

**Symtek Automation Asia Co., Ltd. and  
Subsidiaries**

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

## **INDEPENDENT AUDITORS' REVIEW REPORT**

The Board of Directors and Shareholders  
Symtek Automation Asia Co., Ltd.

### **Introduction**

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

### **Scope of Review**

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

### **Conclusion**

Based on our reviews, nothing has come to our attention that caused us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Group as of September 30, 2024 and 2023, and of its consolidated financial performance for the three months ended September 30, 2024 and 2023, and its consolidated financial performance and its consolidated cash flows for the nine months ended September 30, 2024 and 2023 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34 “Interim Financial Reporting” endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

The engagement partners on the reviews resulting in this independent auditors' review report are Wen-Yuan Chuang and Tza-Li Gung.

Deloitte & Touche  
Taipei, Taiwan  
Republic of China

November 12, 2024

Notice to Readers

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

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

# **SYMTEK AUTOMATION ASIA CO., LTD. AND SUBSIDIARIES**

## **CONSOLIDATED BALANCE SHEETS** (In Thousands of New Taiwan Dollars)

ASSETS	September 30, 2024		December 31, 2023		September 30, 2023	
	Amount	%	Amount	%	Amount	%
<b>CURRENT ASSETS</b>						
Cash and cash equivalents (Note 6)	\$ 1,844,937	22	\$ 1,928,846	24	\$ 1,893,549	24
Financial assets at fair value through profit or loss - current (Note 17)	586	-	-	-	-	-
Financial assets at amortized cost - current (Note 8)	90,460	1	155,619	2	110,375	1
Contract assets - current (Notes 23 and 31)	720,362	9	665,279	9	573,937	7
Notes receivable from unrelated parties (Note 9)	3,945	-	13,776	-	17,289	-
Notes receivable from related parties (Note 31)	535	-	21,640	-	2,561	-
Trade receivables from unrelated parties (Notes 9 and 23)	1,073,905	13	1,083,850	14	1,029,642	13
Trade receivables from related parties (Notes 23 and 31)	2,610	-	2,774	-	20,344	-
Other receivables (Notes 9 and 31)	12,514	-	11,155	-	18,943	-
Current tax assets	21,814	-	-	-	-	-
Inventories (Note 10)	1,278,715	16	1,469,511	19	1,896,187	24
Other current assets (Notes 15 and 32)	86,406	1	95,949	1	130,861	2
	<u>5,136,789</u>	<u>62</u>	<u>5,448,399</u>	<u>69</u>	<u>5,693,688</u>	<u>71</u>
Total current assets						
<b>NON-CURRENT ASSETS</b>						
Financial assets at fair value through other comprehensive income - non-current (Note 7)	278,740	3	169,090	2	141,400	2
Property, plant and equipment (Notes 12 and 32)	2,493,273	30	2,043,898	26	1,953,137	24
Right-of-use assets (Note 13)	65,230	1	75,500	1	90,767	1
Intangible assets (Note 14)	21,228	-	12,315	-	12,332	-
Deferred tax assets	149,076	2	148,966	2	129,389	1
