequency: Several microwave MLCC categories made by in-house BME-Cu technology, respectively with high capacitance precision, high temperature resistance (for 150℃) and AEC-Q200 compliant grade have been launched for wireless high frequency applications .
- High-reliability: The AEC-Q200 compliant automotive MLCCs have been developing in WTC for many years and also established a complete lineup of automotive MLCC. We are also committed to developing towards superior specifications and product reliability of automotive grade MLCC.
- High-voltage: To continually enlarge the product range of high-voltage MLCCs for supply server, industrial computers, robots, lighting market and fast-charging system of vehicle.

(b) Based on professional resistor manufacturing experience, WTC is focusing on the development and manufacture of automotive resistors, anti-sulfur resistors, high-power resistors, lead-free resistors, low-resistance resistors, high-voltage resistors, high-precision resistors and 0201 size array resistor. The chip resistors produced by the thin-film process have excellent accuracy and stability, and are also an important proprietary technology for continuous upgrading in WTC.

(c) There are five strategies for the RF component:

-RF products development for miniaturization and thinning: Full-scale mass production of 0402 size filters and continuous development of new specifications.

-RF products development for module used: Cooperate with module manufacturers to customize ultra-thin filters and provide solutions for module products

-RF products development for high reliability and automotive: Development and mass production relative product that can meet AEC-Q200.

-Development of Low Earth Orbit Satellite RF Products: Developing and mass-producing products that meet high reliability standards to meet the needs of low Earth orbit satellite applications.

-New development product can be approved continuously by IC design house.

5.1.3 Technologies and R&D Overview

1. R&D expenditures years end on March 31,2024 and 2023

Unit: NT$ thousands

Item	2023	March 31,2024
R&D Expenditures	1,040,016	237,734
Net Revenue(%)	3.17%	2.92%

2. Successfully developed technologies or products in 2022

In order to enhance independent R&D capabilities and maintain competitive advantages, WTC is committed to a long-term steady strategy of intellectual property. In 2023, there are 6 domestic and foreign patents issued, and applied several new important technical patents. All patented technologies have been used in our current and future products.

WTC has successfully developed and released plenty of products in 2022, including product range enlargement on high-capacitance X5R/X7R MLCCs, automotive X7R/NPO MLCCs, automotive high-voltage MLCCs, Feedthrough MLCC, miniaturized (01005-size) X5R/NPO MLCCs, high temperature MLCC (X8G), etc. Many series of chip resistors are completed for electric vehicles, like high-power current sensing resistors, high-precision with low resistance, anti-sulfuration and lead-free automotive chip resistor. And also released N77 RF receiving modules, WiFi 7 filters, WiFi 7 multi-plexers, automotive grade UWB filters, LEO diplexer modules, IPD integrated modules, module used filters and so forth.

3.R&D plan in next year:

A plenty of key products are planned to develop in the coming year, included high-capacitance X5R/X7R MLCCs, low ESL MLCCs, miniaturized X5R/NPO MLCCs, automotive MLCCs with soft termination, high-voltage & safty MLCCs, automotive X7R/NPO MLCCs, high temperature MLCCs, automotive anti-sulfurization current- detection chip resistor, automotive high-power anti-sulfurization chip resistor, automotive anti-surge & anti-sulfurization chip resistor, automotive high-voltage anti-sulfurization chip resistor, automotive high-precision resistance anti-sulfurization chip resistors, lead-free automotive anti-sulfurization chip resistors, miniaturized anti-surge chip resistors, automotive precision thin-film chip resistors; and thin-film chip resistors, LTCC filters, wifi7 filters, wifi7 Multi-plexer, automotive grade filters, LEO diplexer modules, RF IPD module and other product series.

4. Short/Long Term Business Development Plan

Short Term Business Plan

(1) Take advantage of the fact of being the few suppliers in the industry with volume supply capacity for automotive-grade MLCC and Chip Resistor and continue expanding the production capacity of automotive-grade products from the company's dedicated manufacturing line to keep up with the constant growing demand
(2) Product research and development focus on miniaturization, integration, high-temperature, high voltage, and high stability to address product requirements of 5G and automotive application
(3) Engage customers with need in high-capacitance and thin film and low resistance resistors
(4) Leverage Walsin Technology Corporation's sales platform in Japan and proactively focus on Japan's key account penetration.

Mid-to-Long Term Business Plan

(1) To deploy a multi-location production plan and multi-source raw material procurement strategy to cope with the uncertainties presented by the geopolitical tensions and supply-chain reform.
(2) To ensure the company's product development keep up with the 5G infrastructure deployment, the company has been focused its product development on high Q low ESR MLCC, high precision and anti-sulfur resistor, high-power, anti-surge resistor, and LTCC filters to address demands from the sub 6GHz and customized full bank antenna to address needs from base stations, antenna, server, switch routers and PBX customers.
(3) Make good use of the company's self-reliant powder supply and expand MLCC production capacity while adjusting the product mix with high margin products enlarged.
(4) Continue to focus product development on high-capacitance, high-frequency, high-power, thin-film, low ohm, and other high precision products.
(5) To further develop business in Europe and North America regions.
(6) To further improve upon the company's profitability by expanding high margin product production capacity to fulfill demands from high-unit-price and high-margin customers.
(7) To expand customer base through merge and alliance.

5.2 Business Overview

5.2.1 Market, Production and Sales Overview

1. Market Analysis

Sales region(s) of main products for Year 2023

Unit:NT thousnads

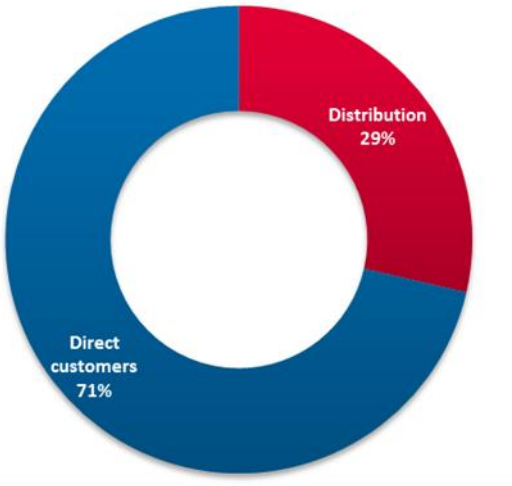
Region(s)	Revenue Amount	%
Asia	29,217,221	89.08%
Americas	1,628,574	4.97%
Europe	1,951,876	5.95%
Total	32,797,671	100.00%

2. Shipment Quantities & Market Share of MLCC and Chip Resistor

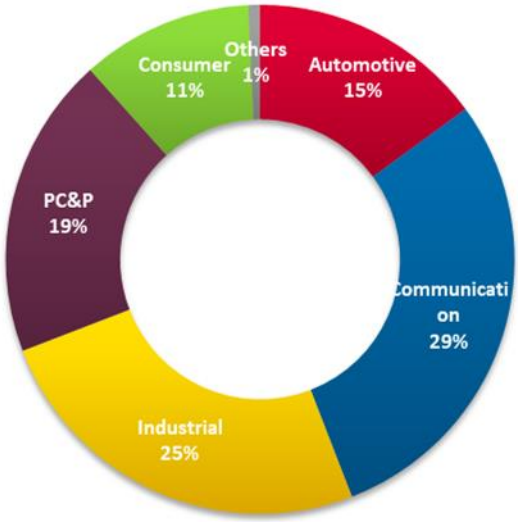
Multilayer ceramic capacitors (MLCCs) are generally the capacitor of choice for applications such as telecom, PC&P, and consumer electronics because of their compact size, better high-frequency performance compared to aluminum electrolytic capacitors, and better stability over temperature, depending on the temperature coefficient.
MLCC shipment of Walsin Technology accounts for approximately 10% of the entire MLCC market in 2023.

Walsin Technology has been proactively developing small-sized chip resistor, array, anti-surge, anti-sulfur, current-sensing metal plate, thin-film high precision, and other specialty products to address the latest evolution in consumer electronics, automotive application, etc.
Chip resistor shipment of Walsin Technology accounts for approximately 19% of the entire Chip Resistor market in 2023.

2023Walsin Technology Revenues Breakdown by Channel



2023 Walsin Technology Revenues Breakdown by End-use Application Segment



3. Supply and Demand Status and Development Trend of the Product End-Use Applications

a. Market Demand Analysis

Looking forward, the growth of the passive component market in 2024 is expected to be driven by several factors. These include:

Increasing demand from the automotive and industrial sectors: Although the demand from these sectors has been weaker than expected, it is still a significant contributor to the growth of the passive component market.

AI computing and Cloud server

Rising adoption of 5G technology: The deployment of 5G networks is expected to fuel demand for passive components such as filters, amplifiers, and antennas, which are critical components in 5G base stations and devices.

Growth in Internet of Things (IoT) devices: The proliferation of IoT devices in various sectors such as smart homes, healthcare, and industrial automation is expected to drive demand for passive components such as sensors, capacitors, and resistors.

Increasing demand for electric vehicles (EVs): The global shift towards EVs is expected to increase demand for passive components such as power electronics, thermal management, and energy storage.

Demand recovery for consumer electronics: The demand for consumer electronics devices such as smartphones, laptops, and gaming consoles is expected to revert to growth trend.

Driven by the development of new technologies such as the electronization of consumer electronics products, 5G, the Internet of Things, electric vehicles, and AI, the global passive components market size is estimated to reach around US$38 billion in 2024. Although stable growth is expected, it still faces various challenges such as the economic environment and rising transportation costs.

b. Market Supply Analysis

Since the second half of 2023, with the inventory destocking approaching the end, manufacturers have begun to expand their production capacity one after another. According to market research firm TrendForce, global passive component production capacity is expected to increase by about 10% in 2024.

Among them, mainland China will still be the main source of global passive component production capacity, and it is expected that the production capacity in 2024 will account for more than 70% of the total global production capacity. In addition, passive component manufacturers in Taiwan, Japan, and South Korea will also continue to expand their production capacity in 2024.

The continued growth of application markets such as electric vehicles, AI, 5G/6H, Internet of Things, smartphones, and green energy will drive the demand for passive components. According to TrendForce, global passive component demand is expected to grow by about 8% in 2024.

However, the slowdown in global economic growth and rising inflation may have a certain impact on the demand for consumer electronics products.

In addition, geopolitical factors such as the Russia-Ukraine war and the Sino-US trade friction may also affect the passive components market.

Overall, the supply and demand of the passive components market in 2024 will be roughly in a balanced state. However, it is still necessary to pay attention to the impact of factors such as the global economy and geopolitics.

4. Competitive Advantages

- Professional management team with extensive industry experience. The company fully authorizes one according to one's position in the corporate hierarchy to ensure an effective and prompt decision-making process.
- A healthy and transparent financial status to shareholders and the public.
- Led by industry experts, the company's R&D centers are established around the Asia Pacific with state-of-the-art equipment. The company proactively co-works with colleges and universities to recruit talented students.
- From capacitors, resistors, inductors, RF devices, antenna, to protective components, the company provides customers one-stop-shop convenience for passive components.
- The company's sales and distribution channels are well established across the globe to ensure prompt and localized services.
- Through merge and alliance, not only does the constant expanding alliance improves its operation efficiency, but also leverage individual member company's strength and connections to enhance its product offerings and expand business effectively.

5.Positive and Negative Factors Affecting the Company’s Development and Coping Strategies

Positive Factors

- To deploy a multi-location production plan and multi-source raw material procurement strategy to cope with the uncertainties presented by the geopolitical tensions and supply-chain reform.
- The booming demand for electric cars, deployment of the 5G network, and the post-pandemic demand for portable devices, and the launch of the new 5G smartphone all contribute to a promising industry outlook.
- The company's strong commitment to R&D and continuous investment in the research and development of the company’s product and equipment.

- Industry-leading research team, self-reliant raw material supply, and ability of manufacturing machinery and process optimization.
- Demand remains robust as EV market is expected to achieve double-digit growth for 2024 and years to come.
- Commercial applications of automotive, 5G, Metaverse, and LEO Satellite (Low Earth Orbit Satellite) will drive the demand growth.

Negative Factors

- The rising costs in labor and stricter pollution emission control.
- The uncertainty posted by the intensifying tech war between China and the United States.
- The volatility in raw material prices will be a major challenge.
- Russia is the world's largest producer of palladium and the third largest supplier of nickel. The prices of nickle has increased dramatically because of the export ban by Russia.
- The growing labor costs and political instability.

Coping Strategies

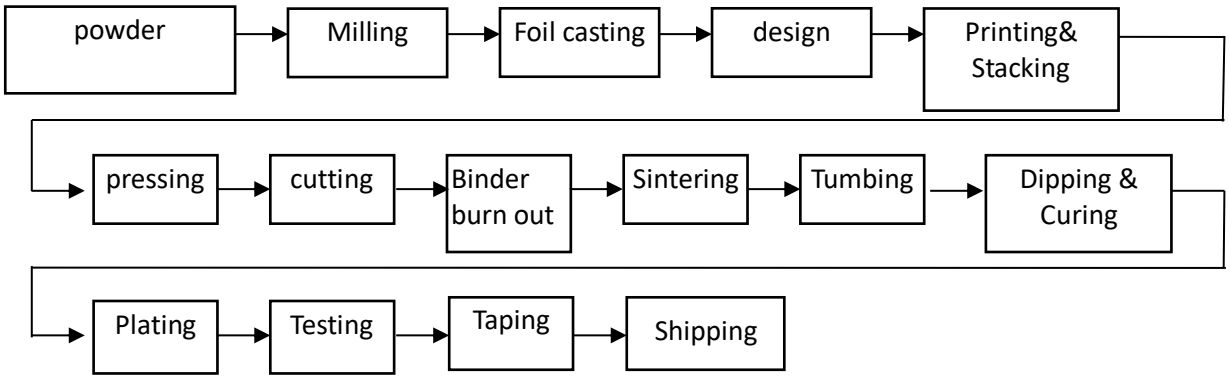
- Multi-location production plan and multi-source raw material procurement strategy.
- Automate those labor-intensive processes.
- Industry-competitive compensation and reward program and employee self-fulfillment support.
- To alleviate the potential risks caused by regional political or trade model changes by leveraging the distribution network.

5.2.2 Usage and Manufacturing Processes for the Main Products

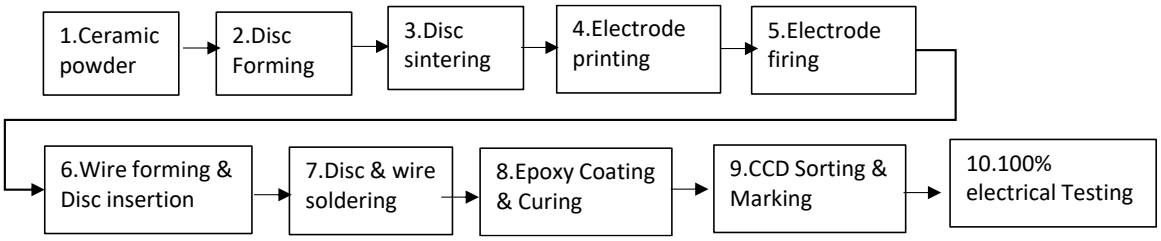
Main Products	The main purpose
MLCC	**Used for the energy storage, bypass, smoothing, coupling, filtering, resonance, impedance-matching circuits, and applied to computer peripherals, communications products and consumer electronics, industrial/automotive electronics, household/Medical electronics, etc.**
Protection components: DISC/Varistor&NTC	**Applied to monitors, power supplies, LCD, TV, measuring instruments, cell pone charger, car stereos, household appliances, EV charger, PV Inverter**
Chip-R	**Used for DC step-down converter, DC voltage divider, and applied to consumer electronic products such as computer peripherals and information appliances**
RF Components	**Applied to wireless communication products, bluetooth communication, mobile phones, PND, eBook, wireless networks for automobile, set-top-box**

- **Manufacturing Processes:**

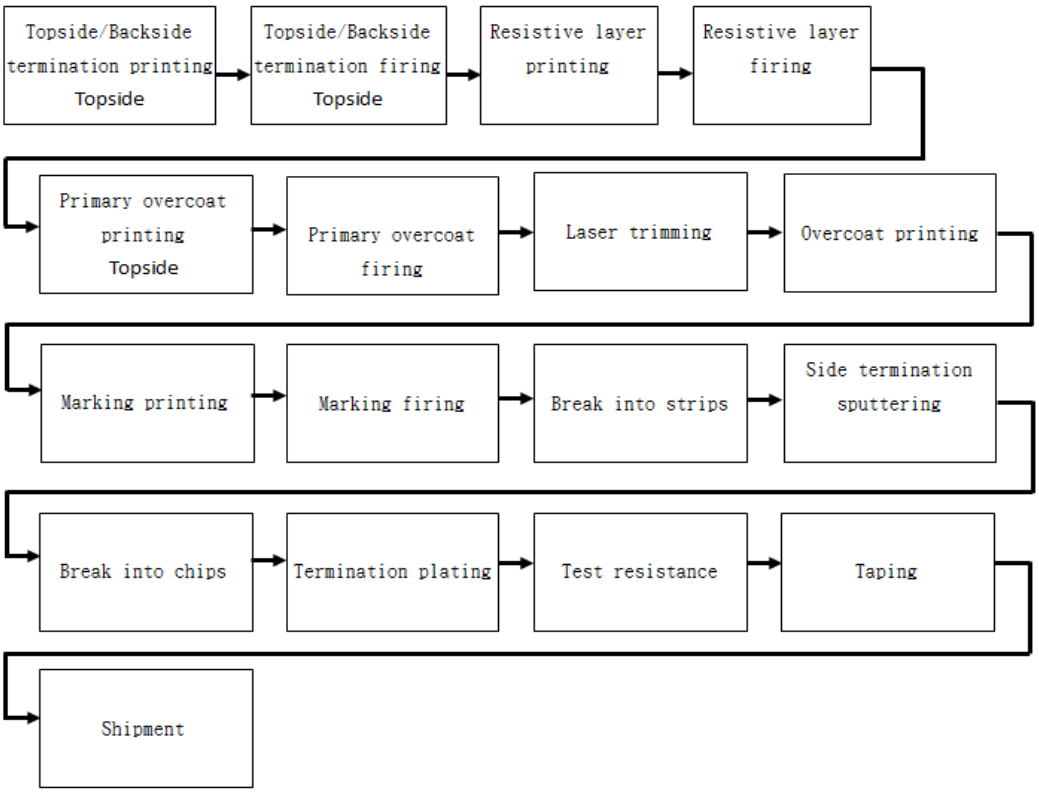
1. MLCC



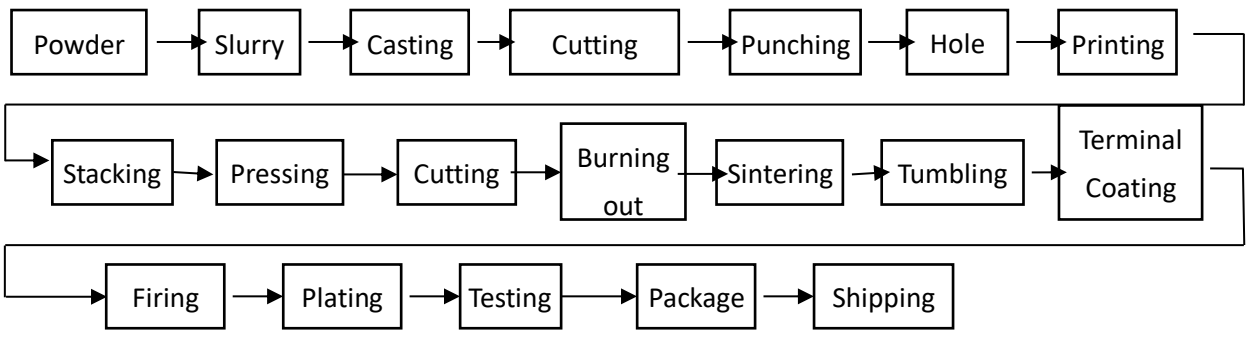
2. Safety protection components



3. Chip-R



4. RF Components



5.2.3 Main raw materials supply

Ceramic powder, internal electrodes, external electrodes and aluminum oxide substrate are the main raw materials.
Since the impact of the COVID-19、Russia-Ukraine war, the international raw materials and foreign exchange are continued to be fluctuated in 2023.
The Company comprehensively takes into account raw materials, exchange rate trends, funds and risks to build a safety-stock.
In order to keep a stable procurement and cost reduction, the Company not only establishes more than two qualified suppliers for each main raw material with a long-term close cooperation relationship but improves existed raw materials and develops the new.
Meanwhile, the Company reduces the impact of rising cost by continuously introducing new suppliers and self-developed critical materials.

Local Procurement percentage:

Year	Taiwan	Dongguan	Suzhou	Guangzhou
2023	68%	80%	95%	80%

5.2.4 The names, procurement (sales) amounts and ratio for suppliers whose total procurement (sales) for any year in the last two years reached 10%.

1. Major supplier information for the last two years

There is no supplier accounting for more than 10% of total amount of purchases.

2.Major customer information for the last two years

There is no customer accounting for more than 10% of the total sales amount.

5.2.5 Output volume and value for the last two years

Unit：Kpcs；Kgs；NT$ thousands

Year/Output volume and value Main Products		2022			2023		
		Capacity	Output volume	Value	Capacity	Output volume	Value
MLCC	Kpcs	654,656,000	298,866,847	11,756,635	655,989,000	327,913,150	11,211,238
Chip-R	Kpcs	707,566,164	447,695,341	6,858,672	665,749,100	449,757,094	5,781,641
RF	Kpcs	5,782,612	2,036,824	4,693,723	5,800,852	2,983,825	4,569,417
Protection components	Kpcs	20,000,000	15,026,892	840,724	26,000,000	16,911,236	2,178,648
Powder	Kgs	4,862,000	2,323,760	743,827	5,370,000	2,377,198	782,836
Others	Kpcs	653,381	431,971	2,740,348	512,496	247,364	2,493,540
Total	Kpcs	1,388,658,157	764,057,875	26,890,102	1,354,051,448	797,812,669	26,234,484
	Kgs	4,862,000	2,323,760	743,827	5,370,000	2,377,198	782,836

5.2.6 Sales volume and value for the last two years

Unit：Kpcs；Kgs；NT$ thousands

Year/ Sales volume and value/ Main Products	Unit	2022				2023			
		Domestic Sales		Exports		Domestic Sales		Exports	
		Sales volume	Sales value	Sales volume	Sales value	Sales volume	Sales value	Sales volume	Sales value
MLCC	Kpcs	26,169,940	1,699,300	305,133,804	13,842,205	23,061,167	1,420,193	313,971,182	13,092,097
Chip-R	Kpcs	25,090,417	634,135	390,026,130	7,411,018	26,581,628	521,426	371,253,943	6,283,502
RF	Kpcs	158,752	560,202	2,003,696	4,703,072	146,590	405,363	2,445,694	4,777,259
Protection components	Kpcs	1,018,738	288,486	11,803,425	2,401,870	1,780,108	287,760	14,211,213	2,545,446
Powder	Kgs	423,731	136,938	481,437	151,844	437,770	147,451	237,711	108,984
Others	Kpcs	18,803	16,582	477,707	3,451,511	9,707	7,250	370,297	3,200,940
Total	Kpcs	52,456,650	3,335,643	709,444,762	31,961,520	51,579,200	2,789,443	702,252,329	30,008,228
	Kgs	423,731		481,437		437,770		237,711	

5.3 Workforce Structure

Workforce Structure from the last two years and up to the date of publication of the annual report:

Employee Information

Fiscal Year		2022	2023	2024 up to March 31
Number of employees	Director Employee	8,423	8,661	8,774
	Indirector Employee	3,434	3,225	3,243
	Total	11,857	11,886	12,017
Average age		34.6	34.2	34.2
Average years of service		6.7	6.6	6.6
Education background (%)	Ph.D	0.29%	0.27%	0.26%
	Master's	3.64%	3.61%	3.62%
	University/College	31.34%	31.70%	31.56%
	Senior High School	26.29%	35.18%	34.28%
	Senior High School and	38.44%	29.24%	30.28%

Note：Due to the computing basics include Soshin Electric Co., Ltd. this year, therefore, the number of employees in 2022 and 2023 is different from the figures in last year's annual report.

5.4 Environmental protection expenses information

5.4.1 In the most recent yea and as of the publication date of the public prospectus. The company's losses due to environmental pollution (including violations of environmental protection laws and regulations, compensation dates, scale of sanctions, violations of laws and regulations, violations of laws and regulations, sanctions compensation and environmental protection audit results), including current and future estimated amounts and Countermeasures. If it cannot be reasonably estimated, the facts that it cannot be reasonably estimated shall be stated:

1. The annual loss (as of the date of publishing annual report) due to environmental pollution is reported as follows, (including compensations for violating regulations for environment protection after being audited by environment protection officials. Itemize compensation with the information of date, penalty ID number, the regulations being violated, the details of the regulations, and the details of penalty.)

Unit： NT$ thousands

Annual Pollution types	2023	Before the end of April 2024
Fail to follow Air Pollution Control Act or Water Pollution Control Act.	10	-
Fail to follow Toxic and Concerned Chemical Substances Control Act.	-	-
Fail to follow Waste Disposal Act.	6	-
Total (unit: NTD thousand)	16	-

Explanation of violations that do not comply with water pollution prevention and control regulations
(1) Explanation of violations: Factory B9 failed to complete the appointment of dedicated personnel within the time limit specified in Article 19, Item 2 of the "Measures for the Establishment and Management of Dedicated Units or Personnel for Waste (Sewage) Water Treatment".
(2) Actions to improve: The improvement has been completed.

Failure to comply with waste disposal laws or other violations
(1) Explanation of violations: The waste professional and technical personnel of the high-tech factory failed to designate an agent to report to this bureau within 15 days in accordance with the regulations, which has violated Article 28, Item 2 of the Waste Cleanup Law and the "Designated Waste Professional and Technical Personnel Should be Announced" "Enterprise" Announcement Matters 4 Provisions.
(2) Actions to improve: The improvement has been completed.

5.5 Labor Relations

5.5.1 List of employee benefits, in-service training, internal training, retirements system, and implementation status. As well as employer-employee agreements and protection measures for employee entitlements:

(1) Employee welfare measures

Employee welfare planning is an important factor in maintaining labor relations. Since the establishment of the Employee Welfare Committee on April 26, 1983, the company has planned various welfare measures (including festivals vouchers, birthday vouchers, company trip, wedding and funeral celebration subsidies, appointed stores, movie tickets, restaurant meal vouchers, and club subsidies, etc.) The company also provides rental allowances, transportation vehicles, work meal, contract medical institution discounts, contract kindergartens, regular health checks, employee education scholarships, employee emergency relief, and group insurance in the care of employees. In 2023, we held a total of 9 activities, with over 10,000 employees participated in the activities organized by the company.

(2) Employee training and education

For the company, talent cultivation is one of the fastest and most effective ways to strengthen the personal abilities of employees and meet the current changes in talents and technology. The company's implementation is as follows:

① The Company has established a complete, diversified learning environment in accordance with the Education and Training Management Procedures. Human resources colleagues are responsible for the planning and implementation of the education and training of all employees and the development of human resources.

② There are a total of 90 training courses in 2023 (including online courses). The training totals of 13,869 person-hours (including internal and external training). The company implements the training and experience inheritance of internal lecturers through the "Internal Lecturer Selection Method". Staff and professions are strengthened. In addition, we continue to apply for funding subsidies through education and training, and invest training funds to enhance the overall

competitiveness of the company.

③ In addition to internal training courses for colleagues to further their studies, employees are also encouraged to participate in training courses arranged by external professional organizations. The relevant information will be provided to colleagues in written or electronic files from time to time. The courses and trainings attended by each colleague are filed and managed and provided to relevant supervisors for reference. By motivating employees' growth through employee education and training and integrating their knowledge into the company's daily management and work, it can improve the performance and work quality of the company's various departments.

④ To encourage employers' continuing development and personal growth, in accordance with the In-service Continuing Education Regulations, we recommend that employees study for Master's or Ph.D. degrees at Ministry of Education-accredited domestic universities or approved foreign universities, and the company will subsidize relevant costs. So far, there are at least 28 employees have benefited. In addition, in order to encourage employees to improve their foreign language skills, the company also provides funding subsidies for foreign language courses.

⑤ The company was awarded the TTQS corporate benchmark award in 2000. The company cooperates with government policies to participate in the promotion and implementation of various employment policies. The total amount of subsidies received in the past 10 years has reached NT$ 9.75 million. In addition, it also promotes the improvement of the company's education and training system through external evaluation and feedback.

(3) Retirement system

The company has drafted retirement regulations in line with the requirements of the Labor Standards Law and Labor Pension Act. It makes contributions to the pension reserve for its employees under the old or new pension plan. Employees under the new pension plan pursuant to the Labor Pension Act: Monthly contributions are made at 6% of the corresponding pay grade into the employees' personal pension accounts and show the amount of the allocation in the monthly payroll.

As the company has been in business for more than 45 years. In consideration of the company's sustainable operation, it has formulated preferential retirement measures for those with old retirement years, so that the company can smoothly carry out organizational inheritance and improve overall operating performance. In 2023, a total of 17 retirees will be handled, and a total of NT$25,063,377 will be paid for the old pension.

(4) Labor-management harmony and employee rights maintenance measures

Since the establishment of the company’s trade union, the company has adopted two-way communication for policy promotion, employees’ voices, and counseling. Labor-management meetings and occupational safety meetings are held quarterly, and employer representatives and employee representatives face-to-face communication, and timely response to employee problems and needs . The company has conducted employee satisfaction surveys on a regular basis since 2004. To understand the satisfaction of employees in all aspects of the company in terms of organizational operations, supervisor leadership, promotion assessment, salary and benefits, working environment, education and training, and respond to the immediate needs of employees. In 2023, there will be a total of 8 labor-management meetings, 8 occupational safety meetings and 1 union member representative meeting.

(5) In addition to establishing the Employee Welfare Committee and the Labor Retirement Reserve

Fund Supervision Committee in accordance with the law, the company coordinates the planning, appropriation, custody, and utilization of employee welfare funds and retirement reserves and related matters regulated by relevant laws; it also establishes a labor union for all employees. The organization serves as a bridge of communication between labor and the company. During the global financial crisis, the company urgently adopted relevant cost-saving measures, such as: company furloughs, allowance reductions, personnel freezes, etc.; the above matters were fully communicated with employees in advance and implemented after both parties reached a consensus. The protection of rights and interests and the implementation of the welfare system are all based on legal regulations.

In order to enable employees to fully understand the company's operating policies and directions and express their voices and opinions, in addition, the Occupational Safety and Health Committee holds occupational safety meetings every quarter to ensure the safety of various facilities in the workplace. The company has regularly conducted employee satisfaction surveys since the Republic of China in 1993 to understand employees' satisfaction in various aspects of the company's organizational operations, leadership, promotion assessment, salary and benefits, working environment, education and training, etc., and to respond to employees' immediate needs.

5.5.2 Losses (including violations of the Labor Standards Act named in labor inspections, which should list the date, document number, article number, content of the regulations violated, and penalty description) incurred for labor disputes in last two years and up to the publication date of this annual report:

(1) In the latest period and as of the publication date of the annual report, the company has suffered losses due to labor disputes (including violations of the Labor Standards Act as a result of labor inspections): fines for violations of Article 32, Paragraph 3 of the Labor Standards Act in December 2023 NT$50,000

(2) Estimated amounts and countermeasures that may occur at present and in the future: All the company's systems comply with legal regulations, so the risk of labor disputes is extremely low. If disputes occur in the future, they will be coordinated through the Labor Bureau or other units to prevent the company from suffering losses.

5.6 Cybersecurity management

1.Describe the information security risk management structure, information security policy, specific management plan and investment in information security management resources, etc:

To reinforce cyber security protect.tion and management, Walsin Technology organized the “Cyber Security Committee” to guide the planning, execution and monitoring of cyber security policies. The committee was convened by the Chief Information Offer and the members of it were composed of Walsin Technology functional division heads. The cyber security management leader acted as the executive sectary of the committee. Cyber security task force, emergency response task force and cyber security auditing task force were established to initiate, execute, monitor and evaluate cyber security related tasks and projects. Each member of the committee has to attend professional cyber security training courses annually.

The vision of cyber security policies at Walsin Technology is to invoke employees on the awareness of cyber security, highly regard the data access control, enhance the data security protection and ensure the business continuity. Meanwhile, we set up our cyber security objective to comply with our policies. We conduct regular training to invoke employees’ awareness upon cyber security; execute regular permission reviews and realize network segmentation; perform backup routine jobs to keep the high data availability; and implement disaster recovery drills to ensure business continuity. Through the implementation of ISO27001 system, Walsin leverages this system to manage and monitor all the security threats and risks for all the information systems and equipment. We renewed our ISO27001 system certification on Nov. 7th 2023.

In year 2023, we have total 465 indirect employees completed the online basic cyber security training courses and 422 attendances have completed the 3 professional cyber security training courses. Four cyber security projects were implemented to strengthen cyber security protection in year 2023, including reconstructed the network architecture of the factories in Mainland China to strengthen the defense mechanism against hacker intrusions, defined the regulation rules of social media software for Mainland China factories, recorded all the file operation logs as well as conducted social engineering drills. We continuously joined cyber security mutual aid organization for information sharing. We completed 6 times of disaster recovery drills and 6 times of cyber security policy advocacy respectively. We refined 7 cyber security management procedures to make up the deficiency. Through the realization of cyber security management, we continuously reinforce our cyber security protection and reduce the operation risk.

2. Walsin Technology Coporation regularly conducts the network and equipment vulnerability scans. All the system security vulnerabilities were repaired and blocked according to the scanning findings. We also joined the Taiwan Computer Emergency Response Team / Coordination Center (TWCERT/CC) to obtain the most updated cyber threat intelligence. We made all effort to prevent hackers from attacking our domain. In year 2023, the Cyber Security Committee board management review meeting has reported that no major cyber security incidents were found.

5.7 Material Contracts

Nature of Contract	Contracting Parties	Contract Term Dates	Main Content	Restrictive Clauses

Loan contract	Hua Nan Bank	2023.09.12 ～ 2026.09.12	Total credit line of NT$1.5 billion and promissory note guarantee	Three-years period, principal repayment at maturity
Loan contract	Far Eastern International Bank	2022.09.30 ～ 2025.09.30	Total credit line of NT$ 500 million and promissory note guarantee	Three-years period, principal repayment at maturity
Loan contract	Far Eastern International Bank	2024.01.09 ～ 2026.01.09	Total credit line of NT$1.2 billion and promissory note guarantee	Three-years period, principal repayment at maturity
Loan contract	KGI Bank	2023.09.12 ～ 2026.09.12	Total credit line of NT$2.5billion and promissory note guarantee	Three-year period, with principal repayment starting from 2025.09.12
Loan contract	Taipei Fubon Bank	2022.10.21 ～ 2025.10.21	Total credit line of NT$ 300 million and promissory note guarantee	Three-year period, principal repayment at maturity
Loan contract	Bank of Taiwan	2023.08.15 ～ 2026.08.15	Total Credit line of NT$3.5 billion and promissory note guarantee	Three-year period, with principal repayment starting from 2025.11.15
Loan contract	Entie Commercial Bank., Ltd.	2022.11.24 ～ 2025.11.24	Total credit line of NT$ 600 million and promissory note guarantee	Three-year period, principal repayment at maturity
Loan contract	E.Sun Commercial Bank, Ltd.	2023.12.18 ～ 2026.12.18	Total credit line of NT$ 1 billion and promissory note guarantee	Three-year period, principal repayment at maturity
Loan contract	First Commercial Bank	2024.02.05 ～ 2026.02.05	Total credit line of NT$ 1 billion and promissory note guarantee	Three-year period, principal repayment at maturity
Loan contract	Taishin International Bank	2023.03.31 ～ 2026.03.31	Total credit line of NT$ 500 million and promissory note guarantee	Three-year period, principal repayment at maturity
Loan contract	Cathay United Bank	2023.08.26 ～ 2025.08.26	Total credit line of NT$ 200 million and promissory note guarantee	Two-year period, principal repayment at maturity
Loan contract	Bank of Taiwan	2020.03.18 ～ 2025.03.18	Total Credit line of NT$1 billion and promissory note guarantee	Five-year period, With principal repayment starting in the fourth year
Loan contract	E.Sun Commercial Bank	2020.04.08 ～ 2025.03.15	Total Credit line of NT$1 billion and promissory note guarantee	Five-year period, with principal repayment starting in the fourth year
Loan contract	First Commercial Bank	2020.04.30 ～ 2025.04.15	Total Credit line of NT$2 billion and promissory note guarantee	Five-year period, with principal repayment starting in the fourth year
Loan contract	Chang Hwa Commercial Bank	2020.05.08 ～ 2025.04.15	Total Credit line of NT$1.7 billion and promissory note guarantee	Five-year period, with principal repayment starting in the fourth year
Loan contract	CTBC Bank Tokyo branch,	2022.09.22 ～ 2025.09.22	The total credit line of 2 billion yen and guarantee letter	Three-year period, principal repayment

	Japan (Note 1)			at maturity
Loan contract	E.Sun Commercial Bank, Tokyo branch, Japan (Note 2)	2022.12.23 ～ 2025.12.23	The total credit line of 1.5 billion yen and guarantee letter	Three-year period, principal repayment at maturity
Loan contract	Taishin International Bank Tokyo branch, Japan (Note 3)	2023.05.29 ～ 2026.05.29	The total credit line of 750 million yen and guarantee letter	Three-year period, principal repayment at maturity
Loan contract	Taishin International Bank Tokyo branch, Japan (Note 3)	2023.01.10 ～ 2025.12.16	The total credit line of 600 million yen and guarantee letter	Three-year period, principal repayment at maturity
Loan contract	MIZUHO Kawasaki Branch (Note 4)	2020.06.15 ～ 2026.03.31	Total credit line of 1.98 billion yen and collateral	Six-year period, the first year is a buffer period, and only interest is paid first. After that, the principal is repaid and interest is paid at 50 million yen every three months from the second year, and the remaining principal is repaid in the final period with interest repayment also.
Loan contract	SMBC Bank Japan Yamato Branch (Note 5)	2022.11.15 ～ 2025.11.15	The total credit line of 1.47 billion yen and guarantee letter	Three-year period, with every 6 months as a period, to amortize the principal of 245,000 thousand yen in every period.
Loan contract	SMBC Bank Japan Yamato Branch (Note 5)	2022.11.15 ～ 2025.11.15	The total credit line of 1.95 billion yen and guarantee letter	Three-year period, with every 6 months as a period, a total of 5 installments to amortize the principal of 155,000 thousand yen, and the remaining principal 1,175 million will be repaid in the last installment
Loan contract	Citibank Berhad Tokyo Branch (Note 6)	2022.06.22 ～ 2024.06.22	The total credit line of 550million yen and guarantee letter	Two-year period, principal repayment at maturity
Loan contract	Taishin International Bank (Note 7)	2019.12.10 ～ 2024.12.10	Total credit line of NT$ 600 million and promissory note guarantee	Five-year period, three-year grace period for principal repayment, principal amortized in 24 installments

Loan contract	E.Sun Commercial Bank. (Note 8)	2019.12.26 ～ 2024.12.15	Total credit line of NT$ 600 million and promissory note guarantee	Five-year period, three-year grace period for principal repayment , principal amortized in 24 installments
Loan contract	First Commercial Bank (Note 9)	2020.03.02 ～ 2025.03.02	Total credit line of NT$ 900 million	Five-year period, three-year grace period for principal repayment , principal amortized in 24 installments
Land lease Contract	Taiwan Cement Corporation (Note 10)	2012.07.01 ～2029.06.30	Land lease for factory and dormitory at Taoyuan plant	Must not be sublet, lent or otherwise made available to others
Loan contract	E.Sun Commercial Bank.(Note 11)	2020.03.16 ~ 2025.03.15	Total credit line of NT$ 500 million and promissory note guarantee	Five-year period, three-year grace period, repayment monthly on maturity
Loan contract	CTBC BANK (Note 12)	2021.12.24 ~ 2026.12.15	Total credit line of NT$ 450 million and promissory note guarantee	Five-year period, three-year grace period, repayment quarterly on maturity
Loan contract	Chang Hwa Commercial Bank (Note 13)	2020.08.24 ~ 2027.08.15	Total credit line of NT$ 583.2 million	Seven-year period, three-year grace period, repayment monthly on maturity
Loan contract	Chang Hwa Commercial Bank (Note 13)	2021.05.03 ~ 2031.04.15	Total credit line of NT$ 384 million	Ten-year period, Three-year grace period, repayment monthly on maturity
Loan contract	Chang Hwa Commercial Bank (Note 13)	2021.02.20 ~ 2026.07.31	Total credit line of NT$ 500 million	Five-year period, two-year grace period. Amortized evenly on a quarterly basis
Loan contract	Mega International Commercial Bank (Note 14)	2021.06.09 ~ 2026.09.23	Total credit line of NT$ 500 million and promissory note guarantee	Five-year period, two-year grace period, repayment monthly on maturity.
Loan contract	Cathay United Bank Co., Ltd. (Note 15)	2023.05.26 ~ 2025.05.26	Total credit line of NT$ 300 million and promissory note	Two-yearperiod, repayment after 180 days .

Note 1: It was signed by Kamaya Electric Co., Ltd., a subsidiary of the company, and CTBC Bank Tokyo branch, Japan.

Note 2: It was signed by Kamaya Electric Co., Ltd., a subsidiary of the company, and E.Sun Commercial Bank, Ltd. Tokyo branch, Japan.

Note 3: The agreement was signed between Kamaya Electric Co., Ltd., a subsidiary of the company, and Taishin International Bank Tokyo branch, Japan

Note 4: It was signed by the company's subsidiary Kamaya Electric Co., Ltd. and MIZUHO Japan Kawasaki branch.

Note 5: The agreement was signed between Kamaya Electric Co., Ltd., a subsidiary of the company, and SMBC Bank Yamato branch, Japan.

Note 6: The agreement was signed between Kamaya Electric Co., Ltd., a subsidiary of the company, and Citibank Tokyo branch, Japan.

Note 7: It was signed by PROSPERITY DIELECTRICS CO., LTD. a subsidiary of the company, and Taishin International Bank .

Note 8: It was signed by PROSPERITY DIELECTRICS CO., LTD. a subsidiary of the company, and E.Sun Commercial Bank, Ltd.

Note 9: It was signed by PROSPERITY DIELECTRICS CO., LTD. a subsidiary of the company, and First Commercial Bank.

Note 10: It was signed by PROSPERITY DIELECTRICS CO., LTD. a subsidiary of the company, and Taiwan Cement Corporation

Note 11: It was signed by INPAQ Technology Co.,Ltd. a subsidiary of the company, and E.Sun Commercial Bank, Ltd.

Note 12: It was signed by INPAQ Technology Co.,Ltd. a subsidiary of the company, and CTBC Bank.

Note 13: It was signed by INPAQ Technology Co.,Ltd. a subsidiary of the company, and Chang Hwa Commercial Bank.

Note 14: It was signed by INPAQ Technology Co.,Ltd. a subsidiary of the company, and Mega International commercial Bank

Note 15: It was signed by INPAQ Technology Co.,Ltd. a subsidiary of the company, and Cathay United Bank Co., Ltd.

5.8 Guidelines for the Adoption of Codes of Ethical Conduct for Directors and managers

1.Purpose and the scope of adoption

In recognition of the necessity to assist the companies in their establishment of codes of ethical conduct, these Guidelines are adopted for the purpose of encouraging directors, and managerial officers of company (including general managers or their equivalents, assistant general managers or their equivalents, deputy assistant general managers or their equivalents, chief financial and chief accounting officers, and other persons authorized to manage affairs and sign documents on behalf of a company) to act in line with ethical standards, and to help interested parties better understand the ethical standards of such companies.

The director who also serves as the manager of the company, when complying with this Code, shall also apply the relevant regulations of the company's employees.

The directors mentioned in this standard apply to all directors (including independent directors) of the company.

2.Content of the code

a.Prevention of conflicts of interest:

Conflicts of interest occur when personal interest intervenes or is likely to intervene in the overall interest of the company, as for example when a director, supervisor, or managerial officer of the company is unable to perform their duties in an objective and efficient manner, or when a person in such a position takes advantage of their position in the company to obtain improper benefits for either themselves or their spouse, parents, children, or relatives within the second degree of kinship. The company and the aforementioned personnel or their affiliated companies' capital loans or providing guarantees and major asset transactions must be reviewed in advance by the audit committee and the board of directors, and the directors may be involved in their own interests and damage the company's interests. At the time, the directors shall abide by the system of avoiding the interests of directors as stipulated in the rules of procedure of the board of directors of the company, shall not participate in discussion and voting, shall be avoided during discussion and voting, and shall not act for other directors to exercise their voting rights. Relevant purchases (sales) of goods should be handled in consideration of the best interests of the company.

b.Minimizing incentives to pursue personal gain:

The company shall prevent its directors, supervisors, or managerial officers from engaging in any of the following activities: (1) Seeking an opportunity to pursue personal gain by using company property or information or taking advantage of their positions. (2) Obtaining personal gain by using company property or information or taking advantage of their positions. (3) Competing with the company. When the company has an opportunity for profit, it is the responsibility of the directors, supervisors, and managerial officers to maximize the reasonable and proper benefits that can be obtained by the company.

c.Confidentiality:

The directors, supervisors, and managerial officers of the company shall be bound by the obligation to maintain the confidentiality of any information regarding the company itself or its suppliers and

customers, except when authorized or required by law to disclose such information. Confidential information includes any undisclosed information that, if exploited by a competitor or disclosed, could result in damage to the company or the suppliers and customers.

d.Fair trade:

Directors, supervisors, and managerial officers shall treat all suppliers and customers, competitors, and employees fairly, and may not obtain improper benefits through manipulation, nondisclosure, or misuse of the information learned by virtue of their positions, or through misrepresentation of important matters, or through other unfair trading practices.

e.Safeguarding and proper use of company assets:

All directors, supervisors, and managerial officers have the responsibility to safeguard company assets and to ensure that they can be effectively and lawfully used for official business purposes;avoid any theft, negligence in care, or waste of the assets which will all directly impact the company's profitability.

f.Legal compliance:

The company shall strengthen its compliance with the Securities and Exchange Act and other applicable laws, regulations, and bylaws.

g.Encouraging reporting on illegal or unethical activities:

The company shall raise awareness of ethics internally and encourage employees to report to a company supervisor, managerial officer, chief internal auditor, or other appropriate individual upon suspicion or discovery of any activity in violation of a law or regulation or the code of ethical conduct. To encourage employees to report illegal conduct, the company shall establish a concrete whistle-blowing system and make employees aware that the company will use its best efforts to ensure the safety of informants and protect them from reprisals.

h.Disciplinary measures:

When a director, supervisor, or managerial officer violates the code of ethical conduct, the company shall handle the matter in accordance with the disciplinary measures prescribed in the code, and shall without delay disclose on the Market Observation Post System (MOPS) the date of the violation by the violator, reasons for the violation, the provisions of the code violated, and the disciplinary actions taken. It is advisable that the company establish a relevant complaint system to provide the violator with remedies.

3. Procedures for exemption

The code of ethical conduct adopted by a company must require that any exemption for directors, supervisors, or managerial officers from compliance with the code be adopted by a resolution of the board of directors, and that information on the date on which the board of directors adopted the resolution for exemption, objections or reservations of independent directors, and the period of, reasons for, and principles behind the application of the exemption be disclosed without delay on the MOPS, in order that the shareholders may evaluate the appropriateness of the board resolution to forestall any arbitrary or dubious exemption from the code, and to safeguard the interests of the company by ensuring appropriate mechanisms for controlling any circumstance under which such an

exemption occurs.

4.Method of disclosure

company shall disclose the code of ethical conduct it has adopted, and any amendments to it, on its company website, in its annual reports and prospectuses and on the MOPS.

5.Implementation

This standard shall be implemented after being approved by the board of directors and submitted to the shareholders' meeting report, and the same shall apply when amended.

This standard was set on November 11th, 2014. It was revised for the first time by a resolution of the board of directors on March 23, 2015. It was revised for the second time by the resolution of the board of directors on July 30, 2019.

5.9 Work environment and personal safety protection measures for employees (for example: measures to protect employees from occupational injuries, deaths or struggles)

1. The company’s factories all follow Occupational Safety and Health Act for all employees when they are on duty. Routine protocols have been set up for employees, and occupational education and training have been offered to employees on a regular basis. These efforts have created a safe working environment, where employees will be protected when they are on duty.

2. The company’s factories have passed the standards recognized by International ISO45001 Occupational Safety and Health Management System. We will set up a procedure manual for system operations. The internal inspection will be conducted annually and will receive an evaluation certificate from a third party to ensure that the company meets the criteria of the regulation in discussion in order to keep the safety of the employees.

3. Group insurance: all employees receive group insurance as benefits offered by the company. In case of work injury, every employee will be covered by worker insurance and group insurance with reasonable compensation. The employees will happily work without worrying about their health benefits

Financial Highlights and Analysis

6.1 Financial Highlights

6.1.1 Condensed Balance Sheet & Statement of Comprehensive Income - IFRSs

◆ **Condensed Balance Sheet – IFRSs (Consolidated)**

Unit: NT$ thousands

Year / Item		Consolidated financial data of last 5 years (Note1)				
		2019	2020	2021	2022	2023
Current Assets		29,082,633	39,663,969	41,187,886	42,078,074	38,015,600
Property, Plant and Equipment		17,989,602	23,031,847	30,449,546	28,352,902	24,088,788
Intangible Assets		4,986	590,817	795,266	684,490	577,960
Other Asset		13,074,733	18,793,862	21,747,507	20,616,029	31,760,880
Total Assets		60,151,954	82,080,495	94,180,205	91,731,495	94,443,228
Current Liabilities	Before Distribution	16,322,976	19,655,382	21,557,432	19,230,081	25,474,021
	After Distribution	18,994,876	22,570,212	23,743,551	20,396,011	(Note2)
Noncurrent Liabilities		7,283,821	16,770,919	19,093,619	18,917,380	12,353,431
Total Liabilities	Before Distribution	23,606,797	36,426,301	40,651,051	38,147,461	37,827,452
	After Distribution	26,278,697	39,341,131	42,837,170	39,313,391	(Note2)
Equity Attributable to Shareholders of the Parent		33,829,062	38,620,462	44,388,842	44,280,924	46,579,645
Capital Stock		4,858,000	4,858,043	4,858,043	4,858,043	4,858,043
Capital Surplus		5,619,231	6,006,342	3,111,622	3,111,159	3,116,412
Retained Earnings	Before Distribution	22,843,141	26,686,269	34,665,792	34,236,105	35,356,192
	After Distribution	20,171,241	23,771,439	32,479,673	33,070,175	(Note2)
Other Equity		544,450	1,069,808	1,989,765	2,311,997	3,485,378
Treasury Shares		(35,760)	0	(236,380)	(236,380)	(236,380)
Noncontrolling Interests		2,716,095	7,033,732	9,140,312	9,303,110	10,036,131
Total Equity	Before Distribution	36,545,157	45,654,194	53,529,154	53,584,034	56,615,776
	After Distribution	33,873,257	42,739,364	51,343,035	52,418,104	(Note2)

Note 1: The financial data of the years from 2019 to 2023 have been audited by CPAs.
Note 2: The proposal for 2023 appropriation of earnings approved with resolution by the Company's board of directors on March 25, 2024. But has not yet been resolved by the 2024 annual shareholders' meeting.

6.1.2 Condensed Balance Sheet - Unconsolidated (Based on IFRSs)

Unit: NT$ thousands

Years / Items		Financial Summary for the Last Five Years				
		2019	2020	2021	2022	2023 (Note1)
Current Assets		4,264,954	12,818,862	9,233,860	11,448,802	10,623,683
Property,Plant and Equipment		10,259,785	12,842,862	17,661,063	15,476,272	12,835,657
Intangible Assets		1,762	85,251	72,032	64,104	45,994
Other Assets		36,574,735	38,775,576	44,923,736	43,333,871	48,487,450
Total Assets		51,101,236	64,522,551	71,890,691	70,323,049	71,992,784
Current Liabilities	Before Distibution	12,662,499	13,570,608	13,755,003	13,569,634	18,667,403
	After Distibution	15,334,399	16,485,438	15,941,122	14,735,564	19,711,882
Non-current Liabilities		4,609,675	12,331,481	13,746,846	12,472,491	6,745,736
Total Liabilities	Before Distibution	17,272,174	25,902,089	27,501,849	26,042,125	25,413,139
	After Distibution	19,944,074	28,816,919	29,687,968	27,208,055	26,457,618
Capital Stock		4,858,000	4,858,043	4,858,043	4,858,043	4,858,043
Capital Surplus		5,619,231	6,006,342	3,111,622	3,111,159	3,116,412
Retained Earnings	Before Distibution	22,843,141	26,686,269	34,665,792	34,236,105	35,356,192
	After Distibution	20,171,241	26,686,269	32,479,673	33,070,174	34,311,713
Other Equity		544,450	1,069,808	1,989,765	2,311,997	3,485,378
Treasury Stock		(35,760)	0	(236,380)	(236,380)	(236,380)
Total Equity	Before Distibution	33,829,062	38,620,462	44,388,842	44,280,924	46,579,645
	After Distibution	31,157,162	35,705,632	42,202,723	43,114,994	45,535,166

Note1 : The proposal for 2023 appropriation of earnings approved with resolution by the Company's board of directors on March 25, 2024. But has not yet been resolved by the 2024 annual shareholders' meeting.

6.1.3 Condensed Comprehensive Income Statement - IFRSs (Consolidated)

Unit: NT$ thousands (Except EPS: NT$)

Item \ Year	Consolidated financial data of last 5 years (Note1)				
	2019	2020	2021	2022	2023
Operating Revenue	30,134,180	35,599,249	42,108,708	35,297,163	32,797,671
Gross Profit (Loss)	10,354,117	11,243,055	12,512,383	6,299,748	5,837,155
Income (Loss) from Operations	7,693,709	7,913,539	8,399,582	2,060,933	1,795,311
Non-operating Income and Expenses	1,272,859	1,121,268	2,250,332	1,476,960	1,689,494
Profit (Loss) before Income Tax	8,966,568	9,034,807	10,649,914	3,537,893	3,484,805
Profit (Loss) from continuing operations	7,081,196	7,217,645	8,961,076	2,295,275	2,657,922
Profit (Loss) from Discontinuing Operations	0	0	0	0	0
Net Income (Loss)	7,081,196	7,217,645	8,961,076	2,295,275	2,657,922
Other Comprehensive Income (Loss) for the Year, Net of Income Tax	72,511	630,752	1,157,168	218,387	1,555,362
Total Comprehensive Income (Loss) for the Year	7,153,707	7,848,397	10,118,244	2,513,662	4,213,284
Net Income (Loss) Attributable to: Owners of the Parent Company	6,648,906	6,632,254	7,931,941	1,650,587	1,984,596
Net Income (Loss) Attributable to: Noncontrolling Interests	432,290	585,391	1,029,135	644,688	673,326
Total Comprehensive Income (Loss) Attributable to: Owners of the Parent Company	6,678,269	6,992,951	8,917,652	2,078,221	3,474,997
Total Comprehensive Income (Loss) Attributable to: Noncontrolling Interests	475,438	855,446	1,200,592	435,441	738,287
Earnings (Loss) Per Share	13.72	13.66	16.35	3.40	4.09

Note 1: The financial data of the years from 2019 to 2023 have been audited by CPAs.

6.1.4 Condensed Income Statements - Unconsolidated (Based on IFRSs)

Unit: NT$ thousands (Except EPS: NT$)

Year / Items	Financial Summary for the Last Five Years				
	2019	2020	2021	2022	2023
Net Sales	15,253,884	17,854,068	22,257,779	15,844,548	15,331,021
Gross Profit	2,430,568	4,884,530	5,350,426	633,142	1,553,904
Operating Income	3,012,847	3,357,599	3,763,948	389,850	625,827
Non-operating Revenue and Expense	4,669,690	3,954,028	4,800,300	1,299,699	1,489,593
Profit before Taxes	7,682,537	7,311,627	8,564,248	1,689,549	2,115,420
Gain from Continued Operations	6,648,906	6,632,254	7,931,941	1,650,587	1,984,596
Loss from Discontinued Operations	-	-	-	-	-
Profit for the year	6,648,906	6,632,254	7,931,941	1,650,587	1,984,596
Other comprehensive income,net of income tax	29,363	360,697	985,711	427,634	1,490,401
Total comprehensive income for the year	6,678,269	6,992,951	8,917,652	2,078,221	3,474,997
Earnings Per Share	13.72	13.66	16.35	3.40	4.09

6.1.5 Auditors' Opinions for past 5 years

Year	2019	2020	2021	2022	2023
CPA	Chin-Chuan Shih Hung-Bin Yu	Chin-Chuan Shih Hung-Bin Yu	Chin-Chuan Shih Kuo-Tyan Hong	Chin-Chuan Shih Kuo-Tyan Hong	Chin-Chuan Shih Kuo-Tyan Hong
Audit opinion	Unmodified opinion	Unmodified opinion	Unmodified opinion with other matter section	Unmodified opinion with other matter section	Unmodified opinion with other matter section

6.2 Financial Analysis

6.2.1 Financial Analysis - IFRSs (Consolidated)

Year / Item(Note1)		Consolidated financial analysis of last 5 years				
		2019	2020	2021	2022	2023
Capital Structure Analysis (%)	Debts Ratio	39.24	44.34	43.16	41.58	40.05
	Long-term Fund to Property, Plant and Equipment	243.63	271.03	238.50	255.71	286.31
Liquidity Analysis (%)	Current Ratio	178.16	201.79	191.06	218.81	149.23
	Quick Ratio	150.86	170.50	145.00	176.98	121.40
	Times Interest Earned (Times)	105.01	49.63	52.12	14.39	9.87
Operating Performance Analysis	Average Collection Turnover (Times)	2.70	3.80	3.81	3.47	3.42
	Days Sales Outstanding	135	96	96	105	107
	Average Inventory Turnover (Times)	3.68	4.74	3.78	3.30	3.63
	Average Payment Turnover (Times)	6.99	7.13	6.47	7.58	8.18
	Average Inventory Turnover Days	99	77	97	111	101
	Property, Plant and Equipment Turnover (Times)	1.77	1.73	1.57	1.20	1.25
	Total Assets Turnover (Times)	0.48	0.50	0.47	0.37	0.35
Profitability Analysis	Return on Total Assets (%)	11.56	10.35	10.35	2.69	3.19
	Return on Equity (%)	19.40	18.30	19.11	3.72	4.36
	Pre-tax Income to Paid-in Capital Ratio (%)	184.57	185.97	219.22	72.82	71.73
	Net Margin (%)	23.49	20.27	21.28	6.50	8.10
	Earnings (Loss) Per Share (NT$)	13.72	13.66	16.35	3.40	4.09
Cash Flow	Cash Flow Ratio (%)	80.38	61.52	52.79	46.45	33.34
	Cash Flow Adequacy Ratio (%)	110.94	112.91	98.98	103.60	102.86
	Cash Flow Reinvestment Ratio (%)	7.69	10.33	7.83	5.96	6.47
Leverage	Operating Leverage	2.36	2.42	2.13	7.70	7.77
	Financial Leverage	1.01	1.02	1.02	1.14	1.27

Explanation for deviation of the year 2023 vs. 2022 financial ratios:

1.Decreased in Current Ratio：Mainly due to the bonds payable transfer to current caused raising of current liabilities.

2.Decreased in Quick Ratio (%) : Mainly due to the bonds payable transfer to current caused raising of current liabilities.

3.Decreased in Times Interest Earned (Times) ：Mainly due to the increase in interest expense.

4.Increased in Net Margin (%)：Mainly due to the decrease in operating revenue.

5.Increased in Earnings (Loss) Per Share (NT$): Mainly due to the increase in net income attributable to owners of the parent company.

6.Decreased in Cash Flow Ratio (%)：Mainly due to the bonds payable transfer to current caused raising of current liabilities.