Other non-current assets (Note 15)	192,352	2	47,119	-	52,170	1
	<u>3,199,899</u>	<u>38</u>	<u>2,496,888</u>	<u>31</u>	<u>2,379,195</u>	<u>29</u>
Total non-current assets						
<b>TOTAL</b>	<u>\$ 8,336,688</u>	<u>100</u>	<u>\$ 7,945,287</u>	<u>100</u>	<u>\$ 8,072,883</u>	<u>100</u>
<b>LIABILITIES AND EQUITY</b>						
<b>CURRENT LIABILITIES</b>						
Short-term borrowings (Note 16)	\$ -	-	\$ 200,000	3	\$ 100,000	1
Contract liabilities - current (Notes 23 and 31)	301,421	4	485,291	6	414,922	5
Trade payables to unrelated parties (Note 18)	1,241,747	15	835,314	11	1,013,894	13
Other payables (Notes 19 and 31)	634,753	8	637,841	8	700,996	9
Current tax liabilities	-	-	89,419	1	57,728	1
Provisions - current (Note 20)	83,682	1	92,645	1	108,890	1
Lease liabilities - current (Note 13)	25,060	-	32,519	-	41,894	1
Current portion of bonds payable (Note 17)	283,732	3	-	-	-	-
Current portion of long - term borrowings (Note 16)	29,818	-	47,922	1	36,344	-
Other current liabilities (Note 19)	3,420	-	2,580	-	99,404	1
	<u>2,603,633</u>	<u>31</u>	<u>2,423,531</u>	<u>31</u>	<u>2,574,072</u>	<u>32</u>
Total current liabilities						
<b>NON-CURRENT LIABILITIES</b>						
Financial liabilities at fair value through profit or loss - non-current (Note 17)	-	-	930	-	1,290	-
Bonds payable (Note 17)	-	-	285,898	4	284,408	4
Long-term loans (Note 16)	1,272,345	15	966,279	12	1,046,187	13
Deferred tax liabilities	163,431	2	150,498	2	148,663	2
Lease liabilities - non-current (Note 13)	29,402	1	28,104	-	33,780	-
Other non-current liabilities (Note 19)	2,936	-	2,936	-	2,227	-
	<u>1,468,114</u>	<u>18</u>	<u>1,434,645</u>	<u>18</u>	<u>1,516,555</u>	<u>19</u>
Total non-current liabilities						
Total liabilities	<u>4,071,747</u>	<u>49</u>	<u>3,858,176</u>	<u>49</u>	<u>4,090,627</u>	<u>51</u>
<b>EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Notes 22 and 28)</b>						
Share capital						
Ordinary shares	752,817	9	752,817	10	752,817	9
Bond conversion entitlement certificates	671	-	-	-	-	-
Total share capital	<u>753,488</u>	<u>9</u>	<u>752,817</u>	<u>10</u>	<u>752,817</u>	<u>9</u>
Capital surplus	<u>1,860,060</u>	<u>22</u>	<u>1,854,049</u>	<u>23</u>	<u>1,854,049</u>	<u>23</u>
Retained earnings						
Legal reserve	488,880	6	424,099	5	424,099	5
Special reserve	14,547	-	21,404	-	21,404	1
Unappropriated earnings	895,320	11	1,006,847	13	904,623	11
Total retained earnings	<u>1,398,747</u>	<u>17</u>	<u>1,452,350</u>	<u>18</u>	<u>1,350,126</u>	<u>17</u>
Other equity	<u>133,186</u>	<u>2</u>	<u>(14,547)</u>	<u>-</u>	<u>(17,025)</u>	<u>-</u>
Total equity attributable to shareholders of the Company	4,145,481	50	4,044,669	51	3,939,967	49
<b>NON-CONTROLLING INTERESTS (Notes 11 and 22)</b>						
	<u>119,460</u>	<u>1</u>	<u>42,442</u>	<u>-</u>	<u>42,289</u>	<u>-</u>
Total equity	<u>4,264,941</u>	<u>51</u>	<u>4,087,111</u>	<u>51</u>	<u>3,982,256</u>	<u>49</u>
<b>TOTAL</b>	<u>\$ 8,336,688</u>	<u>100</u>	<u>\$ 7,945,287</u>	<u>100</u>	<u>\$ 8,072,883</u>	<u>100</u>