The calculation formula of financial analysis is as follows:

1. Capital Structure Analysis
   (1) Debt Ratio = Total Liabilities / Total Assets
   (2) Long-term Fund to Property, Plant and Equipment Ratio = (Shareholders' Equity + Noncurrent Liabilities) / Net Property, Plant and Equipment
2. Liquidity Analysis
   (1) Current Ratio = Current Assets / Current Liabilities
   (2) Quick Ratio = (Current Assets - Inventories - Prepaid Expenses) / Current Liabilities
   (3) Times Interest Earned = Earnings before Interest and Taxes / Interest Expenses
3. Operating Performance Analysis
   (1) Average Collection Turnover =Operating Revenue / Average Trade Receivables
   (2) Days Sales Outstanding = 365 / Average Collection Turnover
   (3) Average Inventory Turnover = Cost of Sales / Average Inventory
   (4) Average Inventory Turnover Days = 365 / Average Inventory Turnover
   (5) Average Payment Turnover = Cost of Sales / Average Trade Payables
   (6) Property, Plant and Equipment Turnover =Operating Revenue / Average Net Property, Plant and Equipment
   (7) Total Assets Turnover =Operating Revenue / Average Total Assets
4. Profitability Analysis
   (1) Return on Total Assets = (Net Income + Interest Expenses * (1 - Effective Tax Rate)) / Average Total Assets
   (2) Return on Equity = Net Income / Average Equity
   (3) Net Margin = Net Income /Operating Revenue
   (4) Earnings Per Share = (Net Income Attributable to Owners of the Parent Company - Preferred Stock Dividend) /Weighted Average Number of Shares Outstanding
5. Cash Flow
   (1) Cash Flow Ratio = Net Cash Provided by Operating Activities / Current Liabilities
   (2) Cash Flow Adequacy Ratio = Five-year Sum of Cash from Operations / Five-year Sum of Capital Expenditures, Inventory Additions, and Cash Dividend
   (3) Cash Flow Reinvestment Ratio = (Cash Provided by Operating Activities - Cash Dividends) / (Gross Property, Plant and Equipment + Long-term Investments + Other Noncurrent Assets + Working Capital)
6. Leverage
   (1) Operating Leverage = (Operating Revenue - Variable Cost) / Income from Operations
   (2) Financial Leverage = Income from Operations / (Income from Operations - Interest Expenses)

6.2.2 Financial Analysis - Unconsolidated (Based on IFRSs)

Analysis Items \ Year		Financial Analysis for the Last Five Years				
		2019	2020	2021	2022	2023
Capital structure (%)	Debt Ratio	33.80	40.14	38.25	37.03	35.29
	Ratio of Long-term Capital to Property, plant and equipment	374.65	396.73	329.17	366.71	415.44
Liquidity analysis (%)	Current Ratio	33.68	94.46	67.13	84.37	56.91
	Quick Ratio	23.47	81.90	48.67	71.31	48.49
	Interest Coverage Ratio (Times)	104.41	50.82	54.17	9.52	8.10
Operating Performance	Accounts Receivable Turnover (Times)	3.65	6.07	5.51	4.50	5.17
	Average Collection Period	100	60	66	81	71
	Inventory Turnover (Times)	8.20	8.93	8.18	7.22	8.36
	Accounts Payable turnover (Times)	7.55	5.86	6.73	6.38	6.26
	Average Days in Sales	44	41	45	50	44
	Property, plant and equipment Turnover (Times)	1.61	1.55	1.45	0.95	1.08
	Total Assets Turnover (Times)	0.30	0.31	0.32	0.22	0.21
Profitability analysis	Return on Total Assets (%)	13.07	11.68	11.81	2.54	3.12
	Return on Stockholders' equity (%)	19.40	18.30	19.11	3.72	4.36
	Pre-tax Income to Paid-in Capital (%)	158.14	150.51	176.29	34.77	43.54
	Profit Ratio (%)	43.59	37.15	35.63	10.41	12.94
	Earnings Per Share (NT$)	13.72	13.66	16.35	3.40	4.09
Cash Flow(Note 2)	Cash Flow Ratio (%)	54.52	23.86	65.63	27.20	26.41
	Cash Flow Adequacy Ratio (%)	83.40	71.78	76.49	77.17	74.37
	Cash Reinvestment Ratio (%)	(2.11)	0.91	8.52	2.04	5.16
Leverage	Operating Leverage	1.83	2.24	2.32	12.59	8.29
	Financial Leverage	1.03	1.05	1.04	2.03	1.90

Analysis for deviation over 20% of 2023 vs. 2022 financial ratio:

A. Decreased in Current Ratio and Quick Ratio: mainly due to current liabilities for the year ended December 31, 2023 increased.
B. Increased in each ratio of Profitability analysis: mainly due to profit increased for the year.
C. Increased in Cash Reinvestment Ratio: mainly due to the net cash generated from operating activities increased.
D. Decreased in Operating Leverage: mainly due to profit increased for the year.

Note : Financial analysis formulas see previous table.

6.3 Audit Committee's Review Report

Audit Committee's Review Report

To: The 2024 Annual General Shareholders' Meeting of Walsin Technology Corporation

The Board of Directors has prepared the Company's 2023 Business Report and Financial Statements. The Financial Statements had been audited by Deloitte & Touche Certified Public Accountants, Chin-Chuan Shih and Kuo-Tyan Hong and has issued an audit report.

The Business Report and Financial Statements have been reviewed and determined to be correct and accurate by the Audit Committee members of Walsin Technology Corporation. According to Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act, we hereby submit this report.

Walsin Technology Corporation
Chairman of the Audit Committee：Fan Po-Kang

February 26, 2024

Audit Committee's Review Report

To: The 2024 Annual General Shareholders' Meeting of Walsin Technology Corporation

The Board of Directors has prepared the Company's proposal for distribution of the 2023 earnings. The proposal has been reviewed and determined to be correct and accurate by the Audit Committee members of Walsin Technology Corporation. According to Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act, we hereby submit this report.

Walsin Technology Corporation
Chairman of the Audit Committee：Fan Po-Kang

March 25, 2024

6.4 Financial Statement for the Most Recent Fiscal Year : Please refer to CPA's consolidate report which attached at the end of this annual report.(Page 200~Page 320)

6.5 A Parent Company Only Financial Statement for the Most Recent Fiscal Year: Please refer to CPA's parent company report which attached at the end of this annual report.(Page 321~Page 419)

6.6 Financial Difficulties and Impacts

The Company should disclose the financial impact if the Company and its affiliated companies have incurred any financial or cash flow difficulties in 2023 and as of the date of this Annual Report: None.

Financial Status, Operating Results and Risk Management

7.1 Financial Status

Unit: NT$ thousands

Item \ Year	2023	2022	Difference	
			Amount	%
Current Assets	38,015,600	42,078,074	(4,062,474)	-10%
Property, Plant and Equipment	24,088,788	28,352,902	(4,264,114)	-15%
Intangible assets	577,960	684,490	(106,530)	-16%
Other assets	31,760,880	20,616,029	11,144,851	54%
Total Assets	94,443,228	91,731,495	2,711,733	3%
Current Liabilities	25,474,021	19,230,081	6,243,940	32%
Non-current Liabilities	12,353,431	18,917,380	(6,563,949)	-35%
Total Liabilities	37,827,452	38,147,461	(320,009)	-1%
Total Equity attributable to owners of the Company	46,579,645	44,280,924	2,298,721	5%
Capital Stock	4,858,043	4,858,043	0	0%
Capital Surplus	3,116,412	3,111,159	5,253	0%
Retained Earnings	35,356,192	34,236,105	1,120,087	3%
Other equity	3,485,378	2,311,997	1,173,381	51%
Treasury Shares	-236,380	-236,380	0	0%
Non-controlling Interests	10,036,131	9,303,110	733,021	8%
Total Equity	56,615,776	53,584,034	3,031,742	6%

Explanation for significant changes：

1.Increased in Other assets : Mainly due to the investment in corporate bonds caused increase in financial assets at amortized cost - non-current.
2.Increased in Current Liabilities : Mainly due to the bonds payable transfer to current.
3.Decreased in Non-current Liabilities : Mainly due to the bonds payable transfer to current.
4.Increased in Other equity : Mainly due to the increased in unrealized gain (loss) on financial assets at fair value through other comprehensive income.

7.2 Operating Results

Unit: NT$ thousands

Item \ Year	2023	2022	Difference	%
	Amount	Amount		
Operating Revenue	32,797,671	35,297,163	(2,499,492)	-7%
Cost of Goods Sold	26,960,516	28,997,415	(2,036,899)	-7%
Gross Profit	5,837,155	6,299,748	(462,593)	-7%
Operating Expenses	4,041,844	4,238,815	(196,971)	-5%
Income (Loss) from Operations	1,795,311	2,060,933	(265,622)	-13%
Non-operating Income and Expenses	1,689,494	1,476,960	212,534	14%
Income (Loss) before Income Tax	3,484,805	3,537,893	(53,088)	-2%
Income Tax Expense (Benefit)	(826,883)	(1,242,618)	415,735	-33%
Net Income (Loss)	2,657,922	2,295,275	362,647	16%
Net Profit Attributable to Owners of The Company	1,984,596	1,650,587	334,009	20%

Explanation for significant changes：

1. Decreased in Income Tax Expense：Mainly due to the decrease in profit before income tax.
2. Increased in Net Profit Attributable to Owners of The Company：Mainly due to the increase in interest income and financial assets at fair value through profit or loss.

7.3 Cash Flow

Analysis of Cash Flow

Unit: NT$ thousands

Cash Balance 2023/1/1	Net Cash from Operating Activities in 2023	Net Cash Flow from Investing and Financing Activities in 2023	Cash Balance 2023/12/31	Remedy for Liquidity Shortfall	
				Investment Plan	Financing Plan
17,503,335	8,493,717	(19,375,657)	6,621,395	—	—

1. Analysis of Cash Flow:

Operating activities：the net cash inflows of NT$ 8,493,717 thousand, mainly due to the operating profit during the year and the payback of depreciation without actual cash outflow.

Investing activities：the net cash outflows of NT$ 18,280,961 thousand, mainly due to the purchase of financial assets at amortized cost.

Financing activities：the net cash inflows of NT$ 784,791 thousand, mainly due to repayments of long-term borrowings and the cash dividends .

2. Improvement plan for insufficient liquidity: Not applicable.

7.4 Recent Years Major Capital Expenditures and Impact on Financial and Business

7.4.1 Major capital expenditures and source of funds

Unit: In Thousands of New Taiwan Dollars

Plan	Actual or Planned Source of Capital	Total Amount for 2023 and 2022	Actual Use of Capital	
			2023	2022
Factory building and Production Equipment	Cash flow generated from operations and loans.	6,939,864	2,317,616	4,622,248

7.4.2 Expected Benefits and Impact on Financial and Business:

According to the market demand forecasts and R&D strategies, we will continue to expand production capacity to meet customer needs for products and services, and expand new products and new customers to increase our long-term revenue and profit.

7.5 Reinvestment policy in the most recent year, the main reason for its profit or loss, improvement plan and investment plan for recent year

A.Investment Policy:

Familiar with the development of customers and industries, achieve the investment arrangement, and optimize high-efficiency production lines and services to meet customer demands for expanding domestic and overseas markets; Also, utilize own funds to make other investments to increase profits.

B.The main holding companies are as follows:

(In Thousands of New Taiwan Dollars)

Description	Investment amount	Policy	Main reason for profit or loss	Continuous improvement Plan	Other future investment plans
Gallatown Developments Ltd.	NT$6,306,229 thousand	Overseas investment holding company	In 2023, the gain from these investments amounted to NT$,251,985 thousand mainly due to the improvement of investment operations.	1.In terms of existing production capacity and R&D resources, the most efficient allocation of mechanical adjustment is due to market changes. 2.Continue to deepen the traditional consumer electronics fields such as the Internet and pen and electricity, and actively increase the penetration rate in emerging markets such as vehicles and AI	The plans depend on the demands of market.

				applications.	

7.6 Risk Management

7.6.1 The impact of recent interest rates, exchange rate changes, and inflation on the company's profit and loss in the recent year and future measures

unit：NT$ thousands

Item \ Year		Year 2023	
		Amount	Ratio
Net valus of Interest income (expenditure)	Individual financial report	83,052	13.27%
	Consolidated financial report	674,942	37.59%
Net Values of exchange (profit) and loss	Individual financial report	-14,266	-2.28%
	Consolidated financial report	67,832	3.78%

(1) Impact of interest rate changes

WTC's net interest income (expenses) in its individual and consolidated financial statements for 2023 were 83,052 thousand yuan and 674,942 thousand yuan respectively, accounting for 13.27% and 37.59% of operating profits respectively. WTC is a capital-intensive industry. As the COVID-19 pandemic rages around the world and the Russia-Ukraine war continues, the United States, led by the United States, and European countries have been affected by inflation in 2023, and central banks of various countries have raised interest rates in response, causing interest rates to rise. Due to the large borrowing position of the Company in Taiwan, the net interest expenses increased. However, due to the purchase of US dollar medium and long-term investment grade corporate bonds and treasury bonds, after the interest income and expenses were offset, there was a large net interest income of 674,942 thousand.

(2) The impact of exchange rate changes:

WTC's individual and consolidated financial statements for 2023 showed net exchange (loss) losses of -14,266 thousand and 67,832 thousand yuan respectively, accounting for -2.28% and 3.78% of operating profits respectively. Since 2022, the U.S. Federal Reserve has raised interest rates rapidly several times. Due to interest rate differentials, funds have flowed into the U.S. dollar significantly, causing fluctuations in major currencies and also in the New Taiwan dollar. By purchasing medium- and long-term US dollar bonds, the company locks in higher interest rate spreads and effectively balances the risk of exchange rate fluctuations. By the first half of this year, it is predicted that the U.S. dollar interest rate has reached its peak, and interest rates should be gradually reduced. However, the interest rate gap between the New Taiwan dollar and the U.S. dollar is still large, and exchange rate fluctuations are relatively slow. The company and its subsidiaries will continue to appropriately avoid foreign currency assets and liabilities risk.

(3) Inflation impact: As the epidemic subsides, manpower returns to work, the unemployment rate decreases, the supply chain is eased, supply gradually catches up with demand and other factors should improve inflation. However, the Russia-Ukraine war has not stopped, and the Israeli-Palestinian conflict continues to heat up. Amid other adverse economic factors, global inflation still needs to be alleviated.

(4) Future countermeasures: The company and its overseas subsidiaries invest their own funds with dedicated personnel to obtain the interest rate difference with short-term, medium and long-term borrowing rates; regularly evaluate the foreign currency positions and exchange rates of the company and overseas subsidiaries every two weeks In the event of fluctuations, the net positions of foreign currency assets and liabilities offset and offset should be avoided as much as possible, so as to control the exchange rate evaluation profit and loss within a reasonable level and eliminate the adverse impact of exchange rate fluctuations on profit and loss.

7.6.2 Policies, Main Causes of Gain or Loss and Future Response Measures with Respect to High-risk, High-leveraged Investments, Lending or Endorsement Guarantees, and Derivatives Transactions

(1) In 2023, WTC did not engage in high-risk, high-leveraged investments. The policy of derivative commodity trading is based on the principle of hedging the physical position to reduce the risk of the company's asset price changes. WTC executes hedge transactions on physical positions in full accordance with the normative evaluation of derivative commodity transactions in the "procedures for acquiring or disposing of assets".

(2) In 2023, the company loaned funds to others, aimed at subsidiaries that directly or indirectly held 100% of the shares, because of their business needs to lend funds. In 2023, the company's maximum loan amount was NTD 23,289,822 thousand, and the balance of fund loan at the end of the period was NTD2,656,795 thousand. Please refer to the most recent annual financial statements of this annual report for details of subsidiary funds loans to others. The above-mentioned capital loans are all operated in accordance with the " Operational Procedures for Loaning of Company Funds" of the company and its subsidiaries.

(3) In 2023, the company's external endorsement guarantee is aimed at subsidiaries or grandson companies that directly or indirectly held 99.99% of the shares to guarantee bank financing and transactions due to their business needs. The maximum limit of the company’s endorsement guarantee in 2023 was NTD 23,289,822 thousand. As of the end of 2023, the balance of endorsement guarantee at the end of the period was NTD2,656,795 thousand. Please refer to the most recent annual financial statement of this annual report for details of the subsidiary's external endorsement guarantee. The above-mentioned endorsement guarantees are performed in accordance with the " Operational Procedures for Endorsements and Guarantees" of the company and its subsidiaries.

7.6.3 Research and development plans in the recent year and future plans

1. The progress of R&D projects in 2023

The purpose of R&D in Walsin Techology Corporation is to produce the passive components with high quality and superior characteristics and made by our own core technologies. Therefore, WTC has been striving to enhance our capability in manufacture and enrich the category of product for achieving the purpose of one-stop shopping by customers.

In the recent R&D on MLCCs, we are developing toward the several important characteristics of MLCC, included the higher volumetric capacitance, superior properties at high frequency application, better reliability for automotive or high frequency operation and more diversified categories. In regard to the continuous changes in the recent technological revolution in vehicle, such as EV & ADAS, WTC has not only expanded the capacity of automotive MLCCs production, but also developed more competitive automotive MLCC categories for high stress or high voltage applications. In terms of wireless communication application, several new

series of microwave MLCC capacitors with high capacitance-accuracy, high temperature applications (X8G) and ultra-small size (01005) have been developed. In addition, several new MLCC products are going to be completed, included high capacitance MLCCs with superior temperature coefficient (X6S), high temperature automotive MLCCs (X8R), Low ESL MLCCs, low profile MLCCs, etc. During new product and technology development, we also take into account the importance of material formulas to products, therefore, the evaluation of secondary source of material will be conducted simultaneously to reduce risks in future production. All of new key products have been generated by our own developed material formulas and upgraded/innovated manufacturing technology.

Regarding the chip resistors, we keep focusing on miniaturized and high reliability products for anti-sulfurization, anti-oil bath and anti-surge. Regarding the requirements of vehicle, we have been developing on high-power and surge-resistant resistor products, and many products have been launched on the market. About thin-film resistors, the current sensing resistor with low TCR and the high-precision automotive resistor with low resistance have been developed in 2023, we are developing the automotive resistor with anti-surge and superior ESD property by thin-film process.

In terms of radio frequency components, in order to fulfill the market demand of mobile phones, wearables, vehicles, base stations, small cell etc., we will continue to develop competitive products. In addition to continuing to develop Sub-6G relative products, the high reliability RF product for automotive and base stations will also be developed, as well as to develop thinning product for the module. Besides, millimeter-wave and LEO filters will also be developed and launched to future market demands.

2. The progress of the unfinished R&D project

For all R&D projects in WTC, we always consider and evaluate the market trend, the customer demand, competitor's R&D trends and the establishment of core competitiveness, and then planning and scheduling. According to the difficulty and importance of developing technology or product, the short-, medium-, and long-term development project plans will be decided. Moreover, from expense allocation for project, regularly progress review, product performance and quality verification to production plan are key procedures of R&D project implementation.

3. Future R&D plans and their estimated expenses

Unit: Thousand NTD

Project title	Purpose	Estimated expense	Completion time	Key factor
Hi-cap MLCCs development (X5R/X6S/X7R)	Capacitance increasing	20,000	2024	1. ceramic & paste recipes 2. Slurry technology 3. Thinning coating & printing 4. Sintering technology 5. Novel manufacturing process
01005 sized & specialty MLCCs development	Capacitance increasing & special structure	5,000	2024	1. High precision manufacturing process 2. Sintering technology
Automotive MLCCs Development (including soft-termination type)	Capacitance & mechanical property enhancing	20,000	2024	1. Robust structure design 2. Hi-reliable ceramic recipes 3. Soft termination paste

Microwave MLCCs development	Specifications enhancing	5,000	2024	1. New ceramic recipe 2. Novel manufacturing process 3.Specialty MLCC design
Automotive big size thin film resistor development	Specifications enhancing	5,000	2023	1. New device design 2. Novel manufacturing
Automotive anti-surge high precision thin film resistor development	Specifications enhancing	5,000	2024	1. New device design 2. Novel manufacturing
Development of LEO products	In response to market demand and Provide a totally solution	20,000	2023	1. New ceramic recipe 2. Novel manufacturing process 3.Specialty architecture design

4. Estimated time to mass production

The above-mentioned product development is scheduled and controlled by product's development plan, and the mass production time of milestones are also planned and executed in accordance with its project schedule.

5. Key successful factors of new product by R&D

(1) Establish core-competence in-house manufacturing technology

(2) Product property and quality meets customer needs

(3) Effective control of cost and yield in production

(4) Become a leader or benchmark of product specification in industry

7.6.4 The impact of major domestic and foreign policy and legal changes on company's finance in recent years and corresponding measures

At this stage, the government authorities have announced important domestic policies and legal changes, which have no immediate or significant impact on the company's finance. Internationally, the tariff adjustments in the US-China trade war have caused changes in the overall international economic and trade environment. Company has set up factories of a certain scale in Taiwan, Japan, and Malaysia to diversify the risks of the single market through globalization; the company also continues to collect relevant information for internal and external operation environment in order to adapt to possible changes and develop in the positive way.

7.6.5 Impact of recent technological changes(Including information security risks) and industry changes on the company's financial and business and corresponding measures

The wide application of Internet of Things and wireless communication has become the major infrastructure to support the company's operation. Intellectualization has become the core objective during the process of factory's digital transformation. The possibility of

factory shut down has become a major risk if any equipment in the factory has been attacked or infected by internet virus. The impact is not only the invisible data breach or goodwill loss, but the production and sales loss. Hence, setting up internal firewall, network segmentation, old equipment blocking, IP while-list management, and USB encryption are the precautions taken to prevent the cyber security incidents from happening. Walsin technology is aware of the risk and has implemented the precautions mentioned above to reduce the risk substantially.

A. Affected by the emerging wave of connected electric vehicles, the demand for automotive electronics will increase significantly based on the average use of more than 1,5000pcs components per unit. In view of this, the company will continue to expand high-reliability capacitors, high-temperature capacitors, radio frequency capacitors, and anti-bending Products with flexible terminal electrode capacitors, film resistors, inductors, etc., complying with the AEC-Q200 specification for automotive use.
B. Sub 6G is the mainstream mobile phone. 5G uses more low-loss frequency dividers than 4G mobile phones. It is necessary to develop high-quality materials and low-loss design architectures to meet market needs.
C. With the popularization of the Internet of Things, wireless transmission will gradually become an essential infrastructure facility in various daily necessities. The company will focus its product research and development on products such as radio frequency components and small-size 0201, 01005 capacitors and thin-film resistors to meet market demand.
D. The demand for smart electronic equipment and high-speed computing has increased significantly in recent years, which is conducive to the market application of high-capacitance capacitors. The company has also continued to deepen the development of related key technologies and products.
E. Portable electronic products, including smart phones, wearable devices, and large-size cross-border products Phablet, etc. have emerged. Passive components used include chip capacitance/resistance, high frequency, microwave chip capacitors, thin film chip resistors, and low impedance The demand for resistors and miniaturized parts (0201 size and below) is increasing.
F. The application demand for industrial equipment and the market demand for LED lighting or backlight applications have maintained steady growth.

In view of this market change, WTC has developed new various products for automotive and gradually expanded capacity of production to meet customer needs.

Information security risks: The wide application of Internet of Things and wireless communication has become the major infrastructure to support the company's operation. Intellectualization has become the core objective during the process of factory's digital transformation. The possibility of factory shut down has become a major risk if any equipment in the factory has been attacked or infected by internet virus. The impact is not only the invisible data breach or goodwill loss, but the production and sales loss. Hence, setting up internal firewall, network segmentation, old equipment blocking and IP while-list are the precautions taken to prevent the cyber security incidents from happening. Walsin technology is aware of the risk and has implemented the precautions mentioned above to

reduce the risk substantially.

7.6.6 The impact of corporate image changes in recent years on corporate crisis management and corresponding measures

The company receives visits from domestic and foreign legal persons and media from time to time, and regularly participates in investment and technical forum discussions to increase the understanding of the company by the investing public and customers, and to build a better image of the company.

7.6.7 Expected benefits and possible risks associated with any merger and acquisitions, and mitigation measures being or to be taken :None

7.6.8 Expected benefits, possible risks and countermeasures of the expansion of the plant

The expansion of the company’s factory buildings is in order to diversify operational risks and meet market supply and demand, we will continue to invest in planned and phased expansion of production in Taiwan, and has undergone feasibility assessment and financial analysis has been carried out by the relevant technical team to grasp its possible risks. In addition to promoting the optimization of production line efficiency, it is mainly based on the medium and long-term needs of customers and the injection of research and development results, so as to gradually expand the market share of customers and products, and diversify operational risks. The company will also continue to observe changes in the market economy and adjust related plans in a timely manner to reduce the negative impact of possible risks.

7.6.9 Risks faced by purchase or sales concentration and corresponding measures

(1) In terms of procurement: In terms of raw materials, the company actively seeks overseas material technology cooperation, invests in the research and development of powder and electrode formulations, improves the ability to develop materials by themselves, and uses strategic cooperation with suppliers to reduce purchase costs. By increasing the proportion of self-made and the autonomy of materials, reducing the risk of concentrated purchases. With regard to the procurement of semi-finished products and finished products, we strictly implement global capacity planning and allocation, diversify the proportion of suppliers' purchases, and avoid risks arising from concentrated purchases. In addition, the company did not have a supplier with a purchase ratio of more than 10% in Year 2023, so there is no risk of concentration of purchases.
(2) In terms of sales: the company's main sales targets are distributed in related industries such as information, mobile devices, network telecommunications, automotive and industrial electronics and consumer electronics. In addition, it has established branches around the world to provide customers with the best services with an integrated marketing system and supply platform; and actively improve product portfolios and product quality to consolidate orders from major international manufacturers. At the same time, in the future, we will develop customers in various regions and increase agents as needed. Generally speaking, by expanding customer sources and diversifying customer industry categories, we hope to reduce the risks arising from the concentration of sales. In addition, the company did not have a customer with a sales ratio of more than 5% in Year 2023, so there is no risk of concentration of sales.

7.6.10 Directors or shareholders holding more than 10% of the shares, the impact of a large number of shares transferred or replaced on the company and risks:
None.

7.6.11 Impact of changes in management rights on the company and risks: None

7.6.12 Litigation or non-litigation
Should the Company, its directors, general managers, substance representatives, subordinate companies and major shareholders holding more than 10% of the shares in the last two years have the litigation, non-litigation or administrative disputes up to the date of this annual report: None.

7.6.13 Other important risks and countermeasures
The requests of remote working and cloud meeting are dramatically increasing in the company. Walsin Technology realizes the system security vulnerabilities in both VPN and video conference software may cause hacker cyber-attacks, such as password stealing and cracking. Hence, we upgrade the software patches in a timely manner. Besides, we also renew password management policies, encrypted trade-secret documents, reinforce the awareness of cyber-attack to all users, review all the accounts regularly and also restrict all the account's permission in a limited area to reduce the cyber-attack risk.

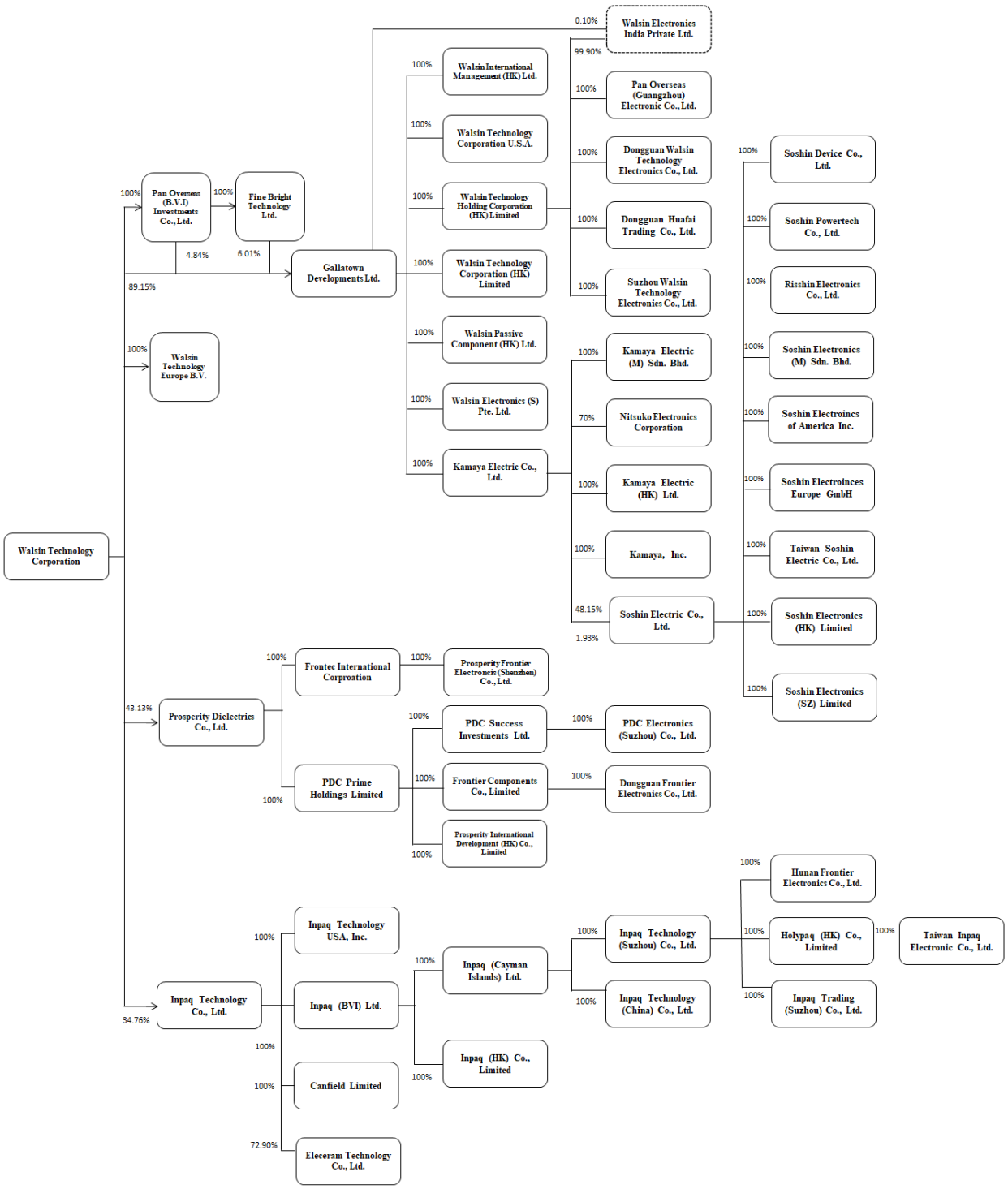
7.7 Other Important Matters: None.

Special Notes

8.1 Affiliates Information

8.1.1 Consolidated Business Report of Affiliates

a.Affiliated Organization Chart



Note: Walsin Electronics India Private Ltd. has not commenced operation yet.

b. Background Information of the Affiliates

Unit: dollars 2023/12/31

Company	Incorporation Date	Address	Paid-in Capital	Main Business Items
Gallatown Developments Ltd.	Dec. 1999	P.O. Box 31119 Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KY1-1205 Cayman Islands	USD106,701,905 (30.735:1)	Investment holding
Walsin Technology Holding Corporation (HK) Limited	Nov. 2007	Suite 78, 9/F., Lee King Industrial Building, 12 Ng Fong Street, San Po Kong, Kowloon, Hong Kong	USD186,587,562 (30.735:1)	Investment holding
Walsin International Management (HK) Ltd.	Dec. 2011	Rooms 2006-8, 20/F, Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong	USD6,000,001 (30.735:1)	Investment holding
Pan Overseas (B.V.I.) Investments Co., Ltd.	Oct. 1998	Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, VG1110, British Virgin Islands	USD21,836,000 (30.735:1)	Investment holding
Walsin Electronics (S) Pte. Ltd.	Apr. 1999	24 Sin Ming Lane #04-100, Midview City, Singapore 573970	SGD1,607,000 (23.3194:1)	Marketing service
Walsin Technology Corporation U.S.A.	Apr. 1997	P.O. Box 2833, Castro Valley, CA 94546, USA	USD700,000 (30.735:1)	Marketing service

Company	Incorporation Date	Address	Capital Stock	Main Business Items
Walsin Technology Corporation (HK) Ltd.	Dec. 1996	Suite 66, 9/F., Lee King Industrial Building, 12 Ng Fong Street, San Po Kong, Kowloon, Hong Kong	HKD74,214,000 (3.9340:1)	Selling of passive electronic components
Walsin Passive Component (H.K.) Ltd.	Dec. 2000	Room D, 8/F., Wing Cheong Commercial Building, 19-25 Jervois Street, Sheung Wan, Hong Kong	USD3,000,013 (30.735:1)	Selling of passive electronic components
Walsin Electronics India Private Limited	Dec. 2018	NO: 17/28/10, Ground Floor, New Bypass Circle, Renigunta, Chittoor, Andhra Pradesh, India, 517520	INR1,000,000 (0.3698:1)	Manufacturing and selling of passive electronic components
Walsin Technology Europe B.V.	Jan. 2022	Kiotoweg 201, 3047 BG Rotterdam, the Netherlands	EUR1,500,000 (34.0252:1)	Selling of passive electronic components
Suzhou Walsin Technology Electronics Co., Ltd.	Mar. 2000	No. 369, Changyang Street, Suzhou Industrial Park, Jiangsu Province, China	USD69,000,000 (30.735:1)	Manufacturing and selling of passive electronic components
Dongguan Walsin Technology Electronics Co. Ltd.	Jul. 2000	No. 638, Meijing West Road, Dalang Town, Dongguan City, Guangdong Province, China	USD128,400,000 (30.735:1)	Manufacturing and selling of passive electronic components
Fine Bright Technology Limited	May 1990	Rooms 2006-8, 20/F, Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong	USD1,601,185 (30.735:1)	Investment holding
Pan Overseas (Guangzhou) Electronic Co., Ltd.	Jun. 1991	No. 277, Hong Ming Road, Eastern Section, Guang Zhou Econ. and Tech. Development Zone, China	USD16,500,000 (30.735:1)	Manufacturing and selling of passive electronic components

Company	Incorporation Date	Address	Capital Stock	Main Business Items
Dongguan Huafai Trading Co., Ltd.	Oct. 2009	No. 638-1, Meijing West Road, Dalang Town, Dongguan City, Guangdong Province, China	USD2,000,000 (30.735:1)	Trading of electronic parts, warehousing and commission agency
Kamaya Electric Co., Ltd.	Oct. 1957	PSA Building, 6-1-6 Chuou, Yamato-shi, Kanagawa 242-0021, Japan	JPY499,000,000 (0.2171:1)	Manufacturing and selling of high-end electronic chip and resistors
Kamaya, Inc.	Nov. 1977	6407 Cross Creek Boulevard Fort Wayne, IN 46818 U.S.A.	USD 600,000 (30.735:1)	Selling of passive electronic components
Kamaya Electric (M) Sdn. Bhd.	May 1991	47A, Jalan Chung Ah Ming, Pasir Puteh, 31650 Ipoh, Perak Darul Ridzuan, Malaysia	RM242,125,250 (6.7034:1)	Manufacturing and selling of high-end electronic chip and resistors
Nitsuko Electronics Corporation	Apr. 1999	2031-1 Ogawara, Suzaka, Nagano 382-0071 Japan.	JPY100,000,000 (0.2171:1)	Manufacturing and selling of film capacitors
Kamaya Electric (HK) Limited	Jun. 2007	Room D, 8/F., Wing Cheong Commercial Building, 19-25 Jervois Street, Sheung Wan, Hong Kong	HKD2,000,000 (3.9340:1)	Selling of passive electronic components
Soshin Electric Co., Ltd.	Apr. 1944	No. 800-38, Nagatoro, Saku-City, Nagano 385-0021, Japan	JPY 4,256,750,000 (0.2171:1)	Researching, developing, manufacturing and selling of capacitors, thick film printed boards, laminated dielectric filters and EMI filters
Soshin Device Co., Ltd.	Mar. 1990	No. 13-4, Oyamada, Takaoka-Town, Miyazaki-City, Miyazaki 880-2214, Japan	JPY100,000,000 (0.2171:1)	Manufacturing and selling of information and communication electronic components

Company	Incorporation Date	Address	Paid-in Capital	Main Business Items
Soshin Powertech Co., Ltd.	Jul. 1986	No. 2333-7, Hananoki, Yamanokuchi-Town, Miyakonojo-City, Miyazaki 889-1802, Japan	JPY100,000,000 (0.2171:1)	Manufacturing and selling of power electronic components
Risshin Electronics Co., Ltd.	Dec. 1974	No. 871-8, Ichi, Komoro-City, Nagano 384-0083, Japan	JPY 50,000,000 (0.2171:1)	Manufacturing and selling of information and communications electronic components
Soshin Eelectronics (M) Sdn. Bhd.	Jul. 1989	Lot 14, Batu Berendam FTZ. Phase3, Batu Berendam 75350 Malacca, Malaysia	RM 16,000,000 (6.7034:1)	Manufacturing and selling of power electronic components
Soshin Electronics of America Inc.	Jul. 1996	3001 Winchester Blvd., Suite 14, Campbell, CA 95008 USA	USD 100,000 (30.735:1)	Selling of electronic components
Soshin Electronics Europe GmbH	Aug. 2008	Westerbachstrasse 32 D-61476 Kronberg im Taunus, Germany	EUR 50,000 (34.0252:1)	Selling of electronic components
Taiwan Soshin Electric Co., Ltd.	Dec. 2008	2 F., No. 97, Section 2, Dunhua South Road, Da'an District, Taipei City, Taiwan	NTD 5,000,000	Selling of electronic components
Soshin Electronics (HK) Limited	Jul. 2002	Unit 1303, 13/F., Austin Tower, 22-26 Austin Avenue, Tsimshatsui, Kowloon, Hong Kong	HKD 18,737,823 (3.9340:1)	Selling of electronic components
Soshin Electronics (SZ) Limited	Apr. 2010	1403B, Level 14, Taiping Financial Tower, No. 6001 Yitian Road, Futian Distric, Shenzhen, China	USD 360,000 (30.735:1)	Selling of electronic components

Company	Incorporation Date	Address	Paid-in Capital	Main Business Items
Prosperity Dielectrics Co., Ltd.	May 1990	No. 566-1, Gaoshi Rd., Yangmei Dist., Taoyuan City, Taiwan	NTD1,720,000,000	Manufacturing and selling electric capacitors, resistors, ceramic dielectric powders and magnetic elements, etc.
Frontier Components Co., Limited	Jan. 2006	Room D, 8/F., Wing Cheong Commercial Building, 19-25 Jervois Street, Sheung Wan, Hong Kong	USD9,001,000 (30.735:1)	International trade
PDC Prime Holdings Limited	Oct. 2003	Vistra Corporate Services Centre, Ground Floor NPF Building, Beach Road, Apia, Samoa	USD23,464,538 (30.735:1)	Investment holding
PDC Success Investments Ltd.	Oct. 2003	3rd Floor, Standard Chartered Tower, 19 Cybercity Ebene, Republic of Mauritius	USD12,009,000 (30.735:1)	Investment holding
PDC Electronics (Suzhou) Co., Ltd.	Apr. 2004	No.2588, Pangjin Rd., Yundong Economic Development Zone, Wujiang District, Suzhou City, Jiangsu Province, China	USD12,000,000 (30.735:1)	Manufacturing of ceramic materials
Frontec International Corporation	Jul. 1997	OMC Chambers, Wickhams Cay 1, Road Town, Tortola, British Virgin Islands	USD8,221,614.62 (30.735:1)	Overseas investment
Dongguan Frontier Electronic Co., Ltd.	Jun. 1998	No. 658, Meijing West Road, Dalang Town, Dongguan City, Guangdong Province, China	USD6,100,000 (30.735:1)	Selling transformer, coils and rectifier diode
Prosperity International Development (HK) Co., Limited	Dec. 2011	Rooms 2006-8, 20/F, Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong	USD2,401,000 (30.735:1)	Investment holding

Company	Incorporation Date	Address	Paid-in Capital	Main Business Items
Prosperity Frontier Electronics (Shenzhen) Co., Ltd.	Sep. 2018	2nd Floor, No.16, Daxing 1st Road, Bu Chung Community, Shajing Street, Bao'an District, Shenzen, China	USD6,000,000 (30.735:1)	Manufacturing and selling of chip components, power electronic devices and new electronic components
Inpaq Technology Co., Ltd.	Jun. 1998	No. 11, Keyi St., Zhunan Township, Miaoli County, Taiwan	NTD 1,489,803,410	Researching, developing, manufacturing and selling of hybrid microwave antenna module, Integrated electrical protection component and Multilayer type microwave communication component and module
Inpaq (BVI) Ltd.	Nov. 2000	P.O. Box 3152, Road Town, Tortola, British Virgin Islands	USD39,908,842 (30.735:1)	Investment holding
Inpaq (Cayman Islands) Ltd.	Dec. 2000	Floor 4, Willow House, Cricket Square, P.O. Box 2804, Grand Cayman KY1-1112, Cayman Islands	USD32,150,000 (30.735:1)	Investment holding
Inpaq Technology USA, Inc.	Jul. 2019	2055 Junction Ave Suite 100, San Jose, CA 95131	USD500,000 (30.735:1)	Sales
Canfield Limited	Nov. 2002	Vistra Corporate Services Centre, Ground Floor NPF Building, Beach Road, Apia, Samoa	USD600,000 (30.735:1)	Sales
Eleceram Technology Co., Ltd.	Dec. 1999	No. 231, Longshou Street, Taoyuan District, Taoyuan City, Taiwan	NTD120,000,000	Manufacturing and selling of electronic components

Company	Incorporation Date	Address	Paid-in Capital	Main Business Items
Inpaq (HK) Co., Ltd.	Nov. 2008	Rm 2702-03, Cc Wu Bldg, 302-8 Hennessy Rd., Wanchai, Hong Kong	HKD66,857,629 (3.9340:1)	Investment holding
Inpaq Technology (Suzhou) Co., Ltd.	Jan. 2002	No.5, Chunqiu Road, Panyang Industrial Park, Huangdai Town, Xiangcheng District, Suzhou City, Jiangsu Province, China	USD11,000,000 (30.735:1)	Manufacturing and selling of passive electronic components
Inpaq Technology (China) Co., Ltd.	Mar. 2007	No.81, Antai One Road, Anzhen Xishan Economic Development Zone, Wuxi City, Jiangsu Province, China	USD29,000,000 (30.735:1)	Manufacturing and selling of passive electronic components
Inpaq Trading (Suzhou) Co., Ltd.	Nov. 2011	Rm. 1989, 19 F, Modern Logistic Building, 88 Morden Road, Suzhou Industrial Park Zone, Suzhou City, Jiangsu Province, China	RMB2,000,000 (4.3327:1)	Selling of passive electronic components
Hunan Frontier Electronics Co., Ltd.	Jan. 2008	Fenghuan Road, Fenghuangyuan Economic Zone, Lengshuitan Town, Yongzhou City, Hunan Province, China	RMB102,515,290 (4.3327:1)	Manufacturing and selling of transformer, coils and magnetic component
Holypaq (HK) Co., Ltd.	Mar. 2012	Rm.2702-03, CC WU Bldg., 302-8 Hennessy Rd., Wanchai, Hong Kong	USD4,000,000 (30.735:1)	Investment holding
Taiwan Inpaq Electronic Co., Ltd.	Oct. 2018	1F., No. 38, Keyi St., Zhunan Township, Miaoli County 350402, Taiwan	NTD122,239,694	Manufacturing and selling of passive electronic components

Note 1: All affiliates, regardless of their business scale, are required to be disclosed.

Note 2: If the affiliate has a factory, and its sales exceeded 10% of sales of the controlling company. The factory name, incorporation date, address and its main production items are required to be listed.

Note 3: If the affiliate is a foreign company, the name and address of the company may be in English, and the incorporation date may also be displayed in A.D. The paid-in capital may be in foreign currency but the exchange rate on the date of the report is required to be noted.

c. Shareholders in Common of WTC and its affiliates with presumed to have a relationship of control and subordination: Not applicable

Unit: NT$ thousands, shares,%

Presumed reason	Name (Note1)	Shareholding (Note 2)		Incorporation date	Address	Paid-in capital	Main business items
		Shares	Holding %				
N/A							

Note 1: Where the shareholders in common are juristic persons, the name of juristic persons shall be disclosed. Where the shareholders in common are natural persons, the name of natural persons shall be disclosed. Nature person shareholders can be disclosed only the presumed reason, their names and shareholding status.
Note 2: Shareholding is to be filled in the shareholder's shareholding information of the controlling company.

d. The industries covered by the business operation of the overall affiliates:
(a) The business of Walsin Technology Corporation (the controlling company) is mainly the manufacturing, processing, and selling passive electronic components.
(b) The circumstance of the dealings and division of work among the business operated by individual affiliates:
As for the details of the main business or production items of each affiliate, please refer to the above-mentioned the second section, the list of background information of the affiliates.

e. Directors, Supervisors, and Presidents of the Affiliates

As of 2023/12/31

Company	Title	Name or the Representation	Shareholding	
			Shares	Holding %
Gallatown Developments Ltd.	Director	Chiao, Yu-Heng		
	Director	Ku, Li-Chin		
	Director	Chang, Jui-Tsung		
	G.M.	Chang, Jui-Tsung		
			Walsin Technology Corporation	
			95,129,047	89.15%
			Fine Bright Technology Ltd.	
			6,407,247	6.01%
			Pan Overseas (B.V.I.) Investments Co., Ltd.	
			5,165,611	4.84%
Walsin Technology Holding Corporation (HK) Limited	Director	Chiao, Yu-Heng		
	Director	Ku, Li-Chin		
	Director	Chang, Jui-Tsung		
			Gallatown Developments Ltd.	
			165,037,562	100.00%
Walsin International Management (HK) Ltd.	Director	Chiao, Yu-Heng	-	-
	Director	Ku, Li-Chin	-	-
	Director	Chang, Jui-Tsung	-	-
			Gallatown Developments Ltd.	
			600,001	100.00%
Pan Overseas (B.V.I.) Investments Co., Ltd.	Director	Chiao, Yu-Heng	-	-
	Director	Ku, Li-Chin	-	-
	Director	Chang, Jui-Tsung	-	-
			Walsin Technology Corporation	
			21,836,000	100.00%
Walsin Electronics (S) Pte. Ltd.	Director	Liew Sie Yong	-	-
	Director	Chiao, Yu-Heng	-	-
	Director	Ku, Li-Chin	-	-
	Director	Chang, Jui-Tsung		
	G.M.	Liew Sie Yong	-	-
			Gallatown Developments Ltd.	-
			1,607,000	100.00%

Company	Title	Name or the Representation	Shareholding	
			Shares	Holding %
Walsin Technology Corporation U.S.A.	Director	Ling Chek Leh	-	-
	Director	Tseng, Ming-Tsan	-	-
	G.M.	Ling Chek Leh	-	-
			Gallatown Developments Ltd.	-
			7,000,000	100.00%
Walsin Technology Corporation (HK) Ltd.	Director	Chang, Jui-Tsung	-	-
	Director	Yu, Ming-Hsiung	-	-
	Director	Yeh, Tse-Kuang	-	-
	Director	Peng, Chun-Hsiung	-	-
	Director	Liao, Pin-Cheng	-	-
			Gallatown Developments Ltd.	
			1,953	100.00%
Walsin Passive Component (H.K.) Ltd.	Director	Peng, Chun-Hsiung	-	-
	Director	Chang, Jui-Tsung	-	-
			Gallatown Developments Ltd.	
			23,400,100	100.00%
Walsin Electronics India Private Limited	Director	Ku, Li-Chin	-	-
	Director	Rajagopal Anandan	-	-
			Walsin Technology Holding Corporation (HK) Ltd.	
			999	99.90%
			Gallatown Developments Ltd.	
			1	0.10%
Walsin Technology Europe B.V.	Director	Chang, Jui-Tsung		
	Director	Ling Chek Leh		
	Director	Chen, Wei-Jen		
	G.M.	Chen, Wei-Jen		
			Walsin Technology Corporation.	
			1,500,000	100.00%
Suzhou Walsin Technology Electronics Co., Ltd.	Chairman	Yu, Ming-Hsiung	-	-
	Director	Tseng, Ming-Tsan	-	-
	Director	Peng, Chun-Hsiung	-	-
	Supervisor	Yeh, Tse-Kuang	-	-
	G.M.	Yu, Ming-Hsiung	-	-
			Walsin Technology Holding Corporation (HK) Ltd.	-
			USD69,000,000(Note1)	100.00%

Company	Title	Name or the Representation	Shareholding	
			Shares	Holding %
Dongguan Walsin Technology Electronics Co. Ltd.	Chairman	Yu, Ming-Hsiung	-	-
	Director	Chang, Jui-Tsung	-	-
	Director	Yang, Tsung-Lin	-	-
	Superviso	Yeh, Tse-Kuang	-	-
	G.M.	Yu, Ming-Hsiung	-	-
			Walsin Technology Holding Corporation (HK) Ltd.	
			USD128,400,000(Note1)	100.00%
Fine Bright Technology Limited	Director	Chang, Jui-Tsung		
	Director	Hung, Chih-Mou		
			Pan Overseas (B.V.I.) Investments Co., Ltd.	
			37,183,927	100.00%
Pan Overseas (Guangzhou) Electronic Co., Ltd.	Chairman	Yu, Ming-Hsiung	-	-
	Director	Chang, Jui-Tsung	-	-
	Director	Tseng, Ming-Tsan	-	-
	Supervisor	Yeh, Tse-Kuang	-	-
	G.M.	Yu, Ming-Hsiung	-	-
			Walsin Technology Holding Corporation (HK) Ltd.	
			USD16,500,000(Note1)	100.00%
Dongguan Huafai Trading Co., Ltd.	Chairman	Yu, Ming-Hsiung	-	-
	Director	Peng, Chun-Hsiung	-	-
	Director	Hung, Chih-Mou	-	-
	Supervisor	Yeh, Tse-Kuang	-	-
	G.M.	Yu, Ming-Hsiung	-	-
			Walsin Technology Holding Corporation (HK) Ltd.	
			USD2,000,000(Note1)	100.00%

Company	Title	Name or the Representation	Shareholding	
			Shares	Holding %
Kamaya Electric Co., Ltd.	Representative Director	Chen, Yi-Kuang	-	-
	Representative Director	Mitsuhiro Miyashita	-	-
	Director	Chiao, Yu-Heng	-	-
	Director	Tseng, Ming-Tsan		
	Director	Chen, Pei-Cheng	-	-
	Director	Ling Chek Leh		
	Supervisor	Yeh, Tse-Kuang	-	-
	G.M.	Chen, Yi-Kuang	-	-
			Gallatown Developments Ltd	
			358,037,761	100.00%
Kamaya Inc.	Director	Chen, Yi-Kuang		
	Director	Tseng, Ming-Tsan		
	Director	Ling Chek Leh		
	G.M.	Chen, Yi-Kuang		
			Kamaya Electric Co., Ltd.	
			699(Note3)	100.00%
Kamaya Electric (M) Sdn. Bhd.	Director	Tseng, Ming-Tsan	-	-
	Director	Chen, Yi-Kuang	-	-
	Director	Mitsuhiro Miyashita	-	-
	Director	Yeh, Tse-Kuang	-	-
	Director	Yang, Tsung-Lin	-	-
	G.M.	Chen, Yi-Kuang	-	-
			Kamaya Electric Co., Ltd	
			242,125,250 (Note3)	100.00%
Nitsuko Electronics Corporation	Representative Director	Chen, Yi-Kuang		
	Representative Director	Susumu Fujimoto		
	Director	Chiao, Yu-Heng		
	Director	Tseng, Ming-Tsan		
	Director	Ryota Ikeda		
	Director	Ryuichi Furukawa		
	Supervisor	Yeh, Tse-Kuang		
	G.M.	Susumu Fujimoto		
			Kamaya Electric Co., Ltd	
			37,333(Note3)	70.00%

Company	Title	Name or the Representation	Shareholding	
			Shares	Holding %
Kamaya Electric (HK) Limited	Director	Chang, Jui-Tsung	-	-
	Director	Chen, Yi-Kuang	-	-
	Director	Yu, Ming-Hsiung	-	-
			Kamaya Electric Co., Ltd	
			2,000,000(Note3)	100.00%
Soshin Electric Co., Ltd.	Representative Director	Masahiko Sugiyama	9,198	0.05%
	Director	Koji Nakanishii	1,000	0.01%
	Director	Chiao, Yu-Heng	0	0.00%
	Director	Chen, Yi-Kuang	0	0.00%
	Director	Yositaka Kinoshita	0	0.00%
	Director (Audit and Su. Comm.)	Haruo Kawasumi	0	0.00%
	Director (Audit and Su. Comm.)	Raira Yamasaki	0	0.00%
	Director (Audit and Su. Comm.)	Chen, Ming-Ching	0	0.00%
	President	Masahiko Sugiyama	9,198	0.05%
			Kamaya Electric Co., Ltd.	
			8,233,504(Note2)	48.15%
			Walsin Technology Coporation	
			330,880	1.93%
Soshin Device Co., Ltd.	Representative Director	Kaichiro Hirahara		
	Director	Yasuhiko Mizutani		
	Supervisor	Shuji Omori		
	G.M.	Kaichiro Hirahara		
			Soshin Electric Co., Ltd.	
			2,020(Not3)	100.00%
Soshin Powertech Co., Ltd.	Representative Director	Yukio Isowaki	-	-
	Director	Takeharu Yoda	-	-
	Supervisor	Shuji Omori	-	-
	G.M.	Yukio Isowaki		
			Soshin Electric Co., Ltd	
			10,000(Note3)	100.00%

Company	Title	Name or the Representation	Shareholding	
			Shares	Holding %
Risshin Electronics Co., Ltd.	Representative Director Director Supervisor G.M.	Noriaki Fujimaki Eiji Shinohara Shuji Omori Noriaki Fujimaki	Soshin Electric Co., Ltd. 159,290 (Note3)	100.00%
Soshin Electronics (M) Sdn. Bhd.	Director Director Director Director Director G.M.	Taku Hirai Shalizan Bin Sabtu Norayu Binti Abd. Ghani Takeharu Yoda Keita Yanaka Taku Hirai	Soshin Electric Co., Ltd. 16,000,000 (Note3)	100.00%
Soshin Electronics of America Inc.	Director Director Director G.M.	Yoshiki Makino Katsuyuki Nekozuka Masatoki Higuchi Yoshiki Makino	Soshin Electric Co., Ltd. 100,000 (Note)	100.00%
Soshin Electronics Europe GmbH	Director	Yoshiki Makino	Soshin Electric Co., Ltd. 1,000 (Note3)	100.00%
Taiwan Soshin Electric Co., Ltd.	Chairman Director Director Supervisor G.M.	Rep. of Soshin Electric Co., Ltd.: Yoshiki Makino Rep. of Soshin Electric Co., Ltd.:Katsuyuki Nekozuka Rep. of Soshin Electric Co., Ltd.: Yasuhiko Mizutani Rep. of Soshin Electric Co., Ltd.: Shuji Omori Kota Komatsu	500,000 500,000 500,000 500,000	100.00% 100.00% 100.00% 100.00%
Soshin Electronics (HK) Limited	Director Director G.M.	Takeharu Yoda Tomohiro Kobayashi Takeharu Yoda	Soshin Electric Co., Ltd. 18,737,823 shares (Note3)	100.00%

Company	Title	Name or the Representation	Shareholding	
			Shares	Holding %
Soshin Electronics (SZ) Limited	Chairman Director Director Supervisor G.M.	Takeharu Yoda Hideshi Watanabe Yosuke Niwa Shuji Omori Mitsuhiro Hayashi	Soshin Electric Co., Ltd. USD 360,000 (Note3)	100.00%
Prosperity Dielectrics Co., Ltd.	Chairman Director Director Director Ind. Director Ind. Director Ind. Director President	Chiao, Yu-Heng Rep. of Walsin Technology Corporation：Chu, Yeu-Yuh Rep. of Walsin Technology Corporation：Hung, Chih-Mou Wang, Por-Yuan Chen, Chun-Kuei Chiu, Chin-Tain Lau Boon Leng Chen, Chun-Hsueh	1,065,861 74,186,468 74,186,468 - 10,312 - - 20,021	0.62% 43.13% 43.13% - 0.01% - - 0.01%
Frontier Components Co., Limited	Director Director Director	Chen, Chun-Hsueh Chiao,Yu-Hemg Lin,Wen-Ko	PDC Prime Holdings Ltd. USD9,001,000(Note4)	100.00%
PDC Prime Holdings Limited	Director Director	Chen, Chun-Hsueh Lin, Wen-Ko	Prosperity Dielectrics Co., Ltd. USD23,464,538(Note4)	100.00%
PDC Success Investments Ltd.	Director Director	Chen, Chun-Hsueh Lin, Wen-Ko	PDC Prime Holdings Ltd. USD12,009,000(Note4)	100.00%
PDC Electronics (Suzhou) Co., Ltd	Chairman Director Director Supervisor G.M.	Kuang, Chi-Lin Chen, Chun-Hsueh Wu, Hung-Chun Lo, Hsia-Ying Chen, Kuo-Chou	PDC Success Investments Ltd USD12,000,000(Note4)	100.00%

Company	Title	Name or the Representation	Shareholding	
			Shares	Holding %
Frontec International Corporation	Director	Rep. of Prosperity Dielectrics Co., Ltd.: Chen, Chun-Hsueh	USD8,221,614.62(Note4)	100.00%
	Director	Rep. of Prosperity Dielectrics Co., Ltd.: Lin, Wen-Ko	USD8,221,614.62(Note4)	100.00%
Dongguan Frontier Electronic Co., Ltd.	Director	Lin, Wen-Ko	-	-
	Director	Chen, Chun-Hsueh	-	-
	Director	Chiang, Chien-Wen	-	-
	Supervisor	Lo, Hsia-Ying	-	-
	G.M.	Lin, Wen-Ko	-	-
			Frontier Components Co., Ltd.	-
			USD6,100,000(Note4)	100.00%
Prosperity International Development (HK) Co., Limited	Director	Chen, Chun-Hsueh		
	Director	Lin, Wen-Ko		
			PDC Prime Holdings Ltd.	
			USD2,401,000(Note4)	100.00%
Prosperity Frontier Electronics (Shenzhen) Co., Ltd.	Director	Chen, Kuei-Chen		
	Director	Chen, Chun-Hsuen		
	Director	Chiang, Chien-Wen		
	Supervisor	Lo, Hsia-Ying		
	G.M.	Chen, Kuei-Chen		
			Frontec International Corporation	
			USD6,000,000(Note4)	100.00%
Inpaq Technology Co., Ltd	Chairman	Rep. of Walsin Technology Corporation: Chen, Pei-Cheng	51,782,658	34.76%
	Director	Rep. of Walsin Technology Corporation: Chiao, Yu-Heng	51,782,658	34.76%
	Director	Rep. of Walsin Technology Corporation: Tseng, Ming-Tsan	51,782,658	34.76%
	Director	Cheng, Duen-Jen	1,479,606	0.99%
	Ind. Director	Kao, Chi-Tzu	6	0.00%
	Ind. Director	Huang, Teh-Fu	-	0.00%
	Ind. Director	Chu, Po-Wei	-	0.00%
	President	Hung, Chih-Mou	30,000	0.02%
Inpaq (BVI) Ltd	Director	Chen, Pei-Cheng		
			Inpaq Technology Co., Ltd.	
			39,908,842(Note5)	100.00%
Inpaq(Cayman Islands) Ltd.	Director	Chen, Pei-Cheng		
			Inpaq (BVI) Ltd.	
			32,150,000(Note5)	100.00%

Company	Tilte	Name or the Representation	Shareholding	
			Shares	Holding %
Canfield Limited	Director	Hung, Chih-Mou	Inpaq Technology Co., Ltd. 600,000(Note5)	100.00%
Inpaq Technology USA, Inc.	Director Director Director	Hung, Chih-Mou Chen, Pei-Cheng Chang, Chi-Lung	- - -	- - -
			Inpaq Technology Co., Ltd. 5,000,000 (Note5)	100.00%
Eleceram Technology Co., Ltd.	Chairman	Rep. of Inpaq Technology Co., Ltd.: Tseng, Ming-Tsan	8,747,750	72.90%
	Director	Rep. of Inpaq Technology Co., Ltd.: Chang, Chi-Lung	8,747,750	72.90%
	Director	Rep. of Inpaq Technology Co., Ltd.: Hsieh, Chih-Wen	8,747,750	72.90%
	Supervisor	Huang, Kuo-Shu	-	-
Inpaq (HK) Co., Limited	Director	Tseng, Ming-Tsan	Inpaq (BVI) Ltd. 66,857,629 (Note5)	100.00%
Inpaq Technology (China) Co., Ltd.	Chairman Director Director Supervisor G.M.	Hung, Chih-Mou Li, Chong-Jie Hsu, Kai-Ming Huang, Kuo-Shu Yeh, Wei-Chi	Inpaq (Cayman Islands) Ltd. USD29,000,000(Note5)	100.00%
Inpaq Technology (Suzhou) Co., Ltd.	Chairman Director Director Supervisor G.M.	Hung, Chih-Mou Yeh, Wei-Chi Chen, Zhi-Wei Huang, Kuo-Shu Chen, Zhi-Wei	Inpaq (Cayman Islands) Ltd. USD11,000,000(Note5)	100.00%

Company	Tilte	Name or the Representation	Shareholding	
			Shares	Holding %
Inpaq Trading (Suzhou) Co., Ltd.	Chairman Director Director Supervisor G.M.	Chang, Chi-Lung Yeh, Wei-Chi Hung, Chih-Mou Huang, Kuo-Shu Chang, Chi-Lung	Inpaq Technology (Suzhou) Co., Ltd. RMB2,000,000(Note5)	100.00%
Hunan Frontier Electronics Co., Ltd.	Chairman Director Director Supervisor G.M.	Hung, Chih-Mou Lee, Wei-Chih Chen, Jun-Hong Huang, Kuo-Shu Hung, Chih-Mou	Inpaq Technology (Suzhou) Co., Ltd. RMB102,515,290(Note5)	100.00%
Holypaq (HK) Co., Ltd.	Director	Chang, Chi-Lung	- Inpaq Technology (Suzhou) Co., Ltd. 4,000,000(Note5)	- 100.00%
Taiwan Inpaq Electronic Co., Ltd.	Director	Rep. of Holypaq (HK) Co., Ltd.: Hung, Chih-Mou	NTD122,239,694(Note5)	100.00%

Note1: It is the capital contribution.

Note 2: It is an investee company held by Kamaya Electric Co., Ltd.. The company's shareholding or capital contribution ratio is indirectly held by investing in Kamaya Electric Co., Ltd. The number of shares is all shares of Kamaya Electric Co., Ltd.

Note 3: It is an investee company held by Soshin Electric Co., Ltd.. The company's shareholding or capital contribution ratio is indirectly held by investing in Soshin Electric Co., Ltd.. The number of shares is all shares or capital contribution of Soshin Electric Co., Ltd..

Note 4: It is an investee company held by Prosperity Dielectrics Co., Ltd.. The company's shareholding or capital contribution ratio is indirectly held by investing in Prosperity Dielectrics Co., Ltd.. The number of shares or capital contribution is all shares or capital contributions of Prosperity Dielectrics Co., Ltd.

Note 5: It is an investee company held by Inpaq Technology Co., Ltd.. The company's shareholding or capital contribution ratio is indirectly held by investing in Inpaq Technology Co., Ltd.. The number of shares or capital contribution is all shares or capital contribution of Inpaq Technology Co., Ltd.

Note 6: None of the representative of each juristic person contributed capital

f. The overview of the operations of the affiliates

The financial condition and operational results of the affiliates

Unit: NT$ thousands, except EPS(NT$)

Company	Paid-in Capital	Total Assets	Total Liabilities	Net Worth	Sales	Operating Income (Loss)	Profit after Income Tax	EPS after Income Tax
Gallatown Developments Ltd.	3,279,483	26,594,942	0	26,594,942	0	(201)	251,985	N/A
Walsin Technology Holding Corporation (HK) Limited	5,734,769	22,687,703	1,184,536	21,503,167	0	(3,043)	345,607	N/A
Walsin International Management (HK) Ltd.	184,410	153,169	33	153,136	0	(83)	(1,011)	N/A
Pan Overseas (B.V.I.) Investments Co., Ltd.	671,129	2,317,776	0	2,317,776	0	(104)	25,389	N/A
Walsin Electronics (S) Pte. Ltd.	37,474	25,726	1,306	24,420	10,965	(5,223)	(6,303)	N/A
Walsin Technology Corporation U.S.A.	21,515	22,218	844	21,374	9,907	1,501	1,543	N/A
Walsin Technology Corporation (HK) Ltd.	291,958	2,788,447	941,022	1,847,425	5,826,102	(3,581)	16,073	N/A
Walsin Passive Component (H.K.) Ltd.	92,205	1,053,579	460,413	593,166	2,628,437	10,411	14,781	N/A
Walsin Electronics India Private Limited	370	363	0	363	0	9	9	N/A

Company	Paid-in Capital	Total Assets	Total Liabilities	Net Worth	Sales	Operating Income (Loss)	Profit after Income Tax	EPS after Income Tax
Walsin Technology Europe B.V.	51,038	296,369	246,265	50,104	189,343	(63,216)	(61,853)	N/A
Suzhou Walsin Technology Electronics Co., Ltd.	2,120,715	3,784,652	827,987	2,956,665	3,701,743	59,186	62,762	N/A
Dongguan Walsin Technology Electronics Co. Ltd.	3,946,374	13,644,227	2,367,965	11,276,262	12,327,654	199,285	279,238	N/A
Fine Bright Technology Limited	49,212	1,163,316	33	1,163,283	0	(112)	15,314	N/A
Pan Overseas (Guangzhou) Electronic Co., Ltd.	507,128	984,027	230,010	754,017	877,155	6,861	18,251	N/A
Dongguan Huafai Trading Co., Ltd.	61,470	354,515	3,169	351,346	(747)	(2,962)	3,542	N/A
Kamaya Electric Co., Ltd.	108,333	5,030,211	3,607,723	1,422,488	1,520,302	22,250	218,547	N/A
Kamaya, Inc.	18,441	268,357	106,228	162,129	395,552	12,658	11,009	N/A
Kamaya Electric (M) Sdn. Bhd.	1,623,062	3,921,931	1,570,461	2,351,470	2,625,702	(155,829)	(139,014)	N/A
Nitsuko Electronics Corporation	21,710	538,103	91,778	446,325	275,166	(19,032)	(9,215)	N/A
Kamaya Electric (HK) Limited	7,868	80,838	69,987	10,851	290,171	1,473	1,454	N/A

Company	Paid-in Capital	Total Assets	Total Liabilities	Net Worth	Sales	Operating Income (Loss)	Profit after Income Tax	EPS after Income Tax
Soshin Electric Co., Ltd.	924,140	2,955,889	797,652	2,158,237	2,504,662	11,969	14,338	N/A
Soshin Device Co., Ltd.	21,710	511,075	216,306	294,769	628,801	(6,618)	(9,436)	N/A
Soshin Powertech Co., Ltd.	21,710	47,492	25,189	22,303	243,850	25,738	21,087	N/A
Risshin Electronics Co., Ltd.	10,855	51,809	28,179	23,630	28,487	4,811	3,816	N/A
Soshin Electronics (M) Sdn. Bhd.	107,254	202,945	64,536	138,409	549,096	24,887	16,115	N/A
Soshin Electronics of America Inc.	3,074	6,922	2,759	4,163	13,920	500	438	N/A
Soshin Electronics Europe GmbH	1,701	7,210	2,983	4,227	0	(180)	(180)	N/A
Taiwan Soshin Electric Co., Ltd.	5,000	8,541	205	8,336	4,861	929	1,039	N/A
Soshin Electronics (HK) Limited	73,715	64,090	481	63,609	4,065	(1,531)	6,277	N/A
Soshin Electronics (SZ) Limited	11,065	48,611	6,905	41,706	46,806	2,294	2,059	N/A
Prosperity Dielectrics Co., Ltd.	1,720,000	8,354,230	1,552,698	6,801,532	3,260,327	347,475	451,374	2.64

Company	Paid-in Capital	Total Assets	Total Liabilities	Net Worth	Sales	Operating Income (Loss)	Profit after Income Tax	EPS after Income Tax
Frontier Components Co., Limited	276,646	1,074,350	254,816	819,534	748,250	20,706	57,439	N/A
PDC Prime Holdings Limited	728,456	1,608,620	0	1,608,620	0	0	53,266	N/A
PDC Success Investments Ltd.	387,932	721,271	0	721,271	0	0	(3,865)	N/A
PDC Electronics (Suzhou) Co., Ltd.	368,820	727,329	6,345	720,984	42,733	(4,684)	(3,868)	N/A
Frontec International Corporation	325,684	134,801	0	134,801	0	0	5,632	N/A
Dongguan Frontier Electronic Co., Ltd.	187,484	461,159	206,164	254,995	869,482	19,878	17,686	N/A
Prosperity International Development (HK) Co., Limited	73,795	61,271	0	61,271	0	0	(384)	N/A
Prosperity Frontier Electronics (Shenzhen) Co., Ltd.	184,410	134,695	69	134,626	81,839	7,006	5,630	N/A
Inpaq Technology Co., Ltd.	1,489,803	10,965,142	4,122,886	6,842,256	3,932,614	20,627	714,999	5.01
Inpaq (BVI) Ltd.	1,258,296	3,811,466	100,116	3,711,350	0	(92)	665,786	N/A
Inpaq (Cayman Islands) Ltd.	1,002,550	3,123,116	1,921	3,121,195	0	(305)	648,793	N/A

Company	Paid-in Capital	Total Assets	Total Liabilities	Net Worth	Sales	Operating Income (Loss)	Profit after Income Tax	EPS after Income Tax
Inpaq Technology USA, Inc.	15,315	8,875	21,840	(12,965)	0	(13,021)	(13,322)	N/A
Canfield Limited	18,960	38,240	7,637	30,603	0	(33)	1,837	N/A
Eleceram Technology Co., Ltd.	120,000	135,039	46,389	88,650	44,318	(10,479)	(13,234)	(1.10)
Inpaq (HK) Co., Ltd.	277,988	2,560	0	2,560	0	(115)	(6,701)	N/A
Inpaq Technology (Suzhou) Co., Ltd.	360,643	3,229,095	1,034,493	2,194,602	3,800,234	681,386	632,485	N/A
Inpaq Technology (China) Co., Ltd.	894,480	1,353,738	453,001	900,737	1,221,456	15,597	15,238	N/A
Inpaq Trading (Suzhou) Co., Ltd.	9,463	33,828	2,716	31,112	78,148	592	2,155	N/A
Hunan Frontier Electronics Co., Ltd.	456,560	409,346	72,712	336,634	286,763	(1,486)	1,984	N/A
Holypaq (HK) Co., Ltd.	122,240	(226,114)	0	(226,114)	0	0	15,267	N/A
Taiwan Inpaq Electronic Co., Ltd.	122,240	607,285	833,399	(226,114)	504,850	30,967	15,267	N/A

Note 1：All affiliates, regardless of their business scale, are required to be disclosed.

8.2 Status of Private Placements Securities

Private Placement Securities in the Most Recent Year and up to the Publication Date of this Annual Report: None.

8.3 The Company's Common Shares Acquired, Disposed Of and Held by Subsidiaries: None.

8.4 Other Necessary Supplement:

8.4.1 Financial information transparency with relevant certification of employees

Certification	Numbers	Remark
Certified Public Accountant (CPA)	3	
Certified Internal Auditor (CIA)	2	
Certified International Internal Auditor	2	
Certification in Control Self-Assessment (CCSA)	1	
Certified International in Control Self-Assessment	1	
Certification in Risk Management Assurance (CRMA)	1	
Certified International in Risk Management Assurance	1	
Basic Competence Exams for Enterprise Internal Control (SECURITIES & FUTURES INSTITUE)	2	

8.4.2 Procedures for Handling Material Inside Information of WTC

WTC has formulated "Major internal information and prevention of insider transaction management operations", which has been approved by the board of directors and included in the company's document management system for employees and managers to inquire. Employees, managers and directors have been fully informed to avoid violations and Insider trading occurred.

8.5 Any Events Had Significant Impacts on Shareholders' Right or Security Prices as Stated in Article 36, paragraph 3, subparagraph 2 of the Securities and Exchange Act: None.

Walsin Technology Corporation and Subsidiaries

Consolidated Financial Statements for the Years Ended December 31, 2023 and 2022 and Independent Auditors' Report

DECLARATION OF CONSOLIDATION OF FINANCIAL STATEMENTS OF AFFILIATES

The companies that are required to be included in the consolidated financial statements of affiliates in accordance with the "Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises" for the year ended December 31, 2023 are all the same as the companies required to be included in the consolidated financial statements of parent and subsidiary companies as provided in International Accounting Standard 10 "Consolidated and Separate Financial Statements". Relevant information that should be disclosed in the consolidated financial statements of affiliates has all been disclosed in the consolidated financial statements of parent and subsidiary companies. Hence, we do not prepare a separate set of consolidated financial statements of affiliates.

Very truly yours,

WALSIN TECHNOLOGY CORPORATION

By

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YU-HENG CHIAO
Chairman

February 23, 2024

Deloitte.

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INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
Walsin Technology Corporation

Opinion

We have audited the accompanying consolidated financial statements of Walsin Technology Corporation and its subsidiaries (collectively referred to as the "Group"), which comprise the consolidated balance sheets as of December 31, 2023 and 2022, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the consolidated financial statements, including a summary of significant accounting policies (collectively referred to as the "consolidated financial statements").

In our opinion, based on our audits and the report of other auditors (refer to the Other Matter paragraph), the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2023 and 2022, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2023. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matter of the Group's consolidated financial statements for the year ended December 31, 2023 is described as follows:

Revenue Recognition for Multi-Layer Ceramic Capacitors (MLCC) Sales

Walsin Technology Corporation's main revenue stream comes from MLCC, ceramic disc capacitors, chip resistors and radio frequency devices.

The proportion of revenue from MLCC sales and gross profit margin were higher as compared to other sales portfolios. Further, revenue is recognized in accordance with customer orders or contracts. Therefore, we considered recognition of revenue from sales of MLCC as a key audit matter of the Group's consolidated financial statements for the year ended December 31, 2023.

The audit procedures that we performed in response to the abovementioned key audit matter included understanding the design and implementation of key internal controls and testing the effectiveness of relevant controls over sales revenue, and selecting samples of revenue items to verify the occurrence of transactions.

Other Matter - Use of Other Auditors

We did not audit the consolidated financial statements of some subsidiaries and investments accounted for using the equity method included in the consolidated financial statements of the Group, but such financial statements were audited by other auditors. Our opinion, insofar as it relates to the amounts and the information disclosed for some subsidiaries and investments accounted for using the equity method, is based solely on the audit reports of other auditors. As of December 31, 2023 and 2022, the amounts of total assets of these subsidiaries (including investments accounted for using the equity method) were NT$12,429,102 thousand and NT$11,124,601 thousand, representing 13.16% and 12.13% of the consolidated total assets; for the years ended December 31, 2023 and 2022, the amounts of consolidated net operating revenue of these subsidiaries were NT$6,117,766 thousand and NT$6,822,268 thousand, representing 18.65% and 19.33% of the consolidated net operating revenue; and the comprehensive income for the years ended December 31, 2023 and 2022 was NT$760,924 thousand and NT$474,088 thousand, representing 18.06% and 18.86% of the consolidated comprehensive income; and the share of income (loss) of associates accounted for using the equity method for the years ended December 31, 2023 and 2022 was NT$(9,890) thousand and NT$5,630 thousand, representing (0.23%) and 0.22% of the consolidated comprehensive income.

Other Matter - the Parent Company Only Financial Statements

We have also audited the parent company only financial statements of Walsin Technology Corporation as of and for the years ended December 31, 2023 and 2022 on which we have issued an unmodified opinion with "Other Matter" paragraph.

Responsibilities of Management and Those Charged with Governance for 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 Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including the audit committee, are responsible for overseeing the Group's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists,

we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

6. Obtain sufficient and appropriate audit evidence regarding the financial information of entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2023 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audits resulting in this independent auditors' report are Chin-Chuan Shih and Kuo-Tyan Hong.

Deloitte & Touche
Taipei, Taiwan
Republic of China

February 23, 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 audit such consolidated financial statements are those generally applied in the Republic of China.

For the convenience of readers, the independent auditors' 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' report and consolidated financial statements shall prevail.

WALSIN TECHNOLOGY CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2023 AND 2022
(In Thousands of New Taiwan Dollars)

	2023		2022	
ASSETS	**Amount**	**%**	**Amount**	**%**
CURRENT ASSETS				
Cash and cash equivalents (Notes 4 and 6)	$ 6,621,395	7	$ 17,503,335	19
Financial assets at fair value through profit or loss - current (Notes 4 and 7)	547,956	1	588,983	1
Financial assets at amortized cost - current (Notes 4 and 8)	12,959,745	14	5,558,187	6
Notes receivable from unrelated parties (Notes 4 and 9)	949,140	1	867,613	1
Trade receivables from unrelated parties (Notes 4 and 9)	8,741,151	9	8,508,511	9
Trade receivables from related parties (Notes 4, 9 and 28)	50,872	-	51,312	-
Finance lease receivable (Note 4)	21,728	-	22,784	-
Other receivables from unrelated parties	624,538	1	525,581	-
Other receivables from related parties (Note 28)	14,264	-	13,970	-
Inventories (Notes 4 and 10)	6,962,980	7	7,883,145	9
Other current assets	521,831	-	554,653	1
Total current assets	38,015,600	40	42,078,074	46
NON-CURRENT ASSETS				
Financial assets at fair value through profit or loss - non-current (Notes 4 and 7)	553,263	1	-	-
Financial assets at fair value through other comprehensive income - non-current (Notes 4 and 12)	7,274,441	8	5,813,946	6
Financial assets at amortized cost - non-current (Notes 4 and 8)	10,845,723	11	2,569,470	3
Investments accounted for using the equity method (Notes 4 and 13)	10,549,319	11	9,638,325	10
Property, plant and equipment (Notes 4 and 14)	24,088,788	26	28,352,902	31
Right-of-use assets (Notes 4 and 15)	942,657	1	965,482	1
Investment properties (Notes 4 and 16)	327,219	-	14,773	-
Intangible assets (Notes 4 and 17)	577,960	1	684,490	1
Deferred tax assets (Notes 4 and 23)	691,277	1	609,350	1
Guarantee deposits paid (Note 29)	106,265	-	113,181	-
Finance lease receivables (Note 4)	17,650	-	24,751	-
Other non-current assets (Notes 4 and 20)	453,066	-	866,751	1
Total non-current assets	56,427,628	60	49,653,421	54
TOTAL	$ 94,443,228	100	$ 91,731,495	100
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term borrowings (Note 18)	$ 8,588,119	9	$ 7,103,050	8
Notes payable to unrelated parties	229,387	-	194,700	-
Trade payables to unrelated parties	3,491,374	4	2,620,459	3
Trade payables to related parties (Note 28)	30,081	-	25,510	-
Payables for equipment (Note 28)	716,882	1	1,811,035	2
Other payables (Note 28)	3,346,954	4	3,432,377	4
Current tax liabilities	1,000,679	1	1,435,737	2
Lease liabilities (Notes 4 and 15)	155,493	-	138,546	-
Current portion of bonds payable (Notes 4 and 19)	4,778,445	5	-	-
Current portion of long-term borrowings (Note 18)	2,987,531	3	2,303,708	2
Other current liabilities	149,076	-	164,959	-
Total current liabilities	25,474,021	27	19,230,081	21
NON-CURRENT LIABILITIES				
Financial liabilities at fair value through profit or loss - non-current (Notes 4 and 19)	2,374	-	-	-
Bonds payable (Notes 4 and 19)	662,742	1	4,715,936	5
Long-term borrowings (Note 18)	9,472,164	10	11,873,487	13
Current tax liabilities (Notes 4 and 23)	218,556	-	549,262	1
Deferred tax liabilities (Notes 4 and 23)	1,103,389	1	769,371	1
Lease liabilities (Notes 4 and 15)	470,414	1	496,604	1
Long-term payables	16,833	-	19,825	-
Long-term deferred revenue (Note 4)	32,529	-	35,981	-
Net defined benefit liabilities (Notes 4 and 20)	196,332	-	199,336	-
Guarantee deposits received	178,098	-	257,578	-
Total non-current liabilities	12,353,431	13	18,917,380	21
Total liabilities	37,827,452	40	38,147,461	42
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Note 21)				
Ordinary shares	4,858,043	5	4,858,043	5
Capital surplus	3,116,412	3	3,111,159	3
Retained earnings				
Legal reserve	4,911,739	5	4,736,096	5
Special reserve	1,096,797	1	1,096,797	1
Unappropriated earnings	29,347,656	31	28,403,212	31
Other equity				
Exchange differences on translation of the financial statements of foreign operations	(1,678,514)	(2)	(1,191,536)	(1)
Unrealized gain (loss) on financial assets at fair value through other comprehensive income	5,163,892	6	3,503,533	4
Treasury shares	(236,380)	-	(236,380)	-
Total equity attributable to owners of the Company	46,579,645	49	44,280,924	48
NON-CONTROLLING INTERESTS (Note 21)	10,036,131	11	9,303,110	10
Total equity	56,615,776	60	53,584,034	58
TOTAL	$ 94,443,228	100	$ 91,731,495	100

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

(With Deloitte & Touche audits' report dated February 23, 2024)

WALSIN TECHNOLOGY CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2023		2022	
	Amount	%	Amount	%
NET SALES (Notes 4, 28 and 35)	$ 32,797,671	100	$ 35,297,163	100
COST OF SALES (Notes 10 and 28)	26,960,516	82	28,997,415	82
GROSS PROFIT	5,837,155	18	6,299,748	18
OPERATING EXPENSES				
Selling and marketing expenses	1,647,608	5	1,754,720	5
General and administrative expenses	1,354,220	4	1,350,981	4
Research and development expenses	1,040,016	3	1,133,114	3
Total operating expenses	4,041,844	12	4,238,815	12
PROFIT FROM OPERATIONS	1,795,311	6	2,060,933	6
NON-OPERATING INCOME AND EXPENSES				
Interest income	1,067,437	3	514,712	1
Rental income	46,163	-	28,773	-
Dividend income	212,610	1	258,897	1
Other income	54,145	-	88,669	-
Gain (loss) on disposal of property, plant and equipment	16,696	-	(13,323)	-
Gain (loss) on disposal of investments	20,898	-	(205)	-
Gain (loss) on financial assets at FVTPL	131,934	-	(213,409)	(1)
Other expenses	(73,924)	-	(67,635)	-
Foreign exchange gain, net	67,832	-	526,078	2
Interest expense	(392,495)	(1)	(264,076)	(1)
Share of profit of associates accounted for using the equity method (Notes 4 and 13)	538,198	2	618,479	2
Total non-operating income and expenses	1,689,494	5	1,476,960	4
PROFIT BEFORE INCOME TAX	3,484,805	11	3,537,893	10
INCOME TAX EXPENSE (Notes 4 and 23)	(826,883)	(3)	(1,242,618)	(4)
NET PROFIT FOR THE YEAR	2,657,922	8	2,295,275	6

(Continued)

WALSIN TECHNOLOGY CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2023		2022	
	Amount	%	Amount	%
OTHER COMPREHENSIVE INCOME (LOSS)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans	$ (31,244)	-	$ 1,413	-
Unrealized gain (loss) on investments in equity instruments at fair value through other comprehensive income	1,529,925	5	(28,305)	-
Share of the other comprehensive loss of associates accounted for using the equity method	650,476	2	(1,050,356)	(3)
Income tax expense from remeasurement of defined benefit plans	(1,833)	-	22,740	-
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of the financial statements of foreign operations	(479,523)	(2)	1,112,385	3
Unrealized gain (loss) on investments in debt instruments at fair value through other comprehensive income	3,344	-	(56,035)	-
Share of the other comprehensive (loss) income of associates accounted for using the equity method	(115,783)	-	216,545	1
Other comprehensive income for the year, net	1,555,362	5	218,387	1
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	$ 4,213,284	13	$ 2,513,662	7
NET PROFIT ATTRIBUTABLE TO:				
Owners of the Company	$ 1,984,596	6	$ 1,650,587	4
Non-controlling interests	673,326	2	644,688	2
	$ 2,657,922	8	$ 2,295,275	6
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
Owners of the Company	$ 3,474,997	11	$ 2,078,221	6
Non-controlling interests	738,287	2	435,441	1
	$ 4,213,284	13	$ 2,513,662	7

(Continued)

WALSIN TECHNOLOGY CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2023		2022	
	Amount	%	Amount	%
EARNINGS PER SHARE (Notes 4 and 24)				
Basic	$ 4.09		$ 3.40	
Diluted	$ 4.00		$ 3.35	

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

(With Deloitte & Touche audits' report dated February 23, 2024) (Concluded)

WALSIN TECHNOLOGY CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
(In Thousands of New Taiwan Dollars)

	Equity Attributable to Owners of the Company											
		Share Capital		Retained Earnings			Other Equity					
	Shares (In Thousands)	Share Capital	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translation of the Financial Statements of Foreign Operations	Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income	Treasury Shares	Total	Non-controlling Interests	Total Equity
BALANCE, JANUARY 1, 2022	485,804	$ 4,858,043	$ 3,111,622	$ 3,938,069	$ 1,096,797	$ 29,630,926	$ (2,479,278)	$ 4,469,043	$ (236,380)	$ 44,388,842	$ 9,140,312	$ 53,529,154
Appropriation of the 2021 earnings (Note 21)												
Legal reserve	-	-	-	798,027	-	(798,027)	-	-	-	-	-	-
Cash dividends distributed by the Company	-	-	-	-	-	(2,186,119)	-	-	-	(2,186,119)	-	(2,186,119)
Other changes in capital surplus (Note 21)												
Change in capital surplus from associates accounted for using the equity method	-	-	(401)	-	-	(122)	-	-	-	(523)	227	(296)
Changes in percentage of ownership interests in subsidiaries	-	-	(62)	-	-	607	(47)	5	-	503	(505)	(2)
Net profit for the year ended December 31, 2022	-	-	-	-	-	1,650,587	-	-	-	1,650,587	644,688	2,295,275
Other comprehensive income (loss) for the year ended December 31, 2022	-	-	-	-	-	41,473	1,287,789	(901,628)	-	427,634	(209,247)	218,387
Total comprehensive income (loss) for the year ended December 31, 2022	-	-	-	-	-	1,692,060	1,287,789	(901,628)	-	2,078,221	435,441	2,513,662
Non-controlling interests	-	-	-	-	-	-	-	-	-	-	(272,365)	(272,365)
Disposal of investments in equity instruments designated as at fair value through other comprehensive income (Note 21)	-	-	-	-	-	63,887	-	(63,887)	-	-	-	-
BALANCE, DECEMBER 31, 2022	485,804	4,858,043	3,111,159	4,736,096	1,096,797	28,403,212	(1,191,536)	3,503,533	(236,380)	44,280,924	9,303,110	53,584,034
Appropriation of the 2022 earnings (Note 21)												
Legal reserve	-	-	-	175,643	-	(175,643)	-	-	-	-	-	-
Cash dividends distributed by the Company	-	-	-	-	-	(1,165,930)	-	-	-	(1,165,930)	-	(1,165,930)
Other changes in capital surplus (Note 21)												
Change in capital surplus from associates accounted for using the equity method	-	-	5,253	-	-	-	-	-	-	5,253	-	5,253
Changes in percentage of ownership interests in subsidiaries	-	-	-	-	-	(15,599)	-	-	-	(15,599)	(6,976)	(22,575)
Net profit for the year ended December 31, 2023	-	-	-	-	-	1,984,596	-	-	-	1,984,596	673,326	2,657,922
Other comprehensive income for the year ended December 31, 2023	-	-	-	-	-	(37,009)	(486,978)	2,014,388	-	1,490,401	64,961	1,555,362
Total comprehensive income for the year ended December 31, 2023	-	-	-	-	-	1,947,587	(486,978)	2,014,388	-	3,474,997	738,287	4,213,284
Non-controlling interests	-	-	-	-	-	-	-	-	-	-	1,710	1,710
Disposal of investments in equity instruments designated as at fair value through other comprehensive income/associates disposed of the investments in equity instruments designated as at fair value through other comprehensive income (Note 21)	-	-	-	-	-	354,029	-	(354,029)	-	-	-	-
BALANCE, DECEMBER 31, 2023	485,804	$ 4,858,043	$ 3,116,412	$ 4,911,739	$ 1,096,797	$ 29,347,656	$ (1,678,514)	$ 5,163,892	$ (236,380)	$ 46,579,645	$ 10,036,131	$ 56,615,776

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

(With Deloitte & Touche audits' report dated February 23, 2024)

WALSIN TECHNOLOGY CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
(In Thousands of New Taiwan Dollars)

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	$ 3,484,805	$ 3,537,893
Adjustments for:		
Expected credit loss recognized (reversed) on trade receivables	2,894	(8,111)
Depreciation expense	4,957,464	5,415,853
Amortization expense	155,645	157,169
Interest expense	392,495	264,076
Interest income	(1,067,437)	(514,712)
Dividend income	(212,610)	(258,897)
Share of profit of associates accounted for using the equity method	(538,198)	(618,479)
(Gain) loss on disposal of property, plant and equipment	(16,696)	13,323
Net (gain) loss on financial assets at FVTPL	(131,934)	213,409
(Gain) loss on disposal of investments	(20,898)	205
Impairment loss recognized on property, plant and equipments	11,010	347
Net loss on foreign currency exchange	279,608	51,926
Write-downs of inventories	115,354	250,327
Compensation cost of employee share options	5,444	-
Gain on modification of lease	(265)	(1,619)
Changes in operating assets and liabilities		
Financial assets mandatorily classified as at fair value through profit or loss	(344,049)	866,098
Notes receivable from unrelated parties	(81,527)	57,836
Trade receivables from unrelated parties	(252,294)	1,399,135
Trade receivables from related parties	440	11,434
Other receivables from unrelated parties	(62,945)	(11,758)
Other receivables from related parties	(294)	(1,112)
Inventories	804,811	1,570,457
Other current assets	33,337	297,721
Other non-current assets	59,654	302,608
Notes payable to unrelated parties	34,687	(174,042)
Trade payables to unrelated parties	887,688	(1,849,235)
Trade payables to related parties	4,571	23,008
Other payables	(86,130)	(1,315,115)
Other current liabilities	(15,887)	520
Other non-current liabilities	(41,849)	(124,264)
Cash generated from operations	8,356,894	9,556,001
Interest received	916,434	527,929
Dividends received	568,984	544,283
Interest paid	(321,063)	(189,531)
Income tax paid	(1,027,532)	(1,506,145)
Net cash generated from operating activities	8,493,717	8,932,537

(Continued)

WALSIN TECHNOLOGY CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
(In Thousands of New Taiwan Dollars)

	2023	2022
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets at fair value through other comprehensive income	$ (771,598)	$ (340,503)
Proceeds from financial assets at fair value through other comprehensive income	738,205	420,608
(Purchase of) proceeds from financial assets at amortized cost	(16,074,225)	1,430,728
Acquisition of investments accounted for using the equity method	(17,500)	(195,377)
Payments for property, plant and equipment	(2,317,616)	(4,622,248)
Proceeds from disposal of property, plant and equipment	202,624	55,838
Decrease (increase) in guarantee deposits paid	6,916	(16,513)
Proceeds from intangible assets	14	-
Payments for intangible assets	(35,891)	(48,930)
Net cash outflow on acquisition of subsidiaries (Note 25)	-	(187,784)
Decrease in finance lease receivables	10,742	10,924
Increase in prepayment for equipment	(22,632)	(99,611)
Net cash used in investing activities	(18,280,961)	(3,592,868)
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in short-term borrowings	1,510,898	1,630,505
Proceeds from issuance of bonds	758,169	-
Repayment of bonds payable	-	(448,506)
(Decrease) increase in long-term borrowings	(1,570,859)	1,599,639
Repayment of the principal portion of lease liabilities	(164,321)	(180,990)
Cash dividends	(1,165,922)	(2,186,104)
(Decrease) increase in guarantee deposits received	(79,480)	3,077
Changes in non-controlling interests	(73,276)	(323,011)
Net cash (used in) generated from financing activities	(784,791)	94,610
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES	(309,905)	807,552
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(10,881,940)	6,241,831
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	17,503,335	11,261,504
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	$ 6,621,395	$ 17,503,335

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

(With Deloitte & Touche audits' report dated February 23, 2024) (Concluded)

1. GENERAL INFORMATION

Walsin Technology Corporation (the "Company") was incorporated in the Republic of China (ROC) on July 29, 1970 and was engaged in the design, development and manufacture of semiconductors and LED (light-emitting diode) chips. On July 1, 1992, the Company purchased machinery, equipment and inventory for the electronic department of Walsin Lihwa Corporation and changed its main operations to become the manufacturer and seller of passive components. The Company's ordinary shares began trading on the Taipei Exchange on November 21, 1997, and transferred listing of its shares for trading on the Taiwan Stock Exchange on September 17, 2001.

The Company's main business location is No. 566-1, Gaoshi Road, Yangmei District, Taoyuan City, Taiwan, the R.O.C.

The consolidated financial statements of the Company and its subsidiaries (collectively, the "Group") are presented in the Company's functional currency, the New Taiwan dollar.

2. APPROVAL OF CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements were approved by the Company's board of directors on February 23, 2024.

3. APPLICATION OF NEW, AMENDED AND REVISED STANDARDS, AMENDMENTS 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 2024

New, Amended and Revised Standards and Interpretations	Effective Date Announced by IASB (Note 1)
Amendments to IFRS 16 "Leases Liability in a Sale and Leaseback"	January 1, 2024 (Note 2)
Amendments to IAS 1 "Classification of Liabilities as Current or Non-current"	January 1, 2024
Amendments to IAS 1 "Non-current Liabilities with Covenants"	January 1, 2024
Amendments to IAS 7 and IFRS 7 "Supplier Finance Arrangements"	January 1, 2024 (Note 3)

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

Note 2: A seller-lessee shall apply the Amendments to IFRS 16 retrospectively to sale and leaseback transactions entered into after the date of initial application of IFRS 16.

Note 3: The amendments provide some transition relief regarding disclosure requirements.

As of the date consolidated the financial statements were authorized for issue, the Group has assessed that the application of other standards and interpretations will not have a material impact on the Group's financial position and financial performance.

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 1)
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
Amendments to IAS 21 "Lack of Exchangeability"	January 1, 2025 (Note 2)

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

Note 2: An entity shall apply those amendments for annual reporting periods beginning on or after January 1, 2025. Upon initial application of the amendments, the entity recognizes any effect as an adjustment to the opening balance of retained earnings. When the entity uses a presentation currency other than its functional currency, it shall, at the date of initial application, recognize any effect as an adjustment to the cumulative amount of translation differences in equity.

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 POLICY INFORMATION

a. Statement of compliance

The consolidated financial statements have been prepared in accordance with the IFRS Accounting Standards as endorsed and issued into effect by the FSC.

b. Basis of preparation

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

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. Classification of current and non-current assets and liabilities

Current assets include:

1) Assets held primarily for the purpose of trading;

2) Assets expected to be realized within 12 months after the reporting period; and

3) Cash and cash equivalents 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:

1) Liabilities held primarily for the purpose of trading;

2) Liabilities due to be settled within 12 months after the reporting period; and

3) 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.

d. 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 profit or loss and other 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 used by the Company.

All intra-group transactions, balances, income and expenses are eliminated in full upon consolidation. The total comprehensive income of subsidiaries is attributed to the owners of the Company and 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 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 11, Tables 9 and 10 to the consolidated financial statements for the detailed information of subsidiaries (including the percentage of ownership and main businesses).

e. Business combinations

Acquisitions of businesses are accounted for using the acquisition method. Acquisition-related costs are generally recognized in profit or loss as they are incurred.

Goodwill is measured as the excess of the sum of the consideration transferred and the fair value of the acquirer's previously held equity interests in the acquiree over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after re-assessment, the net of the acquisition date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, and the fair value of the acquirer's previously held interests in the acquiree, the excess is recognized immediately in profit or loss as a bargain purchase gain.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be measured at the non-controlling interests' proportionate share of the recognized amounts of the acquiree's identifiable net assets. Other types of non-controlling interests are measured at fair value.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted retrospectively during the measurement period, or additional assets or liabilities are recognized, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognized as of that date.

f. Foreign currencies

In preparing the financial statements of each entity in the Group, transactions in currencies other than the entity's functional currency (i.e., foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions.

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Exchange differences on monetary items arising from settlement or translation are recognized in profit or loss in the period in which they arise.

Non-monetary items measured at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Exchange differences arising from the retranslation of non-monetary items are included in profit or loss for the period except for exchange differences arising from the retranslation of non-monetary items in respect of which gains and losses are recognized directly in other comprehensive income, in which case, the exchange differences are also recognized directly in other comprehensive income.

Non-monetary items that are measured at historical cost in a foreign currency are retranslated using the exchange rate at the date of the transaction.

For the purposes of presenting consolidated financial statements, the functional currencies of the Company and the entities in the Group (including subsidiaries and associates in other countries that use currency different from the currency of the Company) are translated into the presentation currency - the U.S. dollars as follows: Assets and liabilities are translated at the exchange rates prevailing at the end of the reporting period; income and expense items are translated at the average exchange rates for the period. The resulting currency translation differences are recognized in other comprehensive income (attributed to the owners of the Company and non-controlling interests as appropriate).

On the disposal of a foreign operation (i.e. a disposal of the Company's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in a joint arrangement or an associate that includes a foreign operation of which the retained interest becomes a financial asset), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

In relation to partial disposal of a subsidiary that does not result in the Company losing control over the subsidiary, the proportionate share of accumulated exchange differences is re-attributed to non-controlling interests of the subsidiary and is not recognized in profit or loss. For all other partial disposals, the proportionate share of the accumulated exchange differences recognized in other comprehensive income is reclassified to profit or loss.

Goodwill and fair value adjustments recognized on identifiable assets and liabilities of the acquired foreign operations are treated as assets and liabilities of the foreign operation and translated at the rates of exchange prevailing at the end of each reporting period. Exchange differences are recognized in other comprehensive income.

g. Inventories

Inventories consist of raw materials, supplies, finished goods, work in progress and semi-finished goods and are stated at the lower of cost or net realizable value. Inventory write-downs are made by item, except where it may be appropriate to group similar or related items. Net realizable value is the estimated selling price of inventories less all estimated costs of completion and costs necessary to make the sale. Inventories are recorded at the weighted-average cost on the balance sheet date.

h. Investments in associates

An associate is an entity over which the Group has significant influence and that is not a subsidiary.

The Group uses the equity method to account for its investments in associates.

Under the equity method, investments in an associate are initially recognized at cost and adjusted thereafter to recognize the Group's share of the profit or loss and other comprehensive income of the associate. The Group also recognizes the changes in the Group's share of the equity of associates.

Any excess of the cost of acquisition over the Group's share of the net fair value of the identifiable assets and liabilities of an associate at the date of acquisition is recognized as goodwill, which is included within the carrying amount of the investment and is not amortized. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of acquisition, after reassessment, is recognized immediately in profit or loss.

When the Group subscribes for additional new shares of the associate at a percentage different from its existing ownership percentage, the resulting carrying amount of the investment differs from the amount of the Group's proportionate interest in the associate. The Group records such a difference as an adjustment to investments with the corresponding amount charged or credited to capital surplus - changes in the Group's share of the equity of associates. If the Group's ownership interest is reduced due to the additional subscription of the new shares of the associate, the proportionate amount of the gains or losses previously recognized in other comprehensive income in relation to that associate is reclassified to profit or loss on the same basis as would be required if the investee had directly disposed of the related assets or liabilities. When the adjustment should be debited to capital surplus, but the capital surplus recognized from investments accounted for using the equity method is insufficient, the shortage is debited to retained earnings.

When the Group's share of losses of an associate equals or exceeds its interest in that associate (which includes any carrying amount of the investment accounted for using the equity method and long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognizing its share of further losses. Additional losses and liabilities are recognized only to the extent that the Group has incurred legal obligations, or constructive obligations, or made payments on behalf of that associate.

The entire carrying amount of the investment (including goodwill) is tested for impairment as a single asset by comparing its recoverable amount with its carrying amount. Any impairment loss recognized forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognized to the extent that the recoverable amount of the investment subsequently increases.

The Group discontinues the use of the equity method from the date on which its investment ceases to be an associate. Any retained investment is measured at fair value at that date and the fair value is regarded as its fair value on initial recognition as a financial asset. The difference between the previous carrying amount of the associate attributable to the retained interest and its fair value is included in the determination of the gain or loss on disposal of the associate. The Group accounts for all amounts previously recognized in other comprehensive income in relation to that associate on the same basis as would be required if that associate had directly disposed of the related assets or liabilities.

When an entity in the Group transacts with its associate, profits and losses resulting from the transactions with the associate are recognized in the Group's consolidated financial statements only to the extent of interests in the associate that are not related to the Group.

i. Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost less accumulated depreciation and accumulated impairment loss.

Property, plant and equipment in the course of construction are measured at cost less any recognized impairment loss. Cost includes professional fees and borrowing costs eligible for capitalization. The products produced to test whether an item of property, plant and equipment is functioning properly before the asset reaches its expectation of use are measured at the lower of cost or net realizable value, and any proceeds from selling and the cost are recognized in profit or loss. Such assets are depreciated and classified into the appropriate categories of property, plant and equipment when completed and ready for their intended use.

Except for freehold land which is not depreciated, the depreciation of property, plant and equipment is recognized using the straight-line method. Each significant part is depreciated separately. The estimated useful lives, residual values and depreciation methods are reviewed at the end of each reporting period, with the effects of any changes in the estimates accounted for on a prospective basis.

On derecognition of an item of property, plant and equipment, the difference between the sales proceeds and the carrying amount of the asset is recognized in profit or loss.

j. Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation. Investment properties also include land held for currently undetermined future use.

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at cost less accumulated depreciation and accumulated impairment loss. Depreciation is recognized using the straight-line method.

Investment property is classified as property, plant and equipment at the book value on the date of transfer

for own use.

On the derecognition of an investment property, the difference between the net disposal proceeds and the carrying amount of the asset is included in profit or loss.

k. Goodwill

Goodwill arising from the acquisition of a business is measured at cost as established at the date of acquisition of the business less accumulated impairment loss.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units or groups of cash-generating units (referred to as "cash-generating units") that are expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually or more frequently whenever there is an indication that the unit may be impaired, by comparing its carrying amount, including the attributed goodwill, with its recoverable amount. However, if the goodwill allocated to a cash-generating unit was acquired in a business combination during the current annual period, that unit shall be tested for impairment before the end of the current annual period. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then pro rata to the other assets of the unit based on the carrying amount of each asset in the unit. Any impairment loss is recognized directly in profit or loss. Any impairment loss recognized for goodwill is not reversed in subsequent periods.

If goodwill has been allocated to a cash-generating unit and the Group disposes of an operation within that unit, the goodwill associated with the operation which is disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal and is measured on the basis of the relative values of the operation disposed of and the portion of the cash-generating unit retained.

l. Intangible assets

1) Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are initially measured at cost and subsequently measured at cost less accumulated amortization and accumulated impairment loss. Amortization is recognized on a straight-line basis. The estimated useful lives, residual values, and amortization methods are reviewed at the end of each reporting period, with the effect of any changes in the estimates accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are measured at cost less accumulated impairment loss.

2) Intangible assets acquired in a business combination

Intangible assets acquired in a business combination and recognized separately from goodwill are initially recognized at their fair value at the acquisition date (which is regarded as their cost). Subsequent to initial recognition, they are measured on the same basis as intangible assets that are acquired separately.

3) Derecognition of intangible assets

On the derecognition of an intangible asset, the difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss.

m. Impairment of property, plant and equipment, right-of-use assets, investment properties and intangible assets (except goodwill)

At the end of each reporting period, the Group reviews the carrying amounts of its property, plant and equipment, right-of-use asset, investment properties and intangible assets (except goodwill) to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Corporate assets are allocated to the individual cash-generating units on a reasonable and consistent basis of allocation.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually and whenever there is an indication that the asset may be impaired.

The recoverable amount is the higher of fair value less costs to sell and value in use. If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount, with the resulting impairment loss recognized in profit or loss.

When an impairment loss is subsequently reversed, the carrying amount of the asset or cash-generating unit is increased to the revised estimate of its recoverable amount, but only to the extent of the carrying amount that would have been determined had no impairment loss been recognized on the asset or cash-generating unit in prior years. A reversal of an impairment loss is recognized in profit or loss.

n. Financial instruments

Financial assets and financial liabilities are recognized when the Group becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are also included in the originally recognized amounts of financial assets and liabilities.

1) Financial assets

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis.

a) Measurement category

Financial assets are classified into the following categories: Financial assets at FVTPL, financial assets at amortized cost, investments in debt instruments and equity instruments at FVTOCI.

i. Financial assets at FVTPL

Financial assets are classified as at FVTPL when such a financial asset is mandatorily classified or designated as at FVTPL. Financial assets mandatorily classified as at FVTPL include investments in equity instruments, which are not designated as at FVTOCI criteria.

Financial assets at FVTPL are subsequently measured at fair value, with any gains or losses arising on remeasurement recognized in profit or loss. The net gain or loss recognized in profit or loss does not incorporate any dividends or interest earned on such a financial asset. Fair value is determined in the manner described in Note 27.

ii. Financial assets at amortized cost

Financial assets that meet the following conditions are subsequently measured at amortized cost:

i) The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and

ii) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Subsequent to initial recognition, financial assets at amortized cost, including cash and cash equivalents, and trade receivables at amortized cost, are measured at amortized cost, which equals the gross carrying amount determined using the effective interest method less any impairment loss. Exchange differences are recognized in profit or loss.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of such a financial asset, except for:

i) Purchased or originated credit-impaired financial assets, for which interest income is calculated by applying the credit-adjusted effective interest rate to the amortized cost of such financial assets; and

ii) Financial assets that are not credit-impaired on purchase or origination but have subsequently become credit-impaired, for which interest income is calculated by applying the effective interest rate to the amortized cost of such financial assets in subsequent reporting periods.

A financial asset is credit impaired when one or more of the following events have occurred:

i) Significant financial difficulty of the issuer or the borrower;

ii) Breach of contract, such as a default;

iii) It is becoming probable that the borrower will enter bankruptcy or undergo a financial reorganization; or

iv) The disappearance of an active market for that financial asset because of financial difficulties.

Cash equivalents include time deposits with original maturities within 3 months from the date of acquisition, which are highly liquid, readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These cash equivalents are held for the purpose of meeting short-term cash commitments.

iii. Investments in debt instruments at FVTOCI

Debt instruments that meet the following conditions are subsequently measured at FVTOCI:

i) The debt instrument is held within a business model whose objective is achieved by both the collecting of contractual cash flows and the selling of such financial assets; and

ii) The contractual terms of the debt instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Investments in debt instruments at FVTOCI are subsequently measured at fair value. Changes in the carrying amounts of these debt instruments relating to changes in foreign currency exchange rates, interest income calculated using the effective interest method and impairment losses or reversals are recognized in profit or loss. Other changes in the carrying amount of these debt instruments are recognized in other comprehensive income and will be reclassified to profit or loss when the investment is disposed of.

iv. Investments in equity instruments at FVTOCI

On initial recognition, the Group may make an irrevocable election to designate investments in equity instruments as at FVTOCI. Designation as at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognized by an acquirer in a business combination.

Investments in equity instruments at FVTOCI are subsequently measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income and accumulated in other equity. The cumulative gain or loss will not be reclassified to profit or loss on disposal of the equity investments; instead, it will be transferred to retained earnings.

Dividends on these investments in equity instruments are recognized in profit or loss when the Group's right to receive the dividends is established unless the dividends represent a recovery of part of the cost of the investment.

b) Impairment of financial assets and contract assets

The Group recognizes a loss allowance for expected credit losses on financial assets at amortized cost (including trade receivables), investments in debt instruments that are measured at FVTOCI, finance lease receivables, as well as contract assets.

The Group always recognizes lifetime expected credit losses (ECLs) for trade receivables, finance lease receivables and contract assets. For all other financial instruments, the Group recognizes lifetime ECLs when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on a financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECLs.

Expected credit losses reflect the weighted average of credit losses with the respective risks of default occurring as the weights. Lifetime ECLs represent the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECLs represent the portion of lifetime ECLs that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

For internal credit risk management purposes, the Group considers the following situations as an indication that a financial asset is in default (without taking into account any collateral held by the Group):

i. Internal or external information shows that the debtor is unlikely to pay its creditors.

ii. Financial asset is more than 180 days past due unless the Group has reasonable and corroborative information to support a more lagged default criterion.

The impairment loss of all financial assets is recognized in profit or loss by a reduction in their carrying amounts through a loss allowance account, except for investments in debt instruments that are measured at FVTOCI, for which the loss allowance is recognized in other comprehensive income and the carrying amounts of such financial assets are not reduced.

c) Derecognition of financial assets

The Group derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognizes its retained interest in the asset and any associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognize the financial asset and also recognizes collateralized borrowing for the proceeds received.

On derecognition of a financial asset at amortized cost in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in profit or loss. However, on derecognition of an investment in an equity instrument at FVTOCI, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in profit or loss, and the cumulative gain or loss which had been recognized in other comprehensive income is transferred directly to retained earnings, without recycling through profit or loss.

2) Equity instruments

Debt and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments issued by the Group are recognized at the proceeds received, net of direct issue costs.

The repurchase of the Group's equity instruments is recognized and deducted directly from equity, and its carrying amounts are calculated based on weighted average by share types and calculated separately by repurchase category. No gain or loss is recognized in profit or loss on the purchase, sale, issuance or cancellation of the Group's equity instruments.

3) Financial liabilities

a) Subsequent measurement

Financial liabilities are measured at amortized cost using the effective interest method.

b) Derecognition of financial liabilities

The difference between the carrying amount of the financial liability derecognized and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

4) Convertible bonds

The component parts of compound instruments (i.e., convertible bonds) issued by the Group are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

On initial recognition, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recorded as a liability on an amortized cost basis using the effective interest method until extinguished upon conversion or upon the instrument's maturity date. Any embedded derivative liability is measured at fair value.

The conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognized and included in equity, net of income tax effects, and is not subsequently remeasured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised; in which case, the balance recognized in equity will be transferred to capital surplus - share premiums. When the conversion option remains unexercised at maturity, the balance recognized in equity will be transferred to capital surplus - share premiums.

Transaction costs that relate to the issuance of the convertible notes are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are recognized directly in equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component.

o. Provisions

Provisions are measured at the best estimate of the discounted cash flows of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

p. Revenue recognition

The Group identifies contracts with customers, allocates the transaction price to the performance obligations and recognizes revenue when performance obligations are satisfied.

- Revenue from the sale of goods

Revenue from the sale of goods comes from sales of passive components. Sales of passive components are recognized as revenue when the goods are delivered to the customer's specific location or the goods are shipped because it is the time when the customer has full discretion over the manner of distribution and price to sell the goods, has the primary responsibility for sales to future customers and bears the risks of obsolescence. Trade receivables are recognized concurrently.

q. Lease

At the inception of a contract, the Group assesses whether the contract is, or contains, a lease.

1) The Group as lessor

Leases are classified as finance leases whenever the terms of a lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

When the Group subleases a right-of-use asset, the sublease is classified by reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. However, if the head lease is a short-term lease that the Group, as a lessee, has accounted for by applying recognition exemption, the sublease is classified as an operating lease.

Under finance leases, the lease payments comprise fixed payments. The net investment in a lease is measured at (a) the present value of the sum of the lease payments receivable by a lessor and any unguaranteed residual value accrued to the lessor plus (b) initial direct costs and is presented as a finance lease receivable. Finance lease income is allocated to the relevant accounting periods to reflect a constant, periodic rate of return on the Group's net investment outstanding in respect of leases.

Lease payments (less any lease incentives payable) from operating leases are recognized as income on a straight-line basis over the terms of the relevant leases. Initial direct costs incurred in obtaining operating leases are added to the carrying amounts of the underlying assets and recognized as expenses on a straight-line basis over the lease terms.

When a lease includes both land and building elements, the Group assesses the classification of each element separately as a finance or an operating lease based on the assessment as to whether substantially all the risks and rewards incidental to ownership of each element have been transferred to the lessee. The lease payments are allocated between the land and the building elements in proportion to the relative fair values of the leasehold interests in the land element and building element of the lease at the inception of a contract. If the allocation of the lease payments can be made reliably, each element is accounted for separately in accordance with its lease classification. When the lease payments cannot be allocated reliably between the land and building elements, the entire lease is generally classified as a finance lease unless it is clear that both elements are operating leases; in which case, the entire lease is classified as an operating lease.

2) The Group as lessee

The Group recognizes right-of-use assets and lease liabilities for all leases at the commencement date of a lease, except for short-term leases and low-value asset leases accounted for by applying a recognition exemption where lease payments are recognized as expenses on a straight-line basis over the lease terms.

Right-of-use assets are initially measured at cost, which comprises the initial measurement of lease liabilities adjusted for lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs needed to restore the underlying assets, and less any lease incentives received. Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses and adjusted for any remeasurement of the lease liabilities. Right-of-use assets are presented on a separate line in the consolidated balance sheets.

Right-of-use assets are depreciated using the straight-line method from the commencement dates to the earlier of the end of the useful lives of the right-of-use assets or the end of the lease terms.

Lease liabilities are initially measured at the present value of the lease payments, which comprise fixed payments. The lease payments are discounted using the interest rate implicit in a lease if that rate can be readily determined. If that rate cannot be readily determined, the Group uses the lessee's incremental borrowing rate.

Subsequently, lease liabilities are measured at amortized cost using the effective interest method, with interest expense recognized over the lease terms. When there is a change in a

lease term, a change in the amounts expected to be payable under a residual value guarantee, or a change in future lease payments resulting from a change in an index or a rate used to determine those payments, the Group remeasures the lease liabilities with a corresponding adjustment to the right-of-use-assets. However, if the carrying amount of the right-of-use assets is reduced to zero, any remaining amount of the remeasurement is recognized in profit or loss. Lease liabilities are presented on a separate line in the consolidated balance sheets.

The Group negotiates with the lessor for rent concessions as a direct consequence of COVID-19 to change the lease payments originally due by June 30, 2022, which results in the revised consideration for the lease less than, the consideration for the lease immediately preceding the change. There is no substantive change to other terms and conditions. The Group elects to apply the practical expedient to all of these rent concessions and, therefore, does not assess whether the rent concessions are lease modifications. Instead, the Group recognizes the reduction in lease payment in profit or loss as, in the period in which the events or conditions that trigger the concession occur, and makes a corresponding adjustment to the lease liability.

r. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are added to the cost of those assets, until the assets are substantially ready for their intended use or sale.

Other than that which is stated above, all other borrowing costs are recognized in profit or loss in the period in which they are incurred.

s. Government grants

Government grants are not recognized until there is reasonable assurance that the Group will comply with the conditions attached to them and that the grants will be received.

Government grants are recognized in profit or loss on a systematic basis over the periods in which the Group recognizes as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognized as deferred revenue and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognized in profit or loss in the period in which they are received.

The benefit of a government loan received at a below-market rate of interest is treated as a government grant measured as the difference between the proceeds received and the fair value of the loan based on prevailing market interest rates.

t. Employee benefits

1) Short-term employee benefits

Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related services.

2) Retirement benefits

Payments to defined contribution retirement benefit plans are recognized as an expense when employees have rendered services entitling them to the contributions.

Defined benefit costs (including service cost, net interest and remeasurement) under defined benefit retirement benefit plans are determined using the projected unit credit method. Service cost (including current service cost) and net interest on the net defined benefit liabilities (assets) are recognized as employee benefits expense in the period in which they occur. Remeasurement, comprising actuarial gains and losses and the return on plan assets (excluding interest), is recognized in other comprehensive income in the period in which it occurs. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss.

Net defined benefit liabilities (assets) represent the actual deficit (surplus) in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any refunds from the plans or reductions in future contributions to the plans.

u. Share-based payment arrangements

Equity-settled share-based payment arrangements are granted to employees. The fair value at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's best estimates of the number of shares or options that are expected to ultimately vest, with a corresponding increase in capital surplus - employee share option. The expense is recognized in full at the grant date if the grants are vested immediately.

v. Taxation

The income tax expense represents the sum of the tax currently payable and deferred tax.

1) Current tax

Income tax payable (recoverable) is based on taxable profit (loss) for the year determined according to the applicable tax laws of each tax jurisdiction.

According to the Income Tax Act in the ROC, an additional tax on unappropriated earnings is provided for in the year the shareholders approve to retain earnings.

Adjustments of prior years' tax liabilities are added to or deducted from the current year's tax provision.

2) Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences and unused loss carryforward to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. A previously unrecognized deferred tax asset is also reviewed at the end of each reporting period and recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liabilities are settled or the assets are realized, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

5. MATERIAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, management is required to make judgments, estimates and assumptions on the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates.

When developing material accounting estimates, the Group considers the possible impact of other relevant material estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

Material Accounting Judgments

a. Significant influence over associates

The Group is the single largest shareholder with less than 50% of the voting rights on an investee; it does not have control but has significant influence over the investee.

As stated in Note 13 to the consolidated financial statements, the Group is the single largest shareholder with 21.39% of the voting rights in HannStar Board Corporation. Considering the Group's ownership proportion relative to the size and dispersed shareholdings of other shareholders, the Group is not able to direct the relevant activities and does not have control over HannStar Board Corporation. Consequently, the management considered that the Group has significant influence over HannStar Board Corporation and, therefore, classified HannStar Board Corporation as an associate.

As stated in Note 13 to the consolidated financial statements, the Group is the single largest shareholder with 25% of the voting rights in Silitech Technology Corporation. Considering the Group's ownership proportion relative to the size and dispersed shareholdings of other shareholders, the Group is not able to direct the relevant activities and does not have control over Silitech Technology Corporation. Consequently, the management considered that the Group has significant influence over Silitech Technology Corporation and, therefore, classified Silitech Technology Corporation as an associate.

As stated in Note 13 to the consolidated financial statements, the Group is the single largest shareholder with 30.40% of the voting rights in Joyin Co., Ltd. Considering the Group's ownership proportion relative to the size and dispersed shareholdings of other shareholders, the Group is not able to direct the relevant activities and does not have control over Joyin Co., Ltd. Consequently, the management considered that the Group has significant influence over Joyin Co., Ltd. and, therefore, classified Joyin Co., Ltd. as an associate.

As stated in Note 13 to the consolidated financial statements, the Group is the single largest shareholder with 26.17% of the voting rights on Matsuo Electric Co., Ltd. Considering the Group's ownership proportion relative to the size and dispersion of shareholdings of other shareholders, the Group is not able to direct the relevant activities and does not have control over Matsuo Electric Co., Ltd. Consequently, the management considered that the Group has significant influence over Matsuo Electric Co., Ltd. and, therefore, classified Matsuo Electric Co., Ltd. as an associate.

b. Control over subsidiaries

As stated in Note 11 to the consolidated financial statements, although Prosperity Dielectrics Co., Ltd. is a subsidiary of the Group, the Group holds less than half of the voting rights in Prosperity Dielectrics Co., Ltd. After considering the Group's substantial holdings in Prosperity Dielectrics Co., Ltd. and the relative size of and dispersed shareholdings of other shareholders, the Group concluded that it has sufficiently dominant voting interest to direct the relevant activities of Prosperity Dielectrics Co., Ltd. and, therefore, the Group has control over Prosperity Dielectrics Co., Ltd.

As stated in Note 11 to the consolidated financial statements, although Inpaq Technology Co., Ltd. is a subsidiary of the Group, the Group holds less than half of the voting rights on Inpaq Technology Co., Ltd. After considering the Group's substantial holdings in Inpaq Technology Co., Ltd. and the relative size of and dispersed shareholdings of other shareholders, the Group concluded that it has a sufficiently dominant voting interest to direct the relevant activities of Inpaq Technology Co., Ltd. and, therefore, the Group has control over Inpaq Technology Co., Ltd.

Key Sources of Estimation Uncertainty

Estimated impairment of financial assets

The provision for impairment of trade receivables is based on assumptions on the probability of risk of default expected and loss rates. The Group uses judgment in making these assumptions and in selecting the inputs to the impairment calculation, based on the Group's historical experience, existing market conditions as well as forward-looking estimates as of the end of each reporting period. When the actual future cash inflows are less than expected, a material impairment loss may arise.

6. CASH AND CASH EQUIVALENTS

	December 31	
	2023	2022
Cash on hand	$ 3,525	$ 6,452
Checking accounts and demand deposits	4,229,126	7,066,122
Cash equivalents		
Time deposits with original maturities of less than 3 months	1,929,025	10,277,671
Repurchase agreements collateralized by bonds	459,719	153,090
	$ 6,621,395	$ 17,503,335

a. The market rate intervals of cash in bank at the end of the reporting period were as follows (except the market rate of checking accounts was 0%):

	December 31	
	2023	2022
Bank balance	0.001%-5.76%	0.001%-5.38%

Repurchase agreements collateralized by bonds	1.02%-5.65%	0.80%-4.10%

b. Time deposits in the amounts of $86,601 thousand and $153,157 thousand as of December 31, 2023 and 2022, respectively, have been provided as guarantee deposits for tariff, court, etc., which were recognized under financial assets at amortized cost and guarantee deposits paid (refer to Note 29 to the consolidated financial statements).

7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	December 31	
	2023	**2022**
Financial assets at fair value through profit or loss (FVTPL) - current		
Financial assets mandatorily classified as at FVTPL		
Non-derivative financial assets		
Domestic listed shares	$ 215,285	$ 490,599
Foreign listed shares	65,768	-
Fund beneficiary certificates	191,493	53,835
Government bonds	-	44,549
Hybrid financial assets		
Structured notes	75,410	-
	$ 547,956	$ 588,983
Financial assets at FVTPL - non-current		
Financial assets mandatorily classified as at FVTPL		
Non-derivative financial assets		
Foreign listed shares	$ 20,883	$ -
Fund beneficiary certificates	385,056	-
Limited partnership	25,000	-
Hybrid financial assets		
Structured notes	122,324	-
	$ 553,263	$ -

8. FINANCIAL ASSETS AT AMORTIZED COST

	December 31	
	2023	**2022**
Current		
Time deposits with original maturities of more than 3 months, segregated foreign exchange deposit account for offshore funds, foreign corporate bonds and foreign government bonds, etc.	$ 12,959,745	$ 5,558,187
Non-current		

Time deposits with original maturities of more than 1 year, foreign corporate bonds and foreign government bonds	$ 10,845,723	$ 2,569,470

a. The market interest rate intervals of time deposits with original maturities of more than 3 months at the end of the reporting period were as follows:

	December 31	
	2023	2022
Time deposits with original maturities of more than 3 months	0.42%-5.90%	0.21%-5.38%

b. The information of foreign corporate bonds and foreign government bonds were as follows:

Maturity Date	Coupon Rate	Effective Interest Rate
July 2024 - February 2033	0.88%-7.65%	3.27%-6.18%

c. Refer to Note 29 to the consolidated financial statements for information relating to investments in financial assets at amortized cost pledged as security.

9. NOTES RECEIVABLE AND TRADE RECEIVABLES

	December 31	
	2023	2022
Notes receivable from unrelated parties		
At amortized cost		
Gross carrying amount	$ 949,140	$ 867,613
Less: Allowance for impairment loss	-	-
	$ 949,140	$ 867,613
Trade receivables from unrelated parties		
At amortized cost		
Gross carrying amount	$ 8,829,068	$ 8,594,562
Less: Allowance for impairment loss	(87,917)	(86,051)
	$ 8,741,151	$ 8,508,511
Trade receivables from related parties (Note 28)		
At amortized cost		
Gross carrying amount	$ 50,872	$ 51,312
Less: Allowance for impairment loss	-	-
	$ 50,872	$ 51,312

The average credit period of sales of goods was 90 to 150 days. No interest was charged on trade receivables. The Group adopted a policy of only dealing with entities that are rated the equivalent of investment grade or

higher and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. Credit rating information is obtained from independent rating agencies where available or, if not available, the Group uses other publicly available financial information or its own trading records to rate its major customers. The Group's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counterparty credit limits that are reviewed and approved by enterprise risk management division annually.

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 overdue debts. 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 applies the simplified approach to providing for expected credit losses prescribed by IFRS 9, which permits the use of lifetime expected loss provision for all trade receivables. The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of economic conditions at the reporting date. As the Group's historical credit loss experience does show different loss patterns for different customer segments, the provision for loss allowance based on past due status is further distinguished according to the Group's different customer base.

The Group writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery. For trade receivables that have been written off, 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 following table details the loss allowance of notes receivable and trade receivables from unrelated parties based on the overdue aging ratio and individual customer evaluation method.