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

# **SYMTEK AUTOMATION ASIA CO., LTD. AND SUBSIDIARIES**

## **CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Three Months Ended September 30				For the Nine Months Ended September 30			
	2024		2023		2024		2023	
	Amount	%	Amount	%	Amount	%	Amount	%
OPERATING REVENUE (Notes 23 and 31)	\$ 1,314,147	100	\$ 1,237,969	100	\$ 3,837,038	100	\$ 4,427,549	100
OPERATING COSTS (Notes 10, 24 and 31)	<u>(1,020,815)</u>	<u>(78)</u>	<u>(783,069)</u>	<u>(63)</u>	<u>(2,801,742)</u>	<u>(73)</u>	<u>(3,077,761)</u>	<u>(70)</u>
GROSS PROFIT	<u>293,332</u>	<u>22</u>	<u>454,900</u>	<u>37</u>	<u>1,035,296</u>	<u>27</u>	<u>1,349,788</u>	<u>30</u>
OPERATING EXPENSES (Notes 9, 23, 24 and 31)								
Selling and marketing	(40,001)	(3)	(40,350)	(3)	(125,211)	(3)	(114,119)	(2)
General and administrative	(75,962)	(6)	(94,456)	(8)	(231,459)	(6)	(286,755)	(6)
Research and development	(95,366)	(7)	(86,819)	(7)	(298,966)	(8)	(251,310)	(6)
Expected credit loss	<u>(21,778)</u>	<u>(2)</u>	<u>(31,262)</u>	<u>(3)</u>	<u>(67,402)</u>	<u>(2)</u>	<u>(32,452)</u>	<u>(1)</u>
Total operating expenses	<u>(233,107)</u>	<u>(18)</u>	<u>(252,887)</u>	<u>(21)</u>	<u>(723,038)</u>	<u>(19)</u>	<u>(684,636)</u>	<u>(15)</u>
PROFIT FROM OPERATIONS	<u>60,225</u>	<u>4</u>	<u>202,013</u>	<u>16</u>	<u>312,258</u>	<u>8</u>	<u>665,152</u>	<u>15</u>
NON-OPERATING INCOME AND EXPENSES (Note 24)								
Interest income	4,945	-	3,051	-	18,573	1	12,911	-
Other income	5,104	-	13,946	1	16,045	-	18,524	-
Other gains and losses	(7,758)	-	17,702	2	13,827	-	23,863	1
Finance costs	<u>(4,492)</u>	<u>-</u>	<u>(8,981)</u>	<u>(1)</u>	<u>(17,018)</u>	<u>-</u>	<u>(24,313)</u>	<u>-</u>
Total non-operating income and expenses	<u>(2,201)</u>	<u>-</u>	<u>25,718</u>	<u>2</u>	<u>31,427</u>	<u>1</u>	<u>30,985</u>	<u>1</u>
PROFIT BEFORE INCOME TAX	58,024	4	227,731	18	343,685	9	696,137	16
INCOME TAX EXPENSE (Note 25)	<u>(12,807)</u>	<u>(1)</u>	<u>(41,844)</u>	<u>(3)</u>	<u>(76,970)</u>	<u>(2)</u>	<u>(152,025)</u>	<u>(4)</u>
NET PROFIT FOR THE PERIOD	<u>45,217</u>	<u>3</u>	<u>185,887</u>	<u>15</u>	<u>266,715</u>	<u>7</u>	<u>544,112</u>	<u>12</u>
OTHER COMPREHENSIVE INCOME (LOSS)								
Items that will not be reclassified subsequently to profit or loss:								
Unrealized gain (loss) on investments in equity instruments at fair value through other comprehensive income (Note 30)	48,057	4	2,330	-	88,955	2	957	-

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# **SYMTEK AUTOMATION ASIA CO., LTD. AND SUBSIDIARIES**

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

	For the Three Months Ended September 30				For the Nine Months Ended September 30			
	2024		2023		2024		2023	
	Amount	%	Amount	%	Amount	%	Amount	%
Items that may be reclassified subsequently to profit or loss:								
Exchange differences on translating of the financial statements of foreign operations	\$ 45,543	4	\$ 48,360	4	\$ 91,983	2	\$ 2,786	-
Income tax related to items that may be reclassified subsequently to profit or loss (Note 25)	<u>(7,382)</u>	<u>(1)</u>	<u>(9,411)</u>	<u>(1)</u>	<u>(16,073)</u>	<u>-</u>	<u>(855)</u>	<u>-</u>
Other comprehensive income for the period, net of income tax	<u>86,218</u>	<u>7</u>	<u>41,279</u>	<u>3</u>	<u>164,865</u>	<u>4</u>	<u>2,888</u>	<u>-</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<u><u>\$ 131,435</u></u>	<u><u>10</u></u>	<u><u>\$ 227,166</u></u>	<u><u>18</u></u>	<u><u>\$ 431,580</u></u>	<u><u>11</u></u>	<u><u>\$ 547,000</u></u>	<u><u>12</u></u>
<b>NET PROFIT ATTRIBUTABLE TO:</b>								
Owners of the Company	\$ 45,851	3	\$ 187,037	15	\$ 279,653	7	\$ 545,579	12
Non-controlling interests	<u>(634)</u>	<u>-</u>	<u>(1,150)</u>	<u>-</u>	<u>(12,938)</u>	<u>-</u>	<u>(1,467)</u>	<u>-</u>
	<u><u>\$ 45,217</u></u>	<u><u>3</u></u>	<u><u>\$ 185,887</u></u>	<u><u>15</u></u>	<u><u>\$ 266,715</u></u>	<u><u>7</u></u>	<u><u>\$ 544,112</u></u>	<u><u>12</u></u>
<b>TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:</b>								
Owners of the Company	\$ 123,432	9	\$ 227,013	18	\$ 432,897	11	\$ 549,958	12
Non-controlling interests	<u>8,003</u>	<u>1</u>	<u>153</u>	<u>-</u>	<u>(1,317)</u>	<u>-</u>	<u>(2,958)</u>	<u>-</u>
	<u><u>\$ 131,435</u></u>	<u><u>10</u></u>	<u><u>\$ 227,166</u></u>	<u><u>18</u></u>	<u><u>\$ 431,580</u></u>	<u><u>11</u></u>	<u><u>\$ 547,000</u></u>	<u><u>12</u></u>
<b>EARNINGS PER SHARE (Note 26)</b>								
Basic earnings per share	<u>\$ 0.61</u>		<u>\$ 2.55</u>		<u>\$ 3.71</u>		<u>\$ 7.57</u>	
Diluted earnings per share	<u>\$ 0.60</u>		<u>\$ 2.47</u>		<u>\$ 3.63</u>		<u>\$ 7.30</u>	