December 31, 2023

Group A

	Not Past Due	Up to 30 Days	31 to 60 Days	61 to 90 Days	91 to 180 Days	Over 180 Days	Total
Expected credit loss rate	0%-4%	0%-5%	0%-10%	0%-20%	0%-50%	0%-100%	
Gross carrying amount	$ 7,381,132	$ 52,493	$ 81,633	$ 1,557	$ 298	$ -	$ 7,517,113
Loss allowance (Lifetime ECLs)	(67,395)	(2,461)	(6,996)	(148)	(26)	-	(77,026)
Loss allowance (individual customer ECLs)	(1,021)	-	-	-	-	-	(1,021)
Amortized cost	$ 7,312,716	$ 50,032	$ 74,637	$ 1,409	$ 272	$ -	$ 7,439,066

Group B

	Not Past Due	Up to 90 Days	91 to 180 Days	Over 180 Days	Total
Expected credit loss rate	0%	0%-20%	100%	100%	
Gross carrying amount	$ 2,204,259	$ 53,654	$ 596	$ 2,586	$ 2,261,095
Loss allowance (Lifetime ECLs)	-	(6,688)	(596)	(2,586)	(9,870)
Amortized cost	$ 2,204,259	$ 46,966	$ -	$ -	$ 2,251,225

December 31, 2022

Group A

	Not Past Due	Up to 30 Days	31 to 60 Days	61 to 90 Days	91 to 180 Days	Over 180 Days	Total
Expected credit loss rate	0%-4%	0%-5%	0%-10%	0%-20%	0%-50%	0%-100%	
Gross carrying amount	$ 7,350,832	$ 31,702	$ 122,472	$ 24,757	$ 5,537	$ -	$ 7,535,300
Loss allowance (Lifetime ECLs)	(60,503)	(1,585)	(10,952)	(906)	(920)	-	(74,866)
Loss allowance (individual customer ECLs)	(1,163)	-	-	-	-	-	(1,163)
Amortized cost	$ 7,289,166	$ 30,117	$ 111,520	$ 23,851	$ 4,617	$ -	$ 7,459,271

Group B

	Not Past Due	Up to 90 Days	91 to 180 Days	Over 180 Days	Total
Expected credit loss rate	0%	0%-20%	100%	100%	
Gross carrying amount	$ 1,877,226	$ 48,366	$ 459	$ 824	$ 1,926,875
Loss allowance (Lifetime ECLs)	-	(8,739)	(459)	(824)	(10,022)
Amortized cost	$ 1,877,226	$ 39,627	$ -	$ -	$ 1,916,853

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

	December 31	
	2023	2022
Balance at January 1	$ 86,051	$ 98,058
Add: Reclassification of loss allowance for recovery of receivables for the current year	23	-
Add: Recognition (reversal) of impairment loss for the current year	2,894	(8,111)
Less: Amounts written off for the current year	(80)	(4,397)
Less: Amounts reclassification for the current year	-	(1,239)
Add: Foreign exchange differences	(971)	1,740
Balance at December 31	$ 87,917	$ 86,051

Recognition of impairment losses resulted from total gross receivables (except related parties) increased by $316,033 thousand and the increase in overdue payments compared to January 1, 2023. Reversal of impairment losses resulted from total gross receivables (except related parties) decreased by $1,476,479 thousand and the decrease in overdue payments compared to January 1, 2022.

10. INVENTORIES

	December 31	
	2023	2022
Raw materials	$ 1,686,360	$ 2,030,663
Supplies	120,210	166,155
Work in progress	1,101,612	1,147,835
Semi-finished goods	1,801,803	1,955,300
Finished goods	2,252,995	2,583,192
	$ 6,962,980	$ 7,883,145

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

	For the Year Ended December 31	
	2023	2022
Cost of inventories sold	$ 24,123,960	$ 26,271,055
Unallocated manufacturing expense	2,721,202	2,476,033
Write-down of inventories	115,354	250,327
	$ 26,960,516	$ 28,997,415

11. SUBSIDIARIES INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENTS

Subsidiaries included in the consolidated financial statements were as follows:

			Proportion of Ownership		
			December 31		
Investor	Investee	Nature of Activities	2023	2022	Note
The Company	Prosperity Dielectrics Co., Ltd. (“PDC”)	Manufacturing, processing and selling of chip capacitors, chip resistors, semiconductive capacitor elements, ceramic dielectric powders and magnetic elements, etc.	43.13	43.13	a
	Inpaq Technology Co., Ltd. (“INPAQ”)	Researching, developing, manufacturing and selling of integrated electrical protection component, hybrid microwave antenna module and multilayer type microwave communication component and module.	34.76	34.13	a, e
	Soshin Electric Co., Ltd.	Researching, developing, manufacturing and selling of electric capacitors, thick film printed circuit board, multilayered dielectric filters, EMI filters.	1.93	1.93	
	Pan Overseas (B.V.I.) Investments Co., Ltd. (“POE-BVI”)	Investment holding.	100.00	100.00	
	Gallatown Developments Limited (“GDL”)	Investment holding.	89.15	89.06	f
	Walsin Technology Europe B.V.	Selling of passive electronic components.	100.00	100.00	
GDL	Walsin Technology Corporation (HK) Limited (“WTC (HK)”)	Selling of passive electronic components.	100.00	100.00	
	Walsin Technology Holding Corporation (HK) Limited (“WTHC-HK”)	Investment holding.	100.00	100.00	
	Walsin Electronics (S) Pte. Ltd. (“WES”)	Marketing service.	100.00	100.00	
	Walsin Technology Corporation U.S.A. (“WTCA”)	Marketing service.	100.00	100.00	

(Continued)

Investor	Investee	Nature of Activities	Proportion of Ownership December 31 2023	Proportion of Ownership December 31 2022	Note
	Walsin Passive Component (H.K.) Limited (“WPC”)	Selling of passive electronic components.	100.00	100.00	
	Kamaya Electric Co., Ltd. (“Kamaya”)	Manufacturing and selling of high-end electric chip resistors.	100.00	99.99	c
	Walsin International Management (HK) Limited (“WIM”)	Investment holding.	100.00	100.00	
	Walsin Electronics India Private Ltd. (“WEI”)	Manufacturing and selling of electric capacitors and resistors, etc.	0.10	0.10	
WTHC-HK	Dongguan Walsin Technology Electronics Co., Ltd. (“DG”)	Selling of electronic capacitor components, resistors, etc., sensing control and radio frequency components.	100.00	100.00	
	Suzhou Walsin Technology Electronics Co., Ltd. (“SZ”)	Assembling and selling of electric capacitor components and rear section of resistors, etc.	100.00	100.00	
	Dongguan Huafai Trading Co., Ltd. (“Huafai”)	Trading of electronic parts, warehousing and commission agency.	100.00	100.00	
	Pan Overseas (Guangzhou) Electronic Co., Ltd. (“POE-GZ”)	Manufacturing and selling of ceramic capacitors components.	100.00	100.00	
	Walsin Electronics India Private Ltd. (“WEI”)	Manufacturing and selling of electric capacitors and resistors, etc.	99.90	99.90	
POE-BVI	GDL	Investment holding.	4.84	4.88	f
	Fine Bright Technology Limited (“FB”)	Investment holding.	100.00	100.00	
FB	GDL	Investment holding.	6.01	6.06	f
Kamaya	Kamaya Electric (M) Sdn. Bhd. (“KM”)	Manufacturing and selling of high-end electric chip resistors.	100.00	100.00	
	Kamaya Electric (HK) Limited	Selling of passive electronic components.	100.00	100.00	
	Kamaya, Inc. (“KI”)	Selling of passive electronic components.	100.00	100.00	
	Nitsuko Electronics Corporation (“NTK”)	Manufacturing and selling of film capacitors.	70.00	70.00	
	Soshin Electric Co., Ltd.	Researching, developing, manufacturing and selling of electric capacitors, thick film printed circuit board, multilayered dielectric filters, EMI filters.	48.15	48.15	
PDC	PDC Prime Holdings Limited (“PDC Holdings”)	Investment holding.	100.00	100.00	
	Frontec International Corporation	Investment holding.	100.00	100.00	
PDC Holdings	PDC Success Investments Ltd.	Investment holding.	100.00	100.00	
	Frontier Components Co., Ltd.	International trade.	100.00	100.00	
	Prosperity International Development (HK) Co., Limited	Investment holding.	100.00	100.00	
PDC Success Investments Ltd.	PDC Electronics (Suzhou) Co., Ltd.	Manufacturing of ceramic materials.	100.00	100.00	
Frontier Components Co., Ltd.	Prosperity Frontier Electronics (Shenzhen) Co., Ltd.	Manufacturing and selling of transformer, coils and rectifier diode.	100.00	100.00	
	Dongguan Frontier Electronics Co., Ltd.	Selling of electronic components.	100.00	100.00	
Dongguan Frontier Electronics Co., Ltd.	Prosperity Frontier Electronics (Guangzhou) Co., Ltd.	Manufacturing and selling of transformer, coils and rectifier diode.	-	100.00	d
INPAQ	Inpaq (BVI) Ltd.	Investment holding.	100.00	100.00	
	Canfield Limited	Selling of electronic components, computers and peripheral output devices, communication products and components, antenna wholesale, commission agent, and after sales service.	100.00	100.00	
	Inpaq Technology USA, Inc.	Selling of electronic components, computers and peripheral output devices, communication products and components, antenna wholesale, commission agent, and after sales service.	100.00	100.00	
	Eleceram Technology Co., Ltd.	Manufacturing and selling of electronic components.	72.90	72.90	b
Inpaq (BVI) Ltd.	Inpaq (Cayman Islands) Ltd.	Investment holding.	100.00	100.00	
	Inpaq (HK) Co., Limited.	Investment holding.	100.00	100.00	

(Continued)

Investor	Investee	Nature of Activities	Proportion of Ownership December 31 2023	Proportion of Ownership December 31 2022	Note
Inpaq (Cayman Islands) Ltd.	Inpaq Technology (Suzhou) Co., Ltd.	Manufacturing and selling of new type of high frequency components, power electronic components, photoelectric device, sensor device and other ancillary products.	100.00	100.00	
	Inpaq Technology (China) Co., Ltd.	Developing, manufacturing and selling of new type of components, chip components, sensitive components, sensors, power electronic components and new type of electromechanical components.	100.00	100.00	
Inpaq (HK) Co., Limited.	Inpaq Trading (Suzhou) Co., Ltd.	Selling of electronic components, computers and peripheral output devices, communication products and components, antenna wholesale, commission agent, and after sales service.	-	100.00	d
Inpaq Technology (Suzhou) Co., Ltd.	Inpaq Trading (Suzhou) Co., Ltd.	Selling of electronic components, computers and peripheral output devices, communication products and components, antenna wholesale, commission agent, and after sales service.	100.00	100.00	
	Holypaq (HK) Co., Limited	Investment holding.	100.00	100.00	
	Hunan Frontier Electronics Co., Ltd.	Manufacturing and selling of transformer, coils and magnetic components.	100.00	100.00	
Holypaq (HK) Co., Limited	Taiwan Inpaq Electronic Co., Ltd.	Manufacturing, wholesaling and retailing of electronic components.	100.00	100.00	
Soshin Electric Co., Ltd.	Soshin Device Co., Ltd.	Manufacturing, selling of communications technology electronic components.	100.00	100.00	
	Soshin Powertech Co., Ltd.	Manufacturing and selling of power electronic components.	100.00	100.00	
	Risshin Electronics Co., Ltd.	Manufacturing, selling of communications technology electronic components.	100.00	100.00	
	Soshin Electronics (M) Sdn. Bhd.	Manufacturing and selling of power electronic components.	100.00	100.00	
	Soshin Electronics of America Inc.	Selling of electronic components.	100.00	100.00	
	Soshin Electronics Europe GmbH	Selling of electronic components.	100.00	100.00	
	Taiwan Soshin Electric Co., Ltd.	Selling of electronic components.	100.00	100.00	
	Soshin Electronics (HK) Limited	Selling of electronic components.	100.00	100.00	
	Soshin Electronics (SZ) Limited	Selling of electronic components.	100.00	100.00	

(Concluded)

Note a: Refer to Note 5(b) to the consolidated financial statements.

Note b: Refer to Note 25 to the consolidated financial statements, Eleceram Technology Co., Ltd. has become a subsidiary of INPAQ since July 2022; therefore, INPAQ has control over Eleceram Technology Co., Ltd.

Note c: Gallatown Developments Limited acquired all shares of non-controlling interests in Kamaya Electric Co., Ltd. in February, and October 2023.

Note d: The liquidation of the company has been completed.

Note e: INPAQ conducted a cash capital increase in the third quarter, the Company did not subscribe for the shares in proportion to its shareholding, but the Company acquired shares issued by INPAQ from the Stock Exchange Market in the fourth quarter of 2023, resulting in a different percentage from its existing ownership percentage.

Note f: The Company subscribed for 920,000 shares issued by GDL in November 2023, leading to a change in its ownership percentage.

12. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	December 31	
	2023	2022
Non-current		
Investments in equity instruments at fair value through other comprehensive income (FVTOCI)	$ 6,830,173	$ 5,591,002
Investments in debt instruments at FVTOCI	444,268	222,944
	$ 7,274,441	$ 5,813,946

a. Investments in equity instruments at FVTOCI

	December 31	
	2023	2022
Non-current		
Domestic investments		
Listed shares		
Walton Advanced Engineering Inc.	$ 972,732	$ 723,967
Giga-Byte Technology Co., Ltd.	2,284,940	914,835
Walsin Lihwa Corporation	2,327,662	2,842,580
APAQ Technology Co., Ltd.	-	229,713
Fubon Financial Holding Co., Ltd. Preferred Shares C	27,500	27,550
Hotai Finance Co., Ltd. Preferred Shares B	94,900	-
Unlisted shares		
Chin-Xin Investment Co., Ltd.	606,103	548,076
Euroc Venture Capital Corp.	-	310
Phoenix Innovation Venture Capital Co., Ltd.	32,370	26,160
AICP Technology Corporation	6,942	6,276
Hwa Bao Botanic Conservation Corp.	189,649	88,101
Foreign investments		
Listed shares		
Sony Group Corporation	179,091	143,104
Kyosan Electric Manufacturing Co., Ltd.	2,695	2,139
Nippon Signal Company, Limited	3,442	3,885
Mitsubishi UFJ Financial Group, Inc.	9,221	7,237
Nagano Keiki Co., Ltd.	8,240	4,683
OLYMPUS CORPORATION	2,125	-
Sumitomo Mitsui Financial Group, Inc.	10,304	-
Dai-ichi Life Holdings, Inc.	13,378	-
Mitsubishi Estate Company, Limited	13,496	-
NIPPON STEEL CORPORATION	8,764	-
Marubeni Corporation	16,930	-
MITSUI & CO., LTD.	10,253	-
Others	1,250	1,429

(Continued)

	December 31	
	2023	2022
Unlisted shares		
Sawnics Inc.	$ -	$ 12,113
Hokko Denshi Kogyo Corporation	1,169	1,251
Ueno Co., Ltd.	4,413	4,720
Limited Liability Partnership SakuSakuhimawari	2,289	2,517
Others	333	356
	$ 6,830,173	$ 5,591,002

(Concluded)

These investments in equity instruments are not held for trading. Instead, they are held for medium to long-term strategic purposes. Accordingly, the management decided to account for 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.

In 2023, the Group sold its shares in Giga-Byte Technology Co., Ltd. and Sawnics Inc. for investment purposes. The shares sold had a fair value of $406,309 thousand and its related unrealized valuation gain of $340,139 thousand was transferred from other equity to retained earnings.

b. Investments in debt instruments at FVTOCI

	December 31	
	2023	2022
Non-current		
Foreign investments		
Listed corporate bonds - Apple Inc.	$ 77,276	$ 75,139
Listed corporate bonds - Amazon.com, Inc.	41,391	39,763
Listed corporate bonds - Microsoft Corporation	21,818	20,831
Listed corporate bonds - Saudi Arabian Oil Company	43,225	42,053
Listed corporate bonds - Bank of America	45,061	45,158
Listed corporate bonds - Commonwealth Bank of Australia	215,497	-
	$ 444,268	$ 222,944

13. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

a. Investments in associated were as follows:

Investment in Associates	December 31 2023	December 31 2022
Significant associates		
HannStar Board Corp.	$ 6,550,153	$ 5,773,553
Associates that are not individually material		
Suzhou Walsin Color Trading Co., Ltd.	155,308	160,298
Tsai Yi Corporation	906,233	705,887
Falcon Automation Equipment Corporation	97,823	102,517
Chongqing Ruishuang Technology Co., Ltd.	49,472	52,061
Chongqing Xincheng Electronic Co., Ltd.	38,583	40,618
Chongqing Shuohong Investment Co., Ltd.	1,225,817	1,256,128
GHPW Enterprise Corp. (HK) Ltd.	214,362	220,678
Silitech Technology Corporation	729,828	730,145
Joyin Co., Ltd.	390,462	410,924
Matsuo Electric Co., Ltd.	158,702	173,700
Walsin New Energy Corporation	18,009	-
Others	14,567	11,816
	$ 10,549,319	$ 9,638,325

b. Share of profit (loss) of associates for the years ended December 31, 2023 and 2022 was summarized as follows:

	2023	2022
HannStar Board Corp.	$ 544,514	$ 652,018
Suzhou Walsin Color Trading Co., Ltd.	(2,262)	(10,048)
Tsai Yi Corporation	7,078	1,610
Falcon Automation Equipment Corporation	(4,694)	27,972
Chongqing Ruishuang Technology Co., Ltd.	(1,723)	(6,116)
Chongqing Xincheng Electronic Co., Ltd.	(1,347)	(4,783)
Chongqing Shuohong Investment Co., Ltd.	(8,562)	(71,261)
GHPW Enterprise Corp. (HK) Ltd.	(1,344)	(1,252)
Silitech Technology Corporation	19,375	24,709
Joyin Co., Ltd.	(12,925)	(13,550)
Matsuo Electric Co., Ltd.	(2,631)	21,198
Walsin New Energy Corporation	(316)	-
Others	3,035	(2,018)
	$ 538,198	$ 618,479

c. At the end of the reporting period, the proportion of ownership and voting rights in associates held by the Group were as follows:

Name of Associate	December 31 2023	December 31 2022
HannStar Board Corp.	21.39%	21.39%
Suzhou Walsin Color Trading Co., Ltd.	39.32%	39.32%
Tsai Yi Corporation	29.98%	29.98%
Falcon Automation Equipment Corporation	43.90%	43.90%
Chongqing Ruishuang Technology Co., Ltd.	34.54%	34.54%
Chongqing Xincheng Electronic Co., Ltd.	13.04%	13.04%
Chongqing Shuohong Investment Co., Ltd.	46.08%	46.08%
GHPW Enterprise Corp. (HK) Ltd.	35.00%	35.00%
Silitech Technology Corporation	25.00%	25.00%
Joyin Co., Ltd.	30.40%	30.40%
Matsuo Electric Co., Ltd.	26.17%	26.17%
Walsin New Energy Corporation	35.00%	-

Refer to Table 9 "Information on Investees" and Table 10 "Information on Investments in mainland China" to the consolidated financial statements for the nature of activities, principal places of business and countries of incorporation of the associates.

d. Fair values (Level 1) of investments in associates with available published price quotations were summarized as follows:

Name of Associate	December 31 2023	December 31 2022
HannStar Board Corp.	$ 6,251,629	$ 3,578,012
Silitech Technology Corporation	$ 648,550	$ 562,700
Matsuo Electric Co., Ltd.	$ 106,133	$ 157,822

e. Material associates - HannStar Board Corp.

	December 31 2023	December 31 2022
Current assets	$ 42,426,180	$ 47,152,261
Non-current assets	35,978,472	28,708,962
Current liabilities	(24,276,525)	(26,235,116)
Non-current liabilities	(9,635,558)	(9,674,954)
Equity	44,492,569	39,951,153
Non-controlling interests	(13,876,296)	(12,496,957)
	$ 30,616,273	$ 27,454,196
Shareholding ratio of the Corporation	21.39%	21.39%
Interests enjoyed by the Corporation	$ 6,548,821	$ 5,872,453
Others	1,332	(98,900)

Investment carrying amount	$ 6,550,153	$ 5,773,553

	December 31	
	2023	2022
Operating revenue	$ 42,975,757	$ 47,687,936
Net profit for the year	$ 4,536,051	$ 4,635,381
Other comprehensive income	2,062,642	(2,844,726)
Total comprehensive income	$ 6,598,693	$ 1,790,655
Receive dividends from HannStar Board Corp.	$ 257,714	$ 236,238

f. The share of profit or loss and other comprehensive income of the investments in associates accounted for using the equity method for the years ended December 31, 2023 and 2022 were based on the associates' audited financial statements.

14. PROPERTY, PLANT AND EQUIPMENT

	Land	Buildings and Improvements	Machinery and Equipment	Other Equipment	Construction in Progress and Prepayments for Equipment	Total
Cost						
Balance at January 1, 2023	$ 2,875,593	$ 14,153,374	$ 41,629,873	$ 4,545,374	$ 5,805,936	$ 69,010,150
Additions	-	179,663	215,268	46,025	782,507	1,223,463
Disposals	(155,787)	(27,903)	(512,749)	(146,701)	(11,222)	(854,362)
Reclassified	-	1,159,337	1,986,410	109,673	(3,492,807)	(237,387)
Effects of foreign currency exchange differences	(42,919)	(205,588)	(488,720)	(57,568)	(28,819)	(823,614)
Balance at December 31, 2023	$ 2,676,887	$ 15,258,883	$ 42,830,082	$ 4,496,803	$ 3,055,595	$ 68,318,250
Accumulated depreciation and impairment						
Balance at January 1, 2023	$ 113,012	$ 7,207,865	$ 29,878,447	$ 3,457,924	$ -	$ 40,657,248
Disposals	(93,800)	(27,764)	(410,483)	(136,387)	-	(668,434)
Reclassified	-	6,650	1,677	756	-	9,083
Impairment losses recognized (reversed)	-	10,541	(630)	-	-	9,911
Depreciation expense	-	678,259	3,782,149	342,499	-	4,802,907
Effects of foreign currency exchange differences	(6,084)	(165,188)	(361,584)	(48,397)	-	(581,253)
Balance at December 31, 2023	$ 13,128	$ 7,710,363	$ 32,889,576	$ 3,616,395	$ -	$ 44,229,462
Carrying amount at December 31, 2023	$ 2,663,759	$ 7,548,520	$ 9,940,506	$ 880,408	$ 3,055,595	$ 24,088,788
Cost						
Balance at January 1, 2022	$ 2,620,452	$ 13,382,878	$ 39,064,877	$ 4,292,493	$ 6,531,248	$ 65,891,948
Additions	16,689	143,195	303,830	110,673	2,174,047	2,748,434
Acquisition through business combinations	186,866	4,972	54,256	26,437	-	272,531
Disposals	-	(104,762)	(221,769)	(70,503)	(13,064)	(410,098)
Reclassified	72,794	689,797	2,177,250	160,663	(2,893,964)	206,540
Effects of foreign currency exchange differences	(21,208)	37,294	251,429	25,611	7,669	300,795
Balance at December 31, 2022	$ 2,875,593	$ 14,153,374	$ 41,629,873	$ 4,545,374	$ 5,805,936	$ 69,010,150

(Continued)

	Land	Buildings and Improvements	Machinery and Equipment	Other Equipment	Construction in Progress and Prepayments for Equipment	Total
Accumulated depreciation and impairment						
Balance at January 1, 2022	$ 120,490	$ 6,629,076	$ 25,573,494	$ 3,119,342	$ -	$ 35,442,402
Acquisition through business combinations	-	4,589	37,360	7,336	-	49,285
Disposals	-	(100,387)	(181,404)	(59,146)	-	(340,937)
Reclassified	-	74,094	(97)	2,314	-	76,311
Impairment losses recognized (reversed)	(3,613)	7,764	(3,804)	-	-	347
Depreciation expense	-	586,104	4,306,987	367,579	-	5,260,670
Effects of foreign currency exchange differences	(3,865)	6,625	145,911	20,499	-	169,170
Balance at December 31, 2022	$ 113,012	$ 7,207,865	$ 29,878,447	$ 3,457,924	$ -	$ 40,657,248
Carrying amount at December 31, 2022	$ 2,762,581	$ 6,945,509	$ 11,751,426	$ 1,087,450	$ 5,805,936	$ 28,352,902

(Concluded)

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

Buildings	
Main buildings	15-51 years
Electrical mechanical and power equipment	2-21 years
Engineering system	2-30 years
Others	2-35 years
Machinery and equipment	1-15 years
Other equipment	1-10 years

b. Refer to Note 28 to the consolidated financial statements for property transactions with related parties.

c. Refer to Note 29 to the consolidated financial statements for information on land and buildings pledged as collateral.

15. LEASE ARRANGEMENTS

a. Right-of-use assets

	December 31	
	2023	2022
Carrying amount		
Land	$ 668,172	$ 720,324
Buildings	247,301	222,247
Office equipment	1,119	1,779
Transportation equipment	24,500	17,805
Other equipment	1,565	3,327
	$ 942,657	$ 965,482

	For the Year Ended December 31	
	2023	2022
Additions to right-of-use assets	$ 154,750	$ 152,470
Depreciation charge for right-of-use assets		
Land	$ 42,789	$ 42,673
Buildings	92,385	94,677
Office equipment	632	600
Transportation equipment	12,277	12,852
Other equipment	1,761	2,085
	$ 149,844	$ 152,887

b. Lease liabilities

	December 31	
	2023	2022
Carrying amount		
Current	$ 155,493	$ 138,546
Non-current	$ 470,414	$ 496,604

Ranges of discount rates for lease liabilities were as follows:

	December 31	
	2023	2022
Land	0.08%-1.33%	0.08%-1.33%
Buildings	0.30%-1.725%	0.30%-1.675%
Office equipment	0.30%-1.30%	0.30%-1.15%
Transportation equipment	0.30%-4.93%	0.30%-4.93%
Other equipment	0.98%-1.00%	0.98%-1.00%

c. Other lease information

	For the Year Ended December 31	
	2023	2022
Expenses relating to short-term leases	$ 27,679	$ 28,851
Expenses relating to low-value asset leases	$ 1,202	$ 1,577
Expenses relating to variable lease payments not included in the measurement of lease liabilities	$ 1,634	$ 3,507
Total cash outflow for leases	$(194,836)	$(214,925)

16. INVESTMENT PROPERTIES (MEASURED AT COST MODEL)

	December 31	
	2023	2022
Cost	$ 348,235	$ 29,995
Accumulated depreciation	(11,183)	(6,488)
Accumulated impairment	(9,833)	(8,734)
	$ 327,219	$ 14,773

The investment properties held by the Group are depreciated over their estimated useful lives of 5 to 25 years using the straight-line method.

Due to the market's inactivity for comparable properties and a lack of alternative reliable measurements, the fair value of the Group's investment properties is not available.

The Group's land revaluation increments as of December 31, 2023 and 2022 were both $6,556 thousand.

17. INTANGIBLE ASSETS

	Patents and Trademark	Computer Software	Others	Total
Cost				
Balance at January 1, 2023	$ 660,412	$ 405,950	$ 101,128	$ 1,167,490
Additions	-	35,891	-	35,891
Disposals	-	(14)	-	(14)
Reclassified	-	6,946	-	6,946
Effects of foreign currency exchange differences	-	(4,794)	(121)	(4,915)
Balance at December 31, 2023	$ 660,412	$ 443,979	$ 101,007	$ 1,205,398
Accumulated amortization and impairment				
Balance at January 1, 2023	$ 180,520	$ 282,676	$ 19,804	$ 483,000
Amortization expense	81,128	60,134	7,259	148,521
Effects of foreign currency exchange differences	-	(3,992)	(91)	(4,083)
Balance at December 31, 2023	$ 261,648	$ 338,818	$ 26,972	$ 627,438
Carrying amount at December 31, 2023	$ 398,764	$ 105,161	$ 74,035	$ 577,960

(Continued)

	Patents and Trademark	Computer Software	Others	Total
Cost				
Balance at January 1, 2022	$ 672,926	$ 360,388	$ 97,313	$ 1,130,627
Additions	-	48,930	-	48,930
Acquisition through business combinations	-	-	4,756	4,756
Disposals	-	(716)	-	(716)
Reclassified	(12,514)	(1,771)	(1,039)	(15,324)
Effects of foreign currency exchange differences	-	(881)	98	(783)
Balance at December 31, 2022	$ 660,412	$ 405,950	$ 101,128	$ 1,167,490
Accumulated amortization and impairment				
Balance at January 1, 2022	$ 95,044	$ 227,813	$ 12,504	$ 335,361
Amortization expense	85,476	56,406	7,269	149,151
Reclassified	-	(716)	-	(716)
Effects of foreign currency exchange differences	-	(827)	31	(796)
Balance at December 31, 2022	$ 180,520	$ 282,676	$ 19,804	$ 483,000
Carrying amount at December 31, 2022	$ 479,892	$ 123,274	$ 81,324	$ 684,490

(Concluded)

Other intangible assets are amortized on a straight-line basis over their estimated useful lives as follows:

Patents	6-8 years
Computer software	1-10 years
Others	3-13 years

18. BORROWINGS

a. Short-term borrowings

	December 31			
	2023		2022	
	Interest Rate	Amount	Interest Rate	Amount
Secured borrowings				
Line of credit borrowings	1.82%	$ 35,000	-	$ -
Unsecured borrowings				
Line of credit borrowings	0%-2.99%	8,553,119	0.58%-2.00%	7,103,050

December 31			
2023		2022	
Interest Rate	Amount	Interest Rate	Amount
	$ 8,588,119		$ 7,103,050

Refer to Note 29 to the consolidated financial statements for Eleceram Technology Co., Ltd., a subsidiary of Inpaq Technology Co., Ltd., pledged its own land as a guarantee.

Refer to Note 29 and Table 2 to the consolidated financial statements for Inpaq Technology Co., Ltd. provided an endorsement guarantee and mortgage guarantee for the loan of its subsidiary Taiwan Inpaq Electronic Co., Ltd.

b. Long-term borrowings

	December 31	
	2023	2022
Bank of Taiwan		
Unsecured loan; loan period is from March 18, 2020 to March 18, 2025. The principal is repayable on April 15, 2023.	$ 20,439	$ 32,703
Unsecured loan; loan period is from April 8, 2020 to March 18, 2025. The principal is repayable on April 15, 2023.	27,153	43,445
Unsecured loan; loan period is from May 7, 2020 to March 18, 2025. The principal is repayable on April 15, 2023.	27,700	44,320
Unsecured loan; loan period is from July 8, 2020 to March 18, 2025. The principal is repayable on April 15, 2023.	10,931	17,490
Unsecured loan; loan period is from July 20, 2020 to March 18, 2025. The principal is repayable on April 15, 2023.	3,300	5,280
Unsecured loan; loan period is from August 10, 2020 to March 18, 2025. The principal is repayable on April 15, 2023.	38,419	61,470
Unsecured loan; loan period is from September 8, 2020 to March 18, 2025. The principal is repayable on April 15, 2023.	42,894	68,630
Unsecured loan; loan period is from October 8, 2020 to March 18, 2025. The principal is repayable on April 15, 2023.	41,494	66,390
Unsecured loan; loan period is from November 9, 2020 to March 18, 2025. The principal is repayable on April 15, 2023.	41,975	67,160
Unsecured loan; loan period is from December 9, 2020 to March 18, 2025. The principal is repayable on April 15, 2023.	36,162	57,860
Unsecured loan; loan period is from January 8, 2021 to March 18, 2025. The principal is repayable on April 15, 2023.	22,032	35,252

	December 31	
	2023	2022
Unsecured loan; loan period is from September 1, 2022 to September 17, 2024. The principal is repayable on December 17, 2023. As of December 31, 2023, the principal has been repaid in full in advance.	-	226,000
Unsecured loan; loan period is from September 2, 2022 to September 17, 2024. The principal is repayable on December 17, 2023. As of December 31, 2023, the principal has been repaid in full in advance.	-	199,500

(Continued)

	December 31	
	2023	2022
Unsecured loan; loan period is from September 14, 2022 to September 17, 2024. The principal is repayable on December 17, 2023. As of December 31, 2023, the principal has been repaid in full in advance.	$ -	$ 300,000
Unsecured loan; loan period is from September 15, 2022 to September 17, 2024. The principal is repayable on December 17, 2023. As of December 31, 2023, the principal has been repaid in full in advance.	-	455,000
Unsecured loan; loan period is from September 16, 2022 to September 17, 2024. The principal is repayable on December 17, 2023. As of December 31, 2023, the principal has been repaid in full in advance.	-	749,500
Unsecured loan; loan period is from August 15, 2023 to August 15, 2026. The principal is repayable on November 15, 2025.	2,911,000	-
Unsecured loan; loan period is from November 30, 2023 to August 15, 2026. The principal is repayable on November 15, 2025.	576,000	-
E.SUN Bank		
Unsecured loan; loan period is from April 8, 2020 to March 15, 2025. The principal is repayable on April 15, 2023.	375,000	600,000
Unsecured loan; loan period is from April 20, 2020 to March 15, 2025. The principal is repayable on April 15, 2023.	250,000	400,000
Unsecured loan; loan period is from December 26, 2019 to December 15, 2024. Repayment of principal will be made in 24 equal monthly payments starting 2 years before the maturity date.	99,731	198,970
Unsecured loan; loan period is from April 9, 2020 to December 15, 2024. Repayment of principal will be made in 24 equal monthly payments starting 2 years before the maturity date.	49,865	99,485
Unsecured loan; loan period is from July 9, 2020 to June 15, 2025. Repayment of principal will be made in 24 equal monthly payments starting 2 years before the maturity date.	59,765	79,392
Unsecured loan; loan period is from August 7, 2020 to June 15, 2025. Repayment of principal will be made in 24 equal monthly payments starting 2 years before the maturity date.	74,706	99,240
Unsecured loan; loan period is from November 9, 2021 to June 15, 2025. Repayment of principal will be made in 24 equal monthly payments starting 2 years before the maturity date.	44,824	59,544
Unsecured loan; loan period is from March 16, 2020 to March 15, 2025. The principal is repayable from April 15, 2023.	304,954	492,438

	December 31	
	2023	2022
First Bank		
Unsecured loan; loan period is from April 30, 2020 to April 15, 2025. The principal is repayable from May 15, 2023.	226,667	340,000

(Continued)

	December 31	
	2023	2022
Unsecured loan; loan period is from May 8, 2020 to April 15, 2025. The principal is repayable from May 15, 2023.	$ 106,667	$ 160,000
Unsecured loan; loan period is from April 9, 2021 to March 15, 2026. The principal is repayable from April 15, 2024.	58,520	58,520
Unsecured loan; loan period is from May 10, 2021 to March 15, 2026. The principal is repayable from April 15, 2024.	51,170	51,170
Unsecured loan; loan period is from August 12, 2021 to March 15, 2026. The principal is repayable from April 15, 2024.	179,120	179,120
Unsecured loan; loan period is from August 26, 2021 to March 15, 2026. The principal is repayable from April 15, 2024.	300,000	300,000
Unsecured loan; loan period is from August 27, 2021 to March 15, 2026. The principal is repayable from April 15, 2024.	370,000	370,000
Unsecured loan; loan period is from September 22, 2021 to March 15, 2026. The principal is repayable from April 15, 2024.	41,190	41,190
Unsecured loan; loan period is from November 30, 2021 to November 15, 2026. The principal is repayable from December 15, 2024.	500,000	500,000
Unsecured loan; loan period is from March 2, 2020 to March 2, 2025. Repayment of principal will be made in 24 equal monthly payments starting 2 years before the maturity date.	55,245	94,433
Chang Hwa Bank		
Unsecured loan; loan period is from May 8, 2020 to April 15, 2025. The principal is repayable from May 15, 2023.	6,667	10,000
Unsecured loan; loan period is from September 13, 2021 to April 15, 2025. The principal is repayable from May 15, 2023.	120,000	180,000
Unsecured loan; loan period is from November 12, 2021 to April 15, 2025. The principal is repayable from May 15, 2023.	190,000	285,000
Unsecured loan; loan period is from December 30, 2021 to April 15, 2025. The principal is repayable from May 15, 2023.	156,667	235,000
Unsecured loan; loan period is from May 3, 2021 to April 15, 2031. The principal is repayable on June 15, 2024.	347,951	347,928
Unsecured loan; loan period is from July 31, 2023 to July 31, 2028. The principal is repayable on August 31, 2025.	300,000	-
Unsecured loan; loan period is from August 24, 2020 to August 15, 2027. The principal is repayable on	524,745	573,321

	December 31	
	2023	2022
September 15, 2023.		
Far Eastern Bank		
Unsecured loan; loan period is from September 30, 2022 to September 30, 2025. The principal is repayable in full upon maturity.	180,000	500,000

(Continued)

	December 31	
	2023	2022
Unsecured loan; loan period is from December 30, 2021 to March 8, 2024. The principal is repayable in full upon maturity. As of December 31, 2023, the principal has been repaid in full in advance.	$ -	$ 220,000
Cathay United Bank		
Unsecured loan; loan period is from July 19, 2023 to August 26, 2025. The principal is repayable in full upon maturity.	180,000	-
Unsecured loan; loan period is from December 27, 2022 to August 26, 2024. The principal is repayable in full upon maturity. As of December 31, 2023, the principal has been repaid in full in advance.	-	200,000
KGI Bank		
Unsecured loan; loan period is from September 25, 2023 to September 12, 2026. The principal is repayable on September 12, 2025.	860,000	-
Unsecured loan; loan period is from November 21, 2022 to August 25, 2024. The principal is repayable in full upon maturity. As of December 31, 2023, the principal has been repaid in full in advance.	-	1,468,000
Mizuho Bank Kawasaki Branch		
Secured loan; loan period is from June 15, 2020 to March 31, 2026. The principal is repayable in 20 periods after one year.	257,498	392,105
Citibank Tokyo Branch		
Unsecured loan; loan period is from June 22, 2022 to June 22, 2024. The principal is repayable in full upon maturity.	120,020	128,368
Taishin Bank Tokyo Branch		
Unsecured loan; loan period is from May 29, 2023 to May 29, 2026. The principal is repayable in full upon maturity.	163,664	-
Unsecured loan; loan period is from January 10, 2023 to December 16, 2025. The principal is repayable in full upon maturity.	130,931	-
Unsecured loan; loan period is from September 3, 2021 to May 31, 2024. The principal is repayable in full upon maturity. As of December 31, 2023, the principal has been repaid in full in advance.	-	175,047
Chinatrust Commercial Bank Tokyo Branch		
Unsecured loan; loan period is from September 22, 2022 to September 22, 2025. The principal is repayable in full upon maturity.	436,437	466,792
Sumitomo Mitsui Banking Corporation Yamato Branch		
Unsecured loan; loan period is from November 15, 2022 to November 15, 2025. Repayable in six installments beginning May 15, 2023.	571,732	798,214
E.SUN Bank Tokyo Branch		

	December 31	
	2023	2022
Unsecured loan; loan period is from December 23, 2022 to December 23, 2025. The principal is repayable in full upon maturity.	327,327	350,094

(Continued)

	December 31	
	2023	2022
UOB BERHAD		
Unsecured loan; loan period is from April 16, 2021 to April 16, 2024. The principal is repayable in full upon maturity.	$ 26,901	$ 115,076
Taishin Bank		
Unsecured loan; loan period is from December 10, 2019 to December 10, 2024. Repayment of principal will be made in 24 equal monthly payments starting 2 years before the maturity date.	45,715	95,360
Unsecured loan; loan period is from April 29, 2020 to December 10, 2024. Repayment of principal will be made in 25 equal monthly payments starting 2 years before the maturity date.	45,715	95,360
Chinatrust Commercial Bank		
Unsecured loan; loan period is from December 24, 2021 to December 15, 2026. The principal is repayable on January 15, 2025.	388,044	388,028
Mega International Commercial Bank		
Unsecured loan; loan period is from December 20, 2022 to September 23, 2026. The principal is repayable on October 23, 2023. As of December 31, 2023, the principal has been repaid in full in advance.	-	300,000
Hua Nan Commercial Bank		
Unsecured loan; loan period is from December 18, 2020 to December 18, 2025. The principal is repayable on January 18, 2023. As of December 31, 2023, the principal has been repaid in full in advance.	-	300,000
The Hachijuni Bank, Ltd.		
Unsecured loan; loan period is from February 14, 2023 to January 21, 2030. The principal is repayable in 84 periods after one year.	132,758	-
Less: Current portion	(2,987,531)	(2,303,708)
Long-term borrowings total	$ 9,472,164	$ 11,873,487

(Concluded)

The annual effective interest rate intervals of the above-mentioned borrowings for the years ended December 31, 2023 and 2022 were 0.83%-2.00% and 0.83%-2.20%, respectively.

The Group should maintain certain financial ratios in its annual audited and semiannual reviewed consolidated financial statements during the loan duration. The Group's consolidated financial reports for the years ended December 31, 2023 and 2022 showed that the Group was in compliance with the agreed financial ratio requirements.

The land and buildings owned by Kamaya Electric Co., Ltd. were pledged as collateral for bank borrowings. Refer to Note 29 to the consolidated financial statements.

The long-term loans of Kamaya Electric Co., Ltd. and Kamaya Electric (M) Sdn. Bhd. are endorsed and guaranteed by the Company. The long-term loans of Inpaq Technology (Suzhou) Co., Ltd., Inpaq

Technology (China) Co., Ltd. and Hunan Frontier Electronics Co., Ltd. are endorsed and guaranteed by INPAQ Technology Co., Ltd. Refer to Table 2 to the consolidated financial statements for details.

19. BONDS PAYABLE

	December 31	
	2023	2022
Unsecured domestic convertible corporate bonds	$ 5,441,187	$ 4,715,936
Less: Current portions	(4,778,445)	-
	$ 662,742	$ 4,715,936

On April 29, 2020, the Company issued the first four-year unsecured convertible corporate bonds in Taiwan, with a total amount NT$4,800,000 thousand, face value of NT$100 thousand and coupon rate of 0%. Besides, the terms and conditions of the bonds are as follows:

a. Conversion period: Between July 30, 2020 and April 29, 2024.

b. Conversion price: The initial conversion price was NT$240 per share. Afterwards, there was a subsequent change in share capital (i.e., issuance of share dividends, free allotment of shares, and cash capital increase, etc.). The conversion price shall be adjusted according to the prescribed calculation. The conversion price on December 31, 2023 and 2022 were $210.2 per share and $215.6 per share, respectively.

c. Redemption:

1) Redeem the bonds upon maturity: The principal is fully redeemed upon maturity.

2) Redeem the bonds in advance: The Company may redeem the bonds, in whole or in part at face value from the date following 3 months of the expiry of the issuance to the 40th day before the expiry of the issuance period, if the closing price of the ordinary shares on the TWSE, for a period of 30 consecutive trading days, exceeds the conversion price by 30% (inclusive).

The Company may redeem the bonds at face value from the day following 3 months of the expiry of the issuance to the 40th day before the expiry of the issuance period if the bonds outstanding balance is lower than 10% of the total issuance amount.

d. The convertible bonds contain both liability and equity components. The equity component was presented in equity under capital surplus - options. The effective interest rate of the liability component was 1.318% per annum on initial recognition.

Proceeds from issuance (less transaction costs of $5,000 thousand)	$ 4,795,000
Equity components	(253,440)
Liability components at the date of issue	4,541,560
FVTPL	12,000
Interest charged at an effective interest rate of 1.318%	163,333
Convertible bonds converted into ordinary shares	(957)
Liability components at December 31, 2022	4,715,936
Interest charged at an effective interest rate of 1.318%	62,509
Liability component at December 31, 2023	$ 4,778,445

On December 14, 2023, INPAQ of the Group issued the third three-year unsecured convertible bonds in Taiwan, with a total amount NT$700,000 thousand, face value of NT$100 thousand (issued by 108.86 of the face value) and coupon rate of 0%. Besides, the terms and conditions of the bonds are as follows:

a. Conversion period: Between March 15, 2024 and December 14, 2026.

b. Conversion price: The initial conversion price was NT$92 per share. Afterwards, there was subsequent change in share capital (i.e., issuance of share dividends, free allotment of shares, and cash capital increase, etc.). The conversion price shall be adjusted according to the prescribed calculation. The conversion price on December 31, 2023 was $92 per share.

c. Redemption:

1) Redeem the bonds upon maturity: The principal is fully redeemed upon maturity.

2) Redeem the bonds in advance: INPAQ will within 30 business days thereafter, the creditors are notified and may redeem the bonds, in whole or in part at face value from the date following 3 months of the expiry of the issuance to the 40th day before the expiry of the issuance period, if the closing price of the ordinary shares on the TWSE, for a period of 30 consecutive trading days, exceeds the conversion price by 30% (inclusive).

INPAQ may redeem the bonds at face value from the day following 3 months of the expiry of the issuance to the 40th day before the expiry of the issuance period if the bonds outstanding balance is lower than 10% of the total issuance amount.

3) Redemption at the option of the Corporation: For the present convertible corporate bonds uses, the date after two full years from the issuance is used as the reverse repurchase base date for early reverse repurchase of the present convertible bonds by the bondholders. The bondholders may inform the stock affairs agency institution of INPAQ in writing 40 days before such date in order to request that the company redeem the convertible bonds they hold in cash at the face value of the bonds plus interest compensation. interest compensation. The interest compensation on the above is calculated at the face value of the bonds (yield to put of 0% per annum). INPAQ accepts the repurchase request and shall call-back the convertible bonds in cash within five business days after the repurchase date.

d. The convertible bonds contain both liability and equity components. The equity component was presented in equity under capital surplus - options. The effective interest rate of the liability component was 1.88% per annum on initial recognition.

Proceeds from issuance	$ 760,739
Equity components	(97,282)
Liability components at the date of issue	663,457
FVTPL	(1,750)
Interest charged at an effective interest rate of 1.88%	1,035
Liability components at December 31, 2023	$ 662,742

20. RETIREMENT BENEFIT PLANS

a. Defined contribution plans

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

b. Defined benefit plans

The defined benefit plans adopted by WTC, PDC and INPAQ of the Group are in accordance with the Labor Standards Law and are operated by the government. Pension benefits are calculated on the basis of the length of service and average monthly salaries of the six months before retirement. WTC, PDC and INPAQ contribute amounts based on total monthly salaries and wages to a pension fund administered by the pension fund monitoring committee. Pension contributions are deposited in the Bank of Taiwan in the committee's name. Before the end of each year, the Group assesses the balance in the pension fund. If the amount of the balance in the pension fund is inadequate to pay retirement benefits for employees who conform to retirement requirements in the next year, the Group is required to fund the difference in one appropriation that should be made before the end of March of the next year. The pension fund is managed by the Bureau of Labor Funds, Ministry of Labor (the "Bureau"); the Group has no right to influence the investment policy and strategy.

NTK, Kamaya and Soshin group all have a defined benefit plan and a defined contribution plan in compliance with their local laws. The subsidiaries in the PRC and the subsidiary KM have their defined contribution plans in compliance with their local laws.

The amounts included in the consolidated balance sheets in respect of the Group's defined benefit plans were as follows:

	December 31	
	2023	**2022**
Present value of defined benefit obligation	$ 1,140,958	$ 1,281,233
Fair value of plan assets	(1,162,286)	(1,340,027)
Net defined benefit assets	$ (21,328)	$ (58,794)
Net defined benefit assets (classified as other non-current assets)	$ (217,660)	$ (258,130)
Net defined benefit liabilities	196,332	199,336
	$ (21,328)	$ (58,794)

Movements in net defined benefit liabilities (assets) were as follows:

	Present Value of the Defined Benefit Obligation	**Fair Value of the Plan Assets**	**Net Defined Benefit (Assets) Liabilities**
Balance at January 1, 2023	$ 1,281,233	$(1,340,027)	$ (58,794)
Service cost			
Current service cost	33,556	-	33,556
Net interest expense (income)	12,355	(3,645)	8,710
Recognized in profit or loss	45,911	(3,645)	42,266
Remeasurement			
Actuarial profit - changes in financial assumptions	7,212	-	7,212
Actuarial profit - experience adjustments	31,147	-	31,147

(Continued)

	Present Value of the Defined Benefit Obligation	Fair Value of the Plan Assets	Net Defined Benefit (Assets) Liabilities
Return on plan assets	$ -	$ (1,573)	$ (1,573)
Adjustments on cap of the plan assets and other	(35,700)	29,485	(6,215)
Recognized in other comprehensive income	2,659	27,912	30,571
Contributions from the employer	-	(23,520)	(23,520)
Benefits paid from the plan assets	(109,868)	95,304	(14,564)
Benefits paid directly by the Company	(6,352)	-	(6,352)
Repayment of allocated assets	(10,365)	11,496	1,131
Effect of exchange rate changes	(62,260)	70,194	7,934
Balance at December 31, 2023	$ 1,140,958	$(1,162,286)	$ (21,328)
Balance at January 1, 2022	$ 1,524,929	$(1,563,954)	$ (39,025)
Service cost			
Current service cost	45,839	-	45,839
Reduced benefits	(42,759)	-	(42,759)
Net interest expense (income)	7,600	(1,489)	6,111
Recognized in profit or loss	10,680	(1,489)	9,191
Remeasurement			
Actuarial profit - changes in financial assumptions	(30,250)	-	(30,250)
Actuarial profit - experience adjustments	(21,056)	-	(21,056)
Return on plan assets	-	(21,000)	(21,000)
Adjustments on cap of the plan assets and other	(39,469)	115,125	75,656
Recognized in other comprehensive income	(90,775)	94,125	3,350
Contributions from the employer	-	(25,266)	(25,266)
Benefits paid from the plan assets	(110,922)	100,997	(9,925)
Repayment of allocated assets	(7,894)	8,270	376
Effect of exchange rate changes	(44,785)	47,290	2,505
Balance at December 31, 2022	$ 1,281,233	$(1,340,027)	$ (58,794)

(Concluded)

Through the defined benefit plans under the Labor Standards Law, the Group is exposed to the following risks:

1) Investment risk: The plan assets are invested in domestic and foreign equity and debt securities, bank deposits, etc. The investment is conducted at the discretion of the Bureau or under the mandated management. However, in accordance with relevant regulations, the return generated by plan assets should not be below the interest rate for a 2-year time deposit with local banks.

2) Interest risk: A decrease in the government bond interest rate will increase the present value of the defined benefit obligation; however, this will be partially offset by an increase in the return on the

plan's debt investments.

3) Salary risk: The present value of the defined benefit obligation is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the present value of the defined benefit obligation.

The actuarial valuations of the present value of the defined benefit obligation of WTC, PDC and INPAQ were carried out by qualified actuaries. The significant assumptions used for the purposes of the actuarial valuations were as follows:

	December 31	
	2023	**2022**
Discount rates	1.2500%-1.375%	1.3636%-1.50%
Expected rates of salary increase	2.00%-3.00%	2.00%-3.00%

If possible reasonable change in each of the significant actuarial assumptions occur and all other assumptions remain constant, the present value of the defined benefit obligation will increase (decrease) as follows:

	December 31	
	2023	**2022**
Discount rate		
0.25% increase	$ (7,536)	$ (7,837)
0.25% decrease	$ 7,812	$ 8,125
Expected rate of salary increase		
0.25% increase	$ 7,569	$ 7,892
0.25% decrease	$ (7,340)	$ (7,651)

The sensitivity analysis presented above may not be representative of the actual change in the present value of the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

	December 31	
	2023	**2022**
The expected contributions to the plan in one year	$ 9,206	$ 8,535
The average duration of the defined benefit obligation	9.5-12 years	9.6-12 years

21. EQUITY

a. Share capital

Ordinary shares

	December 31	
	2023	**2022**
Number of shares authorized (in thousands)	800,000	800,000

Shares authorized	$ 8,000,000	$ 8,000,000
Number of shares issued and fully paid (in thousands)	485,804	485,804
Shares issued	$ 4,858,043	$ 4,858,043

Fully paid ordinary shares, which have a par value of $10, carry one vote per share and carry a right to dividends.

b. Capital surplus

	December 31	
	2023	**2022**
May be used to offset a deficit, distributed as cash dividends, or transferred to share capital*		
Issuance of ordinary shares	$ 692,809	$ 692,809
Conversion of bonds	1,428,808	1,428,808
Treasury share transactions	574,608	574,608
May be used to offset a deficit only		
Share of changes in capital surplus of associates	166,745	161,492
Others	55	55
Not for other usage		
Share warrants	253,387	253,387
	$ 3,116,412	$ 3,111,159

* 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 once a year).

c. Retained earnings and dividend policy

Under the dividend policy as set forth in the Company's 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, setting aside or reversing a special reserve in accordance with the laws and regulations, and then any remaining profit together with any undistributed retained earnings shall be used by the Company's board of directors as the basis for proposing a distribution plan, which should be resolved in the shareholders' meeting for the distribution of dividends and bonuses to shareholders. For the policies on the distribution of employees' compensation and remuneration of directors in the Articles, refer to employees' compensation and remuneration of directors in Note 22(b) to the consolidated financial statements.

The Company's Articles also provide that the profit of the Company may be distributed in the form of either cash or share dividends, but the total share dividends distributed shall not exceed 50% of the total dividends distributed. However, should the Company obtain sufficient funds to meet the year's funding requirements, the cash distribution ratio can be raised to 100%. The Company should decide on the most

appropriate dividend distribution policy based on the current year's actual operating condition and the following year's capital budget.

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.

The appropriations of earnings for 2022 and 2021 approved in the shareholders' meeting on June 20, 2023 and June 15, 2022, respectively, were as follows:

	Appropriation of Earnings		Dividends Per Share (NT$)	
	For the Year Ended December 31		For the Year Ended December 31	
	2022	2021	2022	2021
Legal reserve	$ 175,643	$ 798,027	$ -	$ -
Cash dividends	1,165,930	2,186,119	2.4	4.5

d. Special reserve

	For the Year Ended December 31	
	2023	2022
Balance of beginning	$ 1,096,797	$ 1,096,797
Balance of ending	$ 1,096,797	$ 1,096,797

As the increase in retained earnings of $1,098,575 thousand generated from the initial application of IFRSs was insufficient for appropriation as dividends, it was appropriated to a special reserve. As the special reserve appropriated by foreign operations (including subsidiaries) due to the exchange differences upon translation of their financial statements was reversed in proportion to the Company's disposal of the foreign operations; upon the Company's loss of significant influence, the entire special reserve relating to exchange differences arising from those foreign operations will be reversed. As of December 31, 2023, the Company accumulated the reversed amount of $1,778 thousand from the special reserve, and the remaining amount was $1,096,797 thousand.

e. Other equity items

1) Exchange differences on translating the financial statements of foreign operations

	For the Year Ended December 31	
	2023	2022
Balance at January 1	$(1,191,536)	$(2,479,278)
Exchange differences arising on translation of the financial statements of foreign operations	(368,019)	1,071,093
Share from associates accounted for using the equity method	(118,959)	216,696
Adjustments relating to changes in equity of subsidiaries	-	(47)

Balance at December 31	$(1,678,514)	$(1,191,536)

2) Unrealized gain (loss) on financial assets at FVTOCI

	For the Year Ended December 31	
	2023	2022
Balance at January 1	$ 3,503,533	$ 4,469,043
Unrealized gain on investments in equity instruments at FVTOCI	1,376,118	153,182
Unrealized gain (loss) on investments in debt instruments at FVTOCI	1,162	(19,127)
Share of other comprehensive income from associates accounted for using the equity method	637,108	(1,035,683)
Cumulative unrealized loss of equity instruments transferred to retained earnings due to disposal	(354,029)	(63,887)
Adjustments relating to changes in equity of subsidiaries	-	5
Balance at December 31	$ 5,163,892	$ 3,503,533

f. Non-controlling interests

	For the Year Ended December 31	
	2023	2022
Balance at January 1	$ 9,303,110	$ 9,140,312
Share in profit for the year	673,326	644,688
Other comprehensive income (loss) during the period		
Exchange differences on translation the financial statements of foreign operation	(111,504)	41,292
Share of the other comprehensive income (loss) of associates accounted for using the equity method - exchange differences on translating of the financial statements of foreign operations	3,176	(151)
Unrealized gain (loss) on financial assets at FVTOCI	155,989	(218,395)
Share of other comprehensive income of associates accounted for using the equity method - unrealized loss on financial assets at FVTOCI	13,368	(14,673)
Remeasurement of defined benefit plans	3,932	(17,320)
Non - controlling interests from acquisition of subsidiaries (Note 25)	-	49,624
Proceeds from issuance of ordinary shares of subsidiaries	287,865	-
Cash dividends distributed by the subsidiaries	(286,150)	(323,006)
Other	(6,981)	739
Balance at December 31	$ 10,036,131	$ 9,303,110

g. Treasury shares

Treasury share transactions were summarized as follows:

Unit: Shares

	For the Year Ended December 31, 2023			
Purpose of Acquisition	**Treasury Shares Held as of January 1, 2023**	**Increase During the Year**	**Decrease During the Year**	**Treasury Shares Held as of December 31, 2023**
Treasury shares granted to employees	1,000,000	-	-	1,000,000

	For the Year Ended December 31, 2022			
Purpose of Acquisition	**Treasury Shares Held as of January 1, 2022**	**Increase During the Year**	**Decrease During the Year**	**Treasury Shares Held as of December 31, 2022**
Treasury shares granted to employees	1,000,000	-	-	1,000,000

Pursuant to the Securities and Exchange Act of the ROC, the treasury shares held by the Company should not be pledged as collateral, are not eligible for dividends and do not have voting rights.

22. EMPLOYEE BENEFITS, DEPRECIATION AND AMORTIZATION EXPENSES

a. Main categories of expenses

	For the Year Ended December 31					
	2023			2022		
	Operating Costs	Operating Expenses	Total	Operating Costs	Operating Expenses	Total
Short-term employee benefits	$ 4,696,350	$ 1,978,721	$ 6,675,071	$ 4,980,275	$ 1,971,217	$ 6,951,492
Post-employment benefits	$ 164,106	$ 90,583	$ 254,689	$ 172,735	$ 85,502	$ 258,237
Depreciation	$ 4,652,572	$ 304,892	$ 4,957,464	$ 5,107,620	$ 308,233	$ 5,415,853
Amortization	$ 11,126	$ 144,519	$ 155,645	$ 13,041	$ 144,128	$ 157,169

b. Employees' compensation and remuneration of directors

The Company accrues employees' compensation and remuneration of directors at the rates of 2%-10% and no higher than 2%, respectively, of net profit before income tax, employees' compensation, and remuneration of directors.

The employees' compensation and remuneration of directors for the years ended December 31, 2023 and 2022, which had been approved by the Company's board of directors on February 23, 2024 and February 23, 2023, respectively, were as follows:

	For the Year Ended December 31	
	2023	**2022**
Accrual rate		
Employees' compensation	2.25%	2.25%
Remuneration of directors	1.00%	0.90%

	Cash	
	For the Year Ended December 31	
	2023	**2022**
Amounts		
Employees' compensation	$ 49,196	$ 39,251
Remuneration of directors	$ 21,865	$ 15,701

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 and adjusted in the following year.

There was no significant difference between the actual amounts of employees' compensation and remuneration of directors paid and the amounts recognized in the consolidated financial statements for the years ended December 31, 2022 and 2021.

Information on the compensation of employees and remuneration of directors resolved by the Company's board of directors in 2023 and 2022 is available at the Market Observation Post System website of the Taiwan Stock Exchange.

23. INCOME TAXES RELATING TO CONTINUING OPERATIONS

a. Major components of income tax expense were as follows:

	For the Year Ended December 31	
	2023	**2022**
Current tax		
In respect of the current period	$ 518,224	$ 645,943
Income tax on unappropriated earnings	36,702	271,029
Adjustments for prior periods	(126,265)	(390,762)
Dividends repatriation of subsidiaries	336,671	770,246
	795,332	1,296,456
Deferred tax		
In respect of the current period	31,551	(53,838)

Income tax expense recognized in profit or loss	$ 826,883	$ 1,242,618

b. The reconciliation of accounting profit and taxable income were as follows:

	For the Year Ended December 31	
	2023	2022
Income tax expense calculated at the statutory rate	$ 830,872	$ 799,261
Nondeductible in determining taxable income	(312,648)	(153,318)
Recognition and reversal of temporary differences	31,551	(53,838)
Income tax on unappropriated earnings	36,702	271,029
Adjustments for prior periods	(126,265)	(390,762)
Dividends repatriation of subsidiaries	366,671	770,246
Income tax expense recognized in profit or loss	$ 826,883	$ 1,242,618

c. The components of deferred income tax assets and liabilities were as follows:

	December 31	
	2023	2022
Deferred income tax assets		
Tax losses	$ 75,943	$ 91,799
Allowance for inventories loss	160,007	166,466
Unrealized sales gross profit	63,000	41,000
Book-tax difference of Property, plant and equipment	220,741	168,438
Others	171,586	141,647
	$ 691,277	$ 609,350
Deferred income tax liabilities		
Defined benefit obligation	$ (21,000)	$ (20,000)
Book-tax difference of Property, plant and equipment	(28,988)	(29,425)
Unrealized gain from financial investments	(47,221)	(36,192)
Provisions	(26,131)	(26,131)
Dividends repatriation of subsidiaries	(508,870)	(135,890)
Share of profits of subsidiaries of using the equity method	(214,516)	(216,178)
Others	(256,663)	(305,555)
	$(1,103,389)	$ (769,371)

d. Income tax returns of the Company and PDC through 2021 have been assessed and approved by the tax authorities.

For the fiscal year 2019, INPAQ has a different explanation for the use of the loss carryforward with the tax authorities to cancel the loss carryforward of $145,647 thousand. INPAQ had filed an administrative appeal on September 14, 2022, which was rejected by the decision of the Ministry of Finance on March 23, 2023. Income tax returns of INPAQ through 2019 have been assessed and approved by the tax authorities.

e. Pillar Two income tax legislation

In March 2023, the Japanese government, where some of the subsidiaries of the Company are incorporated, substantively legislated the Pillar Two income tax legislation, effective from April 1, 2024. Since the Pillar Two income tax legislation was not effective at the reporting date, the Group has no related current tax exposure.

Under the legislation, the Company's Japanese subsidiaries are required to pay a top-up tax in Japan on the profits of each of their subsidiaries that are taxed below the effective tax rate of 15%. As of December 31, 2023, no country has enforced the Pillar Two income tax legislation, so the Group has no related current tax exposure. However, the Group continues to assess the impact of the Pillar Two income tax legislation on future financial performance.