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

(Concluded)

**SYMTEK AUTOMATION ASIA CO., LTD. AND SUBSIDIARIES**

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

	Equity Attributable to Owners of the Company												Non-controlling Interest	Total Equity
									Other Equity					
	Share Capital			Capital Surplus	Retained Earnings				Exchange Difference on Translating of the Financial Statements of Foreign Operations	Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income	Total	Total		
	Ordinary Shares	Bond Conversion Entitlement Certificates	Total		Legal Reserve	Special Reserve	Unappropriated Earnings	Total						
BALANCE AT JANUARY 1, 2023	\$ 714,317	\$ -	\$ 714,317	\$ 1,506,096	\$ 357,550	\$ 34,942	\$ 1,054,940	\$ 1,447,432	\$ (17,226)	\$ (4,178)	\$ (21,404)	\$ 3,646,441	\$ 45,247	\$ 3,691,688
Appropriation of earnings														
Legal reserve	-	-	-	-	66,549	-	(66,549)	-	-	-	-	-	-	-
Special reserve	-	-	-	-	-	(13,538)	13,538	-	-	-	-	-	-	-
Cash dividends distributed by the Company	-	-	-	-	-	-	(642,885)	(642,885)	-	-	-	(642,885)	-	(642,885)
Net profit for the nine months ended September 30, 2023	-	-	-	-	-	-	545,579	545,579	-	-	-	545,579	(1,467)	544,112
Other comprehensive income (loss) for the nine months ended September 30, 2023	-	-	-	-	-	-	-	-	3,422	957	4,379	4,379	(1,491)	2,888
Total comprehensive income (loss) for the nine months ended September 30, 2023	-	-	-	-	-	-	545,579	545,579	3,422	957	4,379	549,958	(2,958)	547,000
Equity component of convertible bonds issued by the Company	-	-	-	15,756	-	-	-	-	-	-	-	15,756	-	15,756
Employee share options issued by the Company	-	-	-	12,647	-	-	-	-	-	-	-	12,647	-	12,647
Issuance of ordinary shares for cash	38,500	-	38,500	319,550	-	-	-	-	-	-	-	358,050	-	358,050
BALANCE AT SEPTEMBER 30, 2023	\$ 752,817	\$ -	\$ 752,817	\$ 1,854,049	\$ 424,099	\$ 21,404	\$ 904,623	\$ 1,350,126	\$ (13,804)	\$ (3,221)	\$ (17,025)	\$ 3,939,967	\$ 42,289	\$ 3,982,256
BALANCE AT JANUARY 1, 2024	\$ 752,817	\$ -	\$ 752,817	\$ 1,854,049	\$ 424,099	\$ 21,404	\$ 1,006,847	\$ 1,452,350	\$ (39,016)	\$ 24,469	\$ (14,547)	\$ 4,044,669	\$ 42,442	\$ 4,087,111
Appropriation of earnings														
Legal reserve	-	-	-	-	64,781	-	(64,781)	-	-	-	-	-	-	-
Special reserve	-	-	-	-	-	(6,857)	6,857	-	-	-	-	-	-	-
Cash dividends distributed by the Company	-	-	-	-	-	-	(338,767)	(338,767)	-	-	-	(338,767)	-	(338,767)
Net profit for the nine months ended September 30, 2024	-	-	-	-	-	-	279,653	279,653	-	-	-	279,653	(12,938)	266,715
Other comprehensive income (loss) for the nine months ended September 30, 2024	-	-	-	-	-	-	-	-	64,289	88,955	153,244	153,244	11,621	164,865
Total comprehensive income (loss) for the nine months ended September 30, 2024	-	-	-	-	-	-	279,653	279,653	64,289	88,955	153,244	432,897	(1,317)	431,580
Conversion of convertible corporate bonds	-	671	671	6,011	-	-	-	-	-	-	-	6,682	-	6,682
Disposal of financial assets at fair value through other comprehensive income	-	-	-	-	-	-	5,511	5,511	-	(5,511)	(5,511)	-	-	-
Increase in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	78,335	78,335
BALANCE AT SEPTEMBER 30, 2024	\$ 752,817	\$ 671	\$ 753,488	\$ 1,860,060	\$ 488,880	\$ 14,547	\$ 895,320	\$ 1,398,747	\$ 25,273	\$ 107,913	\$ 133,186	\$ 4,145,481	\$ 119,460	\$ 4,264,941