24. EARNINGS PER SHARE

Earnings per share were calculated as follows:

	For the Year Ended December 31, 2023		
	Amount (In Thousands) After Income Tax (Attributable to Owners of the Company)	Number of Shares (In Thousands)	Earnings Per Share (In Dollars) After Income Tax (Attributable to Owners of the Company)
Basic earnings per share			
From continuing operations	$ 1,984,596	484,804	$ 4.09
Compensation of employees	-	458	
Interest on convertible bonds (after tax)	50,007	22,831	
Diluted earnings per share - ordinary shares	$ 2,034,603	508,093	$ 4.00

	For the Year Ended December 31, 2022		
	Amount (In Thousands) After Income Tax (Attributable to Owners of the Company)	Number of Shares (In Thousands)	Earnings Per Share (In Dollars) After Income Tax (Attributable to Owners of the Company)
Basic earnings per share			
From continuing operations	$ 1,650,587	484,804	$ 3.40
Compensation of employees	-	677	
Interest on convertible bonds (after tax)	49,353	22,259	
Diluted earnings per share - ordinary shares	$ 1,699,940	507,740	$ 3.35

The Company may settle the compensation of employees in cash or shares; therefore, the Company 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.

25. BUSINESS COMBINATIONS

a. Subsidiaries acquired

Subsidiary	Principal Activity	Date of Acquisition	Proportion of Voting Equity Interests Acquired (%)	Consideration Transferred
Eleceram Technology Co., Ltd.	Manufacturing and selling of electronic components	July 2022	72.90	$ 209,946

b. Assets acquired and liabilities assumed at the date of acquisition

	Eleceram Technology Co., Ltd.
Current assets	
Cash and cash equivalents	$ 22,162
Accounts and other receivables	10,897
Inventories	16,679
Other current assets	15,822
Non-current assets	
Property, plant and equipment	223,246
Others	1,070
Current liabilities	
Notes and accounts payables	(17,864)
Others	(8,766)
Non-current liabilities	
Others	(8,432)
	$ 254,814

The acquisition - date fair value of the receivables is equal to the book value from business combinations transaction of Eleceram Technology Co., Ltd. The receivables are expected to be recoverable.

c. Goodwill recognized on acquisitions

	Eleceram

	Technology Co., Ltd.
Consideration transferred	$ 209,946
Plus: Non-controlling interests (27.10% in Eleceram Technology Co., Ltd.)	49,624
Less: Fair value of identifiable net assets acquired	(254,814)
Goodwill recognized on acquisitions	$ 4,756

The goodwill recognized in the acquisitions of Eleceram Technology Co., Ltd. mainly represents the control premium included in the cost of the combinations. In addition, the consideration paid for the combinations effectively included amounts attributed to the benefits of expected synergies, revenue growth and future market development. These benefits are not recognized separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets.

d. Net cash inflow on the acquisition of subsidiaries

	Eleceram Technology Co., Ltd.
Consideration paid in cash	$ 209,946
Less: Cash and cash equivalents acquired	(22,162)
	$ 187,784

e. Impact of acquisitions on the results of the Group

The financial results of the acquirees since the acquisition dates, which are included in the consolidated statements of comprehensive income, were as follows:

	Eleceram Technology Co., Ltd.
Revenue	$ 36,739
Profit	$ (1,292)

Had Eleceram Technology Co., Ltd. acquisition been in effect at the beginning of the financial year, the Group's revenue would have been $35,335,957 thousand, and the profit would have been $2,299,337 thousand for the year ended December 31, 2022. This pro-forma information is for illustrative purposes only and is not necessarily an indication of the revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed at the beginning of the acquisition year, nor is it intended to be a projection of future results.

26. CAPITAL MANAGEMENT

The Group manages its capital to ensure that entities in 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.

27. FINANCIAL INSTRUMENTS

a. Fair value of financial instruments that are not measured at fair value

The management considers that the carrying amounts of financial assets and financial liabilities recognized in the consolidated financial statements approximate their fair values. There were no major differences between the carrying amounts and fair values as of December 31, 2023 and 2022.

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

1) Fair value hierarchy

December 31, 2023

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Domestic listed shares	$ 215,285	$ -	$ -	$ 215,285
Foreign listed shares	86,651	-	-	86,651
Fund beneficiary certificates	576,549	-	-	576,549
Structured notes	-	197,734	-	197,734
Limited partnership	-	-	25,000	25,000
	$ 878,485	$ 197,734	$ 25,000	$ 1,101,219
Financial assets at FVTPL				
Investments in equity instruments				
Domestic listed shares	$ 5,707,734	$ -	$ -	$ 5,707,734
Domestic unlisted shares	-	606,103	228,961	835,064
Foreign listed shares	279,171	-	-	279,171
Foreign unlisted shares	-	-	8,204	8,204
Investments in debt instruments				
Foreign debt securities	444,268	-	-	444,268
	$ 6,431,173	$ 606,103	$ 237,165	$ 7,274,441

December 31, 2022

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Domestic listed shares	$ 490,599	$ -	$ -	$ 490,599
Fund beneficiary certificates	53,835	-	-	53,835
Government bonds	-	44,549	-	44,549
	$ 544,434	$ 44,549	$ -	$ 588,983

Financial assets at FVTPL				
Investments in equity instruments				
Domestic listed shares	$ 4,738,645	$ -	$ -	$ 4,738,645
Domestic unlisted shares	-	548,386	120,537	668,923
Foreign listed shares	162,477	-	-	162,477
Foreign unlisted shares	-	-	20,957	20,957
Investments in debt instruments				
Foreign debt securities	222,944	-	-	222,944
	$ 5,124,066	$ 548,386	$ 141,494	$ 5,813,946

There were no transfers between Levels 1 and 2 for the years ended December 31, 2023 and 2022.

2) Valuation techniques and inputs applied for Level 2 fair value measurement

Financial Instrument	Valuation Technique and Inputs
Derivatives - redemption right and call option of convertible corporate bonds	Evaluated by the binary tree method of convertible bonds evaluation model, based on the volatility of the conversion price, the risk-free rate of interest, risk discount rate, and the number of remaining years
Domestic unlisted equity securities	Evaluated by asset-based approach to determine the value of the equity securities
Government bonds, fund beneficiary certificates and structured notes	Evaluated by public market quotations provided by third-party institutions

3) Valuation techniques and inputs applied for Level 3 fair value measurement

The fair values of unlisted equity securities and limited partnership were determined using the market approach or asset-based approach. The significant unobservable inputs are the liquidity discount of multiplier of price-book ratio and value of net assets. An increase in price-book ratio would result in an increase in the fair value. An increase in liquidity discount would result in a decrease in the fair value.

c. Categories of financial instruments

	December 31	
	2023	2022
Financial assets		
Financial assets at amortized cost		
Cash and cash equivalents	$ 6,621,395	$ 17,503,335
Financial assets at amortized cost (current and non-current)	23,805,468	8,127,657
Notes receivables from unrelated parties	949,140	867,613
Trade receivables from unrelated parties	8,741,151	8,508,511
Trade receivables from related parties	50,872	51,312
Finance lease receivables (current and non-current)	39,378	47,535
Other receivables from unrelated parties	624,538	525,581
Other receivables from related parties	14,264	13,970
Guarantee deposits paid	106,265	113,181
Financial assets at FVTPL (current and non-current)	1,101,219	588,983
Financial assets at FVTOCI - non-current	7,274,441	5,813,946
Financial liabilities		
Financial liabilities at amortized cost		
Short-term borrowings	8,588,119	7,103,050
Notes payable to unrelated parties	229,387	194,700
Trade payables to unrelated parties	3,491,374	2,620,459
Trade payables to related parties	30,081	25,510
Payables for equipment	716,882	1,811,035
Other payables	3,346,954	3,432,377

(Continued)

	December 31	
	2023	2022
Current portion of long-term borrowings and bonds payable	$ 7,765,976	$ 2,303,708
Bonds payable	662,742	4,715,936
Long-term borrowings	9,472,164	11,873,487
Long-term payables	16,833	19,825
Guarantee deposits received	178,098	257,578
Financial liabilities at fair value through profit or loss - non-current	2,374	-

(Concluded)

d. Financial risk management objectives and policies

The Group's major financial instruments included equity and debt investments, trade receivables, trade payables and borrowings. The Group's corporate treasury function manages its exposure to market risk (including foreign currency risk and interest risk), credit risk and liquidity risk with the objective to reduce the potentially adverse effects the market uncertainties may have on its financial performance.

1) Market risk

The Group is exposed primarily to the financial risks of changes in foreign currency exchange rates and interest rates.

a) Foreign currency risk

Several subsidiaries of the Company had foreign currency sales and purchases, which exposed the Group to foreign currency risk. The Group's transactions were denominated in different foreign currencies at the same time that have natural offsetting effect; thus, the related risks are reduced.

To protect against reductions in the value of foreign assets and the volatility of future cash flows caused by changes in foreign exchange rates, the Group utilizes short-term borrowings and derivative financial instruments, including currency forward contracts to hedge its foreign currency exposure.

The following table details the Group's sensitivity to a 1% increase and decrease in the New Taiwan dollar (the functional currency) against the relevant foreign currencies. The sensitivity analysis included only outstanding foreign currency denominated monetary items at the end of the reporting period.

	USD Impact		JPY Impact		RMB Impact	
	For the Year Ended December 31		For the Year Ended December 31		For the Year Ended December 31	
	2023	2022	2023	2022	2023	2022
Profit or loss	$ 212,496	$ 180,196	$ (2,630)	$ (3,828)	$ 7,518	$ 31,528

b) Interest rate risk

Interest rate risk refers to the risk that the changes in fair value of financial instruments due to changes in market interest rates. The Group was exposed to interest rate risk mainly arising from fixed-income investments and borrowings at floating interest rates.

For assets and liabilities with floating interest rates, if interest rates had been 1% higher or lower as of balance sheets date and all other variables held constant, the Group's profit before income tax for the ended December 31, 2023 and 2022 would have decreased or increased approximately by $204,713 thousand and $211,211 thousand, respectively.

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. The Group is exposed to credit risk from operating activities, primarily trade receivables, and from investing activities, primarily deposits, fixed-income investments and other financial instruments with banks.

In order to maintain the quality of trade receivables, the management of the Group has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue receivables. In addition, the Group reviews the recoverable amount of each individual trade receivable at the end of the reporting period to ensure that adequate allowances are made for irrecoverable amounts.

The credit risks of bank deposits, fixed-income investments and other financial instruments from investing activities are considered insignificant because the counterparties were all banks with high credit ratings and it is expected that the counterparties will not break the contracts above.

3) Liquidity risk

The objective of liquidity risk management is to ensure the Group has sufficient liquidity to fund its business requirements associated with existing operations. The Group manages its liquidity risk by maintaining adequate fixed-income investments and banking facilities.

Liquidity and interest rate tables for non-derivative financial liabilities

December 31, 2023

	On Demand or Less than 1 Year	**More than 1 Year**	**Total**
Non-derivative financial liabilities			
Variable interest rate liabilities	$ 11,575,650	$ 9,472,164	$ 21,047,814
Lease liabilities	155,493	470,414	625,907
	$ 11,731,143	$ 9,942,578	$ 21,673,721

December 31, 2022

	On Demand or Less than 1 Year	**More than 1 Year**	**Total**
Non-derivative financial liabilities			
Variable interest rate liabilities	$ 9,406,758	$ 11,873,487	$ 21,280,245
Lease liabilities	138,546	496,604	635,150

$ 9,545,304	$ 12,370,091	$ 21,915,395

28. 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 below.

a. Related party name and categories

Related Party Name	Related Party Category
Walsin Lihwa Corporation	Investor company that account for the Company using the equity method
CMK Global Brands Manufacture Ltd.	Associate
ELNA Printed Circuits Co., Ltd.	Associate
GBM Electronics (M) SDN. BHD.	Associate
Inpaq Europe GmbH	Associate
Inpaq Korea Co., Ltd.	Associate
Joyin Co., Ltd.	Associate
VVG Inc.	Associate
Kunshan Yuansong Electronics Technology Co., Ltd.	Associate
Dongguan Joyin Electronics Co., Ltd.	Associate
DongGuan Yujia Electronics Technology Co., Ltd.	Associate
Matsuo Electric Co., Ltd.	Associate (after January 2022)
Tsai Yi Corporation	Associate
Chongqing Songjia Property Co., Ltd.	Associate
Falcon Automation Equipment Corporation	Associate
Silitech Technology Corporation	Associate
Global Brands Manufacture Ltd.	Associate
Global Brands Manufacture (Dongguan) Ltd.	Associate
HannStar Board Corporation	Associate
Suzhou Walsin Color Trading Co., Ltd.	Associate
Walsin New Energy Corporation	Associate
Callisto Holding Limited	Other related party
Kamaya Life Co., Ltd.	Other related party
Info-Tek Corporation	Other related party
Walsin Technology Charitable Group	Other related party
PSA Charitable Foundation	Other related party
PSA VVG Culture and Arts Foundation	Other related party
Walton Advanced Engineering, Inc.	Other related party
APAQ Technology Co., Ltd.	Other related party (before July 2023)
Career Technology (Mfg.) Co., Ltd.	Other related party
Info-Tek Electronics (Suzhou) Co., Ltd.	Other related party
Phoenix Innovation Venture Capital Co., Ltd.	Other related party
Info-Tek Electronics (Suzhou) Co., Ltd Wuhu Branch	Other related party
Chin-Xin Investment Co., Ltd.	Other related party
Hwa Bao Botanic Conservation Corp.	Other related party

b. Details of transactions

1) Sales of goods

	For the Year Ended December 31	
	2023	**2022**
Associates	$ 168,229	$ 127,164
Other related parties	9,678	15,310
	$ 177,907	$ 142,474

The transaction price and payment terms were determined in accordance with the commercial terms agreed by both parties.

2) Purchases of goods

	For the Year Ended December 31	
	2023	**2022**
Associates	$ 187,167	$ 207,180
Other related parties	-	43
	$ 187,167	$ 207,223

The transaction price and payment terms were determined in accordance with the commercial terms agreed by both parties.

3) The outstanding balances at the end of the reporting period were as follows:

	Trade Receivables from Related Parties	
	December 31	
	2023	**2022**
Associates	$ 46,629	$ 47,043
Other related parties	4,243	4,269
	$ 50,872	$ 51,312

	Other Receivables from Related Parties	
	December 31	
	2023	**2022**
Associates	$ 9,990	$ 8,292
Other related parties	4,274	5,678
	$ 14,264	$ 13,970

	Trade Payables to Related Parties	
	December 31	
	2023	2022
Associates	$ 30,081	$ 25,465
Other related parties	-	45
	$ 30,081	$ 25,510

	Payables for Equipment and Other Payables	
	December 31	
	2023	2022
Investors employing the equity method for the Company	$ 11,410	$ 10,510
Associates	30,248	44,759
Other related parties	1,130	1,775
	$ 42,788	$ 57,044

Other receivables include receivables from the sale of equipment and receipts under custody.

Other payables mainly refer to payables for rent and collection and payment on behalf of another party, etc.

The outstanding payables for related parties are unsecured and payable by cash, receivables from related parties are also unsecured. No allowance was recognized for impairment of receivables with respect to the amounts owed by related parties for the years ended December 31, 2023 and 2022.

4) Acquisition of property, plant and equipment

		Purchase Price	
		For the Year Ended December 31	
Related Party Categories	Item	2023	2022
Investors employing the equity method for the Company	Right-of-use asset	$ -	$ 98,671
Associates	Machinery and transportation equipment	69,330	26,710
Other related parties	Buildings	21,042	-
		$ 90,372	$ 125,381

Purchase prices of buildings were based on valuation report by professionals.

Purchase prices of equipment were based on their carrying amounts and market price.

Purchase prices of right-of-use asset were based on their carrying amounts and the market price.

5) Disposal of property, plant and equipment

Related Party Category	Item	Disposal Price For the Year Ended December 31 2023	Disposal Price For the Year Ended December 31 2022	Gain (Loss) on Disposal For the Year Ended December 31 2023	Gain (Loss) on Disposal For the Year Ended December 31 2022
Associates	Machinery, transportation equipment and information equipment	$ 1,188	$ -	$ 85	$ -
Other related parties	Other equipment	-	1,317	-	215
		$ 1,188	$ 1,317	$ 85	$ 215

6) Lease arrangements

Item	Related Party Category	December 31 2023	December 31 2022
Lease liabilities	Investor accounted for the Company using the equity method		
	Walshin Lihwa Corporation	$ 91,929	$ 123,590
Lease liabilities	Other related parties	-	3,142
		$ 91,929	$ 126,732

Item	Related Party Category	For the Year Ended December 31 2023	For the Year Ended December 31 2022
Interest expense	Investor accounted for the Company using the equity method	$ 1,316	$ 1,265
	Other related parties	8	675
		$ 1,324	$ 1,940
Rental expense	Investor accounted for the Company using the equity method	$ 616	$ 618
	Other related parties	4,559	6,437
		$ 5,175	$ 7,055

7) Acquisition of shares

For the year ended December 31, 2023

Related Party Category	Financial Statement Account	Number of Shares Acquired	Acquisition Target	Acquisition Price
Hwa Bao Botanic Conservation Corp.	Investments in equity instruments at FVTOCI	10,000,000	Issuance of ordinary shares in cash	$ 100,000
Walsin New Energy Corporation	Investments accounted for using the equity method	1,750,000	Ordinary shares	17,500

For the year ended December 31, 2022

Related Party Category	Financial Statement Account	Number of Shares Acquired	Acquisition Target	Acquisition Price
Joyin Co., Ltd.	Investments accounted for using the equity method	3,616,778	Issuance of ordinary shares in cash	$ 54,251
Joyin Co., Ltd.	Investments accounted for using the equity method	8,747,750	Ordinary shares of Eleceram Technology Co., Ltd.	209,946
Hwa Bao Botanic Conservation Corp.	Investments in equity instruments at FVTOCI	8,000,000	Issuance of ordinary shares in cash	80,000
Walsin Lihwa Corporation	Investments in equity instruments at FVTOCI	7,208,132	Issuance of ordinary shares in cash	216,244

8) Dividends income

	For the Year Ended December 31	
	2023	2022
Investor accounted for the Company using the equity method		
Walsin Lihwa Corporation	$ 108,403	$ 84,826
Other related parties	26,232	40,803
	$ 134,635	$ 125,629

c. Compensation of key management personnel

	For the Year Ended December 31	
	2023	2022
Short-term employee benefits	$ 64,532	$ 193,055
Post-employment benefits	324	315
	$ 64,856	$ 193,370

The remuneration of directors and key executives was determined by the remuneration committee based on the performance of individuals and market trends.

29. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

The assets pledged as collateral or for security were as follows:

	December 31	
	2023	2022
Pledged time deposits (accounted as financial assets at amortized cost)	$ 57,472	$ 129,149
Pledged time deposits (accounted as guarantee deposits paid)	29,129	24,008
Land and buildings	1,169,058	247,966
	$ 1,255,659	$ 401,123

30. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

In addition to those disclosed in other notes, significant contingencies and unrecognized commitments of the Group were as follows:

a. Significant unrecognized commitments

Unrecognized commitments were as follows:

	December 31	
	2023	2022
Acquisition of property, plant and equipment	$ 887,542	$ 1,304,794

b. Contingencies

As of December 31, 2023 and 2022, the Group's outstanding letters of credit were summarized as follows:

Unit: Thousand Dollars

December 31			
2023		2022	
Currency	Carrying Value	Currency	Carrying Value
USD	USD -	USD	USD 55
JPY	JPY 1,030,284	JPY	JPY 2,322,404
EUR	EUR 118	EUR	EUR 811

31. SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

On February 23, 2024, the Board of Directors of the Company resolved to establish an investment company in Japan through WTHC-HK (provisionally named PSA Japan Investment G.K.). The preliminary investment value is US$20 million or Japanese Yen equivalent.

32. OTHER ITEMS: NONE

33. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

The following information was aggregated by the foreign currencies other than functional currencies of the entities in the Group and the exchange rates between the foreign currencies and their respective functional currencies were disclosed. The significant assets and liabilities denominated in foreign currencies were as follows:

	December 31					
	2023			2022		
	Foreign Currency (In Thousands)	Exchange Rate	Carrying Amount (In Thousands)	Foreign Currency (In Thousands)	Exchange Rate	Carrying Amount (In Thousands)
Financial assets						
Monetary items						
USD	$ 908,935	30.7350	$ 27,936,117	$ 835,281	30.7100	$ 25,651,480
JPY	7,587,764	0.2171	1,647,304	3,262,994	0.2324	758,320
RMB	213,482	4.3327	924,953	759,277	4.4105	3,348,791
Non-monetary items						
Investments accounted for using the equity method						
RMB	35,846	4.3327	155,308	36,345	4.4105	160,298
Financial liabilities						
Monetary items						
USD	217,555	30.7350	6,686,553	248,516	30.7100	7,631,926
JPY	8,799,236	0.2171	1,910,314	4,909,919	0.2324	1,141,065
RMB	39,972	4.3327	173,187	44,424	4.4105	195,932

34. SEPARATELY DISCLOSED ITEMS

a. Information about 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, associates and joint ventures) (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 (Table 4)

5) Acquisition of individual real estate at costs of at least NT$300 million or 20% of the paid-in capital (Table 5)

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 6)

8) Receivables from related parties amounting to at least NT$100 million or 20% of the paid-in capital (Table 7)

9) Trading in derivative instruments (Note 8 and Note 27)

10) Intercompany relationships and significant intercompany transactions (Table 8)

11) Information on investees (Table 9)

c. Information on investments in mainland China (Table 10)

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

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:

a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the year

b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the year

c) The amount of property transactions and the amount of the resultant gains or losses

d) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the year and the purposes

e) The highest balance, the ending balance, the interest rate range, and total current period interest with respect to the financing of funds

f) Other transactions that have a material effect on the profit or loss for the year or on the financial position, such as the rendering or receipt of services

d. Information of major shareholders (Table 11)

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.

35. 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 under IFRS 8 "Operating Segments" were as follows:

Segment A - passive components
Segment B - passive components
Segment C - passive components
Segment other - passive components

a. Segment revenue and results

The analysis of the Group's revenue and results from continuing operations by reportable segment was as follows:

The Group's operating segment information for the years ended December 31, 2023 and 2022 were as follows:

	For the Year Ended December 31, 2023					
	A Segment	B Segment	C Segment	Other Segment	Adjustments and Eliminations	Total
Net sales	$ 22,229,567	$ 3,653,839	$ 6,604,061	$ 2,581,853	$ (2,271,649)	$ 32,797,671
Cost of sales	(19,495,868)	(2,952,093)	(4,758,107)	(2,012,124)	2,257,676	(26,960,516)
Gross profit	2,733,699	701,746	1,845,954	569,729	(13,973)	5,837,155
Operating expenses	(2,002,079)	(311,364)	(1,081,117)	(574,852)	(72,432)	(4,041,844)
Operating income	731,620	390,382	764,837	(5,123)	(86,405)	1,795,311
Nonoperating income and expenses	1,854,077	174,432	74,403	9,364	(422,782)	1,689,494
Income before income tax	$ 2,585,697	$ 564,814	$ 839,240	$ 4,241	$ (509,187)	$ 3,484,805

	For the Year Ended December 31, 2022					
	A Segment	B Segment	C Segment	Other Segment	Adjustments and Eliminations	Total
Net sales	$ 24,298,719	$ 4,142,386	$ 6,287,071	$ 2,892,959	$ (2,323,972)	$ 35,297,163
Cost of sales	(21,187,204)	(3,176,547)	(4,733,726)	(2,174,502)	2,274,564	(28,997,415)
Gross profit	3,111,515	965,839	1,553,345	718,457	(49,408)	6,299,748
Operating expenses	(2,149,639)	(349,239)	(1,039,643)	(623,896)	(76,398)	(4,238,815)
Operating income	961,876	616,600	513,702	94,561	(125,806)	2,060,933
Nonoperating income and expenses	1,636,540	29,748	203,799	1,640	(394,767)	1,476,960
Income before income tax	$ 2,598,416	$ 646,348	$ 717,501	$ 96,201	$ (520,573)	$ 3,537,893

All intercompany transactions had been eliminated upon consolidation.

b. Segment assets and liabilities

Segment assets

	December 31, 2023					
	A Segment	B Segment	C Segment	Other Segment	Adjustments and Eliminations	Total
Cash and cash equivalents	$ 2,863,644	$ 1,017,418	$ 2,522,821	$ 217,512	$ -	$ 6,621,395
Notes and trade receivables	6,133,024	868,559	2,455,814	963,335	(679,569)	9,741,163
Inventories	5,065,337	600,952	912,826	391,732	(7,867)	6,962,980
Other current assets	13,362,317	543,993	750,768	62,030	(29,046)	14,690,062
Total current assets	27,424,322	3,030,922	6,642,229	1,634,609	(716,482)	38,015,600
Financial assets at fair value through other comprehensive income - non-current	5,365,903	1,706,241	486,905	32,176	(316,784)	7,274,441
Investments accounted for using the equity method	15,716,152	1,137,842	14,566	-	(6,319,241)	10,549,319
Property, plant and equipment	16,909,982	1,769,437	4,146,655	784,115	478,599	24,088,788
Other assets	12,064,157	863,788	748,285	350,179	488,671	14,515,080
Total assets	$ 77,480,516	$ 8,508,230	$ 12,038,640	$ 2,801,079	$ (6,385,237)	$ 94,443,228

	December 31, 2022					
	A Segment	B Segment	C Segment	Other Segment	Adjustments and Eliminations	Total
Cash and cash equivalents	$ 13,889,010	$ 1,605,577	$ 1,837,820	$ 170,928	$ -	$ 17,503,335
Notes and trade receivables	5,895,181	827,538	2,123,037	1,130,626	(548,946)	9,427,436
Inventories	5,757,372	671,972	1,027,091	436,150	(9,440)	7,883,145
Other current assets	6,053,167	498,252	656,271	83,892	(27,424)	7,264,158
Total current assets	31,594,730	3,603,339	5,644,219	1,821,596	(585,810)	42,078,074
Financial assets at fair value through other comprehensive income - non-current	4,152,218	1,359,851	454,314	26,966	(179,403)	5,813,946
Investments accounted for using the equity method	14,456,967	1,150,757	11,816	-	(5,981,215)	9,638,325
Property, plant and equipment	20,964,982	2,161,442	3,885,619	846,074	494,785	28,352,902
Other assets	3,870,447	457,365	544,009	421,123	555,304	5,848,248
Total assets	$ 75,039,344	$ 8,732,754	$ 10,539,977	$ 3,115,759	$ (5,696,339)	$ 91,731,495

Segment liabilities

	December 31, 2023					
	A Segment	B Segment	C Segment	Other Segment	Adjustments and Eliminations	Total
Short-term borrowings	$ 8,105,379	$ 63,411	$ 419,329	$ -	$ -	$ 8,588,119
Notes and trade payables	2,857,145	328,680	1,064,095	184,111	(683,189)	3,750,842
Current tax liabilities	823,566	58,228	103,645	15,240	-	1,000,679
Other payables and payables on equipment	2,777,251	398,986	671,348	234,640	(18,389)	4,063,836
Other current liabilities	7,069,533	449,506	483,705	79,034	(11,233)	8,070,545
Total current liabilities	21,632,874	1,298,811	2,742,122	513,025	(712,811)	25,474,021
Non-current liabilities	9,134,088	407,887	2,409,482	306,004	95,970	12,353,431
Total liabilities	$ 30,766,962	$ 1,706,698	$ 5,151,604	$ 819,029	$ (616,841)	$ 37,827,452

	December 31, 2022					
	A Segment	B Segment	C Segment	Other Segment	Adjustments and Eliminations	Total
Short-term borrowings	$ 6,657,627	$ 230,000	$ 100,000	$ 115,423	$ -	$ 7,103,050
Notes and trade payables	1,934,795	313,394	856,346	289,946	(553,812)	2,840,669
Current tax liabilities	867,109	151,907	111,537	6,189	298,995	1,435,737
Other payables and payables on equipment	3,941,288	422,682	613,651	281,723	(15,932)	5,243,412
Other current liabilities	2,046,176	402,745	405,350	65,631	(312,689)	2,607,213
Total current liabilities	15,446,995	1,520,728	2,086,884	758,912	(583,438)	19,230,081
Non-current liabilities	15,164,997	834,126	2,583,266	209,354	125,637	18,917,380
Total liabilities	$ 30,611,992	$ 2,354,854	$ 4,670,150	$ 968,266	$ (457,801)	$ 38,147,461

All intercompany transactions had been eliminated upon consolidation.

c. Revenue from major products and services

The following was an analysis of the Group's revenue from continuing operations from its major products and services:

	For the Year Ended December 31	
	2023	2022
Multi-layer ceramic capacitors	$ 13,614,016	$ 14,539,999
Chip resistors	6,804,928	8,045,153
Radio frequency devices	5,182,622	5,263,274
Others	7,196,105	7,448,737
	$ 32,797,671	$ 35,297,163

d. Geographical information

The Group operates in Asia mainly.

The Group's revenue from continuing operations unit of external customers by location of operations and its non-current assets by locations were detailed as below:

	Revenue from External Customers		Non-current Assets	
	For the Year Ended December 31		December 31	
	2023	2022	2023	2022
Asia	$ 29,217,221	$ 30,658,526	$ 36,852,097	$ 30,871,028
America	1,628,574	2,261,628	15,167	11,261
Europe	1,951,876	2,377,009	71,745	2,109
	$ 32,797,671	$ 35,297,163	$ 36,939,009	$ 30,884,398

Non-current assets excluded non-current assets classified as financial instruments and deferred tax assets.

e. Information about major customers

There was no single customer which accounted for more than 10% of total consolidated revenue for the years ended December 31, 2023 and 2022.

WALSIN TECHNOLOGY CORPORATION AND SUBSIDIARIES

FINANCING PROVIDED TO OTHERS
FOR THE YEAR ENDED DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

No.	Lender	Borrower	Financial Statement Account	Related Party	Highest Balance for the Period	Ending Balance	Actual Borrowing Amount	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
													Item	Value		
0	Walsin Technology Corporation	Kamaya Electric Co., Ltd.	Receivables from related parties	Yes	$ 512,813	$ 305,506	$ 305,506	0.70	Short-term financing	$ -	Operating turnover	$ -	Promissory note	$ 305,506	$ 18,631,858 (Note 5)	$ 27,947,787 (Note 6)
		Kamaya Electric (M) Sdn. Bhd.	Receivables from related parties	Yes	257,498	257,498	257,498	0.70	Short-term financing	-	Operating turnover	-	Promissory note	257,498	18,631,858 (Note 5)	27,947,787 (Note 6)
1	Walsin Technology Holding Corporation (HK) Limited	Kamaya Electric Co., Ltd.	Receivables from related parties	Yes	388,507	388,507	388,507	0.70	Short-term financing	-	Operating turnover	-	Promissory note	388,507	8,601,267 (Note 5)	12,901,900 (Note 6)
2	Walsin Technology Corporation (HK) Lid.	Kamaya Electric (M) Sdn. Bhd.	Receivables from related parties	Yes	614,700	614,700	614,700	3.5	Short-term financing	-	Operating turnover	-	Promissory note	614,700	738,970 (Note 5)	1,108,455 (Note 6)
		Kamaya Electric (M) Sdn. Bhd.	-	Yes	153,675	-	-	-	Business transaction	279,359	-	-	None	-	738,970 (Note 5)	1,108,455 (Note 6)
3	Nitsuko Electronics Corporation	Kamaya Electric Co., Ltd.	Receivables from related parties	Yes	130,931	130,931	130,931	0.7	Short-term financing	-	Operating turnover	-	Promissory note	130,931	178,530 (Note 5)	267,795 (Note 6)
4	Inpaq Technology Co., Ltd.	Taiwan Inpaq electronic Co., Ltd.	Receivables from related parties	Yes	750,000	700,000	680,000	1.73-2.867	Short-term financing	-	Operating turnover	-	Promissory note	700,000	1,710,564 (Note 2)	2,736,903 (Note 2)
		Inpaq Technology USA, Inc.	Receivables from related parties	Yes	47,145	30,735	21,515	3-4	Short-term financing	-	Operating turnover	-	Promissory note	30,735	1,710,564 (Note 2)	2,736,903 (Note 2)
5	Soshin Electric Co., Ltd.	Soshin Device Co., Ltd.	Receivables from related parties	Yes	218,219	218,219	125,476	0.720	Short-term financing	-	Operating turnover	-	None	-	792,820 (Note 3)	792,820 (Note 3)
		Soshin Powertech Co., Ltd.	Receivables from related parties	Yes	43,644	43,644	1,309	0.720	Short-term financing	-	Operating turnover	-	None	-	792,820 (Note 3)	792,820 (Note 3)
		Soshin Electronics (M) Sdn. Bhd.	Receivables from related parties	Yes	92,850	92,850	13,927	5.839	Short-term financing	-	Operating turnover	-	None	-	792,820 (Note 3)	792,820 (Note 3)
6	Risshin Electronics Co., Ltd.	Soshin Electric Co., Ltd.	Receivables from related parties	Yes	6,547	6,547	6,547	0.320	Short-term financing	-	Operating turnover	-	None	-	9,452 (Note 3)	9,452 (Note 3)
7	Soshin Electronics (HK) Limited	Soshin Electric Co., Ltd.	-	Yes	23,420	-	-	-	Short-term financing	-	Operating turnover	-	None	-	25,444 (Note 3)	25,444 (Note 3)

Note 1: According to Walsin Technology Corporation's financing procedure, total endorsement/guarantee and financing amount that can be made is 100% of lender's net worth presented in the latest financial statements audited or reviewed by auditors. The total financing amount that can be made is 60% of lender's net worth presented in the latest financial statements audited or reviewed by auditors. The financing limit amount of each borrower according to reasons for financing are as follows:

1. With business relationship: In the most recent year or the current year as of the time the funds are loaned, and the loan is not more than the higher of the borrowing Company's purchase or sales amount from loan company.
2. With the need of short-term financing: Both of total financing and individual financing amounts must not exceed 40% of each lender's net worth presented in the latest financial statements audited or reviewed by auditors.
3. When a financing between foreign companies in which the Company directly and indirectly holds 100% of the voting shares, the amount of financing cannot exceed the limit set forth in paragraph 2 above, but the loan period cannot exceed 3 years. The individual limits for loans of funds between foreign companies in which the Company directly and indirectly holds 100% of the voting shares are limited to the most recent net worth of the lending company's financial statements.

Note 2: The total financing amount of Inpaq Technology Co., Ltd. shall not exceed 40% of the net value of Inpaq Technology Co., Ltd.; The Company that has short-term financing necessary:

1. Companies that are held by Inpaq Technology Co., Ltd. with more than 50% of its shares shall not exceed 25% of the net value of Inpaq Technology Co., Ltd.
2. Other company and other fund loans approved by the board of directors of Inpaq Technology Co., Ltd., shall not exceed 10% of the net value of Inpaq Technology Co., Ltd.

If with the need of short-term financing between Inpaq Technology Co., Ltd.'s directly or indirectly holding 100% shares foreign companies, the total amount of loans shall not exceed 40% of the lender's net worth, and the amount of loans to individual companies shall not be more than 40% of the loaned company's net worth.

Note 3: Both of total financing amounts and individual financing amounts of the three companies (Soshin Electric Co., Ltd and Risshin Electronics Co., Ltd and Soshin Electronics (HK) Limited.) must not exceed 40% of each lender's net worth presented in the latest financial statements audited or reviewed by auditors.

Note 4: Exchange rate as of December 31, 2023

USD:NTD = 1:30.735.
JPY:USD = 1:0.0071.

Note 5: It is 40% of the shareholders' equity of the loan company.

Note 6: It is 60% of the shareholders' equity of the loan company.

WALSIN TECHNOLOGY CORPORATION AND SUBSIDIARIES

ENDORSEMENTS/GUARANTEES PROVIDED
FOR THE YEAR ENDED DECEMBER 31, 2023
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No.	Endorser/Guarantor	Endorsee/Guarantee		Limit on Endorsement/ Guarantee Given on Behalf of Each Party	Maximum Amount Endorsed/ Guaranteed During the Period	Outstanding Endorsement/ Guarantee at the End of the Period	Actual Borrowed Amount	Amount Endorsed/ Guaranteed by Collateral	Ratio of Accumulated Endorsement/ Guarantee to Net Equity in Latest Financial Statements (%)	Aggregate Endorsement/ Guarantee Limit	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
		Name	Relationship										
0	Walsin Technology Corporation	Kamaya Electric Co., Ltd.	2	$ 14,355,776 (Note 1)	$ 1,924,687	$ 1,750,112	$ 1,750,112	$ -	3.76	$ 23,289,822 (Note 3)	Y	N	N
		Kamaya Electric (M) Sdn. Bhd.	2	14,108,823 (Note 1)	906,683	906,683	199,778	-	1.95	23,289,822 (Note 3)	Y	N	N
1	Inpaq Technology Co., Ltd.	Taiwan Inpaq electronic Co., Ltd.	2	1,368,451 (Note 2)	900,000	900,000	-	-	13.15	2,736,903 (Note 4)	Y	N	N
		Inpaq Technology (Suzhou) Co., Ltd.	2	1,368,451 (Note 2)	307,400	-	-	-	-	2,736,903 (Note 4)	Y	N	Y
		Inpaq Technology (China) Co., Ltd.	2	1,368,451 (Note 2)	230,550	199,778	-	-	2.92	2,736,903 (Note 4)	Y	N	Y
		Hunan Frontier Electronics Co., Ltd.	2	1,368,451 (Note 2)	184,440	122,940	-	-	1.80	2,736,903 (Note 4)	Y	N	Y

Note 1: The maximum limit for each guaranteed company is limited to 100% of its net worth presented in the latest financial statements. The maximum limit for company's actual holds more than two-thirds of the guaranteed company is limited to six times of its (guaranteed company) net worth presented in the latest financial statements. Therefore, this period did not exceed the limit.

Note 2: The limit of the endorsement guarantee for a single enterprise is limited to 20% of the latest financial statements of the Company audited and verified by CPA.

Note 3: The maximum endorsements/guarantees amount allowed for the Company is not equal or exceed 50% of its net worth presented in the latest financial statements. Therefore, this period did not exceed the limit.

Note 4: The total accumulated external endorsement guarantee is limited to 40% of the latest financial statements of the Company audited and verified by CPA.

Note 5: Need enter "Y" if: Endorsement/Guarantee Given by Parent on Behalf of Subsidiaries, Given by Subsidiaries on Behalf of Parent, Given on Behalf of Companies in Mainland China.

Note 6: Exchange rate as of December 31, 2023

USD:NTD = 1:30.735.
JPY:USD = 1:0.0071.

Note 7: Endorsement guarantee objects:

1. Subsidiaries that directly hold more than 50% of ordinary shares.
2. Subsidiaries where parent company and subsidiaries hold more than 50% of the ordinary shares.
3. Companies with business relations.
4. The Company.

WALSIN TECHNOLOGY CORPORATION AND SUBSIDIARIES

MARKETABLE SECURITIES HELD
DECEMBER 31, 2023
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Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2023				Note
				Number of Shares	Carrying Amount	Percentage of Ownership (%)	Fair Value	
Walsin Technology Corporation	Shares							
	Taiwan Mobile Company Limited	None	Financial assets at fair value through profit or loss - current	100,000	$ 9,860	-	$ 9,860	
	Taiwan Semiconductor Manufacturing Company Limited	None	Financial assets at fair value through profit or loss - current	190,000	112,670	-	112,670	
	Chunghwa Telecom Company Limited	None	Financial assets at fair value through profit or loss - current	200,000	24,000	-	24,000	
	Walton Advanced Engineering Inc.	The chairman of the securities issuer is the same as the chairman of the Company	Financial assets at fair value through other comprehensive income - non-current	31,870,087	486,020	6.61	486,020	
	Walsin Lihwa Corporation	Investment company evaluated the Company by the equity method	Financial assets at fair value through other comprehensive income - non-current	49,234,527	1,902,914	1.22	1,902,914	
	Giga-Byte Technology Co., Ltd.	None	Financial assets at fair value through other comprehensive income - non-current	8,590,000	2,284,940	1.35	2,284,940	
	Elcon International Co., Ltd.	None	Financial assets at fair value through other comprehensive income - non-current	1,879,028	-	9.40	-	
	Chin-Xin Investment Co., Ltd.	The chairman of the securities issuer is the second degree of kinship of the chairman of the Company	Financial assets at fair value through other comprehensive income - non-current	9,032,056	436,830	1.86	436,830	
	Euroc Venture Capital Corp.	None	Financial assets at fair value through other comprehensive income - non-current	7,499	-	2.50	-	
	Bond							
	Credit Argicole SA	None	Financial assets at amortized cost - non-current	-	214,039	-	220,332	
	Mercedes-Benz Finance North America LLC	None	Financial assets at amortized cost - non-current	-	175,505	-	178,667	
	Westpac Banking Corporation	None	Financial assets at amortized cost - non-current	-	29,150	-	29,676	
	International Business Machines Corporation	None	Financial assets at amortized cost - non-current	-	27,465	-	28,102	
	ANZ New Zealand (Int'l) Limited of London	None	Financial assets at amortized cost - non-current	-	184,114	-	187,149	
	The Estee Lauder Companies Inc.	None	Financial assets at amortized cost - non-current	-	29,968	-	30,725	

	Siemens Financieringsmaatschappij N.V. (SFM)	None	Financial assets at amortized cost - non-current	-	28,585	-	29,032	
	The Norinchukin Bank	None	Financial assets at amortized cost - non-current	-	76,714	-	77,909	
	Bristol-Myers Squibb Company	None	Financial assets at amortized cost - non-current	-	44,227	-	45,373	
	Unilever Capital Corporation	None	Financial assets at amortized cost - non-current	-	23,479	-	24,891	
	Honeywell International Inc.	None	Financial assets at amortized cost - non-current	-	25,146	-	26,752	
	Apple Inc.	None	Financial assets at amortized cost - non-current	-	49,777	-	52,892	
	UBS AG of London	None	Financial assets at amortized cost - non-current	-	150,964	-	156,439	
	NBN Co Limited	None	Financial assets at amortized cost - non-current	-	219,180	-	224,796	

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2023				Note
				Number of Shares	Carrying Amount	Percentage of Ownership (%)	Fair Value	
	Toyota Motor Credit Corporation	None	Financial assets at amortized cost - non-current	-	$ 61,290	-	$ 63,148	
	BMW US Capital, LLC	None	Financial assets at amortized cost - non-current	-	152,847	-	156,871	
	Sumitomo Mitsui Financial Group, Inc.	None	Financial assets at amortized cost - non-current	-	154,035	-	156,011	
	SOCIETE GENERALE	None	Financial assets at amortized cost - non-current	-	149,972	-	151,001	
	Pfizer Investment Enterprises Pte. Ltd.	None	Financial assets at amortized cost - non-current	-	105,268	-	107,636	
	AbbVie Inc.	None	Financial assets at amortized cost - non-current	-	41,780	-	43,122	
	Burlington Northern Santa Fe, LLC	None	Financial assets at amortized cost - non-current	-	49,621	-	50,438	
	Toyota Motor Credit Corporation (TMCC)	None	Financial assets at amortized cost - non-current	-	186,928	-	194,916	
	Sumitomo Mitsui Trust Bank, Limited.	None	Financial assets at amortized cost - non-current	-	92,668	-	95,120	
	Roche Holdings, Inc.	None	Financial assets at amortized cost - non-current	-	37,667	-	39,042	
	Eaton Corporation	None	Financial assets at amortized cost - non-current	-	28,292	-	29,110	
	Philip Morris International Inc. (PMI)	None	Financial assets at amortized cost - non-current	-	141,181	-	144,809	
	Mitsubishi HC Finance America LLC	None	Financial assets at amortized cost - non-current	-	186,996	-	190,848	
	Shinhan Financial Group Co., Ltd.	None	Financial assets at amortized cost - non-current	-	76,091	-	76,970	
	American Express	None	Financial assets at amortized cost - non-current	-	37,028	-	36,926	
	DGB Capital 105-2	None	Financial assets at amortized cost - non-current	-	57,382	-	57,382	
	LOTTE CAPITAL 446	None	Financial assets at amortized cost - non-current	-	61,479	-	61,479	
	Limited partnership							
	NEXUS CVC Partners Fund LP.	None	Financial assets at fair value through profit or loss - non-current	-	25,000	-	25,000	

(Concluded)

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MARKETABLE SECURITIES HELD
DECEMBER 31, 2023
(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	December 31, 2023				Note
				Number of Shares	Carrying Amount	Percentage of Ownership (%)	Fair Value	
Walsin Technology Holding Corporation (HK) Limited	Bonds							
	KLA Corporation	None	Financial assets at amortized cost - current	-	$ 92,986	-	$ 91,589	
	Amazon.com, Inc.	None	Financial assets at amortized cost - current	-	122,714	-	121,715	
	United States Department of the Treasury	None	Financial assets at amortized cost - current	-	522,761	-	519,895	
	International Business Machines Corporation	None	Financial assets at amortized cost - non-current	-	169,677	-	169,830	
	Citigroup Global Markets Holdings Inc.	None	Financial assets at amortized cost - current	-	153,675	-	150,202	
	Societe Generale	None	Financial assets at amortized cost - non-current	-	91,820	-	91,143	
	T-Mobile US, Inc.	None	Financial assets at amortized cost - non-current	-	60,618	-	60,210	
	Verizon Communications Inc.	None	Financial assets at amortized cost - non-current	-	150,614	-	149,156	
	British Telecommunications Public Limited Company	None	Financial assets at amortized cost - non-current	-	167,322	-	168,826	
	BPCE S.A.	None	Financial assets at amortized cost - non-current	-	273,563	-	276,424	
	3M Company	None	Financial assets at amortized cost - non-current	-	242,017	-	245,024	
	Apple Inc.	None	Financial assets at amortized cost - non-current	-	521,026	-	516,693	
	Nestle Holdings, Inc.	None	Financial assets at amortized cost - non-current	-	293,955	-	290,794	
	Shell International Finance B.V.	None	Financial assets at amortized cost - non-current	-	274,776	-	272,460	
	Chevron Corporation	None	Financial assets at amortized cost - non-current	-	270,582	-	267,803	
	Microsoft Corporation	None	Financial assets at amortized cost - non-current	-	122,242	-	119,876	
	Amazon.com, Inc.	None	Financial assets at amortized cost - non-current	-	125,631	-	124,488	
	Toyota Motor Corporation	None	Financial assets at amortized cost - non-current	-	173,996	-	171,939	
	Johnson & Johnson	None	Financial assets at amortized cost -	-	119,940	-	118,284	

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2023				Note
				Number of Shares	Carrying Amount	Percentage of Ownership (%)	Fair Value	
			non-current					
	Walmart Inc.	None	Financial assets at amortized cost - non-current	-	122,929	-	121,543	
	Singtel Group Treasury Pte. Ltd.	None	Financial assets at amortized cost - non-current	-	56,227	-	54,890	
	The Procter & Gamble Company 3%	None	Financial assets at amortized cost - non-current	-	146,729	-	144,160	
	Temasek Financial (I) Limited	None	Financial assets at amortized cost - non-current	-	58,812	-	57,059	
	Intel Corporation	None	Financial assets at amortized cost - non-current	-	107,821	-	108,951	
	WESTPAC NEW ZEALAND LIMITED	None	Financial assets at amortized cost - non-current	-	181,326	-	184,244	
	BANK OF NEW ZEALAND	None	Financial assets at amortized cost - non-current	-	30,888	-	31,403	
	Metropolitan Life Global Funding I	None	Financial assets at amortized cost - non-current	-	141,961	-	144,393	
	United States Department of the Treasury	None	Financial assets at amortized cost - non-current	-	252,288	-	246,410	
	Structured products							
	J.P. Morgan Structured Products B.V. -Fixed Coupon Note Linked to a Basket of Stocks	None	Financial assets at fair value through profit or loss - current	-	18,215	-	18,215	
	HSBC Bank plc-Fixed Coupon Note Linked to a Basket of Stocks	None	Financial assets at fair value through profit or loss - current	-	19,138	-	19,138	
	UBS AG acting through its London branch-Fixed Coupon Note Linked to a Basket of Stocks	None	Financial assets at fair value through profit or loss - current	-	13,726	-	13,726	

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2023				Note
				Number of Shares	Carrying Amount	Percentage of Ownership (%)	Fair Value	
	Morgan Stanley B.V.-Fixed Coupon Note Linked to a Basket of Stocks	None	Financial assets at fair value through profit or loss - current	-	$ 12,527	-	$ 12,527	
	Citigroup Global Markets Funding Luxembourg S.C.A.-Fixed Coupon Note Linked to a Basket of Stocks	None	Financial assets at fair value through profit or loss - current	-	11,804	-	11,804	
	BNP Paribas Issuance BV-Twin Win Sharkfin Note Linked to Offshore Deliverable USDCNY	None	Financial assets at fair value through profit or loss - non-current	-	122,324	-	122,324	
	Fund							
	Morgan Stanley Liquidity Funds US Dollar Treasury Liquidity Fund	None	Financial assets at fair value through profit or loss - current	1,098	3,699	-	3,699	
	Man GLG Japan CoreAlpha Equity Class D JPY	None	Financial assets at fair value through profit or loss - non-current	11,624	79,439	-	79,439	
	Shares							
	NIPPON STEEL CORPORATION	None	Financial assets at fair value through other comprehensive income - non-current	12,500	8,764	-	8,764	
	OLYMPUS CORPORATION	None	Financial assets at fair value through other comprehensive income - non-current	4,800	2,125	-	2,125	
	Marubeni Corporation	None	Financial assets at fair value through other comprehensive income - non-current	35,000	16,930	-	16,930	
	MITSUI & CO., LTD.	None	Financial assets at fair value through other comprehensive income - non-current	8,900	10,235	-	10,235	
	Sumitomo Mitsui Financial Group, Inc.	None	Financial assets at fair value through other comprehensive income - non-current	6,900	10,304	-	10,304	
	Dai-ichi Life Holdings, Inc.	None	Financial assets at fair value through other comprehensive income - non-current	20,600	13,378	-	13,378	
	Mitsubishi Estate Company, Limited	None	Financial assets at fair value through other comprehensive income - non-current	32,000	13,496	-	13,496	
Kamaya Electric Co., Ltd.	Shares							
	Taiyo Yuden Co., Ltd.	None	Financial assets at fair value through profit or loss - current	80,800	65,768	-	65,768	
	Sony Corporation	None	Financial assets at fair value through other comprehensive income - non-current	61,100	178,798	-	178,798	
	Hokko Denshi Kogyo Corporation	None	Financial assets at fair value through other comprehensive income - non-current	7,000	1,169	14.00	1,169	
Dongguan Walsin Technology Electronics Co., Ltd.	Fund							
	E Fund TianTianFa Money Market Fund B	None	Financial assets at fair value through profit or loss - current	42,000,000	182,195	-	182,195	
	Xiamen Trust - Luxin Huiyin Dingkai No.1 Accumulative Capital Trust (Phase. 5)	None	Financial assets at fair value through profit or loss - non-current	65,000,000	284,559	-	284,559	

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2023				Note
				Number of Shares	Carrying Amount	Percentage of Ownership (%)	Fair Value	
Prosperity Dielectrics Co., Ltd.	Listed shares							
	Walton Advanced Engineering Inc.	The chairman of the securities issuer is the same as the chairman of the Company	Financial assets at fair value through other comprehensive income - non-current	31,915,536	$ 486,712	6.16	$ 486,712	
	Walsin Lihwa Corporation	The chairman of the securities issuer is the second degree of kinship of the chairman of the Company	Financial assets at fair value through other comprehensive income - non-current	10,989,605	424,748	0.27	424,748	
	Hotai Finance Co., Ltd. Preferred Shares B	None	Financial assets at fair value through other comprehensive income - non-current	1,000,000	94,900	0.15	94,900	
	Fubon Financial Holding Co., Ltd. Preferred Shares C	None	Financial assets at fair value through other comprehensive income - non-current	500,000	27,500	-	27,500	
	Chunghwa Telecom Company Limited	None	Financial assets at fair value through profit or loss - current	400,000	48,000	0.01	48,000	
	Taiwan Semiconductor Manufacturing Company Limited	None	Financial assets at fair value through profit or loss - current	35,000	20,755	-	20,755	
	Shares							
	Chin-Xin Investment Co., Ltd.	The chairman of the securities issuer is the second degree of kinship of the chairman of the Company	Financial assets at fair value through other comprehensive income - non-current	3,500,000	169,273	0.72	169,273	
	Hwa Bao Botanic Conservation Corp.	None	Financial assets at fair value through other comprehensive income - non-current	18,000,000	189,649	10.00	189,649	
	Bonds							
	ANZ New Zealand International LTD.	None	Financial assets at amortized cost - non-current	-	61,166	-	62,921	
	Sumitomo Mitsui Trust Bank, Limited	None	Financial assets at amortized cost - non-current	-	30,808	-	31,707	
	Norinchukin Bank	None	Financial assets at amortized cost - non-current	-	30,986	-	31,443	
	Credit Agricole S.A.	None	Financial assets at amortized cost - non-current	-	30,691	-	31,476	
	NBN CO Limited	None	Financial assets at amortized cost - non-current	-	62,765	-	64,228	
	Burlington Northem Santa Fe, LLC	None	Financial assets at amortized cost - non-current	-	33,045	-	33,625	
	Bristol-Myers Squibb Company	None	Financial assets at amortized cost - non-current	-	31,836	-	32,954	
Frontier Components Co., Ltd.	Bonds							
	TSMC Arizona Corp.	None	Financial assets at amortized cost - non-current	-	92,133	-	90,283	
	Amazon. com, Inc.	None	Financial assets at amortized cost - non-current	-	60,620	-	59,819	

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2023				Note
				Number of Shares	Carrying Amount	Percentage of Ownership (%)	Fair Value	
	Commonwealth Bank of Australia	None	Financial assets at amortized cost - current	-	61,071	-	60,746	
	Westpac New Zealand LTD	None	Financial assets at amortized cost - non-current	-	136,107	-	135,454	
	U.S. Treasuries	None	Financial assets at amortized cost - non-current	-	4,710	-	4,790	
Inpaq Technology Co., Ltd.	Shares							
	Phoenix Innovation Venture Capital Co., Ltd.	Substantive related party	Financial assets at fair value through other comprehensive income - non-current	3,000,000	32,370	9.38	32,370	
	AICP Technology Corporation	None	Financial assets at fair value through other comprehensive income - non-current	600,000	6,942	8.00	6,942	
	PAN WIN Biotechnology Inc.	None	Financial assets at fair value through other comprehensive income - non-current	100,000	-	5.00	-	

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2023				Note
				Number of Shares	Carrying Amount	Percentage of Ownership (%)	Fair Value	
	Bonds							
	Microsoft Corporation	None	Financial assets at fair value through other comprehensive income - non-current	-	$ 21,818	-	$ 21,818	
	Apple Inc.	None	Financial assets at fair value through other comprehensive income - non-current	-	77,276	-	77,276	
	Amazon.com, Inc.	None	Financial assets at fair value through other comprehensive income - non-current	-	41,391	-	41,391	
	Saudi Arabian Oil Company	None	Financial assets at fair value through other comprehensive income - non-current	-	43,225	-	43,225	
	Bank of Switzerland	None	Financial assets at amortized cost - non-current	-	123,823	-	127,161	
	UnitedHealth Group, NYSE	None	Financial assets at amortized cost - non-current	-	94,751	-	94,547	
Inpaq (BVI) Ltd.	Bonds							
	Bank of America	None	Financial assets at fair value through other comprehensive income - non-current	-	45,061	-	45,061	
	Commonwealth Bank of Australia	None	Financial assets at fair value through other comprehensive income - non-current	-	215,497	-	215,497	
	Fund							
	Morgan Stanley & Co. Incorporated	None	Financial assets at fair value through profit or loss - current	-	5,599	-	5,599	
	GLG Japan Corealpha Japanese stock fund	None	Financial assets at fair value through profit or loss - non-current	-	21,058	-	21,058	
	Shares							
	Marubeni Corp	None	Financial assets at fair value through profit or loss - non-current	21,300	10,303	-	10,303	
	Mitsui & Co Ltd	None	Financial assets at fair value through profit or loss - non-current	9,200	10,580	-	10,580	
Soshin Electric Co., Ltd.	Shares							
	Kyosan Electric Manufacturing Co., Ltd.	None	Financial assets at fair value through other comprehensive income - non-current	26,167	2,695	0.04	2,695	
	Toshiba Corporation	None	Financial assets at fair value through other comprehensive income - non-current	430	294	-	294	
	NEC Corporation	None	Financial assets at fair value through other comprehensive income - non-current	67	122	-	122	
	Nippon Signal Company, Limited	None	Financial assets at fair value through other comprehensive income - non-current	16,262	3,442	0.02	3,442	
	Hitachi, Ltd.	None	Financial assets at fair value through other comprehensive income - non-current	300	666	-	666	
	Mitsubishi UFJ Financial Group, Inc.	None	Financial assets at fair value through other comprehensive income - non-current	34,880	9,221	-	9,221	

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2023				Note
				Number of Shares	Carrying Amount	Percentage of Ownership (%)	Fair Value	
	W-Scope Corporation	None	Financial assets at fair value through other comprehensive income - non-current	100	20	-	20	
	Sony Group Corporation	None	Financial assets at fair value through other comprehensive income - non-current	100	293	-	293	

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2023				Note
				Number of Shares	Carrying Amount	Percentage of Ownership (%)	Fair Value	
	Okaya Electric Industries Co., Ltd.	None	Financial assets at fair value through other comprehensive income - non-current	100	$ 6	-	$ 6	
	Sumida Corporation	None	Financial assets at fair value through other comprehensive income - non-current	100	25	-	25	
	Canon Inc.	None	Financial assets at fair value through other comprehensive income - non-current	100	79	-	79	
	SoftBank Corp.	None	Financial assets at fair value through other comprehensive income - non-current	100	38	-	38	
	Ueno Co., Ltd.	None	Financial assets at fair value through other comprehensive income - non-current	1,280	4,413	19.89	4,413	
	Limited Liability Partnership SakuSakuHimawari	None	Financial assets at fair value through other comprehensive income - non-current	2	2,289	14.00	2,289	
	Kcm Cooprative	None	Financial assets at fair value through other comprehensive income - non-current	1	2	-	2	
	Satsuki Industrial Cooperative Association	None	Financial assets at fair value through other comprehensive income - non-current	1	2	-	2	
	Saku Grand Hotel	None	Financial assets at fair value through other comprehensive income - non-current	2	1	-	1	
	General Incorporated Association Industrial Education Center	None	Financial assets at fair value through other comprehensive income - non-current	1	109	-	109	
Soshin Device Co., Ltd.	Shares							
	The Shoko Chukin Bank, Ltd.	None	Financial assets at fair value through other comprehensive income - non-current	1	2	-	2	
Risshin Electronics Co., Ltd.	Shares							
	Stec Co., Ltd.	None	Financial assets at fair value through other comprehensive income - non-current	10	218	2.50	218	
	Nagano Keiki Co., Ltd.	None	Financial assets at fair value through other comprehensive income - non-current	18,455	8,240	0.09	8,240	

(Concluded)

WALSIN TECHNOLOGY CORPORATION AND SUBSIDIARIES

MARKETABLE SECURITIES ACQUIRED OR DISPOSED OF AT COSTS OR PRICES OF AT LEAST NT$300 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE YEAR ENDED DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Company Name	Type and Name of Marketable Securities (Note 1)	Financial Statement Account	Counterparty (Note 2)	Relationship (Note 2)	Beginning Balance		Acquisition (Note 3)		Disposal (Note 3)				Ending Balance	
					Number of Shares	Amount	Number of Shares	Amount	Number of Shares	Selling Price	Carrying Amount	Gain (Loss) on Disposal	Number of Shares	Amount
Walsin Technology Holding Corporation (HK) Limited	United States Department of the Treasury	Financial asset at amortized cost - non-current	-	-	-	$ -	-	$ 458,708 (US$ 15,015,000)	-	$ -	$ -	$ -	-	$ 461,270 (US$ 15,007,987) (Note 5)
Prosperity Dielectrics Co., Ltd.	APAQ Technology Co., Ltd.	Financial assets at fair value through profit or loss - current	-	-	4,541,000	189,133	-	102,008	4,541,000	263,378	291,141	(27,763)	-	-
		Financial assets at fair value through other comprehensive income - non-current			739,000	30,779	-	(11,076)	739,000	40,241	19,703	20,538	-	-

Note 1: The marketable securities listed in the table above refer to marketable securities derived from shares, bonds, beneficiary certificates and the above listed items.

Note 2: Marketable securities recognized as investments accounted for using the equity method are required to be disclosed in column 2 of the above table.

Note 3: The amount of securities acquired or disposed of should be calculated individually based on the market price to determine if they have reached NT$300 million or 20% of the paid-in capital.

Note 4: Paid-in capital refers to the parent company's paid-in capital. For shares issued that have no face value or whose fair values are not NT$10, the calculation of paid-in capital is based on 10% of the equity attributable to the owners of the parent company as stated in the balance sheet.

Note 5: Deduct the current amortization of US$7,013.