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

# SYMTEK AUTOMATION ASIA CO., LTD. AND SUBSIDIARIES

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

	For the Nine Months Ended September 30	
	2024	2023
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Income before income tax	\$ 343,685	\$ 696,137
Adjustments for:		
Depreciation expense	45,086	51,724
Amortization expense	19,447	19,029
Expected credit loss recognized on trade receivables and contract assets	67,402	32,452
Net (gain) loss on fair value changes of financial assets and liabilities at fair value through profit or loss	(1,514)	220
Financial costs	17,018	24,313
Interest income	(18,573)	(12,911)
Dividend income	(3,693)	(6,086)
Compensation cost of employee share options	-	12,647
Loss (gain) on disposal of property, plant and equipment	61	(1,000)
(Reversal of) write-down of inventories	(73,458)	102,491
Other items	(663)	-
Changes in operating assets and liabilities		
Contract assets	(48,392)	77,732
Notes receivable from unrelated parties	10,174	13,054
Notes receivable from related parties	21,105	(2,561)
Trade receivables from unrelated parties	(29,982)	31,231
Trade receivables from related parties	297	74,281
Other receivables	(1,346)	11,358
Inventories	292,782	305,397
Other current assets	3,256	9,786
Contract liabilities	(195,214)	(316,784)
Trade payables to unrelated parties	385,281	(561,980)
Other payables	(49,934)	(33,288)
Provisions - current	(10,622)	(197)
Other current liabilities	837	95,694
Cash generated from operations	773,040	622,739
Interest received	18,573	12,911
Interest paid	(12,318)	(21,385)
Income tax paid	(189,122)	(256,760)
Net cash generated from operating activities	590,173	357,505
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of financial assets at fair value through other comprehensive income	(29,781)	(20,000)
Disposal of financial assets at fair value through other comprehensive income	9,610	-
Purchase of financial assets at amortized cost	-	(109,850)

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# SYMTEK AUTOMATION ASIA CO., LTD. AND SUBSIDIARIES

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

	For the Nine Months Ended September 30	
	2024	2023
Proceeds from sale of financial assets at amortized cost	\$ 70,931	\$ -
Payments for property, plant and equipment	(569,191)	(287,686)
Proceeds from disposal of property, plant and equipment	-	1,052
Decrease (increase) in refundable deposits	(232)	(1,808)
Payments for intangible assets	(13,551)	(2,094)
Decrease in other financial assets	-	25,150
Increase in prepayments for real estate	(148,038)	-
Increase in other non-current assets	-	(13,971)
Dividend received	<u>3,693</u>	<u>6,086</u>
Net cash used in investing activities	<u>(676,559)</u>	<u>(403,121)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from short-term borrowings	-	450,000
Repayments of short-term borrowings	(200,000)	(510,000)
Proceeds from issuance of convertible bonds	-	298,770
Proceeds from long-term borrowings	457,000	423,000
Repayments of long-term borrowings	(169,039)	(86,680)
Repayment of the principal portion of lease liabilities	(27,368)	(34,930)
Cash dividends paid	(188,204)	(428,590)
Issuance of ordinary shares for cash	-	358,050
Changes in non-controlling interests	<u>78,335</u>	<u>-</u>
Net cash generated from (used in) financing activities	<u>(49,276)</u>	<u>469,620</u>
<b>EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS HELD IN FOREIGN CURRENCIES</b>	<u>51,753</u>	<u>589</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<u>(83,909)</u>	<u>424,593</u>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>	<u>1,928,846</u>	<u>1,468,956</u>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<u>\$ 1,844,937</u>	<u>\$ 1,893,549</u>