WALSIN TECHNOLOGY CORPORATION AND SUBSIDIARIES

ACQUISITION OF INDIVIDUAL REAL ESTATE PROPERTIES AT COSTS OF AT LEAST NT$300 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE YEAR ENDED DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Company Name	Types of Property	Transaction Date	Transaction Amount	Payment Term	Counterparty	Nature of Relationships	Prior Transaction of Related Counterparty				Pricing Reference	Purpose of Acquisition	Other Terms
							Owner	Relationship	Transaction Date	Amount			
Inpaq Technology Co., Ltd.	New construction of Zhunan second factory	August 21, 2020	$ 469,819	$ 469,819	Engtown Construction Corporation	Not related party	None	None	None	$ -	Bidding method	Operational requirements	None

WALSIN TECHNOLOGY 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 YEAR ENDED DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Buyer	Related Party	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Note
			Purchase/ Sale	Amount	% of Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% of Total	
Walsin Technology Corporation	Walsin Technology Europe B.V.	100% owned subsidiary by parent company	Sale	$ (142,572)	(1)	According to the commercial terms agreed by both parties	$ -	-	$ 77,674	3	
	Prosperity Dielectrics Co., Ltd.	43.13% owned subsidiary by parent company	Sale	(263,592)	(2)	〃	-	-	69,923	2	
	Dongguan Walsin Technology Electronics Co., Ltd.	100% indirectly owned subsidiary by parent company	Sale	(6,441,715)	(42)	〃	-	-	985,023	34	
	Walsin Technology Corporation (HK) Limited	100% indirectly owned subsidiary by parent company	Sale	(326,329)	(2)	〃	-	-	73,385	3	
	Suzhou Walsin Technology Electronics Co., Ltd.	100% indirectly owned subsidiary by parent company	Sale	(1,859,684)	(12)	〃	-	-	424,155	15	
	Walsin Passive Component (H.K.) Limited	100% indirectly owned subsidiary by parent company	Sale	(396,665)	(3)	〃	-	-	103,497	4	
	Kamaya, Inc.	100% indirectly owned subsidiary by parent company	Sale	(152,452)	(1)	〃	-	-	55,971	2	
	Kamaya Electric (M) Sdn. Bhd.	100% indirectly owned subsidiary by parent company	Sale	(107,582)	(1)	〃	-	-	32,330	1	
Walsin Technology Corporation (HK) Limited	Walsin Technology Corporation	Parent company	Sale	(2,426,470)	(42)	〃	-	-	664,059	40	
	Dongguan Walsin Technology Electronics Co., Ltd.	100% indirectly owned subsidiary by parent company	Sale	(338,024)	(6)	〃	-	-	53,579	3	
	Kamaya Electric (M) Sdn. Bhd.	100% indirectly owned subsidiary by parent company	Sale	(279,359)	(5)	〃	-	-	76,799	5	
Suzhou Walsin Technology Electronics Co., Ltd.	Walsin Passive Component (H.K.) Limited	100% indirectly owned subsidiary by parent company	Sale	(845,414)	(24)	〃	-	-	47,901	5	
Dongguan Walsin Technology Electronics Co., Ltd.	Walsin Technology Corporation	Parent company	Sale	(251,149)	(2)	〃	-	-	52,654	2	
	Dongguan Frontier Components Co., Ltd.	100% indirectly owned subsidiary by PDC	Sale	(257,029)	(2)	〃	-	-	73,842	3	
	Walsin Technology Corporation (HK) Limited	100% indirectly owned subsidiary by parent company	Sale	(4,914,811)	(40)	〃	-	-	522,124	20	
	Walsin Passive Component (H.K.) Limited	100% indirectly owned subsidiary by parent company	Sale	(755,015)	(6)	〃	-	-	100,558	4	
	Kamaya Electric Co., Ltd.	100% indirectly owned subsidiary by parent company	Sale	(109,191)	(1)	〃	-	-	20,680	1	
	Kamaya Electric (HK) Limited	100% indirectly owned subsidiary by parent company	Sale	(166,280)	(1)	〃	-	-	47,106	2	
	Kamaya Electric (M) Sdn. Bhd.	100% indirectly owned subsidiary by parent company	Sale	(421,349)	(3)	〃	-	-	128,082	5	
Pan Overseas (Guangzhou) Electronic Co., Ltd.	Walsin Technology Corporation (HK) Limited	100% indirectly owned subsidiary by parent company	Sale	(550,629)	(63)	〃	-	-	98,737	54	
	Walsin Passive Component (H.K.) Limited	100% indirectly owned subsidiary by parent company	Sale	(132,373)	(15)	〃	-	-	25,986	14	
Walsin Passive Component (H.K.) Limited	Suzhou Walsin Technology Electronics Co., Ltd.	100% indirectly owned subsidiary by parent company	Sale	(596,304)	(23)	〃	-	-	100,441	13	

(Continued)

Buyer	Related Party	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Note
			Purchase/ Sale	Amount	% of Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% of Total	
Kamaya Electric Co., Ltd.	Walsin Technology Corporation	Parent company	Sale	$ (434,800)	(29)	According to the commercial terms agreed by both parties	-	-	$ 157,243	32	
	Walsin Technology Electronics B.V.	100% owned subsidiary by parent company	Sale	(113,755)	(8)	〃	-	-	86,921	18	
Kamaya Electric (M) Sdn. Bhd.	Dongguan Walsin Technology Electronics Co., Ltd.	100% indirectly owned subsidiary by parent company	Sale	(224,356)	(9)	〃	-	-	43,793	7	
	Suzhou Walsin Technology Electronics Co., Ltd.	100% indirectly owned subsidiary by parent company	Sale	(132,729)	(5)	〃	-	-	40,745	7	
	Kayama, Inc.	100% indirectly owned subsidiary by parent company	Sale	(132,718)	(5)	〃	-	-	31,514	5	
	Kamaya Electric Co., Ltd.	100% indirectly owned subsidiary by parent company	Sale	(610,224)	(23)	〃	-	-	180,979	30	
Prosperity Dielectrics Co., Ltd.	Frontier Components Co., Ltd.	100% indirectly owned subsidiary by PDC	Sale	(705,734)	(22)	〃	-	-	199,934	25	
	Walsin Technology Corporation	Parent company	Sale	(841,538)	(26)	〃	-	-	210,017	26	
Frontier Components Co., Ltd.	Dongguan Walsin Technology Electronics Co., Ltd.	100% indirectly owned subsidiary by parent company	Sale	(120,341)	(16)	〃	-	-	27,709	19	
	Dongguan Frontier Electronics Co., Ltd.	100% indirectly owned subsidiary by PDC	Sale	(547,934)	(73)	〃	-	-	99,484	67	
Inpaq Technology Co., Ltd.	Inpaq Technology (China) Co., Ltd.	100% indirectly owned subsidiary by INPAQ	Sale	(689,000)	(10)	〃	-	-	229,295	9	
Inpaq Technology (Suzhou) Co., Ltd.	Inpaq Technology Co., Ltd.	34.76% indirectly owned subsidiary by parent company	Sale	(857,656)	(13)	〃	-	-	212,127	9	
	Taiwan Inpaq electronic Co., Ltd.	100% indirectly owned subsidiary by INPAQ	Sale	(328,953)	(5)	〃	-	-	108,666	4	
	Walsin Passive Component (H.K.) Limited	100% indirectly owned subsidiary by parent company	Sale	(213,016)	(3)	〃	-	-	111,220	5	
Inpaq Technology (China) Co., Ltd.	Inpaq Technology Co., Ltd.	34.76% owned subsidiary by parent company	Sale	(531,585)	(8)	〃	-	-	94,230	4	
	Inpaq Technology (Suzhou) Co., Ltd.	100% indirectly owned subsidiary by INPAQ	Sale	(297,126)	(4)	〃	-	-	38,321	2	
Hunan Frontier Electronics Co., Ltd.	Inpaq Technology Co., Ltd.	34.76% owned subsidiary by parent company	Sale	(234,209)	(4)	〃	-	-	59,461	2	
Soshin Device Co., Ltd.	Soshin Electric Co., Ltd.	50.08% indirectly owned subsidiary by parent company	Sale	(628,722)	(100)	〃	-	-	55,047	100	
Soshin Powertech Co., Ltd.	Soshin Electric Co., Ltd.	50.08% indirectly owned subsidiary by parent company	Sale	(243,847)	(100)	〃	-	-	18,663	100	
Soshin Electronics (M) Sdn. Bhd.	Soshin Electric Co., Ltd.	50.08% indirectly owned subsidiary by parent company	Sale	(515,782)	(98)	〃	-	-	60,096	93	

Note: Purchase and sales transactions and accounts receivables/payable between consolidated entities have been eliminated.

(Concluded)

WALSIN TECHNOLOGY CORPORATION AND SUBSIDIARIES

RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT$100 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE YEAR ENDED DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Company Name	Related Party	Relationship	Ending Balance (Note 1)		Turnover Rate	Overdue		Amount Received in Subsequent Period	Allowance for Impairment Loss
						Amount	Actions Taken		
Walsin Technology Corporation	Dongguan Walsin Technology Electronics Co., Ltd.	100% indirectly owned subsidiary by parent company	Accounts receivable	$ 985,023	6.27	$ -	-	$ 399,824	$ -
	Suzhou Walsin Technology Electronics Co., Ltd.	100% indirectly owned subsidiary by parent company	Accounts receivable	424,155	3.73	-	-	145,745	-
	Walsin Passive Component (H.K.) Limited	100% indirectly owned subsidiary by parent company	Accounts receivable	103,497	5.17	-	-	45,283	-
Walsin Technology Corporation (HK) Limited	Walsin Technology Corporation	Parent company	Accounts receivable	664,059	3.00	-	-	185,368	-
Dongguan Walsin Technology Electronics Co., Ltd.	Walsin Technology Corporation (HK) Limited	100% indirectly owned subsidiary by parent company	Accounts receivable	522,124	6.78	-	-	464,099	-
	Walsin Passive Component (H.K.) Limited	100% indirectly owned subsidiary by parent company	Accounts receivable	100,558	5.22	-	-	-	-
	Kamaya Electric (M) Sdn. Bhd.	100% indirectly owned subsidiary by parent company	Accounts receivable	128,082	3.22	-	-	35,808	-
Walsin Passive Component (H.K.) Limited	Suzhou Walsin Technology Electronics Co., Ltd.	100% indirectly owned subsidiary by parent company	Accounts receivable	100,441	4.75	-	-	-	-
Kamaya Electric Co., Ltd.	Walsin Technology Corporation	Parent company	Accounts receivable	157,243	2.15	-	-	27,062	-
Kamaya Electric (M) Sdn. Bhd.	Kamaya Electric Co., Ltd.	100% indirectly owned subsidiary by parent company	Accounts receivable	180,979	2.76	-	-	58,833	-
Prosperity Dielectrics Co., Ltd.	Frontier Components Co., Ltd.	100% indirectly owned subsidiary by PDC	Accounts receivable	199,934	4.53	-	-	46,492	-
	Walsin Technology Corporation	Parent company	Accounts receivable	210,017	4.60	-	-	-	-
Inpaq Technology Co., Ltd.	Inpaq Technology (China) Co., Ltd.	100% indirectly owned subsidiary by INPAQ	Accounts receivable	229,295	3.17	-	-	-	-
Inpaq Technology (Suzhou) Co., Ltd.	Inpaq Technology Co., Ltd.	34.76% owned subsidiary by parent company	Accounts receivable	212,127	6.27	-	-	74,685	-
	Taiwan Inpaq electronic Co., Ltd.	100% indirectly owned subsidiary by INPAQ	Accounts receivable	108,666	4.19	-	-	24,103	-
	Walsin Passive Component (H.K.) Limited	100% indirectly owned subsidiary by parent company	Accounts receivable	111,220	2.86	-	-	29,471	-

Note: Purchase and sales transactions and accounts receivables/payable between consolidated entities have been eliminated.

WALSIN TECHNOLOGY CORPORATION AND SUBSIDIARIES

INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT INTERCOMPANY TRANSACTIONS
FOR THE YEAR ENDED DECEMBER 31, 2023
(Amounts in Thousands of New Taiwan Dollars)

No.	Investee Company	Counterparty	Relationship	Transaction Details			
				Financial Statement Accounts	Amount	Payment Terms	% of Total Sales or Assets
0	Walsin Technology Corporation	Walsin Technology Europe B.V.	Parent company to subsidiary	Sales	$ 142,572	According to the commercial terms agreed by both parties	-
		〃	〃	Accounts receivable	77,674	〃	-
		Prosperity Dielectrics Co., Ltd.	〃	Sales	263,592	〃	1
		〃	〃	Accounts receivable	69,923	〃	-
		Dongguan Walsin Technology Electronics Co., Ltd.	〃	Sales	6,441,715	〃	20
		〃	〃	Accounts receivable	985,023	〃	1
		Walsin Technology Corporation (HK) Limited	〃	Sales	326,329	〃	1
		〃	〃	Accounts receivable	73,385	〃	-
		Suzhou Walsin Technology Electronics Co., Ltd.	〃	Sales	1,859,684	〃	6
		〃	〃	Accounts receivable	424,155	〃	-
		Walsin Passive Component (H.K.) Limited	〃	Sales	396,665	〃	1
		〃	〃	Accounts receivable	103,497	〃	-
		Kamaya, Inc.	〃	Sales	152,452	〃	-
		〃	〃	Accounts receivable	55,971	〃	-
		Kamaya Electric (M) Sdn. Bhd.	〃	Sales	107,582	〃	-
		〃	〃	Accounts receivable	32,330	〃	-
1	Walsin Technology Corporation (HK) Limited	Walsin Technology Corporation	Subsidiary to parent company	Sales	2,426,470	〃	7
		〃	〃	Accounts receivable	664,059	〃	1
		Dongguan Walsin Technology Electronics Co., Ltd.	Subsidiary to subsidiary	Sales	338,024	〃	1
		〃	〃	Accounts receivable	53,579	〃	-
		Kamaya Electric (M) Sdn. Bhd.	〃	Sales	279,359	〃	1
		〃	〃	Accounts receivable	76,799	〃	-
2	Suzhou Walsin Technology Electronics Co., Ltd.	Walsin Passive Component (H.K.) Limited	〃	Sales	845,414	〃	3
		〃	〃	Accounts receivable	47,901	〃	-

No.	Investee Company	Counterparty	Relationship	Transaction Details			
				Financial Statement Accounts	Amount	Payment Terms	% of Total Sales or Assets
3	Dongguan Walsin Technology Electronics Co., Ltd.	Walsin Technology Corporation	Subsidiary to parent company	Sales	251,149	〃	1
		〃	〃	Accounts receivable	52,654	〃	-
		Dongguan Frontier Components Co., Ltd.	Subsidiary to subsidiary	Sales	257,029	〃	1
		〃	〃	Accounts receivable	73,842	〃	-

(Continued)

No.	Investee Company	Counterparty	Relationship	Transaction Details			
				Financial Statement Accounts	Amount	Payment Terms	% of Total Sales or Assets
		Walsin Technology Corporation (HK) Limited	Subsidiary to subsidiary	Sales	$ 4,914,811	According to the commercial terms agreed by both parties	15
		〃	〃	Accounts receivable	522,124	〃	1
		Walsin Passive Component (H.K.) Limited	〃	Sales	755,015	〃	2
		〃	〃	Accounts receivable	100,558	〃	-
		Kamaya Electric Co., Ltd.	〃	Sales	109,191	〃	-
		〃	〃	Accounts receivable	20,680	〃	-
		Kamaya Electric (HK) Limited	〃	Sales	166,280	〃	1
		〃	〃	Accounts receivable	47,106	〃	-
		Kamaya Electric (M) Sdn. Bhd.	〃	Sales	421,349	〃	1
		〃	〃	Accounts receivable	128,082	〃	-
4	Pan Overseas (Guangzhou) Electronic Co., Ltd.	Walsin Technology Corporation (HK) Limited	〃	Sales	550,629	〃	2
		〃	〃	Accounts receivable	98,737	〃	-
		Walsin Passive Component (H.K.) Limited	〃	Sales	132,373	〃	-
		〃	〃	Accounts receivable	25,986	〃	-
5	Walsin Passive Component (H.K.) Limited	Suzhou Walsin Technology Electronics Co., Ltd.	〃	Sales	596,304	〃	2
		〃	〃	Accounts receivable	100,441	〃	-
6	Kamaya Electric Co., Ltd.	Walsin Technology Corporation	Subsidiary to parent company	Sales	434,800	〃	1
		〃	〃	Accounts receivable	157,243	〃	-
		Walsin Technology Europe B.V.	Subsidiary to subsidiary	Sales	113,755	〃	-
		〃	〃	Accounts receivable	86,921	〃	-
7	Kamaya Electric (M) Sdn. Bhd.	Dongguan Walsin Technology Electronics Co., Ltd.	〃	Sales	224,356	〃	1
		〃	〃	Accounts receivable	43,793	〃	-
		Kamaya Electric Co., Ltd.	〃	Sales	610,224	〃	2
		〃	〃	Accounts receivable	180,979	〃	-
		Suzhou Walsin Technology Electronics Co., Ltd.	〃	Sales	132,729	〃	-
		〃	〃	Accounts receivable	40,745	〃	-
		Kamaya, Inc.	〃	Sales	132,718	〃	-
		〃	〃	Accounts receivable	31,514	〃	-
8	Prosperity Dielectrics Co., Ltd.	Frontier Components Co., Ltd.	〃	Sales	705,734	〃	2
		〃	〃	Accounts receivable	199,934	〃	-
		Walsin Technology Corporation	Subsidiary to parent company	Sales	841,538	〃	3
		〃	〃	Accounts receivable	210,017	〃	-

No.	Investee Company	Counterparty	Relationship	Transaction Details			
				Financial Statement Accounts	Amount	Payment Terms	% of Total Sales or Assets
9	Frontier Components Co., Ltd.	Dongguan Frontier Electronics Co., Ltd.	Subsidiary to subsidiary	Sales	547,934	〃	2
		〃	〃	Accounts receivable	99,484	〃	-
		Dongguan Walsin Technology Electronics Co., Ltd.	〃	Sales	120,341	〃	-
		〃	〃	Accounts receivable	27,709	〃	-

(Continued)

No.	Investee Company	Counterparty	Relationship	Transaction Details			
				Financial Statement Accounts	Amount	Payment Terms	% of Total Sales or Assets
10	Inpaq Technology Co., Ltd.	Inpaq Technology (China) Co., Ltd.	Subsidiary to subsidiary	Sales	$ 689,000	According to the commercial terms agreed by both parties	2
		〃	〃	Accounts receivable	229,295	〃	-
11	Inpaq Technology (Suzhou) Co., Ltd	Inpaq Technology Co., Ltd.	〃	Sales	857,656	〃	3
		〃	〃	Accounts receivable	212,127	〃	-
		Taiwan Inpaq electronic Co., Ltd.	〃	Sales	328,953	〃	1
		〃	〃	Accounts receivable	108,666	〃	-
		Walsin Passive Component (H.K.) Limited	〃	Sales	213,016	〃	1
		〃	〃	Accounts receivable	111,220	〃	-
12	Inpaq Technology (China) Co., Ltd.	Inpaq Technology Co., Ltd.	〃	Sales	531,585	〃	2
		〃	〃	Accounts receivable	94,230	〃	-
		Inpaq Technology (Suzhou) Co., Ltd.	〃	Sales	297,126	〃	1
		〃	〃	Accounts receivable	38,321	〃	-
13	Hunan Frontier Electronics Co., Ltd.	Inpaq Technology Co., Ltd.	〃	Sales	234,209	〃	1
		〃	〃	Accounts receivable	59,461	〃	-
14	Soshin Device Co., Ltd.	Soshin Electric Co., Ltd.	〃	Sales	628,722	〃	2
		〃	〃	Accounts receivable	55,047	〃	-
15	Soshin Powertech Co., Ltd.	〃	〃	Sales	243,847	〃	1
		〃	〃	Accounts receivable	18,663	〃	-
16	Soshin Electronics (M) Sdn. Bhd.	Soshin Electric Co., Ltd.	〃	Sales	515,782	〃	2
		〃	〃	Accounts receivable	60,096	〃	-

Note: Only transactions with related parties with an amount exceeding NT$100 million or more than 20% of the paid-in capital will be disclosed, and relative related party transactions will not be disclosed.

(Concluded)

WALSIN TECHNOLOGY CORPORATION AND SUBSIDIARIES

INFORMATION ON INVESTEES
FOR THE YEAR ENDED DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of December 31, 2023			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				December 31, 2023	December 31, 2022	Number of Shares	%	Carrying Amount			
Walsin Technology Corporation	Prosperity Dielectrics Co., Ltd.	Taiwan	Manufacturing, processing and selling of chip capacitors, chip resistors, ceramic dielectric powders and magnetic elements, etc.	$ 655,664	$ 655,664	74,186,468	43.13	$ 2,894,824	$ 451,374	$ 196,570	
	HannStar Board Corporation	Taiwan	Production and sale of printed circuit boards	2,018,888	2,018,888	107,381,026	20.32	6,236,694	2,679,653	544,514	
	Pan Overseas (B.V.I.) Investments Co., Ltd.	British Virgin Islands	Investment holding	671,758	671,758	21,836,000	100.00	2,263,388	25,389	26,265	
	Gallatown Developments Limited	Cayman Islands	Investment holding	6,077,273	5,779,018	95,129,047	89.15	24,101,659	251,985	231,403	
	Tsai Yi Corporation	Taiwan	Investment holdings and management of group companies	411,330	411,330	39,052,142	26.62	804,561	23,695	6,278	
	Falcon Automation Equipment Corporation	Taiwan	Mechanical equipment manufacturing	9,000	9,000	3,348,000	43.90	97,823	(10,692)	(4,694)	
	Inpaq Technology Co., Ltd.	Taiwan	Researching, developing, manufacturing and selling of hybrid microwave antenna module, integrated electrical protection component and multilayer type microwave communication component and module	2,250,338	2,021,276	51,782,658	34.76	2,574,933	714,999	227,693	
	Silitech Technology Corporation	Taiwan	Keypads and module products, mechanical integrated components	561,329	561,329	17,000,000	25.00	729,828	119,328	19,375	
	Soshin Electric Co., Ltd.	Japan	Researching, developing, manufacturing and selling of capacitors, thick film printed boards, laminated dielectric filters and EMI filters	39,248	39,248	330,800	1.93	44,897	(20,583)	(564)	
	Walsin New Energy Corporation	Taiwan	Solar power generation project, etc.	12,500	-	1,250,000	25.00	12,237	(1,051)	(263)	
	Walsin Technology Europe B.V.	Netherlands	Selling of passive electronic components	117,081	14,136	1,500,000	100.00	50,103	(61,853)	(61,853)	
Gallatown Developments Limited	Walsin Technology Corporation (HK) Limited	Hong Kong	Selling of passive electronic components	294,297 (Note 3)	294,297 (Note 3)	1,953	100.00	1,847,424	16,073	16,073	
	Walsin Technology Holding Corporation (HK) Limited	Hong Kong	Investment holding	5,734,769 (Note 3)	5,452,007 (Note 3)	165,037,562	100.00	21,503,167	345,607	345,607	
	Walsin Electronics (S) Pte. Ltd.	Singapore	Marketing service	27,613 (Note 3)	5,208 (Note 3)	1,607,000	100.00	24,420	(6,303)	(6,303)	
	Walsin Technology Corporation U.S.A.	USA	Marketing service	26,543 (Note 3)	26,543 (Note 3)	7,000,000	100.00	21,374	1,543	1,543	
	Walsin Passive Component (H.K.) Limited	Hong Kong	Selling of passive electronic components	92,205 (Note 3)	92,205 (Note 3)	23,400,100	100.00	593,166	14,781	14,781	
	Kamaya Electric Co., Ltd.	Japan	Manufacturing and selling of high - end electric chip resistors	1,409,294 (Note 3)	1,409,056 (Note 3)	358,037,761	100.00	2,392,629	(124,097)	(124,090)	
	Walsin International Management (HK) Limited	Hong Kong	Investment holding	184,410 (Note 3)	184,410 (Note 3)	600,001	100.00	153,136	(1,011)	(1,011)	
	Walsin Electronics India Private Ltd.	India	Manufacturing and selling of passive electronic components	- (Note 3)	- (Note 3)	1	0.10	-	9	-	
Walsin International Management (HK) Limited	GHPW Enterprise Corporation (HK) Limited	Hong Kong	Holding company	184,410 (Note 3)	184,410 (Note 3)	6,000,000	25.00	153,116	(3,843)	(960)	
Pan Overseas (B.V.I.) Investments Co., Ltd.	Gallatown Developments Limited	Cayman Islands	Investment holding	129,813 (Note 3)	129,813 (Note 3)	5,165,611	4.84	985,686	251,985	12,441	
	Fine Bright Technology Limited	Hong Kong	Investment holding	352,386 (Note 3)	352,386 (Note 3)	37,183,927	100.00	1,163,283	15,314	15,314	
Fine Bright Technology Limited	Gallatown Developments Limited	Cayman Islands	Investment holding	99,143 (Note 3)	99,143 (Note 3)	6,407,247	6.01	1,163,206	251,985	15,432	

(Continued)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of December 31, 2023			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				December 31, 2023	December 31, 2022	Number of Shares	%	Carrying Amount			
Walsin Technology Holding Corporation (HK) Ltd.	Walsin Electronics India Private Ltd.	India	Manufacturing and selling of passive electronic components	$ 442 (Note 3)	$ 442 (Note 3)	999	99.90	$ 362	$ 9	$ 9	
Kamaya Electric Co., Ltd.	Kamaya Electric (M) Sdn. Bhd.	Malaysia	Manufacturing and selling of high - end electric chip resistors	1,512,561 (Note 3)	1,512,561 (Note 3)	242,125,250	100.00	2,351,470	(139,014)	(139,014)	
	Kamaya Electric (HK) Limited	Hong Kong	Selling of passive electronic components	4,566 (Note 3)	4,566 (Note 3)	2,000,000	100.00	10,851	1,454	1,454	
	Kamaya, Inc.	USA	Selling of passive electronic components	22,036 (Note 3)	22,036 (Note 3)	699	100.00	162,128	11,009	11,009	
	Nitsuko Electronics Corporation	Japan	Manufacturing and selling of film capacitors	309,287 (Note 3)	309,287 (Note 3)	37,333	70.00	312,428	(9,215)	(6,451)	
	Soshin Electric Co., Ltd.	Japan	Researching, developing, manufacturing and selling of capacitors, thick film printed boards, laminated dielectric filters and EMI filters	906,859 (Note 3)	906,859 (Note 3)	8,233,504	48.15	1,121,371	(20,583)	(13,218)	
	Matsuo Electric Co., Ltd.	Japan	Manufacture and sale of tantalum capacitors, film capacitors and circuit protection components	141,917 (Note 3)	141,917 (Note 3)	840,000	26.17	158,702	(10,056)	(2,631)	
Prosperity Dielectrics Co., Ltd.	PDC Prime Holdings Limited	Samoa	Holding company	728,456	728,456	23,464,538	100.00	1,579,992	53,266	53,266	
	Frontec International Corporation	British Virgin Islands	Holding company	327,140	327,140	8,221,615	100.00	134,801	5,632	5,632	
	Tsai Yi Corporation	Taiwan	Holding company	51,928	51,928	4,934,995	3.36	101,672	23,695	800	
	Joyin Co., Ltd.	Taiwan	Researching, developing, manufacturing and selling of passive electronic components and automatic production equipment	426,701	426,701	23,715,360	30.40	390,462	(26,522)	(12,925)	
	HannStar Board Corporation	Taiwan	Manufacturing and selling of printed circuit board	152,212	152,212	5,668,332	1.07	313,459	2,679,653	-	
	Walsin New Energy Corporation	Taiwan	Solar power generation project, etc.	2,500	-	250,000	5.00	2,447	(1,051)	(53)	
PDC Prime Holdings Limited	PDC Success Investments Ltd.	Republic of Mauritius	Holding company	387,932 (Note 3)	387,932 (Note 3)	12,009,000	100.00	721,271	(3,865)	(3,865)	
	Frontier Components Co., Ltd.	Hong Kong	International trade	276,646 (Note 3)	276,646 (Note 3)	70,036,752	100.00	819,534	57,439	57,439	
	Prosperity International Development (HK) Co., Limited	Hong Kong	Holding company	73,795 (Note 3)	73,795 (Note 3)	2,401,000	100.00	61,271	(384)	(384)	
Prosperity International Development (HK) Co., Limited	GHPW Enterprise Corporation (HK) Limited	Hong Kong	Holding company	73,764 (Note 3)	73,764 (Note 3)	2,400,000	10.00	61,246	(3,843)	(384)	
Inpaq Technology Co., Ltd.	Inpaq (BVI) Ltd.	BVI	Holding company	1,258,296	1,258,296	39,908,842	100.00	3,711,350	665,786	672,214	
	Inpaq Korea Co., Ltd.	Korea	Sales	12,864	12,864	76,828	44.77	10,870	7,623	3,413	
	Inpaq Technology USA, Inc.	USA	Sales	15,315	15,315	5,000,000	100.00	(12,965)	(13,322)	(13,322)	
	Inpaq Europe GmbH	Germany	Sales	1,273	1,273	38,000	19.00	1,642	(1,243)	(236)	
	Canfield Limited	Samoa	Sales	14,823	14,823	600,000	100.00	30,603	1,837	1,837	
	Walsin New Energy Corporation	Taiwan	Solar power generation project, etc.	2,500	-	250,000	5.00	3,325	(1,051)	-	
	Yangtze Energy Technologies, Inc.	Taiwan	Manufacturing and selling of electronic products	7,000	7,000	311,097	19.89	2,055	(712)	(142)	
	Eleceram Technology Co., Ltd.	Taiwan	Manufacturing and selling of electronic components	209,946	209,946	8,747,750	72.90	196,910	(13,234)	(12,095)	
Inpaq (BVI) Ltd.	Inpaq (Cayman Islands) Ltd.	Cayman Islands	Holding company	1,002,550	1,002,550	32,150,000	100.00	3,121,195	648,793	648,793	
	Inpaq (HK) Co., Limited	Hong Kong	Holding company	277,988	277,988	66,857,629	100.00	2,560	(6,701)	(6,701)	
Inpaq Technology (Suzhou) Co., Ltd.	Holypaq (HK) Co., Limited	Hong Kong	Holding company	122,240	122,240	4,000,000	100.00	(226,114)	15,267	15,267	
Holypaq (HK) Co., Limited	Taiwan Inpaq Electronic Co., Ltd.	Taiwan	Manufacturing and selling of electronic products	122,240	122,240	-	100.00	(226,114)	15,267	15,267	

(Continued)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of December 31, 2023			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				December 31, 2023	December 31, 2022	Number of Shares	%	Carrying Amount			
Soshin Electric Co., Ltd.	Soshin Device Co., Ltd.	Japan	Manufacturing and selling of information communication electronic components	$ 44,080	$ 44,080	2,020	100.00	$ 294,769	$ (9,436)	$ (9,436)	
	Soshin Powertech Co., Ltd.	Japan	Manufacturing and selling of power electronic components	21,822	21,822	10,000	100.00	22,302	21,087	21,087	
	Risshin Electronics Co., Ltd.	Japan	Manufacturing and selling of information communication electronics components	10,911	10,911	159,290	100.00	23,629	3,816	3,816	
	Soshin Electronics (M) Sdn. Bhd.	Malaysia	Manufacturing and selling of power electronic components	151,280	151,280	16,000,000	100.00	138,409	16,115	16,115	
	Soshin Electronics of America Inc.	USA	Selling of electronic components	2,353	2,353	100,000	100.00	4,164	438	438	
	Soshin Electronics (HK) Limited	Hong Kong	Selling of electronic components	60,496	60,496	18,737,823	100.00	63,609	6,277	6,277	
	Taiwan Soshin Electric Co., Ltd.	Taiwan	Selling of electronic components	5,000	5,000	500,000	100.00	8,337	1,039	1,039	
	Sosin Electronics Europe GmbH	Germany	Selling of electronic components	1,470	1,470	1,000	100.00	4,227	(180)	(180)	

Note 1: The share of the profit or loss of associates and joint ventures accounted for using the equity method of each company included in the consolidated financial statements, the investments accounted for using the equity method in the investees, and the net equity of investees have been fully offset.

Note 2: The average exchange rates on December 31, 2023 were used to convert the foreign currencies into New Taiwan dollars.

The average exchange rate on December 31, 2023 was USD to NTD = 1:30.735.
The average exchange rate on December 31, 2023 was JPY to USD = 1:0.0071.
The average exchange rate on December 31, 2023 was SGD to USD = 1:0.7587.
The average exchange rate on December 31, 2023 was HKD to USD = 1:0.1280.

Note 3: Information on investments in mainland China, please refer to Table 10.

(Concluded)

WALSIN TECHNOLOGY CORPORATION AND SUBSIDIARIES

INFORMATION ON INVESTMENTS IN MAINLAND CHINA
FOR THE YEAR ENDED DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

1.

Investee Company	Main Businesses and Products	Paid-in Capital	Method of Investment	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2023	Remittance of Funds		Accumulated Outward Remittance for Investment from Taiwan as of December 31, 2023	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Loss) (Note 2)	Carrying Amount as of December 31, 2023	Accumulated Repatriation of Investment Income as of December 31, 2023
					Outward	Inward						
Dongguan Walsin Technology Electronics Co., Ltd.	Manufacturing and selling of passive electronic components	$ 3,946,374 (US$ 128,400,000)	Note 1	$ 2,796,885 (US$ 91,000,000)	$ -	$ -	$ 2,796,885 (US$ 91,000,000)	$ 279,238	100.00	$ 279,238	$ 11,276,263	$ 923,880 (US$ 30,059,527)
Suzhou Walsin Technology Electronics Co., Ltd.	Manufacturing and selling of passive electronic components	2,120,715 (US$ 69,000,000)	Note 1	2,120,715 (US$ 69,000,000)	-	-	2,120,715 (US$ 69,000,000)	62,762	100.00	62,762	2,956,664	49,737 (US$ 1,618,250)
Dongguan Huafai Trading Co., Ltd.	Trading of electronic parts, warehousing and commission agency	61,470 (US$ 2,000,000)	Note 1	61,470 (US$ 2,000,000)	-	-	61,470 (US$ 2,000,000)	3,542	100.00	3,542	351,346	-
Pan Overseas (Guangzhou) Electronic Co., Ltd.	Manufacturing and selling of passive electronic components	507,128 (US$ 16,500,000)	Note 1	393,714 (US$ 12,809,965)	-	-	393,714 (US$ 12,809,965)	18,251	100.00	18,251	754,016	237,187 (US$ 7,717,169)
GHPW Enterprise Corporation (Chongqing) Limited	Business consultations, business management, consultation services and property management	737,640 (US$ 24,000,000)	Note 1	184,410 (US$ 6,000,000)	-	-	184,410 (US$ 6,000,000)	(3,759)	25.00	(940)	152,969	-
Suzhou Walsin Color Trading Co., Ltd.	Trading of electronic parts and commission agency	497,907 (US$ 16,200,000)	Note 1	236,660 (US$ 7,700,016)	-	-	236,660 (US$ 7,700,016)	(5,753)	39.32	(2,262)	155,308	11,574 (US$ 376,582)
Chongqing Shuohong Investment Co., Ltd.	Investment, investment management, investment consultation services	2,296,331 (RMB 530,000,000) (Note 4)	Note 1	-	-	-	-	(18,580)	25.65	(4,766)	682,385	-
Chongqing Ruishuang Technology Co., Ltd.	Selling of electronic components, real estate investment and leasing	113,638 (RMB 26,228,000) (Note 5)	Note 1	-	-	-	-	(4,987)	34.54	(1,723)	49,472	-
Soshin Electronics (SZ) Limited	Selling of electronic components	11,065 (US$ 360,000)	Note 1	-	-	-	-	2,059	50.08	1,031	41,706	-

Note 1: Investment in mainland China companies through an existing company established in a third region.

Note 2: Based on the financial statements of the investee company recognized by the attesting CPA of the Taiwan parent company.

Note 3: For the figures in the table above that involve foreign currencies, the average exchange rate on December 31, 2023 was used to convert the foreign currencies into New Taiwan dollars, except for the investment gain (loss) of the current period (converted at the average exchange rate for the period January 1 to December 31, 2023).

Note 4: It was invested RMB135,950,000 with the own funds of Suzhou Walsin Technology Electronics Co., Ltd.

Note 5: It was invested RMB8,605,548.46 with the own funds of Suzhou Walsin Technology Electronics Co., Ltd.

2. Investment quota for mainland China:

Accumulated Outward Remittance for Investments in Mainland China as of December 31, 2023	Investment Amount Authorized by the Investment Commission, MOEA	Upper Limit on the Amount of Investments Stipulated by the Investment Commission, MOEA
$4,601,228 (US$149,706,474)	$4,730,128 (US$153,900,371)	(Note)

Note: In accordance with Article 3 of the "Regulations Governing the Examination of Investment or Technical Cooperation in Mainland China", enterprises within the scope of operations of the operational headquarters approved by the Industrial Development Bureau of the Ministry of Economic Affairs are exempt. The Company is an enterprise that has been recognized as the operational headquarters of the said Regulations. The validity period is from June 29, 2021 to June 28, 2024, so there is no upper limit on the amount of investments in mainland China.

(Continued)

3. 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:

Investee Company	Relationship	Transaction Type	Amount	Transaction Details			Notes/Accounts Receivable (Payable)		Unrealized (Gain) Loss
				Price	Payment Terms	Comparison with Normal Transactions	Ending Balance	%	
Dongguan Walsin Technology Electronics Co., Ltd.	Sub-subsidiary	Sales	$ 6,441,715	According to the commercial terms agreed upon by both parties	90-120 days T/T	No significant difference	$ 985,023	34	$ 267,416
		Purchases	2,619,824	〃	〃	〃	(695,135)	(29)	-
Suzhou Walsin Technology Electronics Co., Ltd.	Sub-subsidiary	Sales	1,859,684	According to the commercial terms agreed upon by both parties	90-120 days T/T	No significant difference	424,155	15	34,520

Note: The average exchange rate on December 31, 2023 was USD to NTD = 1:30.735.

The average exchange rate from January 1 to December 31, 2023 was USD to NTD = 1:31.155.

4. Circumstances in which mainland investment companies provide endorsements, guarantees or collaterals directly or indirectly through third-region enterprises: None.

5. Circumstances of financing provided with mainland investment companies directly or indirectly through a third region: None.

6. Other transactions that have a significant impact on the current profit and loss or financial status: None.

(Concluded)

WALSIN TECHNOLOGY CORPORATION AND SUBSIDIARIES

INFORMATION ON INVESTMENTS IN MAINLAND CHINA OF PROSPERITY DIELECTRICS CO., LTD.
FOR THE YEAR ENDED DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

1. The names, main business and products, paid-in capital, method of investment, remittance of funds, percentage of ownership, net income (loss) for the period and recognition of investment income (loss), carrying amounts, and accumulated repatriation investment income of the investees in mainland China were as follows:

Investee Company	Main Businesses and Products	Paid-in Capital	Method of Investment	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2023	Remittance of Funds		Accumulated Outward Remittance for Investment from Taiwan as of December 31, 2023	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Loss) (Note 2)	Carrying Amount as of December 31, 2023 (Note 2)	Accumulated Repatriation of Investment Income as of December 31, 2023
					Outward	Inward						
PDC Electronics (Suzhou) Co., Ltd.	Manufacturing of ceramic materials	$ 368,820 (US$ 12,000,000)	Note 1	$ 368,820 (US$ 12,000,000)	$ -	$ -	$ 368,820 (US$ 12,000,000)	$ (3,868)	100.00	$ (3,868)	$ 720,984	$ 159,217 (US$ 5,180,313)
Dongguan Frontier Electronics Co., Ltd.	Selling of electronic components	187,484 (US$ 6,100,000)	Note 1	187,484 (US$ 6,100,000)	-	-	187,484 (US$ 6,100,000)	17,686	100.00	17,686	254,995	100,786 (US$ 3,279,186)
Chongqing Shuohong Investment Co., Ltd.	Investment, investment management, investment consultation services	2,296,331 (RMB 530,000,000) (Note 4)	Note 1	-	-	-	-	(18,580)	20.43	(3,796)	543,432	-
Chongqing Xincheng Electronic Co., Ltd.	Selling of electronic components, real estate investment and leasing	234,494 (RMB 54,122,000) (Note 5)	Note 1	-	-	-	-	(10,328)	13.04	(1,347)	38,583	-
GHPW Enterprise Corporation (Chongqing) Limited	Business consultations, business management, consultation services and property management	737,640 (US$ 24,000,000)	Note 1	73,764 (US$ 2,400,000)	-	-	73,764 (US$ 2,400,000)	(3,759)	10.00	(376)	61,188	-
Prosperity Frontier Electronics (Shenzhen) Co., Ltd.	Manufacturing and selling of chip components, power electronic devices and new electronic components	184,410 (US$ 6,000,000)	Note 1	173,400 (US$ 5,641,768)	-	-	173,400 (US$ 5,641,768)	5,630	100.00	5,630	134,626	-
Prosperity Frontier Electronics (Guangzhou) Co., Ltd.	Manufacturing and selling of chip components, power electronic devices and new electronic components	- (Note 6)	Note 1	-	-	-	-	1	-	1	-	-

Note 1: Investment in mainland China companies through an existing company established in a third region.

Note 2: Based on the financial statements of the investee company audited by the attesting CPA of the Taiwan parent company.

Note 3: For the figures in the table above that involve foreign currencies, the average exchange rate on December 31, 2023 was used to convert the foreign currencies into New Taiwan dollars, except for the investment gain (loss) of the current period (converted at the average exchange rate for the period January 1 to December 31, 2023).

Note 4: It was invested RMB108,290,000 with the own funds of PDC Electronics (Suzhou) Co., Ltd.

Note 5: It was invested RMB7,055,500 with the own funds of Frontier Electronic (Chong Qing) Co., Ltd., which has been transferred to Dongguan Frontier Electronics Co., Ltd. in December 2017.

Note 6: It was invested RMB1,000,000 with the own funds of Dongguan Frontier Electronics Co., Ltd. Prosperity Frontier Electronics (Guangzhou) Co., Ltd. has completed the liquidation and remitted the shares in June 2023.

(Continued)

2. Investment quota for mainland China:

Accumulated Outward Remittance for Investments in Mainland China as of December 31, 2023	Investment Amount Authorized by the Investment Commission, MOEA	Upper Limit on the Amount of Investments Stipulated by the Investment Commission, MOEA
$902,889 US$29,376,590	$1,045,597 US$34,019,762	(Note 2)

Note 1: The average exchange rates on December 31, 2023 were as follows:

USD:NTD = 1:30.735.
RMB:NTD = 1:4.3327.

The average exchange rates from January 1 to December 31, 2023 were as follows:

USD:NTD = 1:31.155.
RMB:NTD = 1:4.4240.

Note 2: The Company has obtained the certification documents of the operational headquarters approved by the Industrial Development Bureau of the Ministry of Economic Affairs, so it's not subject to the regulations of the "Regulations Governing the Examination of Investment or Technical Cooperation in Mainland China".

3. Significant transactions with investee companies in mainland China, either directly or indirectly through a third party: Table 6 and Table 8.

4. Circumstances in which mainland investment companies provide endorsements, guarantees or collaterals directly or indirectly through third-region enterprises: None.

5. Circumstances of financing provided with mainland investment companies directly or indirectly through a third region: None.

6. Other transactions that have a significant impact on the current profit and loss or financial status: None.

(Concluded)

WALSIN TECHNOLOGY CORPORATION AND SUBSIDIARIES

INFORMATION ON INVESTMENTS IN MAINLAND CHINA OF INPAQ TECHNOLOGY CO., LTD.
FOR THE YEAR ENDED DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

1.

Investee Company	Main Businesses and Products	Paid-in Capital	Method of Investment	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2023	Remittance of Funds		Accumulated Outward Remittance for Investment from Taiwan as of December 31, 2023	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Loss)	Carrying Amount as of December 31, 2023	Accumulated Repatriation of Investment Income as of December 31, 2023
					Outward	Inward						
Inpaq Technology (Suzhou) Co., Ltd.	Manufacturing and selling of passive electronic components, etc.	$ 360,643	Note 1	$ 360,643	$ -	$ -	$ 360,643	$ 632,485	100	$ 632,485	$ 2,194,602	$ 361,325
Inpaq Trading (Suzhou) Co., Ltd.	Selling of passive electronic components	-	Note 6	23,179	-	-	23,179 (Note 6)	-	-	-	-	-
Inpaq Technology (China) Co., Ltd.	Manufacturing and selling of passive electronic components, etc.	894,480	Note 1	894,480	-	-	894,480	15,238	100	15,238	900,737	-
Inpaq Trading (Suzhou) Co., Ltd.	Selling of passive electronic components	9,463	Note 4	-	-	-	-	2,155	100	2,155	31,112	-
Hunan Frontier Electronics Co., Ltd.	Manufacturing and selling of transformer, coils and magnetic components	456,560	Note 4	-	-	-	-	1,984	100	1,984	336,634	-

2. Investment quota for mainland China:

Accumulated Outward Remittance for Investments in Mainland China as of December 31, 2023	Investment Amount Authorized by the Investment Commission, MOEA	Upper Limit on the Amount of Investments Stipulated by the Investment Commission, MOEA
$1,278,302	$916,977	$4,105,354

Note 1: Investment in mainland China companies through an existing company established in a third region.

Note 2: The investments were recognized on the basis of the financial statement of the same period audited by CPA.

Note 3: According to the “Regulations Governing the Examination of Investment or Technical Cooperation in Mainland China”, the Company’s accumulated investment in mainland China does not exceed the upper limit of the investment amount or proportion set by the competent authority.

Note 4: It was invested by Inpaq Technology (Suzhou) Co., Ltd. with its own funds, so it is excluded from the calculation of the investment quota.

Note 5: Related transactions and the ending balance have been eliminated in the consolidated report.

Note 6: Inpaq Trading (Suzhou) Co,. Ltd. by parent company has completed the liquidation of various rights and obligations and cancelled the registration in the 2023 year of the Republic of China. The Company’s cumulative remittance amount of $23,179 thousand yuan, in accordance with the regulations of the Investment Review Committee, still needs to be included in the cumulative remittance amount from Taiwan to the mainland.

TABLE 11

WALSIN TECHNOLOGY CORPORATION AND SUBSIDIARIES

INFORMATION ON MAJOR SHAREHOLDERS
FOR THE YEAR ENDED DECEMBER 31, 2023

Name of Shareholder	Shares	
	Total Shares Owned	Ownership Percentage (%)
Walsin Lihwa Corporation	88,902,325	18.30
HannStar Board Corporation	37,167,115	7.74

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 preference 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 individual 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 truster 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 Market Observation Post System.

Walsin Technology Corporation

Parent Company Only Financial Statements for the Years Ended December 31, 2023 and 2022 and Independent Auditors' Report

Deloitte.

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INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
Walsin Technology Corporation

Opinion

We have audited the accompanying parent company only financial statements of Walsin Technology Corporation (the "Company"), which comprise the parent company only balance sheets as of December 31, 2023 and 2022, and the parent company only statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the parent company only financial statements, including a summary of significant accounting policies (collectively referred to as the " parent company only financial statements").

In our opinion, based on our audits and the report of other auditors (please refer to the Other Matter paragraph), the accompanying parent company only financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2023 and 2022, and its parent company only financial performance and its parent company only cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the parent company only Financial Statements section of our report. We are independent of the Company in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the parent company only financial statements for the year ended December 31, 2023. These matters were addressed in the context of our audit of the parent company only financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matter of the Company's parent company only financial statements for the year ended December 31, 2023 is described as follows:

Revenue Recognition for Multi-Layer Ceramic Capacitors (MLCC) Sales

The Company's main revenue stream comes from MLCC, ceramic disc capacitors, chip resistors and radio frequency devices.

The proportion of revenue from MLCC sales and gross profit margin were higher as compared to other sales portfolios. Further, revenue is recognized in accordance with customer orders or contracts. Therefore, we considered recognition of revenue from sales of MLCC as a key audit matter of the Company's financial statements for the year ended December 31, 2023.

The audit procedures that we performed in response to the abovementioned key audit matter included understanding the design and implementation of key internal controls and testing the effectiveness of relevant controls over sales revenue, and selecting samples of revenue items to verify the occurrence of transactions.

Other Matter

We did not audit the financial statements of some subsidiaries and investments accounted for using the equity method included in the parent company only financial statements of the Company, but such financial statements were audited by other auditors. Our opinion, insofar as it relates to the amounts and the information disclosed for some subsidiaries and investments accounted for using the equity method, is based solely on the audit reports of other auditors. As of December 31, 2023 and 2022, the share of profit of investments in associates accounted for using the equity method were NT$2,574,933 thousand and NT$2,197,974 thousand, representing 3.58% and 3.13% of the total assets; and the share of income of associates accounted for using the equity method for the years ended December 31, 2023 and 2022 was NT$227,693 thousand and NT$195,213 thousand, representing 6.55% and 9.39% of the comprehensive income.

Responsibilities of Management and Those Charged with Governance for the Parent Company Only Financial Statements

Management is responsible for the preparation and fair presentation of the parent company only financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and for such internal control as management determines is necessary to enable the preparation of parent company only financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the parent company only financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including the audit committee, are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Parent Company Only Financial Statements

Our objectives are to obtain reasonable assurance about whether the parent company only financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these parent company only financial statements.

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the parent company only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the disclosures, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

6. Obtain sufficient and appropriate audit evidence regarding the financial information of entities or business activities within the Company to express an opinion on the parent

company only financial statements. We are responsible for the direction, supervision, and performance of the audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the parent company only financial statements for the year ended December 31, 2023 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audits resulting in this independent auditors' report are Chin-Chuan Shih and Kuo-Tyan Hong.

Deloitte & Touche
Taipei, Taiwan
Republic of China

February 23, 2024

Notice to Readers

The accompanying parent company only financial statements are intended only to present the 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 audit such parent company only financial statements are those generally applied in the Republic of China.

For the convenience of readers, the independent auditors' report and the accompanying parent company only 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' report and parent company only financial statements shall prevail.

WALSIN TECHNOLOGY CORPORATION

PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2023 AND 2022
(In Thousands of New Taiwan Dollars)

	2023		2022	
ASSETS	**Amount**	**%**	**Amount**	**%**
CURRENT ASSETS				
Cash and cash equivalents (Notes 4 and 6)	$ 403,873	1	$ 4,677,249	7
Financial assets at fair value through profit or loss - current (Notes 4 and 7)	146,530	-	240,569	-
Notes receivable (Notes 4 and 10)	7,170	-	5,086	-
Trade receivables (Notes 4 and 10)	1,035,131	1	1,085,757	2
Trade receivables from related parties (Notes 4, 10 and 25)	1,838,239	3	1,958,516	3
Other receivables	203,005	-	61,598	-
Other receivables from related parties (Note 25)	606,745	1	891,713	1
Financial assets at amortized cost - current (Notes 4, 9 and 26)	4,708,292	7	622,835	1
Finance lease receivable - current (Note 4)	16,012	-	15,789	-
Inventories (Notes 4 and 11)	1,555,853	2	1,737,932	2
Other current assets	102,833	-	151,758	-
Total current assets	10,623,683	15	11,448,802	16
NON-CURRENT ASSETS				
Financial assets at fair value through other comprehensive income - non-current (Notes 4 and 8)	5,110,704	7	4,007,863	6
Financial assets at fair value through profit or loss - non-current (Notes 4 and 7)	25,000	-	-	-
Financial assets at amortized cost - non-current (Notes 4, 9 and 26)	2,898,838	4	105,357	-
Investments accounted for using the equity method (Notes 4 and 12)	39,810,947	55	38,254,745	54
Property, plant and equipment (Notes 4 and 13)	12,835,657	18	15,476,272	22
Right-of-use assets (Notes 4 and 14)	240,610	-	287,133	1
Investment properties (Notes 4 and 15)	4,452	-	5,551	-
Computer software (Note 4)	45,994	-	64,104	-
Deferred tax assets (Notes 4 and 21)	243,000	1	192,000	-
Guarantee deposits paid	27,646	-	31,290	-
Finance lease receivables - non-current (Note 4)	35,876	-	50,811	-
Other non-current assets	90,377	-	399,121	1
Total non-current assets	61,369,101	85	58,874,247	84
TOTAL	$ 71,992,784	100	$ 70,323,049	100
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term borrowings (Note 16)	$ 6,942,979	10	$ 6,232,275	9
Trade payables	1,149,353	1	545,685	1
Trade payables to related parties (Note 25)	1,225,727	2	1,473,856	2
Payables for equipment (Note 25)	513,350	1	1,363,581	2
Other payables (Note 25)	1,477,754	2	1,637,319	2
Lease liabilities - current (Notes 4 and 14)	54,767	-	57,381	-
Current tax liabilities (Notes 4 and 21)	742,884	1	767,421	1
Current portion of bonds payable (Note 17)	4,778,445	7	-	-
Current portion of long-term borrowings (Notes 4 and 16)	1,750,833	2	1,448,333	2
Other current liabilities	31,311	-	43,783	-
Total current liabilities	18,667,403	26	13,569,634	19
NON-CURRENT LIABILITIES				
Bonds payable (Notes 4 and 17)	-	-	4,715,936	7
Long-term borrowings (Notes 4 and 16)	6,200,333	9	6,859,667	10
Current tax liabilities - non-current (Notes 4 and 21)	218,556	-	549,262	1
Deferred tax liabilities (Notes 4 and 21)	45,964	-	48,964	-
Lease liabilities - non-current (Notes 4 and 14)	219,084	-	268,548	-
Net defined benefit liabilities - non-current (Notes 4 and 18)	58,345	-	26,755	-
Guarantee deposits received	3,454	-	3,359	-
Total non-current liabilities	6,745,736	9	12,472,491	18
Total liabilities	25,413,139	35	26,042,125	37
EQUITY (Notes 4 and 19)				
Share capital				
Ordinary shares	4,858,043	7	4,858,043	7
Capital surplus	3,116,412	4	3,111,159	4
Retained earnings				
Legal reserve	4,911,739	7	4,736,096	7
Special reserve	1,096,797	1	1,096,797	2
Unappropriated earnings	29,347,656	41	28,403,212	40
Other equity				
Exchange differences on translation of the financial statements of foreign operations	(1,678,514)	(2)	(1,191,536)	(2)
Unrealized gain (loss) on financial assets at fair value through other comprehensive income	5,163,892	7	3,503,533	5
Treasury shares	(236,380)	-	(236,380)	-
Total equity	46,579,645	65	44,280,924	63
TOTAL	$ 71,992,784	100	$ 70,323,049	100

The accompanying notes are an integral part of the parent company only financial statements.

(With Deloitte & Touche audits' report dated February 23, 2024)

WALSIN TECHNOLOGY CORPORATION
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2023		2022	
	Amount	%	Amount	%
NET SALES (Notes 4 and 25)	$ 15,331,021	100	$ 15,844,548	100
COST OF SALES (Notes 11 and 25)	13,777,117	90	15,211,406	96
GROSS PROFIT	1,553,904	10	633,142	4
(UNREALIZED) REALIZED GAIN ON TRANSACTIONS WITH SUBSIDIARIES	(112,162)	(1)	638,856	4
REALIZED GROSS PROFIT	1,441,742	9	1,271,998	8
OPERATING EXPENSES				
Selling and marketing expenses	280,434	2	294,063	2
General and administrative expenses	245,097	1	249,937	2
Research and development expenses	290,384	2	338,148	2
Total operating expenses	815,915	5	882,148	6
PROFIT FROM OPERATIONS	625,827	4	389,850	2
NON-OPERATING INCOME AND EXPENSES				
Interest income	380,948	3	71,277	-
Rental income	17,719	-	5,379	-
Dividend income (Note 25)	161,094	1	196,526	1
Other income (Note 25)	13,021	-	87,982	1
Gain (loss) on disposal of investments	6,703	-	(205)	-
Gain (loss) on financial assets at FVTPL	67,407	-	(93,227)	(1)
Other expenses	(20,600)	-	(11,769)	-
Loss on disposal of property, plant and equipment (Note 25)	(9,261)	-	(257)	-
Foreign exchange (loss) gain, net	(14,266)	-	284,868	2
Interest expense	(297,896)	(2)	(198,116)	(1)
Share of profit of subsidiaries and associates accounted for using the equity method (Notes 4 and 12)	1,184,724	8	957,241	6
Total non-operating income and expenses	1,489,593	10	1,299,699	8
PROFIT BEFORE INCOME TAX	2,115,420	14	1,689,549	10
INCOME TAX EXPENSE (Notes 4 and 21)	(130,824)	(1)	(38,962)	-
NET PROFIT FOR THE YEAR	1,984,596	13	1,650,587	10

(Continued)

WALSIN TECHNOLOGY CORPORATION

PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2023		2022	
	Amount	%	Amount	%
OTHER COMPREHENSIVE INCOME (LOSS)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans	$ (37,009)	-	$ 41,473	-
Unrealized gain on investments in equity instruments at fair value through other comprehensive income	1,241,401	8	322,952	2
Share of the other comprehensive loss of subsidiaries and associates accounted for using the equity method	772,987	5	(1,224,580)	(7)
Items that may be reclassified subsequently to profit or loss:				
Share of the other comprehensive income of subsidiaries and associates accounted for using the equity method	(486,978)	(3)	1,287,789	8
Other comprehensive income for the year, net	1,490,401	10	427,634	3
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	$ 3,474,997	23	$ 2,078,221	13
EARNINGS PER SHARE (Notes 4 and 22)				
Basic	$ 4.09		$ 3.40	
Diluted	$ 4.00		$ 3.35	

The accompanying notes are an integral part of the parent company only financial statements.

(With Deloitte & Touche audits' report dated February 23, 2024) (Concluded)

WALSIN TECHNOLOGY CORPORATION

PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
(In Thousands of New Taiwan Dollars)

	Share Capital			Retained Earnings			Other Equity			
	Shares (In Thousands)	Share Capital	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translation of the Financial Statements of Foreign Operations	Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income	Treasury Shares	Total Equity
BALANCE, JANUARY 1, 2022	485,804	$ 4,858,043	$ 3,111,622	$ 3,938,069	$ 1,096,797	$ 29,630,926	$ (2,479,278)	$ 4,469,043	$ (236,380)	$ 44,388,842
Appropriation of the 2021 earnings (Note 19)										
Legal reserve	-	-	-	798,027	-	(798,027)	-	-	-	-
Cash dividends distributed by the Company	-	-	-	-	-	(2,186,119)	-	-	-	(2,186,119)
Other changes in capital surplus (Note 19)										
Change in capital surplus from associates accounted for using the equity method	-	-	(401)	-	-	(122)	-	-	-	(523)
Changes in percentage of ownership interests in subsidiaries	-	-	(62)	-	-	607	(47)	5	-	503
Net profit for the year ended December 31, 2022	-	-	-	-	-	1,650,587	-	-	-	1,650,587
Other comprehensive income (loss) for the year ended December 31, 2022	-	-	-	-	-	41,473	1,287,789	(901,628)	-	427,634
Total comprehensive income (loss) for the year ended December 31, 2022	-	-	-	-	-	1,692,060	1,287,789	(901,628)	-	2,078,221
Disposal of investments in equity instruments designated as at fair value through other comprehensive income	-	-	-	-	-	63,887	-	(63,887)	-	-
BALANCE, DECEMBER 31, 2022	485,804	4,858,043	3,111,159	4,736,096	1,096,797	28,403,212	(1,191,536)	3,503,533	(236,380)	44,280,924
Appropriation of the 2022 earnings (Note 19)										
Legal reserve	-	-	-	175,643	-	(175,643)	-	-	-	-
Cash dividends distributed by the Company	-	-	-	-	-	(1,165,930)	-	-	-	(1,165,930)
Other changes in capital surplus (Note 19)										
Change in capital surplus from associates accounted for using the equity method	-	-	5,253	-	-	-	-	-	-	5,253
Changes in percentage of ownership interests in subsidiaries	-	-	-	-	-	(15,599)	-	-	-	(15,599)
Net profit for the year ended December 31, 2023	-	-	-	-	-	1,984,596	-	-	-	1,984,596
Other comprehensive income for the year ended December 31, 2023	-	-	-	-	-	(37,009)	(486,978)	2,014,388	-	1,490,401
Total comprehensive income for the year ended December 31, 2023	-	-	-	-	-	1,947,587	(486,978)	2,014,388	-	3,474,997
Disposal of investments in equity instruments designated as at fair value through other comprehensive income	-	-	-	-	-	354,029	-	(354,029)	-	-
BALANCE, DECEMBER 31, 2023	485,804	$ 4,858,043	$ 3,116,412	$ 4,911,739	$ 1,096,797	$ 29,347,656	$ (1,678,514)	$ 5,163,892	$ (236,380)	$ 46,579,645

The accompanying notes are an integral part of the parent company only financial statements.

(With Deloitte & Touche audits' report dated February 23, 2024)

WALSIN TECHNOLOGY CORPORATION

PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
(In Thousands of New Taiwan Dollars)

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	$ 2,115,420	$ 1,689,549
Adjustments for:		
Depreciation expense	2,919,447	3,187,316
Amortization expense	40,764	35,473
Expected credit loss reversed on trade receivables	-	(1,300)
Net (gain) loss on financial assets at FVTPL	(67,407)	93,227
Interest expense	297,896	198,116
Interest income	(380,948)	(71,277)
Dividend income	(161,094)	(196,526)
Share of profit of subsidiaries and associates accounted for using the equity method	(1,184,724)	(957,241)
Loss on disposal of property, plant and equipment	9,261	257
(Gain) loss on disposal of investments	(6,703)	205
Impairment loss (gain) recognized on property, plant and equipment and investment property	17,651	(38,949)
Write-downs of inventories	40,176	124,964
Unrealized (realized) gross profit on the transactions with associates	112,162	(638,856)
Realized gain on transactions with associates	(1,816)	(3,507)
Net loss on foreign currency exchange	306,621	66,837
Other non-cash item	-	(61,328)
Changes in operating assets and liabilities		
Notes receivable from unrelated parties	(2,084)	15,268
Trade receivables from unrelated parties	30,065	346,927
Trade receivables from related parties	93,657	536,515
Other receivables from unrelated parties	(16,053)	18,500
Other receivables from related parties	(30,690)	(28,474)
Inventories	141,903	607,259
Other current assets	48,925	42,414
Trade payables to unrelated parties	623,076	(603,416)
Trade payables to related parties	(226,034)	(136,334)
Other payables	(161,353)	(741,330)
Other current liabilities	(12,472)	(5,737)
Other non-current liabilities	(7,955)	(3,686)
Cash generated from operations	4,537,691	3,474,866
Interest received	255,376	52,224
Dividend received	600,230	688,314
Interest paid	(230,058)	(129,373)
Income tax paid	(231,323)	(394,803)
Net cash generated from operating activities	4,931,916	3,691,228

(Continued)

WALSIN TECHNOLOGY CORPORATION

PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
(In Thousands of New Taiwan Dollars)

	2023	2022
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets at fair value through other comprehensive income	$ (268,743)	$ (96,556)
Proceeds from financial assets at fair value through other comprehensive income	407,229	145,663
(Purchase of) proceeds from financial assets at amortized cost	(7,141,453)	28,738
Purchase of financial assets at fair value through profit or loss	(25,000)	-
Proceeds from financial assets at fair value through profit or loss	168,149	54,231
Acquisition of long-term equity investment for using the equity method	(642,762)	(21,133)
Proceeds from long-term equity investment for using the equity method	-	55,357
Proceeds from capital return of investments accounted for using the equity method	-	2,483,122
Payments for property, plant and equipment	(1,128,671)	(2,174,874)
Proceeds from disposal of property, plant and equipment	15,895	10,422
Decrease in guarantee deposits paid	3,644	5,442
Payments for intangible assets	(15,708)	(27,545)
Decrease (increase) in receivables from related parties for advances or borrowings	279,058	(119,359)
Proceeds from investment property	-	220,000
Decrease in finance lease receivables	15,126	14,600
Net cash (used in) generated from investing activities	(8,333,236)	578,108
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in short-term borrowings	709,100	1,520,389
Repayments of long-term borrowings	(356,834)	(102,000)
Increase (decrease) in guarantee deposits received	95	(3,372)
Repayment of the principal portion of lease liabilities	(58,495)	(60,378)
Cash dividends	(1,165,922)	(2,186,104)
Net cash used in financing activities	(872,056)	(831,465)
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(4,273,376)	3,437,871
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	4,677,249	1,239,378
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	$ 403,873	$ 4,677,249

The accompanying notes are an integral part of the parent company only financial statements.

(With Deloitte & Touche audits' report dated February 23, 2024) (Concluded)

1. GENERAL INFORMATION

Walsin Technology Corporation (the "Company") was incorporated in the Republic of China (ROC) on July 29, 1970 and was engaged in the design, development and manufacture of semiconductors and LED (light-emitting diode) chips. On July 1, 1992, the Company purchased the machinery, equipment and inventory from the electronic department of Walsin Lihwa Corporation and changed its main operations to become the manufacturer and seller of passive components. The Company's ordinary shares began trading on the Taipei Exchange on November 21, 1997, and transferred listing of its shares for trading on the Taiwan Stock Exchange on September 17, 2001.

The Company's main business location is No. 566-1, Gaoshi Road, Yangmei District, Taoyuan City, Taiwan, the R.O.C.

The parent company only financial statements of the Company are presented in the Company's functional currency, the New Taiwan dollar.

2. APPROVAL OF FINANCIAL STATEMENTS

The parent company only financial statements were approved by the Company's board of directors on February 23, 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 Company's accounting policies.

b. The IFRS Accounting Standards endorsed by the FSC for application starting from 2024

New, Amended and Revised Standards and Interpretations	Effective Date Announced by IASB (Note 1)
Amendments to IFRS 16 "Leases Liability in a Sale and Leaseback"	January 1, 2024 (Note 2)
Amendments to IAS 1 "Classification of Liabilities as Current or Non-current"	January 1, 2024
Amendments to IAS 1 "Non-current Liabilities with Covenants"	January 1, 2024
Amendments to IAS 7 and IFRS 7 "Supplier Finance Arrangements"	January 1, 2024 (Note 3)

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

Note 2: A seller-lessee shall apply the Amendments to IFRS 16 retrospectively to sale and leaseback transactions entered into after the date of initial application of IFRS 16.

Note 3: The amendments provide some transition relief regarding disclosure requirements.

As of the date the parent company only financial statements were authorized for issue, the Company has assessed that the application of other standards and interpretations will not have a material impact on the Company's financial position and financial performance.

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 1)
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
Amendments to IAS 21: Lack of Exchangeability	January 1, 2025 (Note 2)

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

Note 2: An entity shall apply those amendments for annual reporting periods beginning on or after January 1, 2025. Upon initial application of the amendments, the entity recognizes any effect as an adjustment to the opening balance of retained earnings. When the entity use a presentation currency other than its functional currency, it shall, at the date of initial application, recognize any effect as an adjustment to the cumulative amount of translation differences in equity.

As of the date the parent company only financial statements were authorized for issue, the Company is continuously assessing the possible impact of the application of other standards and interpretations on the Company'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

The parent company only financial statements have been prepared in conformity with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

b. Basis of preparation

The parent company only financial statements have been prepared on the historical cost basis except for financial instruments and net defined benefit liabilities which are measured at the present value of the defined benefit obligation less the fair value of plan assets.

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.

When preparing these parent company only financial statements, the Company used the equity method to account for its investments in subsidiaries and associates. In order for the amounts of the net profit for the year, other comprehensive income for the year and total equity in the parent company only financial statements to be the same as the amounts attributable to the owners of the Company in its consolidated financial statements, adjustments arising from the differences in accounting treatments between the basis and the consolidated basis were made to investments accounted for using the equity method, the share of profit or loss of subsidiaries and associates, the share of other comprehensive income of subsidiaries and associates and the related equity items, as appropriate, in these financial statements.

c. Classification of current and non-current assets and liabilities

Current assets include:

1) Assets held primarily for the purpose of trading;

2) Assets expected to be realized within 12 months after the reporting period, and

3) Cash and cash equivalents 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:

1) Liabilities held primarily for the purpose of trading;

2) Liabilities due to be settled within 12 months after the reporting period; and

3) Liabilities for which the Company 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.

d. Foreign currencies

In preparing the financial statements, transactions in currencies other than the entity's functional currency (i.e., foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions.

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Exchange differences on monetary items arising from settlement or translation are recognized in profit or loss in the period in which they arise.

Non-monetary items measured at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Exchange differences arising from the retranslation of non-monetary items are included in profit or loss for the period except for exchange differences arising from the retranslation of non-monetary items in respect of which gains and losses are recognized directly in other comprehensive income, in which case, the exchange differences are also recognized directly in other comprehensive income.

Non-monetary items that are measured at historical cost in a foreign currency are retranslated using the exchange rate at the date of the transaction.

For the purposes of presenting the parent company only financial statements, the functional currencies of the Company (including subsidiaries and associates in other countries that use currency different from the currency of the Company) are translated into the presentation currency - the U.S. dollars as follows: Assets and liabilities are translated at the exchange rates prevailing at the end of the reporting period; income and expense items are translated at the average exchange rates for the period. The resulting currency translation differences are recognized in other comprehensive income (attributed to the owners of the Company and non-controlling interests as appropriate).

On the disposal of a foreign operation (i.e., a disposal of the Company's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in a joint arrangement or an associate that includes a foreign operation of which the retained interest becomes a financial asset), all of the exchange differences accumulated in equity in respect of that operation are reclassified to profit or loss.

In relation to partial disposal of a subsidiary that does not result in the Company losing control over the subsidiary, the proportionate share of accumulated exchange differences is re-attributed to non-controlling interests of the subsidiary and is not recognized in profit or loss. For all other partial disposals, the proportionate share of the accumulated exchange differences recognized in other comprehensive income is reclassified to profit or loss.

e. Inventories

Inventories consist of raw materials, supplies, finished goods, work in progress and semi-finished goods and are stated at the lower of cost or net realizable value. Inventory write-downs are made by item, except where it may be appropriate to group similar or related items. Net realizable value is the estimated selling price of inventories less all estimated costs of completion and costs necessary to make the sale. Inventories are recorded at the weighted-average cost on the balance sheet date.

f. Investment in subsidiaries

Investments accounted for using the equity method include investments in subsidiaries and associates.

A subsidiary is an entity that is controlled by the Company.

Under the equity method, an investment in a subsidiary is initially recognized at cost and adjusted thereafter to recognize the Company's share of profit or loss and other comprehensive income of the subsidiary as well as the distribution received. The Company also recognized its share in the changes in the equity of subsidiaries.

Changes in the Company's ownership interests in subsidiaries that do not result in the Company losing control over the subsidiaries are accounted for as equity transactions. Any difference between the carrying amount of the subsidiary and the fair value of the consideration paid or received is recognized directly in equity.

When the Company's share of loss of a subsidiary exceeds its interest in that subsidiary (which includes any carrying amount of the investment accounted for using the equity method and long-term interests that, in substance, form part of the Company's net investment in the subsidiary), the Company continues recognizing its share of further loss.

Any excess of the cost of acquisition over the Company's share of the net fair value of the identifiable assets and liabilities of a subsidiary that constitutes a business at the date of acquisition is recognized as goodwill, which is included within the carrying amount of the investment and is not amortized. Any excess of the Company's share of the net fair value of the identifiable assets and liabilities of a subsidiary that constitutes a business over the cost of acquisition is recognized immediately in profit or loss.

The Company assesses its investment for any impairment by comparing the carrying amount with the estimated recoverable amount as assessed based on the investee's financial statements as a whole. The impairment loss is recognized when the carrying amount exceeds the recoverable amount. If the recoverable amount of the investment subsequently increases, the Company recognizes a reversal of the impairment loss; the adjusted post-reversal carrying amount should not exceed the carrying amount that would have been recognized had no impairment loss been recognized in prior years. An impairment loss recognized on goodwill cannot be reversed in a subsequent period.

When the Company loses control of a subsidiary, any retained investment of the former subsidiary is measured at the fair value at that date. A gain or loss is recognized in profit or loss and calculated as the difference between (a) the aggregate of the fair value of consideration received and the fair value of any retained interest at the date when control is lost; and (b) the previous carrying amount of the investments in such subsidiary. In addition, the Company shall account for all amounts previously recognized in other comprehensive income in relation to the subsidiary on the same basis as would be required if the subsidiary had directly disposed of the related assets and liabilities.

When the Company transacts with its subsidiaries, profits and losses resulting from the transactions with the subsidiaries are recognized in the Company's financial statements only to the extent of interests in the subsidiaries that are not owned by the Company.

g. Investments in associates

An associate is an entity over which the Company has significant influence and that is neither a subsidiary nor an interest in a joint venture.

The Company uses the equity method to account for its investments in associates.

Under the equity method, investments in an associate are initially recognized at cost and adjusted thereafter to recognize the Company's share of the profit or loss and other comprehensive income of the associate.

Any excess of the cost of acquisition over the Company's share of the net fair value of the identifiable assets and liabilities of an associate at the date of acquisition is recognized as goodwill, which is included within the carrying amount of the investment and is not amortized. Any excess of the Company's share of the net fair value of the identifiable assets and liabilities over the cost of acquisition, after reassessment, is recognized immediately in profit or loss.

When the Company subscribes for additional new shares of the associate at a percentage different from its existing ownership percentage, the resulting carrying amount of the investment differs from the amount of the Company's proportionate interest in the associate and joint ventures. The Company records such a difference as an adjustment to investments with the corresponding amount charged or credited to capital surplus - changes in the Company's share of the equity of associates. If the Company's ownership interest is reduced due to the additional subscription of the new shares of the associate, the proportionate amount of the gains or losses previously recognized in other comprehensive income in relation to that associate is reclassified to profit or loss on the same basis as would be required if the investee had directly disposed of the related assets or liabilities. When the adjustment should be debited to capital surplus, but the capital surplus recognized from investments accounted for using the equity method is insufficient, the shortage is debited to retained earnings.

When the Company's share of losses of an associate equals or exceeds its interest in that associate (which includes any carrying amount of the investment accounted for using the equity method and long-term interests that, in substance, form part of the Company's net investment in the associate), the Company discontinues recognizing its share of further losses. Additional losses and liabilities are recognized only to the extent that the Company has incurred legal obligations, or constructive obligations, or made payments on behalf of that associate.

The entire carrying amount of the investment (including goodwill) is tested for impairment as a single asset by comparing its recoverable amount with its carrying amount. Any impairment loss recognized forms part of the carrying amount of the investment (including goodwill). Any reversal of that impairment loss is recognized to the extent that the recoverable amount of the investment subsequently increases.

The Company discontinues the use of the equity method from the date on which its investment ceases to be an associate. Any retained investment is measured at fair value at that date and the fair value is regarded as its fair value on initial recognition as a financial asset. The difference between the previous carrying amount of the associate attributable to the retained interest and its fair value is included in the determination of the gain or loss on disposal of the associate. The Company accounts for all amounts previously recognized in other comprehensive income in relation to that associate on the same basis as would be required if that associate had directly disposed of the related assets or liabilities. If an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate, the Company continues to apply the equity method and does not remeasure the retained interest.

When the Company entity transacts with its associate, profits and losses resulting from the transactions with the associate are recognized in the parent company only financial statements only to the extent of interests in the associate that are not related to the Company.

h. Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost less accumulated depreciation and accumulated impairment loss.

Property, plant and equipment in the course of construction are measured at cost less any recognized impairment loss. Cost includes professional fees and borrowing costs eligible for capitalization. The products produced to test whether an item of property, plant and equipment is functioning properly before the asset reaches its expectation of use are measured at the lower of cost or net realizable value, and any proceeds from selling and the cost are recognized in profit or loss. Such assets are depreciated and classified into the appropriate categories of property, plant and equipment when completed and ready for their intended use.

Except for freehold land which is not depreciated, the depreciation of property, plant and equipment is recognized using the straight-line method. Each significant part is depreciated separately. The estimated useful lives, residual values and depreciation methods are reviewed at the end of each reporting period, with the effects of any changes in the estimates accounted for on a prospective basis.

On the derecognition of an item of property, plant and equipment, the difference between the sales proceeds and the carrying amount of the asset is recognized in profit or loss.

i. Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation. Investment properties also include land held for currently undetermined future use.

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at cost less accumulated depreciation and accumulated impairment loss. Depreciation is recognized using the straight-line method.

On the derecognition of an investment property, the difference between the net disposal proceeds and the carrying amount of the asset is included in profit or loss.

j. Intangible assets

Intangible assets with finite useful lives that are acquired separately are initially measured at cost and subsequently measured at cost less accumulated amortization and accumulated impairment loss. Amortization is recognized on a straight-line basis. The estimated useful lives, residual values, and amortization methods are reviewed at the end of each reporting period, with the effect of any changes in the estimates accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are measured at cost less accumulated impairment loss.

On derecognition of an intangible asset, the difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss.

k. Impairment of property, plant and equipment, right-of-use asset, investment properties and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its property, plant and equipment, right-of-use asset, investment properties and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Corporate assets are allocated to the individual cash-generating units on a reasonable and consistent basis of allocation.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually and whenever there is an indication that the asset may be impaired.

The recoverable amount is the higher of fair value less costs to sell and value in use. If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount, with the resulting impairment loss recognized in profit or loss.

When an impairment loss is subsequently reversed, the carrying amount of the asset or cash-generating unit is increased to the revised estimate of its recoverable amount, but only to the extent of the carrying amount that would have been determined had no impairment loss been recognized for the asset or cash-generating unit in prior years. A reversal of an impairment loss is recognized in profit or loss.

l. Financial instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

1) Financial assets

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis.

a) Measurement category

Financial assets are classified into the following categories: Financial assets at FVTPL, financial assets at amortized cost, investments in debt instruments and equity instruments at FVTOCI.

i. Financial assets at FVTPL

Financial assets are classified as at FVTPL when such a financial asset is mandatorily classified or designated as at FVTPL. Financial assets mandatorily classified as at FVTPL include investments in equity instruments that are not designated as at FVTOCI criteria.

Financial assets at FVTPL are subsequently measured at fair value, with any gains or losses arising on remeasurement recognized in profit or loss. The net gain or loss recognized in profit or loss does not incorporate any dividends or interest earned on such a financial asset. Fair value is determined in the manner described in Note 24. To the parent company only financial secrets.

ii. Financial assets at amortized cost

Financial assets that meet the following conditions are subsequently measured at amortized cost:

i) The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and

ii) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Subsequent to initial recognition, financial assets at amortized cost, including cash and cash equivalents, and trade receivables at amortized cost, are measured at amortized cost, which equals the gross carrying amount determined using the effective interest method less any impairment loss. Exchange differences are recognized in profit or loss.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of such a financial asset, except for:

i) Purchased or originated credit-impaired financial assets, for which interest income is calculated by applying the credit-adjusted effective interest rate to the amortized cost of such financial assets; and

ii) Financial assets that are not credit-impaired on purchase or origination but have subsequently become credit-impaired, for which interest income is calculated by applying the effective interest rate to the amortized cost of such financial assets in subsequent reporting periods.

A financial asset is credit impaired when one or more of the following events have occurred:

i) Significant financial difficulty of the issuer or the borrower;

ii) Breach of contract, such as a default;

iii) It is becoming probable that the borrower will enter bankruptcy or undergo a financial reorganization; or

iv) The disappearance of an active market for that financial asset because of financial difficulties.

Cash equivalents include time deposits with original maturities within 3 months from the date of acquisition, which are highly liquid, readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These cash equivalents are held for the purpose of meeting short-term cash commitments.

iii. Investments in equity instruments at FVTOCI

On initial recognition, the Company may make an irrevocable election to designate investments in equity instruments as at FVTOCI. Designation as at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognized by an acquirer in a business combination.

Investments in equity instruments at FVTOCI are subsequently measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income and accumulated in other equity. The cumulative gain or loss will not be reclassified to profit or loss on disposal of the equity investments; instead, it will be transferred to retained earnings.

Dividends on these investments in equity instruments are recognized in profit or loss when the Company's right to receive the dividends is established unless the dividends represent a recovery of part of the cost of the investment.

b) Impairment of financial assets and contract assets

The Company recognizes a loss allowance for expected credit losses on financial assets at amortized cost (including trade receivables), investments in debt instruments that are measured at FVTOCI, finance lease receivables, as well as contract assets.

The Company always recognizes lifetime expected credit losses (ECLs) for trade receivables, finance lease receivables and contract assets. For all other financial instruments, the Company recognizes lifetime ECLs when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month ECLs.

For internal credit risk management purposes, the Company considers the following situations as an indication that a financial asset is in default (without taking into account any collateral held by the Company):

i. Internal or external information shows that the debtor is unlikely to pay its creditors.

ii. Financial asset is more than 180 days past due unless the Company has reasonable and corroborative information to support a more lagged default criterion.

The impairment loss of all financial assets is recognized in profit or loss by a reduction in their carrying amounts through a loss allowance account.

c) Derecognition of financial assets

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the asset and any associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes collateralized borrowing for the proceeds received.

On derecognition of a financial asset at amortized cost in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in profit or loss. However, on derecognition of an investment in an equity instrument at FVTOCI, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in profit or loss, and the cumulative gain or loss which had been recognized in other comprehensive income is transferred directly to retained earnings, without recycling through profit or loss.

2) Equity instruments

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments issued by the Company are recognized at the proceeds received, net of direct issue costs.

The repurchase of the Company's equity instruments is recognized and deducted directly from equity, and its carrying amounts are calculated based on weighted average by share types and calculated separately by repurchase category. No gain or loss is recognized in profit or loss on the purchase, sale, issuance or cancellation of the Company's equity instruments.

3) Financial liabilities

a) Subsequent measurement

Financial liabilities are measured at amortized cost using the effective interest method.

b) Derecognition of financial liabilities

The difference between the carrying amount of the financial liability derecognized and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

4) Convertible bonds

The component parts of compound instruments (i.e., convertible bonds) issued by the Company are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

On initial recognition, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recorded as a liability on an amortized cost basis using the effective interest method until extinguished upon conversion or upon the instrument's maturity date. Any embedded derivative liability is measured at fair value.

The conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognized and included in equity, net of income tax effects, and is not subsequently remeasured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised; in which case, the balance recognized in equity will be transferred to capital surplus - share premiums. When the conversion option remains unexercised at maturity, the balance recognized in equity will be transferred to capital surplus - share premiums.

Transaction costs that relate to the issuance of the convertible notes are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are recognized directly in equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component.

m. Provisions

Provisions are measured at the best estimate of the discounted cash flows of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

n. Revenue recognition

The Company identifies contracts with customers, allocates the transaction price to the performance obligations and recognizes revenue when performance obligations are satisfied.

- Revenue from the sale of goods

Revenue from the sale of goods comes from sales of passive components. Sales of passive components are recognized as revenue when the goods are delivered to the customer's specific location or the goods are shipped because it is the time when the customer has full discretion over the manner of distribution and price to sell the goods, has the primary responsibility for sales to future customers and bears the risks of obsolescence. Trade receivables are recognized concurrently.

o. Lease

At the inception of a contract, the Company assesses whether the contract is, or contains, a lease.

1) The Company as lessor

Leases are classified as finance leases whenever the terms of a lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

When the Company subleases a right-of-use asset, the sublease is classified by reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. However, if the head lease is a short-term lease that the Company, as a lessee, has accounted for by applying recognition exemption, the sublease is classified as an operating lease.

Under finance leases, the lease payments comprise fixed payments. The net investment in a lease is measured at (a) the present value of the sum of the lease payments receivable by a lessor and any unguaranteed residual value accrued to the lessor plus (b) initial direct costs and is presented as a finance lease receivable. Finance lease income is allocated to the relevant accounting periods to reflect a constant, periodic rate of return on the Company's net investment outstanding in respect of leases.

Lease payments (less any lease incentives payable) from operating leases are recognized as income on a straight-line basis over the terms of the relevant leases. Initial direct costs incurred in obtaining operating leases are added to the carrying amounts of the underlying assets and recognized as expenses on a straight-line basis over the lease terms.

When a lease includes both land and building elements, the Company assesses the classification of each element separately as a finance or an operating lease based on the assessment as to whether substantially all the risks and rewards incidental to ownership of each element have been transferred to the lessee. The lease payments are allocated between the land and the building elements in proportion to the relative fair values of the leasehold interests in the land element and building element of the lease at the inception of a contract. If the allocation of the lease payments can be made reliably, each element is accounted for separately in accordance with its lease classification. When the lease payments cannot be allocated reliably between the land and building elements, the entire lease is generally classified as a finance lease unless it is clear that both elements are operating leases; in which case, the entire lease is classified as an operating lease.

2) The Company as lessee

The Company recognizes right-of-use assets and lease liabilities for all leases at the commencement date of a lease, except for short-term leases and low-value asset leases accounted for by applying a recognition exemption where lease payments are recognized as expenses on a straight-line basis over the lease terms.

Right-of-use assets are initially measured at cost, which comprises the initial measurement of lease liabilities adjusted for lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs needed to restore the underlying assets, and less any lease incentives received. Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses and adjusted for any remeasurement of the lease liabilities. Right-of-use assets are presented on a separate line in the balance sheets.

Right-of-use assets are depreciated using the straight-line method from the commencement dates to the earlier of the end of the useful lives of the right-of-use assets or the end of the lease terms.

Lease liabilities are initially measured at the present value of the lease payments, which comprise fixed payments. The lease payments are discounted using the interest rate implicit in a lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses the lessee's incremental borrowing rate.

Subsequently, lease liabilities are measured at amortized cost using the effective interest method, with interest expense recognized over the lease terms. When there is a change in a lease term, a change in the amounts expected to be payable under a residual value guarantee, or a change in future lease payments resulting from a change in an index or a rate used to determine those payments, the Company remeasures the lease liabilities with a corresponding adjustment to the right-of-use-assets. However, if the carrying amount of the right-of-use assets is reduced to zero, any remaining amount of the remeasurement is recognized in profit or loss. Lease liabilities are presented on a separate line in the parent company only balance sheets.

The Company negotiates with the lessor for rent concessions as a direct consequence of COVID-19 to change the lease payments originally due by December 31, 2020, which results in the revised consideration for the lease less than, the consideration for the lease immediately preceding the change. There is no substantive change to other terms and conditions. The Company elects to apply the practical expedient to [all of these rent concessions and, therefore, does not assess whether the rent concessions are lease modifications. Instead, the Company recognizes the reduction in lease payment in profit or loss as, in the period in which the events or conditions that trigger the concession occur, and makes a corresponding adjustment to the lease liability.

p. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are added to the cost of those assets, until the assets are substantially ready for their intended use or sale.

Other than that which is stated above, all other borrowing costs are recognized in profit or loss in the period in which they are incurred.

q. Government grants

Government grants are not recognized until there is reasonable assurance that the Company will comply with the conditions attached to them and that the grants will be received.

Government grants are recognized in profit or loss on a systematic basis over the periods in which the Company recognizes as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets are recognized as deferred revenue and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs are recognized in profit or loss in the period in which they are received.

The benefit of a government loan received at a below-market rate of interest is treated as a government grant measured as the difference between the proceeds received and the fair value of the loan based on prevailing market interest rates.

r. Employee benefits

1) Short-term employee benefits

Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related services.

2) Retirement benefits

Payments to defined contribution retirement benefit plans are recognized as an expense when employees have rendered services entitling them to the contributions.

Defined benefit costs (including service cost, net interest and remeasurement) under defined benefit retirement benefit plans are determined using the projected unit credit method. Service cost (including current service cost) and net interest on the net defined benefit liabilities (assets) are recognized as employee benefits expense in the period in which they occur. Remeasurement, comprising actuarial gains and losses and the return on plan assets (excluding interest), is recognized in other comprehensive income in the period in which it occurs. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss.

Net defined benefit liabilities (assets) represent the actual deficit (surplus) in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any refunds from the plans or reductions in future contributions to the plans.

s. Share-based payment arrangements

Equity-settled share-based payment arrangements are granted to employees. The fair value at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's best estimates of the number of shares or options that are expected to ultimately vest, with a corresponding increase in capital surplus - employee share option. The expense is recognized in full at the grant date if the grants are vested immediately. The grant date of treasury shares transferred to employees is the date on which the board of directors approves the transaction.

t. Taxation

The income tax expense represents the sum of the tax currently payable and deferred tax.

1) Current tax

Income tax payable (recoverable) is based on taxable profit (loss) for the year determined according to the applicable tax laws of each tax jurisdiction.

According to the Income Tax Act in the ROC, an additional tax on unappropriated earnings is provided for in the year the shareholders approve to retain earnings.

Adjustments of prior years' tax liabilities are added to or deducted from the current year's tax provision.

2) Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences and unused loss carryforward to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. A previously unrecognized deferred tax asset is also reviewed at the end of each reporting period and recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liabilities are settled or the assets are realized, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

5. MATERIAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the adoption of the Company's accounting policies, management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates.

When developing material accounting estimates, the Company considers the possible impact of other relevant material estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

Material Accounting Judgments

a. Significant influence over associates

- The Company is the single largest shareholder with less than 50% of the voting rights on an investee, and the Company does not have control but has significant influence over the investee.

  As stated in Note 12 to the parent company only financial statements, the Company is the single largest shareholder with 20.32% (included the shares held by Prosperity Dielectrics Co., Ltd. for a total of 21.39%) voting rights in HannStar Board Corporation. Considering the Company's ownership proportion relative to the size and dispersed shareholdings of other shareholders, the Company is not able to direct the relevant activities of and does not have control over HannStar Board Corporation. Consequently, the management considered that the Company has significant influence over HannStar Board Corporation and, therefore, classified HannStar Board Corporation as an associate.

  As stated in Note 12 to the parent company only financial statements, the Company is the single largest shareholder with 25% of the voting rights in Silitech Technology Corporation. Considering the Company's ownership proportion relative to the size and dispersed shareholdings of other shareholders, the Company is not able to direct the relevant activities and does not have control over Silitech Technology Corporation. Consequently, the management considered that the Company has significant influence over Silitech Technology Corporation and, therefore, classified Silitech Technology Corporation as an associate.

b. Control over subsidiaries

As stated in Note 12 to the parent company only financial statements, although Prosperity Dielectrics Co., Ltd. is a subsidiary of the Company, the Company holds less than half of the voting rights in Prosperity Dielectrics Co., Ltd. After considering the Company's substantial holdings in Prosperity Dielectrics Co., Ltd. and the relative size of and dispersed shareholdings of other shareholders, the Company concluded that it has a sufficiently dominant voting interest to direct the relevant activities of Prosperity Dielectrics Co., Ltd. and, therefore, the Company has control over Prosperity Dielectrics Co., Ltd.

As stated in Note 12 to the parent company only financial statements, although Inpaq Technology Co., Ltd. is a subsidiary of the Company, the Company holds less than half of the voting rights in Inpaq Technology Co., Ltd. After considering the Company's substantial holdings in Inpaq Technology Co., Ltd. and the relative size of and dispersed shareholdings of other shareholders, the Company concluded that it has a sufficiently dominant voting interest to direct the relevant activities of Inpaq Technology Co., Ltd. and, therefore, the Company has control over Inpaq Technology Co., Ltd.

As stated in Note 12 to the parent company only financial statements, the Company holds less than 20% of the voting rights of Soshin Electric Co., Ltd. However, after including the subsidiary, Kamaya Electric Co., Ltd., the Company has a total of 50.08% ownership and, therefore, has control over Soshin Electric Co., Ltd.

Key Sources of Estimation Uncertainty: None

6. CASH AND CASH EQUIVALENTS

	December 31	
	2023	**2022**
Cash on hand	$ 922	$ 942
Checking accounts and demand deposits	241,396	690,763
Cash equivalents		
Time deposits with original maturities of less than 3 months	161,555	3,985,544
	$ 403,873	$ 4,677,249

a. The market rate intervals of cash in bank at the end of the reporting period were as follows (except the market rate of checking accounts was 0%):

	December 31	
	2023	**2022**
Bank balance	0.001%-5.76%	0.001%-4.85%

b. Time deposits in the amounts of $57,472 thousand and $100,472 thousand as of December 31, 2023 and 2022, respectively, have been provided as guarantees for tariff and court and recognized under financial assets at amortized cost and guarantee deposits paid (refer to Note 26 to the financial statements).

7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	December 31	
	2023	2022
Financial assets at fair value through profit or loss (FVTPL) - current		
Financial assets mandatorily classified as at FVTPL		
Non-derivative financial assets		
Domestic listed shares	$ 146,530	$ 240,569
Financial assets at FVTPL - non-current		
Financial assets mandatorily classified as at FVTPL		
Non-derivative financial assets		
Limited partnership	$ 25,000	$ -

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

Investments in Equity Instruments at FVTOCI

	December 31	
	2023	2022
Non-current		
Domestic investments		
Listed shares		
Walton Advanced Engineering Inc.	$ 486,020	$ 361,726
Giga-Byte Technology Co., Ltd.	2,284,940	914,835
Walsin Lihwa Co., Ltd.	1,902,914	2,323,870
Unlisted shares		
Chin-Xin Investment Co., Ltd.	436,830	395,009
Euroc Venture Capital Corp.	-	310
Foreign investments		
Unlisted shares		
Sawnics Inc.	-	12,113
	$ 5,110,704	$ 4,007,863

These investments in equity instruments are not held for trading. Instead, they are held for medium- to long-term strategic purposes. Accordingly, the management selected 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 Company's strategy of holding these investments for long-term purposes.

In 2023, the Company sold its shares in Giga-Byte Technology Co., Ltd. and Sawnics Inc. for investment purposes. The shares sold had a fair value of $406,309 thousand and its related unrealized valuation gain of $340,139 thousand was transferred from other equity to retained earnings.

9. FINANCIAL ASSETS AT AMORTIZED COST

	December 31	
	2023	2022
Current		
Time deposits with original maturities of more than 3 months	$ 4,708,292	$ 622,835
Non-current		
Foreign corporate bonds	$ 2,898,838	$ 105,357

The market interest rate intervals of time deposits with original maturities of more than 3 months at the end of the reporting period were as follows:

	December 31	
	2023	2022
Time deposits with original maturities of more than 3 months and foreign corporate bonds, etc.	0.54%-5.90%	0.21%-5.35%

Refer to Note 26 to the financial statements for information relating to investments in financial assets at amortized cost pledged as security.

10. NOTES RECEIVABLE AND TRADE RECEIVABLES

	December 31	
	2023	2022
Notes receivable from unrelated parties		
At amortized cost		
Notes receivable from unrelated parties	$ 7,170	$ 5,086
Less: Allowance for impairment loss	-	-
	$ 7,170	$ 5,086
Trade receivables from unrelated parties		
At amortized cost		
Trade receivables from unrelated parties	$ 1,043,668	$ 1,094,294
Less: Allowance for impairment loss	(8,537)	(8,537)
	$ 1,035,131	$ 1,085,757
Trade receivables from related parties (Note 26)		
At amortized cost		
Trade receivables from related parties	$ 1,838,239	$ 1,958,516

Less: Allowance for impairment loss	-	-
	$ 1,838,239	$ 1,958,516

The average credit period of sales of goods was 90 to 120 days. No interest was charged on trade receivables. The Company adopted a policy of only dealing with entities that are rated the equivalent of investment grade or higher and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. Credit rating information is obtained from independent rating agencies where available or, if not available, the Company uses other publicly available financial information or its own trading records to rate its major customers. The Company's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counterparty credit limits that are reviewed and approved by enterprise risk management division annually.

In order to minimize credit risk, the management of the Company 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 overdue debts. In addition, the Company 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 Company's credit risk was significantly reduced.

The Company applies the simplified approach to providing for expected credit losses prescribed by IFRS 9, which permits the use of lifetime expected loss provision for all trade receivables. The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of economic conditions at the reporting date. As the Company's historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision for loss allowance based on past due status is not further distinguished according to the Company's different customer base.

The Company writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery. For trade receivables that have been written off, the Company 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 following table details the loss allowance of notes receivable and trade receivables based on the overdue aging ratio and individual customer evaluation method.

December 31, 2023

	Not Past Due	Up to 30 Days	31 to 60 Days	61 to 90 Days	91 to 180 Days	Over 180 Days	Total
Expected credit loss rate	0.1%-4%	5%	10%	20%	50%	100%	
Gross carrying amount	$ 1,022,698	$ 15,518	$ 12,622	$ -	$ -	$ -	$ 1,050,838
Loss allowance (Lifetime ECLs)	(6,499)	(776)	(1,262)	-	-	-	(8,537)
Amortized cost	$ 1,016,199	$ 14,742	$ 11,360	$ -	$ -	$ -	$ 1,042,301

December 31, 2022

	Not Past Due	Up to 30 Days	31 to 60 Days	61 to 90 Days	91 to 180 Days	Over 180 Days	Total
Expected credit loss rate	0.1%-4%	5%	10%	20%	50%	100%	
Gross carrying amount	$ 1,058,722	$ 8,306	$ 32,352	$ -	$ -	$ -	$ 1,099,380
Loss allowance (Lifetime ECLs)	(4,887)	(415)	(3,235)	-	-	-	(8,537)
Amortized cost	$ 1,053,835	$ 7,891	$ 29,117	$ -	$ -	$ -	$ 1,090,843

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

	December 31	
	2023	2022
Balance at January 1	$ 8,537	$ 9,837
Less: Reversal of impairment losses	-	(1,300)
Balance at December 31	$ 8,537	$ 8,537

Reversal of impairment losses resulted from total gross receivables (except related parties) decreased by $48,542 thousand and decrease in overdue payments compared to January 1, 2023. Decrease in loss allowance resulted from the total gross receivables (except related parties) decreased by $367,447 thousand and decrease in overdue accounts receivable as of December 31, 2022.

11. INVENTORIES

	December 31	
	2023	2022
Raw materials	$ 318,248	$ 303,245
Supplies	25,862	25,506
Work in progress	385,715	356,079
Semi-finished goods	510,259	656,020
Finished goods	315,769	397,082
	$ 1,555,853	$ 1,737,932

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

	December 31	
	2023	2022
Cost of inventories sold	$ 11,900,611	$ 12,865,515
Unallocated manufacturing expense	1,836,330	2,220,927
Inventory losses	40,176	124,964
	$ 13,777,117	$ 15,211,406

12. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	December 31	
	2023	2022
Investments in subsidiaries	$ 31,929,804	$ 31,201,235
Investments in associates	7,881,143	7,053,510
	$ 39,810,947	$ 38,254,745

a. Investments in subsidiaries

Investment in Subsidiaries	December 31 2023	December 31 2022
Listed shares		
Prosperity Dielectrics Co., Ltd. (Note)	$ 2,894,824	$ 2,710,372
Inpaq Technology Co., Ltd. (Note)	2,574,933	2,197,974
Soshin Electric Co., Ltd. (Note)	44,897	48,255
Unlisted shares		
Pan Overseas (B.V.I.) Investments Co., Ltd.	2,263,388	2,284,994
Gallatown Developments Ltd.	24,101,659	23,951,200
Walsin Technology Europe B.V.	50,103	8,440
	$ 31,929,804	$ 31,201,235

Note: Control over subsidiaries, please refer to Note 5(b) to the financial statements.

b. Investments in associates

Investment in Associates	December 31 2023	December 31 2022
Material associates		
HannStar Board Corp. (Note)	$ 6,236,694	$ 5,594,150
Associates that are not individually material		
Silitech Technology Corporation (Note)	729,828	730,145
Tsai Yi Corporation	804,561	626,698
Falcon Automation Equipment Corporation	97,823	102,517
Walsin New Energy Corporation	12,237	-
	$ 7,881,143	$ 7,053,510

Note: Significant influence over associates, please refer to Note 5(a) to the parent company only financial statements.

c. Share of profit (loss) of associates for the years ended December 31, 2023 and 2022 were summarized as follows:

	2023	2022
Subsidiaries		
Prosperity Dielectrics Co., Ltd.	$ 196,570	$ 165,001
Pan Overseas (B.V.I.) Investments Co., Ltd.	26,265	(19,889)
Gallatown Developments Ltd.	231,403	(81,364)
Inpaq Technology Co., Ltd.	227,693	197,086
Soshin Electric Co., Ltd.	(564)	(1,832)
Walsin Technology Europe B.V.	(61,853)	(6,022)
Material Associates		

HannStar Board Corp.	544,514	652,018

(Continued)

	2023	2022
Associates that are not individually material		
Tsai Yi Corporation	$ 6,278	$ 1,435
Falcon Automation Equipment Corporation	(4,694)	27,972
Silitech Technology Corporation	19,375	24,709
Joyin Co., Ltd. (Note)	-	(1,873)
Walsin New Energy Corporation	(263)	-
	$ 1,184,724	$ 957,241

(Concluded)

Note: It were fully sold for Prosperity Dielectrics Co., Ltd. in July 2022.

d. The proportion of ownership and voting rights in subsidiaries and associates held by the Company were as follows:

	December 31	
Name of Associate	**2023**	**2022**
Prosperity Dielectrics Co., Ltd.	43.13%	43.13%
HannStar Board Corp.	20.32%	20.32%
Pan Overseas (B.V.I.) Investments Co., Ltd.	100.00%	100.00%
Gallatown Developments Ltd.	89.15%	89.06%
Walsin Technology Europe B.V.	100.00%	100.00%
Tsai Yi Corporation	26.62%	26.62%
Falcon Automation Equipment Corporation	43.90%	43.90%
Inpaq Technology Co., Ltd.	34.76%	34.13%
Silitech Technology Corporation	25.00%	25.00%
Soshin Electric Co., Ltd.	1.93%	1.93%
Walsin New Energy Corporation	25.00%	-

Refer to Table 6 “Information on Investees” to the financial statements for the nature of activities, principal places of business and countries of incorporation of the associates.

e. Fair values (Level 1) of investments with available published price quotations were summarized as follows:

	December 31	
Name of Associate	**2023**	**2022**
Prosperity Dielectrics Co., Ltd.	$ 3,616,590	$ 2,592,759
HannStar Board Corp.	$ 5,938,171	$ 3,398,609
Inpaq Technology Co., Ltd.	$ 4,323,852	$ 2,478,560
Silitech Technology Corporation	$ 648,550	$ 562,700
Soshin Electric Co., Ltd.	$ 21,367	$ 28,412

f. The share of profit or loss and other comprehensive income of the investments in subsidiaries and associates accounted for using the equity method for the years ended December 31, 2023 and 2022 were based on the associates’ audited financial statements.

13. PROPERTY, PLANT AND EQUIPMENT

	Land	Buildings and Improvements	Machinery and Equipment	Other Equipment	Construction in Progress and Prepayments for Equipment	Total
Cost						
Balance at January 1, 2023	$ 1,144,368	$ 7,096,784	$ 19,062,090	$ 1,165,034	$ 4,394,316	$ 32,862,592
Additions	-	-	-	-	278,440	278,440
Disposals	-	(6,137)	(110,446)	(17,178)	-	(133,761)
Reclassified	-	405,889	1,541,846	70,344	(2,025,026)	(6,947)
Balance at December 31, 2023	$ 1,144,368	$ 7,496,536	$ 20,493,490	$ 1,218,200	$ 2,647,730	$ 33,000,324
Accumulated depreciation and impairment						
Balance at January 1, 2023	$ -	$ 2,852,047	$ 13,699,111	$ 835,162	$ -	$ 17,386,320
Disposals	-	(6,137)	(86,629)	(15,840)	-	(108,606)
Depreciation expense	-	436,315	2,299,616	134,470	-	2,870,401
Impairment losses recognized	-	-	16,552	-	-	16,552
Balance at December 31, 2023	$ -	$ 3,282,225	$ 15,928,650	$ 953,792	$ -	$ 20,164,667
Carrying amount at December 31, 2023	$ 1,144,368	$ 4,214,311	$ 4,564,840	$ 264,408	$ 2,647,730	$ 12,835,657
Cost						
Balance at January 1, 2022	$ 1,144,368	$ 6,662,901	$ 18,101,637	$ 1,097,250	$ 5,025,632	$ 32,031,788
Additions	-	-	-	-	967,301	967,301
Disposals	-	(3,343)	(122,194)	(10,960)	-	(136,497)
Reclassified	-	437,226	1,082,647	78,744	(1,598,617)	-
Balance at December 31, 2022	$ 1,144,368	$ 7,096,784	$ 19,062,090	$ 1,165,034	$ 4,394,316	$ 32,862,592
Accumulated depreciation and impairment						
Balance at January 1, 2022	$ -	$ 2,451,553	$ 11,225,566	$ 693,606	$ -	$ 14,370,725
Disposals	-	(3,343)	(113,263)	(9,212)	-	(125,818)
Depreciation expense	-	390,062	2,591,243	150,768	-	3,132,073
(Reversal of) impairment losses recognized in profit or loss	-	13,775	(4,435)	-	-	9,340
Balance at December 31, 2022	$ -	$ 2,852,047	$ 13,699,111	$ 835,162	$ -	$ 17,386,320
Carrying amount at December 31, 2022	$ 1,144,368	$ 4,244,737	$ 5,362,979	$ 329,872	$ 4,394,316	$ 15,476,272

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

Buildings	
Main buildings	15-51 years
Electrical mechanical and power equipment	10 years
Engineering system	8 years
Others	3-6 years
Machinery and equipment	1-7 years
Other equipment	3-8 years

b. Transactions with related parties, please refer to Note 25 to the parent company only financial statements.

14. LEASE ARRANGEMENTS

a. Right-of-use assets

	December 31	
	2023	2022
Carrying amount		
Land	$ 182,697	$ 198,327
Buildings	54,380	82,968
Transportation equipment	2,063	2,722
Other equipment	1,470	3,116
	$ 240,610	$ 287,133

	For the Year Ended December 31	
	2023	2022
Additions to right-of-use assets	$ 2,560	$ 114,252
Depreciation charge for right-of-use assets		
Land	$ 15,915	$ 15,877
Buildings	29,526	33,797
Transportation equipment	1,960	1,855
Other equipment	1,645	1,969
	$ 49,046	$ 53,498

b. Lease liabilities

	December 31	
	2023	2022
Carrying amount		
Current	$ 54,767	$ 57,381
Non-current	$ 219,084	$ 268,548

Range of discount rates for lease liabilities were as follows:

	December 31	
	2023	2022
Land	0.90%-1.33%	0.90%-1.33%
Buildings	1.00%-1.725%	1.00%-1.33%
Transportation equipment	0.77%-4.93%	0.795%-4.93%
Other equipment	0.98%-1.00%	0.98%-1.00%

c. Other lease information

	For the Year Ended December 31	
	2023	2022
Expenses relating to short-term leases	$ 13,058	$ 14,501
Expenses relating to low-value asset leases	$ 351	$ 431
Expenses relating to variable lease payments not included in the measurement of lease liabilities	$ 1,481	$ 3,387
Total cash outflow for leases	$(58,495)	$(78,697)

15. INVESTMENT PROPERTIES (MEASURED AT COST MODEL)

	December 31	
	2023	2022
Cost - land	$ 14,285	$ 14,285
Accumulated impairment	(9,833)	(8,734)
	$ 4,452	$ 5,551

In the fourth quarter of 2022, the Company sold its investment property located in Tainan to its subsidiary, PDC., please refer to Note 25 to the financial statements.

Due to the market's inactivity for comparable properties and a lack of alternative reliable measurements, the fair value of the Company's investment properties is not available.

The Company's land revaluation increments as of December 31, 2023 and 2022 were both $6,556 thousand.

16. BORROWINGS

a. Short-term borrowings

	December 31			
	2023		2022	
	Interest Rate	Amount	Interest Rate	Amount
Unsecured borrowings				
Line of credit borrowings	0.45%-1.77%	$ 6,942,979	0.70%-1.85%	$ 6,232,275

b. Long-term borrowings

	December 31	
	2023	2022
Bank of Taiwan		
Unsecured loan; loan period is from March 18, 2020 to March 18, 2025. The principal is repayable on April 15, 2023.	$ 20,439	$ 32,703
Unsecured loan; loan period is from April 8, 2020 to March 18, 2025. The principal is repayable on April 15, 2023.	27,153	43,445
Unsecured loan; loan period is from May 7, 2020 to March 18, 2025. The principal is repayable on April 15, 2023.	27,700	44,320
Unsecured loan; loan period is from July 8, 2020 to March 18, 2025. The principal is repayable on April 15, 2023.	10,931	17,490
Unsecured loan; loan period is from July 20, 2020 to March 18, 2025. The principal is repayable on April 15, 2023.	3,300	5,280
Unsecured loan; loan period is from August 10, 2020 to March 18, 2025. The principal is repayable on April 15, 2023.	38,419	61,470
Unsecured loan; loan period is from September 8, 2020 to March 18, 2025. The principal is repayable on April 15, 2023.	42,894	68,630
Unsecured loan; loan period is from October 8, 2020 to March 18, 2025. The principal is repayable on April 15, 2023.	41,494	66,390
Unsecured loan; loan period is from November 9, 2020 to March 18, 2025. The principal is repayable on April 15, 2023.	41,975	67,160
Unsecured loan; loan period is from December 9, 2020 to March 18, 2025. The principal is repayable on April 15, 2023.	36,162	57,860
Unsecured loan; loan period is from January 8, 2021 to March 18, 2025. The principal is repayable on April 15, 2023.	22,032	35,252
Unsecured loan; loan period is from September 1, 2022 to September 17, 2024. The principal is repayable on December 17, 2023. As of December 31, 2024, the principal has been repaid in full in advance.	-	226,000
Unsecured loan; loan period is from September 2, 2022 to September 17, 2024. The principal is repayable on December 17, 2023. As of December 31, 2024, the principal has been repaid in full in advance.	-	199,500
Unsecured loan; loan period is from September 14, 2022 to September 17, 2024. The principal is repayable on December 17, 2023. As of December 31, 2024, the principal has been repaid in full in advance.	-	300,000

Unsecured loan; loan period is from September 15, 2022 to September 17, 2024. The principal is repayable on December 17, 2023. As of December 31, 2024, the principal has been repaid in full in advance.	-	455,000

(Continued)

	December 31	
	2023	**2022**
Unsecured loan; loan period is from September 16, 2022 to September 17, 2024. The principal is repayable on December 17, 2023. As of December 31, 2024, the principal has been repaid in full in advance.	$ -	$ 749,500
Unsecured loan; loan period is from August 15, 2023 to August 15, 2026. The principal is repayable on November 15, 2025.	2,911,000	-
Unsecured loan; loan period is from November 30, 2023 to August 15, 2026. The principal is repayable on November 15, 2025.	576,000	-
E.SUN Bank		
Unsecured loan; loan period is from April 8, 2020 to March 15, 2025. The principal is repayable on April 15, 2023.	375,000	600,000
Unsecured loan; loan period is from April 20, 2020 to March 15, 2025. The principal is repayable on April 15, 2023.	250,000	400,000
Cathay Bank		
Unsecured loan; loan period is from December 27, 2022 to August 26, 2024. The principal is repayable in full upon maturity. As of December 31, 2024, the principal has been repaid in full in advance.	-	200,000
First Bank		
Unsecured loan; loan period is from April 9, 2021 to March 15, 2026. The principal is repayable from April 15, 2024.	58,520	58,520
Unsecured loan; loan period is from May 10, 2021 to March 15, 2026. The principal is repayable from April 15, 2024.	51,170	51,170
Unsecured loan; loan period is from August 12, 2021 to March 15, 2026. The principal is repayable from April 15, 2024.	179,120	179,120
Unsecured loan; loan period is from August 26, 2021 to March 15, 2026. The principal is repayable from April 15, 2024.	300,000	300,000
Unsecured loan; loan period is from August 27, 2021 to March 15, 2026. The principal is repayable from April 15, 2024.	370,000	370,000
Unsecured loan; loan period is from September 22, 2021 to March 15, 2026. The principal is repayable from April 15, 2024.	41,190	41,190
Unsecured loan; loan period is from April 30, 2020 to	226,667	340,000

April 15, 2025. The principal is repayable from May 15, 2023.		
Unsecured loan; loan period is from May 8, 2020 to April 15, 2025. The principal is repayable from May 15, 2023.	106,667	160,000
Unsecured loan; loan period is from November 30, 2021 to November 15, 2026. The principal is repayable from December 15, 2024.	500,000	500,000

(Continued)

	December 31	
	2023	**2022**
KGI Bank		
Unsecured loan; loan period is from November 21, 2022 to August 25, 2024. As of December 31, 2024, the principal has been repaid in full in advance.	$ -	$ 1,468,000
Chang Hwa Bank		
Unsecured loan; loan period is from September 13, 2021 to April 15, 2025. The principal is repayable from May 15, 2023.	120,000	180,000
Unsecured loan; loan period is from November 12, 2021 to April 15, 2025. The principal is repayable from May 15, 2023.	190,000	285,000
Unsecured loan; loan period is from December 30, 2021 to April 15, 2025. The principal is repayable from May 15, 2023.	156,666	235,000
Unsecured loan; loan period is from May 8, 2020 to April 15, 2025. The principal is repayable from May 15, 2023.	6,667	10,000
Far Eastern Bank		
Unsecured loan; loan period is from September 30, 2022 to September 30, 2025. The principal is repayable in full upon maturity.	180,000	500,000
Cathay Bank		
Unsecured loan; loan period is from July 19, 2023 to August 26, 2025. The principal is repayable in full upon maturity.	180,000	-
KGI Bank		
Unsecured loan; loan period is from September 25, 2023 to September 12, 2026. The principal is repayable from September 12, 2025.	860,000	-
	7,951,166	8,308,000
Less: Current portion	(1,750,833)	(1,448,333)
Long-term borrowings total	$ 6,200,333	$ 6,859,667

(Concluded)

The annual effective interest rate intervals of the above-mentioned borrowings for the years ended December 31, 2023 and 2022 were 1.20%-1.83% and 1.08%-2.20%, respectively.

The Company should maintain certain financial ratios in its annual audited and semiannual reviewed financial statements during the loan duration. The Company's financial statements for the years ended

December 31, 2023 and 2022 showed that the Company was in compliance with the agreed financial ratio requirements.

17. BONDS PAYABLE

	December 31	
	2023	2022
Unsecured domestic convertible bonds	$ 4,778,445	$ 4,715,936
Less: Current portion	(4,778,445)	-
	$ -	$ 4,715,936

On April 29, 2020, the Company issued the first four-year unsecured convertible bonds in Taiwan, with a total amount of $4,800,000 thousand, face value of $100 thousand and coupon rate of 0%. Besides, the terms and conditions of the bonds are as follows:

a. Conversion period: Between July 30, 2020 and April 29, 2024.

b. Conversion price: The initial conversion price was $240 per share. Afterwards, there was subsequent change in share capital (i.e., issuance of share dividends, free allotment of shares, and cash capital increase, etc.). The conversion price shall be adjusted according to the prescribed calculation. The conversion price on December 31, 2023 and 2022 were $210.2 per share and $215.6 per share, respectively.

c. Redemption:

   1) Redeem the bonds upon maturity: The principal is fully redeemed upon maturity.

   2) Redeem the bonds in advance: The Company may redeem the bonds, in whole or in part at face value from the date following 3 months of the expiry of the issuance to the 40th day before the expiry of the issuance period, if the closing price of the ordinary shares on the TWSE, for a period of 30 consecutive trading days, exceeds the conversion price by 30% (inclusive).

   The Company may redeem the bonds at face value from the date following 3 months of the expiry of the issuance to the 40th day before the expiry of the issuance period if the bonds outstanding balance is lower than 10% of the total issuance amount.

d. The convertible bonds contain both liability and equity components. The equity component was presented in equity under capital surplus - options. The effective interest rate of the liability component was 1.318% per annum on initial recognition.

Proceeds from issuance (less transaction costs of $5,000 thousand)	$ 4,795,000
Equity components	(253,440)
Liability components at the date of issue	4,541,560
FVTPL	12,000
Interest charged at an effective interest rate of 1.318%	163,333
Convertible bonds converted into ordinary shares	(957)
Liability components at December 31, 2022	4,715,936
Interest charged at an effective interest rate of 1.318%	62,509
Liability components at December 31, 2023	$ 4,778,445

18. RETIREMENT BENEFIT PLANS

a. Defined contribution 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 make monthly contributions to employees' individual pension accounts at 6% of monthly salaries and wages.

b. Defined benefit plans

The defined benefit plans adopted by the Company are in accordance with the Labor Standards Act and are operated by the government. Pension benefits are calculated on the basis of the length of service and average monthly salaries of the six months before retirement. The Company contribute amounts based on 3% of monthly salaries and wages to a pension fund administered by the pension fund monitoring committee. Pension contributions are deposited in the Bank of Taiwan in the committee's name. Before the end of each year, the Company assesses the balance in the pension fund. If the amount of the balance in the pension fund is inadequate to pay retirement benefits for employees who conform to retirement requirements in the next year, the Company is required to fund the difference in one appropriation that should be made before the end of March of the next year. The pension fund is managed by the Bureau of Labor Funds, Ministry of Labor (the "Bureau"); the Company has no right to influence the investment policy and strategy.

The amounts included in the parent company only balance sheets in respect of the Company's defined benefit plans were as follows:

	December 31	
	2023	**2022**
Present value of defined benefit obligation	$ 221,993	$ 215,471
Fair value of plan assets	(163,648)	(188,716)
Deficit	58,345	26,755
Net defined benefit liabilities	$ 58,345	$ 26,755

Movements in net defined benefit liabilities were as follows:

	Present Value of the Defined Benefit Obligation	**Fair Value of the Plan Assets**	**Net Defined Benefit Liabilities**
Balance at January 1, 2023	$ 215,471	$(188,716)	$ 26,755
Service cost			
Current service cost	1,083	-	1,083
Net interest expense (income)	3,232	(2,870)	362
Recognized in profit or loss	4,315	(2,870)	1,445
Remeasurement			
Actuarial profit - changes in financial assumptions	5,221	-	5,221
Actuarial profit - experience adjustments	35,431	-	35,431
Return on the plan assets	-	(1,107)	(1,107)
Recognized in other comprehensive	40,652	(1,107)	(39,545)

income			
Contributions from the employer	-	(5,498)	(5,498)
Benefits paid from the plan assets	(34,543)	34,543	-
Benefits paid directly by the Company	(3,902)	-	(3,902)
Balance at December 31, 2023	$ 221,993	$(163,648)	$ 58,345

(Continued)

	Present Value of the Defined Benefit Obligation	Fair Value of the Plan Assets	Net Defined Benefit Liabilities
Balance at January 1, 2022	$ 282,426	$(195,112)	$ 87,314
Service cost			
Current service cost	1,573	-	1,573
Net interest expense (income)	1,765	(1,238)	527
Recognized in profit or loss	3,338	(1,238)	2,100
Remeasurement			
Actuarial profit - changes in financial assumptions	(19,332)	-	(19,332)
Actuarial profit - experience adjustments	(21,125)	-	(21,125)
Return on the plan assets	-	(16,415)	(16,415)
Recognized in other comprehensive income	(40,457)	(16,415)	(56,872)
Contributions from the employer	-	(5,787)	(5,787)
Benefits paid from the plan assets	(29,836)	29,836	-
Balance at December 31, 2022	$ 215,471	$(188,716)	$ 26,755

(Concluded)

Through the defined benefit plans under the Labor Standards Act, the Company is exposed to the following risks:

1) Investment risk: The plan assets are invested in domestic and foreign equity and debt securities, bank deposits, etc. The investment is conducted at the discretion of the Bureau or under the mandated management. However, in accordance with relevant regulations, the return generated by plan assets should not be below the interest rate for a 2-year time deposit with local banks.

2) Interest risk: A decrease in the government bond interest rate will increase the present value of the defined benefit obligation; however, this will be partially offset by an increase in the return on the plan's debt investments.

3) Salary risk: The present value of the defined benefit obligation is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the present value of the defined benefit obligation.

The actuarial valuations of the present value of the defined benefit obligation of the Company were carried out by qualified actuaries. The significant assumptions used for the purposes of the actuarial valuations were as follows:

	December 31	
	2023	2022
Discount rates	1.25%	1.50%
Expected rates of salary increase	2.50%	2.50%

If possible reasonable change in each of the significant actuarial assumptions occurs and all other assumptions remain constant, the present value of the defined benefit obligation will increase (decrease) as follows:

	December 31	
	2023	**2022**
Discount rate		
0.25% increase	$ (5,221)	$ (5,101)
0.25% decrease	$ 5,407	$ 5,282
Expected rate of salary increase		
0.25% increase	$ 5,241	$ 5,134
0.25% decrease	$ (5,087)	$ (4,984)

The sensitivity analysis presented above may not be representative of the actual change in the present value of the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

	December 31	
	2023	**2022**
The expected contributions to the plan for the next year	$ 5,586	$ 5,237
The average duration of the defined benefit obligation	9.5 years	9.6 years

19. EQUITY

a. Share capital

Ordinary shares

	December 31	
	2023	**2022**
Number of shares authorized (in thousands)	800,000	800,000
Shares authorized	$ 8,000,000	$ 8,000,000
Number of shares issued and fully paid (in thousands)	485,804	485,804
Shares issued	$ 4,858,043	$ 4,858,043

Fully paid ordinary shares, which have a par value of $10, carry one vote per share and carry a right to dividends.

b. Capital surplus

	December 31	
	2023	**2022**
May be used to offset a deficit, distributed as cash dividends, or transferred to share capital*		

Issuance of ordinary shares	$ 692,809	$ 692,809
Conversion of bonds	1,428,808	1,428,808
Treasury share transactions	574,608	574,608

(Continued)

	December 31	
	2023	**2022**
May be used to offset a deficit only		
Share of changes in capital surplus of associates	$ 166,745	$ 161,492
Others	55	55
Not for other usage		
Share warrants	253,387	253,387
	$ 3,116,412	$ 3,111,159

(Concluded)

* 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 once a year).

c. Retained earnings and dividend policy

Under the dividend policy as set forth in the Company's 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, setting aside or reversing a special reserve in accordance with the laws and regulations, and then any remaining profit together with any undistributed retained earnings shall be used by the Company's board of directors as the basis for proposing a distribution plan, which should be resolved in the shareholders' meeting for the distribution of dividends and bonuses to shareholders. For the policies on the distribution of employees' compensation and remuneration of directors in the Articles, refer to employees' compensation and remuneration of directors in Note 20(b) to the parent company only financial statements.

The Company's Articles also provide that the profit of the Company may be distributed in the form of either cash or share dividends, but the total share dividends distributed shall not exceed 50% of the total dividends distributed. However, should the Company obtain sufficient funds to meet the year's funding requirements, the cash distribution ratio can be raised to 100%. The Company should decide on the most appropriate dividend distribution policy based on the current year's actual operating condition and the following year's capital budget.

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.

The appropriations of earnings for 2022 and 2021 approved in the shareholders' meeting on June 20, 2023 and June 15, 2022, respectively, were as follows:

Appropriation of Earnings	**Dividends Per Share (NT$)**
For the Year Ended December 31	**For the Year Ended December 31**

	2022	2021	2022	2021
Legal reserve	$ 175,643	$ 798,027	$ -	$ -
Cash dividends	1,165,930	2,186,119	2.4	4.5

d. Special reserve

	For the Year Ended December 31	
	2023	2022
Balance of beginning	$ 1,096,797	$ 1,096,797
Balance of ending	$ 1,096,797	$ 1,096,797

As the increase in retained earnings of $1,098,575 thousand generated from the initial application of IFRSs was insufficient for appropriation as dividends, it was appropriated to a special reserve. As the special reserve appropriated by foreign operations (including subsidiaries) due to the exchange differences upon translation of their financial statements was reversed in proportion to the Company's disposal of the foreign operations; upon the Company's loss of significant influence, the entire special reserve relating to exchange differences arising from those foreign operations will be reversed. As of December 31, 2023, the Company accumulated the reversed amount of $1,778 thousand from the special reserve, and the remaining amount was $1,096,797 thousand.

e. Other equity items

1) Exchange differences on translating the financial statements of foreign operations

	For the Year Ended December 31	
	2023	2022
Balance at January 1	$(1,191,536)	$(2,479,278)
Share from associates accounted for using the equity method	(486,978)	1,287,789
Adjustment relating to change in equity of subsidiaries	-	(47)
Balance at December 31	$(1,678,514)	$(1,191,536)

2) Unrealized gain (loss) on financial assets at FVTOCI

	For the Year Ended December 31	
	2023	2022
Balance at January 1	$ 3,503,533	$ 4,469,043
Unrealized gain on investments in equity instruments at FVTOCI	1,241,401	322,952
Share of other comprehensive income from associates accounted for using the equity method	772,987	(1,224,580)
Cumulative unrealized loss of equity instruments transferred to retained earnings due to disposal	(354,029)	(63,887)
Adjustment relating to change in equity of subsidiaries	-	5
Balance at December 31	$ 5,163,892	$ 3,503,533

f. Treasury shares

Treasury share transactions were summarized as follows:

Unit: Shares

	For the Year Ended December 31, 2023			
Purpose of Acquisition	**Treasury Shares Held as of January 1, 2023**	**Increase During the Year**	**Decrease During the Year**	**Treasury Shares Held as of December 31, 2023**
Treasury shares granted to employees	1,000,000	-	-	1,000,000

	For the Year Ended December 31, 2022			
Purpose of Acquisition	**Treasury Shares Held as of January 1, 2022**	**Increase During the Year**	**Decrease During the Year**	**Treasury Shares Held as of December 31, 2022**
Treasury shares granted to employees	1,000,000	-	-	1,000,000

Pursuant to the Securities and Exchange Act of the ROC, the treasury shares held by the Company should not be pledged as collateral, are not eligible for dividends and do not have voting rights.

20. NET PROFIT (LOSS) FROM CONTINUING OPERATIONS

a. Main categories of expenses

	For the Year Ended December 31					
	2023			2022		
	Operating Costs	**Operating Expenses**	**Total**	**Operating Costs**	**Operating Expenses**	**Total**
Employee benefits						
Short-term employee benefits	$ 1,025,585	$ 376,599	$ 1,402,184	$ 1,197,502	$ 409,973	$ 1,607,475
Health insurance and labor insurance	132,336	33,861	166,197	140,078	36,638	176,716
Post-employment benefits	46,586	15,844	62,430	51,056	17,063	68,119
Remuneration of directors	-	22,117	22,117	-	15,989	15,989
Other employee benefits	86,964	17,913	104,877	102,696	18,632	121,328
Depreciation	2,828,712	90,735	2,919,447	3,083,559	103,757	3,187,316
Amortization	245	40,519	40,764	71	35,402	35,473

Note 1: As of December 31, 2023 and 2022, the Company had 2,693 and 2,674 employees, respectively. There were 5 and 6 non-employee directors, respectively.

Note 2: Average labor cost for the years ended December 31, 2023 and 2022 was $646 thousand and $740 thousand, respectively.

Note 3: Average salary and bonus for the years ended December 31, 2023 and 2022 were $522 thousand and $603 thousand, respectively. The average salary and bonus decreased by 13% year over year.

Note 4: The Company did not have supervisors for the years ended December 31, 2023 and 2022.

Note 5: The Company's policy for remuneration of directors, independent directors, managers, and employees is as follows:

a) Directors and independent directors

i. Fixed compensation: A monthly salary is reviewed by the compensation committee then submitted to the board of directors for approval.

ii. Variable compensation: According to the Company's Articles of Incorporation.

b) The total remuneration paid to the executive officers is decided based on company performance, department performance, and personal performance and refers to industry norms.

c) The total compensation paid to employees is decided based on the Company's policies.

d) The total remuneration paid to the board of directors and the executive officers is reviewed by the compensation committee regularly.

b. Employees' compensation and remuneration of directors

The Company accrues employees' compensation and remuneration of directors at the rates of 2%-10% and no higher than 2%, respectively, of net profit before income tax, employees' compensation, and remuneration of directors.

The employees' compensation and remuneration of directors for the years ended December 31, 2023 and 2022, which had been approved by the Company's board of directors on February 23, 2024 and February 23, 2023, respectively, were as follows:

	For the Year Ended December 31	
	2023	**2022**
Accrual rate		
Employees' compensation	2.25%	2.25%
Remuneration of directors	1.00%	0.90%

	Cash
	For the Year Ended December 31

	2023	2022
Amounts		
Employees' compensation	$ 49,196	$ 39,251
Remuneration of directors	21,865	15,701

If there is a change in the amounts after the annual parent company only financial statements are authorized for issue, the differences are recorded as a change in the accounting estimate and adjusted in the following year.

There was no significant difference between the actual amounts of employees' compensation and remuneration of directors paid and the amounts recognized in the parent company only financial statements for the years ended December 31, 2022 and 2021.

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.

21. INCOME TAXES RELATING TO CONTINUING OPERATIONS

a. Major components of income tax expense were as follows:

	For the Year Ended December 31	
	2023	2022
Current tax		
In respect of the current period	$ 176,800	$ 209,623
Income tax on unappropriated earnings	20,712	249,866
Adjustments for prior periods	(120,688)	(327,904)
	76,824	131,585
Deferred tax		
In respect of the current period	54,000	(92,623)
Income tax expense recognized in profit or loss	$ 130,824	$ 38,962

b. The reconciliation of accounting profit and taxable income was as follows:

	For the Year Ended December 31	
	2023	2022
Income tax expense calculated at the statutory rate	$ 423,000	$ 338,000
Nondeductible in determining taxable income	(246,200)	(128,377)
Recognition and reversal of temporary differences	54,000	(92,623)
Income tax on unappropriated earnings	20,712	249,866
Adjustments for prior periods	(120,688)	(327,904)
Income tax expense recognized in profit or loss	$ 130,824	$ 38,962

c. Deferred tax assets and liabilities

The movements of deferred tax assets and deferred tax liabilities were as follows:

For the year ended December 31, 2023

Deferred Tax Assets	Opening Balance	Recognized in Profit or Loss	Closing Balance
Temporary differences			
Book-tax difference of property, plant and equipment	$ 38,000	$ 4,000	$ 42,000
Exchange differences on translating the financial statements of foreign operations	-	48,000	48,000

(Continued)

Deferred Tax Assets	Opening Balance	Recognized in Profit or Loss	Closing Balance
Payables for annual leave	$ 8,000	$ -	$ 8,000
Allowance for impairment loss - inventory	63,000	1,000	64,000
Others	83,000	(2,000)	81,000
	$ 192,000	$ 51,000	$ 243,000

(Concluded)

Deferred Tax Liabilities	Opening Balance	Recognized in Profit or Loss	Closing Balance
Temporary differences			
Provisions	$ (3,964)	$ -	$ (3,964)
Defined benefit obligations	(20,000)	(1,000)	(21,000)
Allowance for impairment loss - trade receivables	(6,000)	-	(6,000)
Exchange differences on translating the financial statements of foreign operations	(4,000)	4,000	-
Others	(15,000)	-	(15,000)
	$ (48,964)	$ 3,000	$ (45,964)

For the year ended December 31, 2022

Deferred Tax Assets	Opening Balance	Recognized in Profit or Loss	Closing Balance
Temporary differences			
Book-tax difference of property, plant and equipment	$ 49,000	$ (11,000)	$ 38,000
Payables for annual leave	8,000	-	8,000

Allowance for impairment loss - inventory	47,000	16,000	63,000
Others	203,000	(120,000)	83,000
	$ 307,000	$(115,000)	$ 192,000

Deferred Tax Liabilities	Opening Balance	Recognized in Profit or Loss	Closing Balance
Temporary differences			
Provisions	$ (17,341)	$ 13,377	$ (3,964)
Defined benefit obligations	(19,000)	(1,000)	(20,000)
Allowance for impairment loss - trade receivables	(8,000)	2,000	(6,000)
Exchange differences on translating the financial statements of foreign operations	(14,000)	10,000	(4,000)
Others	(13,000)	(2,000)	(15,000)
	$ (71,341)	$ 22,377	$ (48,964)

d. Income tax returns of the Company through 2021 have been assessed and approved by the tax authorities.

e. Taiwan, where the Company is incorporated, has not yet enacted the Pillar Two income tax legislation and the Company has no related current tax exposure.

22. EARNINGS PER SHARE

Earnings per share were calculated as follows:

	For the Year Ended December 31, 2023		
	Amount (In Thousands)		Earnings Per Share
	After Income Tax (Attributable to Owners of the Company)	Number of Shares (In Thousands)	After Income Tax (Attributable to Owners of the Company)
Basic earnings per share - ordinary shares	$ 1,984,596	484,804	$ 4.09
Compensation of employees	-	458	
Interest on convertible bonds (after tax)	50,007	22,831	
Diluted earnings per share - ordinary shares	$ 2,034,603	508,093	$ 4.00

	For the Year Ended December 31, 2022	
	Amount (In	Earnings Per Share (In Dollars)

	Thousands)		
	After Income Tax (Attributable to Owners of the Company)	Number of Shares (In Thousands)	After Income Tax (Attributable to Owners of the Company)
Basic earnings per share - ordinary shares	$ 1,650,587	484,804	$ 3.40
Compensation of employees	-	677	
Interest on convertible bonds (after tax)	49,353	22,259	
Diluted earnings per share - ordinary shares	$ 1,699,940	507,740	$ 3.35

If the Company offered to settle the compensation of employees in cash or shares, the Company assumed the entire amount of the compensation will be settled in shares and the resulting potential shares were 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.

23. CAPITAL MANAGEMENT

The Company manages its capital to ensure that entities in the Company will be able to continue as going concerns while maximizing the return to stakeholders through the optimization of the debt and equity balance.

24. FINANCIAL INSTRUMENTS

a. Fair value of financial instruments that are not measured at fair value

The management considers that the carrying amounts of financial assets and financial liabilities recognized in the financial statements approximate their fair values. There were no major differences between the carrying amounts and fair values as of December 31, 2023 and 2022.

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

1) Fair value hierarchy

December 31, 2023

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Domestic listed shares	$ 146,530	$ -	$ -	$ 146,530
Limited partnerships	-	-	25,000	25,000
	$ 146,530	$ -	$ 25,000	$ 171,530
Financial assets at FVTOCI				
Investments in equity instruments				
Domestic listed shares	$ 4,673,874	$ -	$ -	$ 4,673,874
Domestic unlisted shares	-	436,830	-	436,830

	$ 4,673,874	$ 436,830	$ -	$ 5,110,704

December 31, 2022

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Domestic listed shares	$ 240,569	$ -	$ -	$ 240,569
Domestic convertible bonds option	-	-	-	-
	$ 240,569	$ -	$ -	$ 240,569
Financial assets at FVTOCI				
Investments in equity instruments				
Domestic listed shares	$ 3,600,431	$ -	$ -	$ 3,600,431
Domestic unlisted shares	-	395,319	-	395,319
Foreign unlisted shares	-	-	12,113	12,113
	$ 3,600,431	$ 395,319	$ 12,113	$ 4,007,863

There were no transfers between Levels 1 and 2 for the years ended December 31, 2023 and 2022.

2) Valuation techniques and inputs applied for Level 2 fair value measurement

Financial Instruments	Valuation Techniques and Inputs
Derivatives - convertible bonds call option and private placement convertible bonds of foreign listed company	Evaluated by the binary tree method of convertible bonds evaluation model, based on the volatility of the conversion price, the risk-free rate of interest, risk discount rate, and the number of remaining years
Domestic unlisted equity securities	Evaluated by asset-based approach to determine the value of the equity securities

3) Valuation techniques and inputs applied for Level 3 fair value measurement

The fair values of unlisted equity securities and limited partnerships were determined using the market approach or asset-based approach. The significant unobservable inputs are the liquidity discount of multiplier of price-book ratio and value of net assets. An increase in price-book ratio would result in an increase in the fair value. An increase in liquidity discount would result in a decrease in the fair value.

c. Categories of financial instruments

	December 31	
	2023	2022
Financial assets		
Financial assets at amortized cost		
Cash and cash equivalents	$ 403,873	$ 4,677,249
Financial assets at amortized cost (current and non-current)	7,607,130	728,192
Notes receivable from unrelated parties	7,170	5,086
Trade receivables from unrelated parties	1,035,131	1,085,757
Trade receivables from related parties	1,838,239	1,958,516
Finance lease receivables (current and non-current)	51,888	66,600
Other receivables from unrelated parties	203,005	61,598
Other receivables from related parties	606,745	891,713
Guarantee deposits paid	27,646	31,290
Financial assets at FVTPL (current and non-current)	171,530	240,569
Financial assets at FVTOCI - non-current	5,110,704	4,007,863
Financial liabilities		
Financial liabilities at amortized cost		
Short-term borrowings	6,942,979	6,232,275
Trade payables to unrelated parties	1,149,353	545,685
Trade payables to related parties	1,225,727	1,473,856
Payables for equipment	513,350	1,363,581
Other payables	1,477,754	1,637,319
Current portion of long-term borrowings	1,750,833	1,448,333
Bonds payable	4,778,445	4,715,936

Long-term borrowings	6,200,333	6,859,667
Guarantee deposits received	3,454	3,359

d. Financial risk management objectives and policies

The Company's major financial instruments included equity and debt investments, trade receivables, trade payables and borrowings. The Company's corporate treasury function manages its exposure to market risk (including foreign currency risk and interest risk), credit risk and liquidity risk with the objective to reduce the potentially adverse effects the market uncertainties may have on its financial performance.

1) Market risk

The Company is exposed primarily to the financial risks of changes in foreign currency exchange rates and interest rates.

a) Foreign currency risk

Several subsidiaries of the Company had foreign currency sales and purchases, which exposed the Company to foreign currency risk. The Company's transactions were denominated in different foreign currencies at the same time that have natural offsetting effect; thus, the related risks are reduced.

To protect against reductions in the value of foreign assets and the volatility of future cash flows caused by changes in foreign exchange rates, the Company utilizes short-term borrowings and derivative financial instruments, including currency forward contracts to hedge its foreign currency exposure.

The following table details the Company's sensitivity to a 1% increase and decrease in the New Taiwan dollar (the functional currency) against the relevant foreign currencies. The sensitivity analysis included only outstanding foreign currency denominated monetary items at the end of the reporting period.

	USD Impact		JPY Impact		RMB Impact	
	For the Year Ended December 31		For the Year Ended December 31		For the Year Ended December 31	
	2023	2022	2023	2022	2023	2022
Profit or loss	$ 87,798	$ 65,603	$ (369)	$ 154	$ 1,018	$ 13

b) Interest rate risk

Interest rate risk refers to the risk that the changes in fair value of financial instruments due to changes in market interest rates. The Company was exposed to interest rate risk mainly arising from fixed-income investments and borrowings at floating interest rates.

For assets and liabilities with floating interest rates, if interest rates had been 1% higher or lower as of balance sheets date and all other variables held constant, the Company's profit before income tax for the ended December 31, 2023 and 2022 would have decreased approximately by $148,941 thousand and $144,349 thousand, respectively.

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 Company. The Company is exposed to credit risk from operating activities, primarily trade receivables, and from investing activities, primarily deposits, fixed-income investments and other financial instruments with banks.

In order to maintain the quality of trade receivables, the management of the Company has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue receivables. In addition, the Company reviews the recoverable amount of each individual trade receivable at the end of the reporting period to ensure that adequate allowances are made for irrecoverable amounts.

The credit risks of bank deposits, fixed-income investments and other financial instruments from investing activities are considered insignificant because the counterparties were all banks with high credit ratings and it is expected that the counterparties will not break the contracts above.

3) Liquidity risk

The objective of liquidity risk management is to ensure the Company has sufficient liquidity to fund its business requirements associated with existing operations. The Company manages its liquidity risk by maintaining adequate fixed-income investments and banking facilities.

Liquidity and interest rate tables for non-derivative financial liabilities

December 31, 2023

	On Demand or Less than 1 Year	**More than 1 Year**	**Total**
Non-derivative financial liabilities			
Variable interest rate liabilities	$ 8,693,812	$ 6,200,333	$ 14,894,145
Lease liabilities	54,767	219,084	273,851
	$ 8,748,579	$ 6,419,417	$ 15,167,996

December 31, 2022

	On Demand or Less than 1 Year	**More than 1 Year**	**Total**
Non-derivative financial liabilities			
Variable interest rate liabilities	$ 7,680,608	$ 6,859,667	$ 14,540,275
Lease liabilities	57,381	268,548	325,929
	$ 7,737,989	$ 7,128,215	$ 14,866,204

25. TRANSACTIONS WITH RELATED PARTIES

Details of transactions between the Company and other related parties are disclosed below.

a. Related party name and categories

Related Party Name	Related Party Category
Walsin Lihwa Corporation	Investor company that account for the Company using the equity method
Prosperity Dielectrics Co., Ltd.	Subsidiary
Inpaq Technology Co., Ltd.	Subsidiary
Taiwan Inpaq electronic Co., Ltd.	Subsidiary
Soshin Electric Co., Ltd.	Subsidiary
Walsin Technology Europe B.V.	Subsidiary
KAMAYA, Inc.	Subsidiary
Kamaya Electric Co., Ltd.	Subsidiary
Kamaya Electric (HK) Limited	Subsidiary
Kamaya Electric (M) Sdn. Bhd	Subsidiary
Nitsuko Electronics Corporation (“NTK”)	Subsidiary
Dongguan Walsin Technology Electronics Co., Ltd.	Subsidiary
Walsin Technology Corporation (HK) Limited	Subsidiary
Suzhou Walsin Technology Electronics Co., Ltd.	Subsidiary
Pan Overseas (Guangzhou) Electronic Co., Ltd.	Subsidiary
Walsin Passive Component (H.K.) Limited	Subsidiary
Walsin Technology Corporation U.S.A.	Subsidiary
Walsin Technology Holding Corporation (HK) Limited	Subsidiary
Walsin Electronics (S) Pte. Ltd.	Subsidiary
Inpaq Technology (Suzhou) Co., Ltd.	Subsidiary
Eleceram Technology Co., Ltd.	Subsidiary
Silitech Technology Corporation	Associate
HannStar Board Corporation	Associate
Global Brands Manufacture (Dongguan) Ltd.	Associate
Global Brands Manufacture Ltd.	Associate
Falcon Automation Equipment Corporation	Associate
Chongqing Songjia Property Co., Ltd.	Associate
Tsai Yi Corporation	Associate
Matsuo Electric Co., Ltd.	Associate (after January 2022)
VVG Inc.	Associate
Joyin Co., Ltd.	Associate
Walsin New Energy Corporation	Associate
Career Technology (Mfg.) Co., Ltd.	Other related party
APAQ Technology Co., Ltd.	Other related party (before July 2023)
Walton Advanced Engineering Inc.	Other related party
Info-Tek Corporation	Other related party
Walsin Technology Charitable Group	Other related party
Callisto Holding Limited	Other related party
Chin-Xin Investment Co., Ltd.	Other related party
PSA Charitable Foundation	Other related party
PSA VVG Culture and Arts Foundation	Other related party

b. Details of transactions

1) Sales and purchases of goods

	Sales of goods	
	For the Year Ended December 31	
	2023	2022
Subsidiaries		
Dongguan Walsin Technology Electronics Co., Ltd.	$ 6,441,715	$ 5,760,274
Suzhou Walsin Technology Electronics Co., Ltd.	1,859,684	1,597,201
Other	1,455,222	1,591,125
Associates	13	-
Other related parties	1,870	3,308
	$ 9,758,504	$ 8,951,908

Price and terms were determined in accordance with mutual agreements.

	Purchases of goods	
	For the Year Ended December 31	
	2023	2022
Subsidiaries		
Walsin Technology Corporation (HK) Limited	$ 2,418,894	$ 3,405,919
Prosperity Dielectrics Co., Ltd.	841,538	880,949
Kamaya Electric Co., Ltd.	435,871	765,289
Other	489,768	469,577
Associates	15,142	7,028
Other related parties	-	43
	$ 4,201,213	$ 5,528,805

Price and terms were determined in accordance with mutual agreements.

2) The balances at the end of the reporting period were as follows:

	Trade Receivables from Related Parties	
	December 31	
	2023	2022
Subsidiaries		
Dongguan Walsin Technology Electronics Co., Ltd.	$ 985,023	$ 1,071,220
Suzhou Walsin Technology Electronics Co., Ltd.	424,155	572,165
Others	428,522	313,915
Other related parties	539	1,216
	$ 1,838,239	$ 1,958,516

	Trade Payables to Related Parties	
	December 31	
	2023	2022
Subsidiaries		
Walsin Technology Corporation (HK) Limited	$ 668,407	$ 957,121
Prosperity Dielectrics Co., Ltd.	281,448	221,247
Kamaya Electric Co., Ltd.	156,413	206,787
Others	115,459	87,718
Associates	4,000	938
Other related parties	-	45
	$ 1,225,727	$ 1,473,856

	Other Receivables from Related Parties	
	December 31	
	2023	2022
Subsidiaries		
Kamaya Electric Co., Ltd.	$ 306,065	$ 689,614
Kamaya Electric (M) Sdn. Bhd.	257,228	153,656
Others	33,659	37,424
Associates	5,575	6,809
Other related parties	4,218	4,210
	$ 606,745	$ 891,713

	Payables for Equipment and Other Payables	
	December 31	
	2023	2022
Subsidiaries	$ 33,963	$ 147,863
Associates	8,196	31,603
Other related parties	1,130	1,577
Investors employing the equity method for the Company	1,560	1,598
	$ 44,849	$ 182,641

The outstanding trade receivables from related parties are unsecured. No allowance was recognized for impairment of trade receivables with respect to the amounts owed by related parties for the years ended December 31, 2023 and 2022.

The outstanding trade payables from related parties are unsecured.

Other receivables include receivables from the sale of equipment and receipts under custody.

Other payables mainly refer to payables for rent and collection and payment on behalf of another party, etc.

3) Acquisition of asset

Related Party Categories	Item	Purchase Price For the Year Ended December 31 2023	2022
Subsidiaries	Machinery and other equipment	$ 73,113	$ 169,867
Associates	Machinery	57,540	-
Other related parties	Building	21,042	-
Investors employing the equity method for the Company	Right-of-use asset	-	98,671
		$ 151,695	$ 268,538

4) Disposal of asset

Related Party Category	Item	Disposal Price For the Year Ended December 31 2023	2022	Gain on Disposal For the Year Ended December 31 2023	2022
Prosperity Dielectrics Co., Ltd.	Investment property	$ -	$ 220,000	$ -	$ 61,328
Subsidiaries	Machinery, Instruments and information equipment	1,169	9,581	706	1,369
Associates	Transport equipment and information equipment	1,103	-	-	-
		$ 2,272	$ 229,581	$ 706	$ 62,697

5) Dividends income

	For the Year Ended December 31 2023	2022
Walsin Lihwa Corporation	$ 88,622	$ 73,626
Chin-Xin Investment Co., Ltd.	10,838	4,516
Other related parties	4,781	10,063
	$ 104,241	$ 88,205

6) Sales of raw materials and supplies (classified as other income)

	For the Year Ended December 31	
	2023	2022
Subsidiaries	$ 15,795	$ 18,822

7) Lease arrangements

Item	Related Party Category	December 31 2023	December 31 2022
Lease liabilities	Investor company that account for the Company using equity method	$ 82,651	$ 112,773
Lease liabilities	Subsidiaries	1,382	4,079
Lease liabilities	Other related parties	-	3,142
		$ 84,033	$ 119,994

Item	Related Party Category	For the Year Ended December 31 2023	For the Year Ended December 31 2022
Interest expense	Investor company that account for the Company using equity method	$ 927	$ 943
	Subsidiaries	35	70
	Other related parties	8	56
		$ 970	$ 1,069
Rental expense	Investor company that account for the Company using equity method	$ 616	$ 618
	Other related parties	3,343	5,400
		$ 3,959	$ 6,018

8) Acquisition of shares

For the ended December 31, 2023

Related Party Category	Financial Statement Account	Number of Shares Acquired	Acquisition Target	Acquisition Price
Walsin New Energy Corporation	Investments accounted for using the equity method	1,250,000	Ordinary shares	$ 12,500
Inpaq Technology Co., Ltd.	Subsidiary	3,934,008	Issuance of ordinary shares in cash	229,062

Walsin Technology Europe B.V	Subsidiary	1,050,000	Issuance of ordinary shares in cash	102,945
Gallatown Developments Limited	Subsidiary	920,000	Issuance of ordinary shares in cash	298,255

For the ended December 31, 2022

Related Party Category	Financial Statement Account	Number of Shares Acquired	Acquisition Target	Acquisition Price
Joyin Co., Ltd.	Investments accounted for using the equity method	466,427	Issuance of ordinary shares in cash	$ 6,996
Walsin Lihwa Corporation	Investments in equity instruments at FVTOCI	3,218,527	Issuance of ordinary shares in cash	96,556

9) Disposal of shares

For the ended December 31, 2022

Related Party Category	Financial Statement Account	Number of Shares Acquired	Acquisition Target	Acquisition Price
Joyin Co., Ltd.	Investments accounted for using the equity method	3,058,384	Ordinary shares	$ 55,357

c. Compensation of key management personnel

	For the Year Ended December 31	
	2023	2022
Short-term employee benefits	$ 52,835	$ 159,422
Post-employment benefits	324	315
Share-based payments	-	-
	$ 53,159	$ 159,737

The remuneration of directors and key executives was determined by the remuneration committee based on the performance of individuals and market trends.

26. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

The assets pledged as tariff or court deposits were as follows:

	December 31	
	2023	2022

Pledged time deposits (accounted as financial assets at amortized cost)	$ 57,472	$ 100,472

27. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

In addition to those disclosed in other notes, significant contingencies and unrecognized commitments of the Company as of December 31, 2023 and 2022 were as follows:

a. Significant unrecognized commitments

Unrecognized commitments were as follows:

	December 31	
	2023	**2022**
Acquisition of property, plant and equipment	$ 681,201	$ 1,095,070

b. Contingencies

As of December 31, 2023 and 2022, outstanding letters of credit of the Company were summarized as follows:

Unit: Thousands of dollars

December 31					
2023			**2022**		
Currency	**Carrying Value**		**Currency**	**Carrying Value**	
USD	USD	-	USD	USD	55
JPY	JPY	1,030,284	JPY	JPY	2,136,404
EUR	EUR	118	EUR	EUR	811

28. SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD: NONE

29. OTHER ITEMS: NONE

30. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

The following information was aggregated by the foreign currencies other than functional currencies of the Company and the exchange rates between the foreign currencies and their respective functional currencies were disclosed. The significant assets and liabilities denominated in foreign currencies were as follows:

December 31, 2023

	Foreign Currency (In Thousands)	**Exchange Rate**	**Carrying Amount (In Thousands)**
Financial assets			

Monetary items			
USD	$ 339,384	30.735	$ 10,430,967
JPY	2,595,691	0.2171	563,525
RMB	23,494	4.3327	101,792

(Continued)

	Foreign Currency (In Thousands)	Exchange Rate	Carrying Amount (In Thousands)
Non-monetary items			
Investments accounted for using the equity method			
USD	$ 846,451	30.735	$ 26,015,671
JPY	219,555	0.2182	47,907
Financial liabilities			
Monetary items			
USD	53,722	30.735	1,651,146
JPY	2,765,864	0.2171	600,469

(Concluded)

December 31, 2022

	Foreign Currency (In Thousands)	Exchange Rate	Carrying Amount (In Thousands)
Financial assets			
Monetary items			
USD	$ 268,719	30.71	$ 8,252,360
JPY	2,977,143	0.2324	691,888
RMB	291	4.4105	1,283
Non-monetary items			
Investments accounted for using the equity method			
USD	839,812	30.71	25,790,636
JPY	219,076	0.2334	51,132
Financial liabilities			
Monetary items			
USD	55,099	30.71	1,692,090
JPY	2,910,747	0.2324	676,458

31. SEPARATELY DISCLOSED ITEMS

a. Information about significant transactions and investees:

1) Financing provided to others (Table 1)

2) Endorsements/guarantees provided (Table 2)

3) Marketable securities held (excluding investments in subsidiaries, associates and joint ventures) (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 (Notes 7 and 24)

10) Information on investees (Table 6)

b. 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 (Table 7):

a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the year

b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the year

c) The amount of property transactions and the amount of the resultant gains or losses

d) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the year and the purposes

e) The highest balance, the ending balance, the interest rate range, and total current period interest with respect to the financing of funds

f) Other transactions that have a material effect on the profit or loss for the year or on the financial position, such as the rendering or receipt of services

c. 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 8)

32. SEGMENT INFORMATION

The Company has disclosed its operating segments in the consolidated financial statements.

WALSIN TECHNOLOGY CORPORATION

FINANCING PROVIDED TO OTHERS
FOR THE YEAR ENDED DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

No.	Lender	Borrower	Financial Statement Account	Related Party	Highest Balance for the Period	Ending Balance	Actual Borrowing Amount	Interest Rate (%)	Nature of Financing	Business Transaction Amount	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower (Note 3)	Aggregate Financing Limit (Note 4)
													Item	Value		
0	Walsin Technology Corporation	Kamaya Electric Co., Ltd.	Receivables from related parties	Yes	$ 512,813	$ 305,506	$ 305,506	0.70	Short-term financing	$ -	Operating turnover	$ -	Promissory note	$ 305,506	$ 18,631,858	$ 27,947,787
		Kamaya Electric (M) Sdn. Bhd.	Receivables from related parties	Yes	257,498	257,498	257,498	0.70	Short-term financing	-	Operating turnover	-	Promissory note	257,498	18,631,858	27,947,787

Note 1: According to Walsin Technology Corporation's financing procedure, total endorsement/guarantee and financing amount that can be made is 100% of lender's net worth presented in the latest financial statements audited or reviewed by auditors. The total financing amount that can be made is 60% of lender's net worth presented in the latest financial statements audited or reviewed by auditors. The financing limit amount of each borrower according to reasons for financing are as follows:

1. With business relationship: In the most recent year or the current year as of the time the funds are loaned, and the loan is not more than the higher of the borrowing Company's purchase or sales amount from loan company.

2. With the need of short-term financing: Both of total financing and individual financing amounts must not exceed 40% of each lender's net worth presented in the latest financial statements audited or reviewed by auditors.

3. When the Company directly or indirectly holding 100% of the voting shares of a foreign company, the amount of funds loaned to the Company cannot exceed the limit set forth in paragraph 2 above, but the loan period cannot exceed 3 years. The individual limits for loans of funds between foreign companies in which the Company directly and indirectly holds 100% of the voting shares are limited to the most recent net worth of the lending company's financial statements.

Note 2: Exchange rate as of December 31, 2023

USD:NTD = 1:30.735
JPY:USD = 1:0.0071

Note 3: It is 40% of the shareholders' equity of the loan company.

Note 4: It is 60% of the shareholders' equity of the loan company.

WALSIN TECHNOLOGY CORPORATION

ENDORSEMENTS/GUARANTEES PROVIDED
FOR THE YEAR ENDED DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

No.	Endorser/Guarantor	Endorsee/Guarantee		Limit on Endorsement/ Guarantee Given on Behalf of Each Party	Maximum Amount Endorsed/ Guaranteed During the Period	Outstanding Endorsement/ Guarantee at the End of the Period	Actual Borrowing Amount	Amount Endorsed/ Guaranteed by Collateral	Ratio of Accumulated Endorsement/ Guarantee to Net Equity in Latest Financial Statements (%)	Aggregate Endorsement/ Guarantee Limit	Endorsement/ Guarantee Given by Parent on Behalf of Subsidiaries (Note 3)	Endorsement/ Guarantee Given by Subsidiaries on Behalf of Parent (Note 3)	Endorsement/ Guarantee Given on Behalf of Companies in Mainland China (Note 3)
		Name	Relationship										
0	Walsin Technology Corporation	Kamaya Electric Co., Ltd.	2	$ 14,355,776 (Note 1)	$ 1,924,687	$ 1,750,112	$ 1,750,112	$ -	3.76	$ 23,289,822 (Note 2)	Y	N	N
		Kamaya Electric (M) Sdn. Bhd.	2	14,108,823 (Note 1)	906,683	906,683	199,778	-	1.95	23,289,822 (Note 2)	Y	N	N

Note 1: The maximum limit for each guaranteed company is limited to 100% of its net worth presented in the latest financial statements. The maximum limit for company's actual holds more than two-thirds of the guaranteed company is limited to six times of its (guaranteed company) net worth presented in the latest financial statements. Therefore, this period did not exceed the limit.

Note 2: The maximum endorsements/guarantees amount allowed for the Company is not equal or exceed 50% of its net worth presented in the latest financial statements. Therefore, this period did not exceed the limit.

Note 3: Need enter "Y" if: Endorsement/guarantee given by parent on behalf of subsidiaries, given by subsidiaries on behalf of parent, given on behalf of companies in mainland China.

Note 4: Exchange rate as of December 31, 2023

USD:NTD = 1:30.735
JPY:USD = 1:0.0071

Note 5: Endorsement guarantee objects:

1. Subsidiaries that directly hold more than 50% of ordinary shares.
2. Subsidiaries where parent company and subsidiaries hold more than 50% of the ordinary shares.
3. Companies with business relations.
4. The Company.

WALSIN TECHNOLOGY CORPORATION

MARKETABLE SECURITIES HELD
DECEMBER 31, 2023
(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	December 31, 2023				Note
				Number of Shares	Carrying Amount	Percentage of Ownership (%)	Fair Value	
Walsin Technology Corporation	Shares							
	Taiwan Mobile Company Limited	None	Financial assets at fair value through profit or loss - current	100,000	$ 9,860	-	$ 9,860	
	Taiwan Semiconductor Manufacturing Company Limited	〃	〃	190,000	112,670	-	112,670	
	Chunghwa Telecom Company Limited	〃	〃	200,000	24,000	-	24,000	
	Walton Advanced Engineering Inc.	The chairman of the securities issuer is the same as the Company's	Financial assets at fair value through other comprehensive income - non-current	31,870,087	486,020	6.16	486,020	
	Walsin Lihwa Corporation	Investment company evaluated the Company by the equity method	〃	49,234,527	1,902,914	1.22	1,902,914	
	Giga-Byte Technology Co., Ltd.	None	〃	8,590,000	2,284,940	1.35	2,284,940	
	Elcon International Co., Ltd.	〃	〃	1,879,028	-	9.40	-	
	Chin-Xin Investment Co., Ltd.	The chairman of the securities issuer is the second degree of kinship of the Company	〃	9,032,056	436,830	1.86	436,830	
	Euroc Venture Capital Corp.	None	〃	7,499	-	2.50	-	
	Bonds							
	Credit Argicole SA	None	Financial assets at amortized cost - non-current	-	214,039	-	220,332	
	Mercedes-Benz Finance North America LLC	〃	〃	-	175,505	-	178,667	
	Westpac Banking Corporation	〃	〃	-	29,150	-	29,676	
	International Business Machines Corporation	〃	〃	-	27,465	-	28,102	
	ANZ New Zealand (Int'l) Limited of London	〃	〃	-	184,114	-	187,149	
	The Estee Lauder Companies Inc.	〃	〃	-	29,968	-	30,725	
	Siemens Financieringsmaatschappij N.V. (SFM)	〃	〃	-	28,585	-	29,032	
	The Norinchukin Bank	〃	〃	-	76,714	-	77,909	
	Bristol-Myers Squibb Company	〃	〃	-	44,227	-	45,373	
	Unilever Capital Corporation	〃	〃	-	23,479	-	24,891	
	Honeywell International Inc.	〃	〃	-	25,146	-	26,752	

	Apple Inc.	〃	〃	-	49,777	-	52,892	
	UBS AG of London	〃	〃	-	150,964	-	156,439	
	NBN Co Limited	〃	〃	-	219,180	-	224,796	
	Toyota Motor Credit Corporation	〃	〃	-	61,290	-	63,148	
	BMW US Capital, LLC	〃	〃	-	152,847	-	156,871	

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2023				Note
				Number of Shares	Carrying Amount	Percentage of Ownership (%)	Fair Value	
	Sumitomo Mitsui Financial Group, Inc.	None	Financial assets at amortized cost - non-current	-	$ 154,035	-	$ 156,011	
	SOCIETE GENERALE	〃	〃	-	149,972	-	151,001	
	Pfizer Investment Enterprises Pte. Ltd.	〃	〃	-	105,268	-	107,636	
	AbbVie Inc.	〃	〃	-	41,780	-	43,122	
	Burlington Northern Santa Fe, LLC	〃	〃	-	49,621	-	50,438	
	Toyota Motor Credit Corporation (TMCC)	〃	〃	-	186,928	-	194,916	
	Sumitomo Mitsui Trust Bank, Limited.	〃	〃	-	92,668	-	95,120	
	Roche Holdings, Inc.	〃	〃	-	37,667	-	39,042	
	Eaton Corporation	〃	〃	-	28,292	-	29,110	
	Philip Morris International Inc. (PMI)	〃	〃	-	141,181	-	144,809	
	Mitsubishi HC Finance America LLC	〃	〃	-	186,996	-	190,848	
	Shinhan Financial Group Co., Ltd.	〃	〃	-	76,091	-	76,970	
	American Express	〃	〃	-	37,028	-	36,926	
	DGB Capital 105-2	〃	〃	-	57,382	-	57,382	
	LOTTE CAPITAL 446	〃	〃	-	61,479	-	61,479	
	Limited partnership							
	NEXUS CVC Partners Fund LP.	None	Financial assets at fair value through profit or loss - non-current	-	25,000	-	25,000	

(Concluded)

WALSIN TECHNOLOGY CORPORATION

TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES AMOUNTING TO AT LEAST NT$100 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE YEAR ENDED DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Buyer	Related Party	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Note
			Purchase/ Sale	Amount	% of Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% of Total	
Walsin Technology Corporation	Prosperity Dielectrics Co., Ltd.	43.13% owned subsidiary	Sale	$ (263,592)	(2)	According to the commercial terms agreed by both parties	$ -	-	$ 69,923	2	
			Purchase	841,538	6	〃	-	-	(281,448)	(12)	
	Dongguan Walsin Technology Electronics Co., Ltd.	100% indirectly owned subsidiary by parent company	Sale	(6,441,715)	(42)	〃	-	-	985,023	34	
			Purchase	249,727	2	〃	-	-	(52,642)	(2)	
	Walsin Technology Corporation (HK) Ltd.	100% indirectly owned subsidiary by parent company	Sale	(326,329)	(2)	〃	-	-	73,385	3	
			Purchase	2,418,894	18	〃	-	-	(668,407)	(28)	
	Suzhou Walsin Technology Electronics Co., Ltd.	100% indirectly owned subsidiary by parent company	Sale	(1,859,684)	(12)	〃	-	-	424,155	15	
	Walsin Passive Component (H.K.) Limited	100% indirectly owned subsidiary by parent company	Sale	(396,665)	(3)	〃	-	-	103,497	4	
	Walsin Technology Europe B.V.	100% indirectly owned subsidiary by parent company	Sale	(142,572)	(1)	〃	-	-	77,674	3	
	KAMAYA Inc.	100% indirectly owned subsidiary by parent company	Sale	(152,452)	(1)	〃	-	-	55,971	2	
	Kamaya Electric (M) Sdn. Bhd.	100% indirectly owned subsidiary by parent company	Sale	(107,582)	(1)	〃	-	-	32,330	1	
	Kamaya Electric Co., Ltd.	100% indirectly owned subsidiary by parent company	Purchase	435,871	3	〃	-	-	(156,413)	(7)	

WALSIN TECHNOLOGY CORPORATION

RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT$100 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE YEAR ENDED DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Company Name	Related Party	Relationship	Ending Balance (Note 1)		Turnover Rate	Overdue		Amount Received in Subsequent Period	Allowance for Impairment Loss
						Amount	Actions Taken		
Walsin Technology Corporation	Dongguan Walsin Technology Electronics Co., Ltd.	100% indirectly owned subsidiary by parent company	Accounts receivable	$ 985,023	6.27	$ -	-	$ 399,824	$ -
	Suzhou Walsin Technology Electronics Co., Ltd.	100% indirectly owned subsidiary by parent company	Accounts receivable	424,155	3.73	-	-	145,745	-
	Walsin Passive Component (H.K.) Limited	100% indirectly owned subsidiary by parent company	Accounts receivable	103,497	5.17	-	-	45,283	-

Note: Financing provided to others, please refer to Table 1.

WALSIN TECHNOLOGY CORPORATION

INFORMATION ON INVESTEES
FOR THE YEAR ENDED DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of December 31, 2023			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				December 31, 2023	December 31, 2022	Number of Shares	%	Carrying Amount			
Walsin Technology Corporation	Prosperity Dielectrics Co., Ltd.	Taiwan	Manufacturing, processing and selling of chip capacitors, chip resistors, semiconductive capacitor elements, ceramic dielectric powders and magnetic elements, etc.	$ 655,664	$ 655,664	74,186,468	43.13	$ 2,894,824	$ 451,374	$ 196,570	
	HannStar Board Corporation	Taiwan	Production and sale of printed circuit boards	2,018,888	2,018,888	107,381,026	20.32	6,236,694	2,679,653	544,514	
	Pan Overseas (B.V.I.) Investments Co., Ltd.	British Virgin Islands	Investment holding	671,758	671,758	21,836,000	100.00	2,263,388	25,389	26,265	
	Gallatown Developments Ltd.	Cayman Islands	Investment holding	6,077,273	5,779,018	95,129,047	89.15	24,101,659	251,985	231,403	
	Tsai Yi Corporation	Taiwan	Investment holdings and management of group companies	411,330	411,330	39,052,142	26.62	804,561	23,695	6,278	
	Falcon Automation Equipment Corporation	Taiwan	Mechanical equipment manufacturing	9,000	9,000	3,348,000	43.90	97,823	(10,692)	(4,694)	
	Inpaq Technology Co., Ltd.	Taiwan	Researching, developing, manufacturing and selling of hybrid microwave antenna module, integrated electrical protection component and multilayer type microwave communication component and module	2,250,338	2,021,276	51,782,658	34.76	2,574,933	714,999	227,693	
	Silitech Technology Corporation	Taiwan	Keypads and module products, mechanical integrated components	561,329	561,329	17,000,000	25.00	729,828	119,328	19,375	
	Soshin Electric Co., Ltd.	Japan	Researching, developing, manufacturing and selling of capacitors, thick film printed boards, laminated dielectric filters and EMI filters	39,248	39,248	330,800	1.93	44,897	(20,583)	(564)	
	Walsin New Energy Corporation	Taiwan	Solar power generation project, etc.	12,500	-	1,250,000	25.00	12,237	(1,051)	(263)	
	Walsin Technology Europe B.V.	Netherlands	Selling of passive electronic components	117,081	14,136	1,500,000	100.00	50,103	(61,853)	(61,853)	

Note: Information on investments in mainland China, please refer to Table 7.

WALSIN TECHNOLOGY CORPORATION

INFORMATION ON INVESTMENTS IN MAINLAND CHINA
FOR THE YEAR ENDED DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

1.

Investee Company	Main Businesses and Products	Paid-in Capital	Method of Investment	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2023	Remittance of Funds		Accumulated Outward Remittance for Investment from Taiwan as of December 31, 2023	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Loss) (Note 2)	Carrying Amount as of December 31, 2023	Accumulated Repatriation of Investment Income as of December 31, 2023
					Outward	Inward						
Dongguan Walsin Technology Electronics Co., Ltd.	Manufacturing and selling of passive electronic components	$ 3,946,374 (US$ 128,400,000)	Note 1	$ 2,796,885 (US$ 91,000,000)	$ -	$ -	$ 2,796,885 (US$ 91,000,000)	$ 279,238	100.00	$ 279,238	$ 11,276,263	$ 923,880 (US$ 30,059,527)
Suzhou Walsin Technology Electronics Co., Ltd.	Manufacturing and selling of passive electronic components	2,120,715 (US$ 69,000,000)	Note 1	2,120,715 (US$ 69,000,000)	-	-	2,120,715 (US$ 69,000,000)	62,762	100.00	62,762	2,956,664	49,737 (US$ 1,618,250)
Dongguan Huafai Trading Co., Ltd.	Trading of electronic parts, warehousing and commission agency	61,470 (US$ 2,000,000)	Note 1	61,470 (US$ 2,000,000)	-	-	61,470 (US$ 2,000,000)	3,542	100.00	3,542	351,346	-
Pan Overseas (Guangzhou) Electronic Co., Ltd.	Manufacturing and selling of passive electronic components	507,128 (US$ 16,500,000)	Note 1	393,714 (US$ 12,809,965)	-	-	393,714 (US$ 12,809,965)	18,251	100.00	18,251	754,016	237,187 (US$ 7,717,169)
GHPW Enterprise Corporation (Chongqing) Limited	Business consultations, business management, consultation services and property management	737,640 (US$ 24,000,000)	Note 1	184,410 (US$ 6,000,000)	-	-	184,410 (US$ 6,000,000)	(3,759)	25.00	(940)	152,969	-
Suzhou Walsin Color Trading Co., Ltd.	Trading of electronic parts and commission agency	497,907 (US$ 16,200,000)	Note 1	236,660 (US$ 7,700,016)	-	-	236,660 (US$ 7,700,016)	(5,753)	39.32	(2,262)	155,308	11,574 (US$ 376,582)
Chongqing Shuohong Investment Co., Ltd.	Investment, investment management, investment consultation services	2,296,331 (RMB 530,000,000) (Note 4)	Note 1	-	-	-	-	(18,580)	25.65	(4,766)	682,385	-
Chongqing Ruishuang Technology Co., Ltd.	Selling of electronic components, real estate investment and leasing	113,638 (RMB 26,228,000.00) (Note 5)	Note 1	-	-	-	-	(4,987)	34.54	(1,723)	49,472	-
Soshin Electronics (SZ) Limited	Selling of electronic components	11,065 (US$ 360,000)	Note 1	-	-	-	-	2,059	50.08	1,031	41,706	-

Note 1: Investment in mainland China companies through an existing company established in a third region.

Note 2: Based on the financial statements of the investee company recognized by the attesting CPA of the Taiwan parent company.

Note 3: For the figures in the table above that involve foreign currencies, the average exchange rate on December 31, 2023 was used to convert the foreign currencies into New Taiwan dollars, except for the investment gain (loss) of the current period (converted at the average exchange rate for the period January 1 to December 31, 2023).

Note 4: It was invested RMB135,950,000 with the own funds of Suzhou Walsin Technology Electronics Co., Ltd.

Note 5: It was invested RMB8,605,548.46 with the own funds of Suzhou Walsin Technology Electronics Co., Ltd.

2. Investment quota for mainland China:

Accumulated Outward Remittance for Investments in Mainland China as of December 31, 2023	Investment Amount Authorized by the Investment Commission, MOEA	Upper Limit on the Amount of Investments Stipulated by the Investment Commission, MOEA
$4,601,228 (US$149,706,474)	$4,730,128 (US$153,900,371)	(Note)

Note: In accordance with Article 3 of the "Regulations Governing the Examination of Investment or Technical Cooperation in Mainland China", enterprises within the scope of operations of the operational headquarters approved by the Industrial Development Bureau of the Ministry of Economic Affairs are exempt. The Company is an enterprise that has been recognized as the operational headquarters of the said Regulations. The validity period is from June 29, 2021 to June 28, 2024, so there is no upper limit on the amount of investments in mainland China.

(Continued)

3. 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:

Investee Company	Relationship	Transaction Type	Amount	Transaction Details			Notes/Accounts Receivable (Payable)		Unrealized (Gain) Loss
				Price	Payment Terms	Comparison with Normal Transactions	Ending Balance	%	
Dongguan Walsin Technology Electronics Co., Ltd.	Sub-subsidiary	Sales	$ 6,441,715	According to the goodwill clause agreed upon by both parties	90-120 days T/T	No significant difference	$ 985,023	34	$ 267,416
		Purchases	2,619,824	〃	〃	〃	(695,135)	(29)	-
Suzhou Walsin Technology Electronics Co., Ltd.	Sub-subsidiary	Sales	1,859,684	According to the goodwill clause agreed upon by both parties	90-120 days T/T	No significant difference	424,155	15	34,520

Note: The average exchange rate on December 31, 2023 was USD to NTD = 1:30.735

The average exchange rate from January 1 to December 31, 2023 was USD to NTD = 1:31.155

4. Circumstances in which mainland investment companies provide endorsements, guarantees or collaterals directly or indirectly through third-region enterprises: None.

5. Circumstances of financing provided with mainland investment companies directly or indirectly through a third region: None.

6. Other transactions that have a significant impact on the current profit and loss or financial status: None.

(Concluded)

TABLE 8

WALSIN TECHNOLOGY CORPORATION AND SUBSIDIARIES

INFORMATION ON MAJOR SHAREHOLDERS
FOR THE YEAR ENDED DECEMBER 31, 2023

Name of Shareholder	Shares	
	Total Shares Owned	Ownership Percentage (%)
Walsin Lihwa Corporation	88,902,325	18.30
HannStar Board Corporation	37,617,115	7.74

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 preference 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 truster 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 Market Observation Post System.

WALSIN TECHNOLOGY CORPORATION

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WALSIN TECHNOLOGY CORPORATION

STATEMENT OF CASH AND CASH EQUIVALENTS
DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars, Unless Specified Otherwise)

Item	Description	Amount
Cash on hand		$ 922
Demand deposits		4,624
Checking accounts		7,593
Time deposits	Period is from October 11, 2023 to January 11, 2024 Interest rate of 1.50%-5.76%	161,555
Foreign currency deposits (Note)	US$6,608,673.11	203,118
	HK$384.25	2
	JPY13,076,743	2,839
	EUR587,884.43	20,003
	RMB390,158.38	1,690
	KRW64,469,313	1,527
		$ 403,873

Note: Exchange rate on December 31, 2023

US$:NT$ = 1:30.7350
HK$:NT$ = 1:3.9340
JPY:NT$ = 1:0.2171
EUR:NT$ = 1:34.0252
RMB:NT$ = 1:4.3327
KRW:NT$ = 1:0.0237

WALSIN TECHNOLOGY CORPORATION

STATEMENT OF FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS - CURRENT
DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars)

Name of Securities	Description	Shares/Bonds	Par Value (Dollar)	Amount	Rate (%)	Fair Value		
						Cost (In Thousands)	Unit Price (Dollar)	Amount (In Thousands)
Taiwan Mobile Co., Ltd.	Listed shares	100,000	$ 10	$ 1,000	-	$ 10,767	$ 98.60	$ 9,860
Taiwan Semiconductor Manufacturing Company Limited	Listed shares	190,000	10	1,900	-	38,848	593.00	112,670
Chunghwa Telecom Co., Ltd.	Listed shares	200,000	10	2,000	-	22,130	120.00	24,000
				$ 4,900		$ 71,745		$ 146,530

WALSIN TECHNOLOGY CORPORATION

STATEMENT OF STATEMENT OF FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME - NON-CURRENT
DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars)

Name of Securities	As of January 1, 2023		Increase (Note 1)		Decrease (Note 2)		As of December 31, 2023		Collateral
	Shares	Fair Value	Shares	Fair Value	Shares	Fair Value	Shares	Fair Value	
Walton Advanced Engineering Inc.	31,870,087	$ 361,726	-	$ 124,294	-	$ -	31,870,087	$ 486,020	None
Gigabyte Technology Co., Ltd.	8,590,000	914,835	800,000	1,394,427	(800,000)	(24,322)	8,590,000	2,284,940	〃
Walsin Lihwa Corporation	49,234,527	2,323,870	-	(420,956)	-	-	49,234,527	1,902,914	〃
Elcon International Co., Ltd.	1,879,028	-	-	-	-	-	1,879,028	-	〃
Euroc Venture Capital Corp.	7,499	310	-	-	-	(310)	7,499	-	〃
Chin-Xin Investment Co., Ltd.	9,032,056	395,009	-	41,821	-	-	9,032,056	436,830	〃
Sawnics Inc.	102,667	12,113	410,668	109,666	(513,335)	(121,779)	-	-	〃
		$ 4,007,863		$ 1,249,252		$ (146,411)		$ 5,110,704	

Note 1: An increase in investments, unrealized and realized gain or loss and cumulative translation adjustments on investments in equity instruments at FVTOCI.

Note 2: The decrease in the current period includes sales in the current period and remaining assets.

WALSIN TECHNOLOGY CORPORATION

STATEMENT OF TRADE RECEIVABLES
DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars)

Item	Description	Amount
Company A		$ 79,086
Company B		66,109
Others (Note)		898,473
Less: Allowance for impairment loss		(8,537)
		$ 1,035,131

Note: The amount received from each individual client included in “others” does not exceed 5% of the account balance.

WALSIN TECHNOLOGY CORPORATION

STATEMENT OF INVENTORIES
DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars)

Description	Amount	
	Cost	Net Realized Value
Raw materials	$ 383,085	$ 318,248
Supplies	31,131	25,862
Work in process	464,298	385,715
Semi-finished goods	611,660	510,259
Finished goods	380,100	315,769
Less: Allowance for inventory valuation and obsolescence losses	(314,421)	-
	$ 1,555,853	$ 1,555,853

Note: Net realizable value is the estimated selling price of inventories less all estimated costs of completion and costs necessary to make the sale.

WALSIN TECHNOLOGY CORPORATION

STATEMENT OF CHANGES IN INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD
FOR THE YEAR ENDED DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars, Unless Otherwise Stated)

Name	Balance, January 1, 2023		Increase (Note 1)		Decrease		Gain (Loss)	Balance, December 31, 2023			Market Value (Note 2)		Collateral
	Number of Shares	Amount	Number of Shares	Amount	Number of Shares	Amount (Note 3)		Number of Shares	%	Amount	Unit Price (NT$)	Total Amount	
Listed shares													
Prosperity Dielectrics Co., Ltd	74,186,468	$ 2,710,372	-	$ 77,322	-	$ (89,440)	$ 196,570	74,186,468	43.13	$ 2,894,824	48.75	$ 3,616,590	None
Hannstar Board Corporation	107,381,026	5,594,150	-	355,744	-	(257,714)	544,514	107,381,026	20.32	6,236,694	55.30	5,938,171	〃
Inpaq Technology Co., Ltd.	47,848,650	2,197,974	3,934,008	230,609	-	(81,343)	227,693	51,782,658	34.76	2,574,933	83.50	4,323,852	〃
Silitech Technology Corporation	17,000,000	730,145	-	(9,492)	-	(10,200)	19,375	17,000,000	25.00	729,828	38.15	648,550	〃
Soshin Electric Co., Ltd.	330,800	48,255	-	(2,355)	-	(439)	(564)	330,800	1.93	44,897	64.59	21,367	〃
Unlisted shares													
Pan Overseas (B.V.I.) Investments Co., Ltd.	21,836,000	2,284,994	-	(47,871)	-	-	26,265	21,836,000	100.00	2,263,388		2,305,205	〃
Gallatown Developments Ltd.	94,209,047	23,951,200	920,000	(80,944)	-	-	231,403	95,129,047	89.15	24,101,659		23,710,463	〃
Tsai Yi Corporation	39,052,142	626,698	-	171,585	-	-	6,278	39,052,142	26.62	804,561		804,561	〃
Falcon Automation Equipment Corporation	3,348,000	102,517	-	-	-	-	(4,694)	3,348,000	43.90	97,823		97,823	〃
Walsin New Energy Corporation	-	-	1,250,000	12,500	-	-	(263)	1,250,000	25.00	12,237		12,237	〃
Walsin Technology Europe B.V.	450,000	8,440	1,050,000	103,516	-	-	(61,853)	1,500,000	100.00	50,103		50,103	〃
		$ 38,254,745		$ 810,614		$ (439,136)	$ 1,184,724			$ 39,810,947		$ 41,528,922	

Note 1: An increase in investments and share of profit of associates accounted for using the equity method.

Note 2: Market value is the closing price on December 29, 2023 and recognizes the changes in the Company's equity.

Note 3: The decrease of $439,136 thousand is due to the cash dividend.

WALSIN TECHNOLOGY CORPORATION

STATEMENT OF SHORT-TERM BORROWINGS
DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars, Unless Otherwise Stated)

Type	Creditor	Description	Balance, End of Year	Loan term	Interest Rate (%)	Collateral
Short-term borrowings	United Overseas Bank	NT$	$ 110,000	2023/12/27-2024/01/29	1.65	None
〃	Bank of China Limited	〃	600,000	2023/12/04-2024/03/20	1.65-1.66	〃
〃	Taipei Fubon Bank	〃	2,067,000	2023/12/29-2024/01/05	1.77	〃
〃	Taishin Bank	〃	749,000	2023/12/06-2024/01/25	1.65	〃
〃	E. SUN Bank	〃	250,000	2023/12/27-2024/01/10	1.69	〃
〃	Mega Bank	〃	400,000	2023/11/13-2024/02/16	1.65	〃
〃	Citibank	〃	750,000	2023/12/08-2024/03/13	1.63-1.65	〃
〃	DBS Bank	〃	600,000	2023/12/20-2024/01/19	1.67	〃
〃	Cathay United States	〃	260,000	2023/12/15-2024/01/15	1.63	〃
〃	OCBC Bank	〃	900,000	2023/09/28-2024/01/31	1.65	〃
〃	Far Eastern Bank	Foreign currency	17,187	2023/10/11-2024/01/09	0.60	〃
〃	E. SUN Bank	〃	34,902	2023/12/25-2024/01/25	0.53	〃
〃	Mizuho Bank	〃	204,890	2023/11/08-2024/2/20	0.45-0.49	〃
			$ 6,942,979			

WALSIN TECHNOLOGY CORPORATION

STATEMENT OF TRADE PAYABLES
DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars)

Item	Description	Amount
Vendor A	Payment for goods	$ 306,197
Others (Note)	〃	843,156
		$ 1,149,353

Note: The amount payable to each individual vendor included in "others" does not exceed 5% of the account balance.

WALSIN TECHNOLOGY CORPORATION

STATEMENT OF OTHER PAYABLES
DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars)

Item	Description	Amount
Other payables	Personnel and bonus	$ 350,912
	Other expenses	1,022,974
	Employees' compensation	49,196
	Remuneration of directors	21,865
	Others	32,807
		$ 1,477,754

WALSIN TECHNOLOGY CORPORATION

STATEMENT OF BONDS PAYABLE
DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars)

Bonds Name	Trustee	Issuance Date	Interest Payment Date	Coupon Rate (%)	Total Amount	Converted	Balance, End of Year	Premiums (Discounts)	Total Amount: Current Portion of Bonds Payable	Total Amount: Bonds Payable	Total Amount: Total Amount	Redemption	Collateral
Unsecured domestic convertible bonds	Chinatrust Commercial Bank Co., Ltd.	April 29, 2020	-	0%, no interest payment date and method	$ 4,800,000	$ (1,000)	$ 4,799,000	$ (20,555)	$ 4,778,445	$ -	$ 4,778,445	a. Converted into ordinary shares. b. Bullet repayment.	None

STATEMENT 11

WALSIN TECHNOLOGY CORPORATION

STATEMENT OF NET SALES
FOR THE YEAR ENDED DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars)

Name	Amount
Sales revenue	
Multi-layer ceramic capacitors	$ 11,158,376
Chip resistors	2,202,213
Others	2,103,739
	15,464,328
Less: Sales returns	(16,137)
Sales discounts	(117,170)
	$ 15,331,021

STATEMENT 12

WALSIN TECHNOLOGY CORPORATION

STATEMENT OF COST OF SALES
FOR THE YEAR ENDED DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars)

Item	Amount
Raw material used	
Balance, beginning of year	$ 387,953
Raw material purchased	2,457,366
Raw material, end of year	(414,216)
Raw material profit	215
Raw material scrapped	(5,277)
Transferred to operating expenses	(685,318)
Sales of raw material	(41,423)
	1,699,300
Direct labor	1,079,376
Manufacturing expenses	3,823,069
Transferred to cost of sales and outsourced expenses	1,703,774
Transferred to operating expenses	(28,663)
Manufacturing cost	8,276,856
Work in process and semi-finished goods, beginning of year	1,182,523
Semi-finished goods purchased	1,694,787
Work in process and semi-finished goods, end of year	(1,063,421)
Work in process shortage	(22)
Work in process scrapped	(13,505)
Others	(29,313)
Cost of finished goods	10,047,905
Finished goods, beginning of year	468,590
Finished goods purchased	3,842,804
Finished goods, end of year	(380,100)
Finished goods shortage	(5)
Finished goods scrapped	(18,138)
Transferred to prototype expenses	(2,986)
Losses on inventory valuation loss and obsolescence	40,176
Others	(221,129)
	$ 13,777,117

STATEMENT 13

WALSIN TECHNOLOGY CORPORATION

STATEMENT OF SELLING AND MARKETING EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars)

Item	Description	Amount
Salaries		$ 119,347
Shipping fees		51,047
Professional service fees		23,122
Others	The amount of each individual account included in "others" does not exceed 5% of the account balance.	86,918
		$ 280,434

STATEMENT 14

WALSIN TECHNOLOGY CORPORATION

STATEMENT OF GENERAL AND ADMINISTRATIVE EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars)

Item	Description	Amount
Salaries		$ 158,249
Various amortization		40,303
Service charge		20,927
Others	The amount of each individual account included in "others" does not exceed 5% of the account balance.	25,618
		$ 245,097

STATEMENT 15

WALSIN TECHNOLOGY CORPORATION

STATEMENT OF RESEARCH AND DEVELOPMENT EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars)

Item	Description	Amount
Salaries		$ 99,003
Depreciation expenses and amortization		57,531
Materials for research and development		50,482
Utilities expense		19,604
Others	The amount of each individual account included in "others" does not exceed 5% of the account balance.	63,764
		$ 290,384

STATEMENT 16

WALSIN TECHNOLOGY CORPORATION

STATEMENT OF NON-OPERATING INCOME AND EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars)

Item	Description	Amount
Interest income		$ 380,948
Rental income		17,719
Dividend income		161,094
Share of profit of subsidiaries and associates accounted for using the equity method		1,184,724
Other income		13,021
Gain on disposal of investments		6,703
Gain on financial assets at FVTPL		67,407
Foreign exchange loss, net		(14,266)
Interest expense		(297,896)
Loss on disposal of property, plant and equipment		(9,261)
Other expenses		(20,600)
		$ 1,489,593