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

(Concluded)

# **SYMTEK AUTOMATION ASIA CO., LTD. AND SUBSIDIARIES**

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

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### **1. GENERAL INFORMATION**

Symtek Automation Asia Co., Ltd. (the “Company”) was incorporated in the Republic of China (ROC) in October 1999, and is mainly engaged in the manufacture and sale of automation equipment and related products. The Company’s stock has been officially OTC-listed on the Taipei Exchange (TPEX) since April 2017 and was discontinued on January 19, 2021, and was exchange-listed on the Taiwan Stock Exchange (TWSE) on the same day.

The consolidated financial statements are presented in the Company’s functional currency, the New Taiwan dollar (NTD).

### **2. APPROVAL OF FINANCIAL STATEMENTS**

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

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

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

The initial application of the amendments to the IFRS Accounting Standards endorsed and issued into effect by the FSC did not have a material impact on the accounting policies of the Company and entities controlled by the Company (collectively as the “Company”).

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

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

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

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

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

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

#### IFRS 18 “Presentation and Disclosure in Financial Statements”

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

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

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

#### **4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION**

##### **a. Statement of compliance**

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

##### **b. Basis of preparation**

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

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

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

##### **c. Basis of consolidation**

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

Income and expenses of subsidiaries acquired or disposed of during the period are included in the consolidated statement of 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 Group.

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

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

See Note 11 and Tables 5 and 6 for detailed information on subsidiaries (including percentage of ownership and main business).

d. Other material accounting policies

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

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

Current assets include:

- Assets held primarily for the purpose of trading;
- Assets expected to be realized within 12 months after the reporting period; and
- Cash 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:

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

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

2) Retirement benefit plan

Pension cost for an interim period is calculated on a year-to-date basis by using the actuarially determined pension cost rate at the end of the prior financial year, adjusted for significant market fluctuations since that time and for significant plan amendments, settlements, or other significant one-off events.

3) Income tax expense

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

## **5. MATERIAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

When developing material accounting estimates, the Group considers the possible impact of inflation and interest rate fluctuations on the cash flow projection, growth rates, discount rates, profitabilities and other relevant material estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

The accounting policies applied to these consolidated financial statements are consistent with those applied to the consolidated financial statements for the year ended December 31, 2023.

## 6. CASH AND CASH EQUIVALENTS

	September 30, 2024	December 31, 2023	September 30, 2023
Cash on hand	\$ 364	\$ 268	\$ 271
Checking accounts demand deposits	1,571,933	1,466,831	1,344,271
Cash equivalents (investments with original maturities of less than 3 months)			
Time deposits	<u>272,640</u>	<u>461,747</u>	<u>549,007</u>
	<u>\$ 1,844,937</u>	<u>\$ 1,928,846</u>	<u>\$ 1,893,549</u>

## 7. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

### Investment in Equity Instruments

	September 30, 2024	December 31, 2023	September 30, 2023
<u>Non-current</u>			
Domestic investments			
Listed shares and emerging market shares			
SynPower Co., Ltd.	\$ 198,206	\$ 129,390	\$ 114,640
Unlisted shares			
New Smart Technology Co., Ltd.	19,400	8,870	5,760
Ever Radiant Inc.	-	-	-
Great Talent Tech Co., Ltd.	1,000	1,000	1,000
TSS Holding Limited	29,830	29,830	20,000
Foreign investments			
Ultratak Industry (Guangdong) Co., Ltd.	<u>30,304</u>	<u>-</u>	<u>-</u>
	<u>\$ 278,740</u>	<u>\$ 169,090</u>	<u>\$ 141,400</u>

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

The management of the Group considered that the fair value of the stock investment in Ever Radiant Inc. could not be measured reliably. The stock investment was valued as a receivable and an impairment loss of \$8,953 thousand was recognized as of December 31, 2019, the acquisition date, because of the decline in the assessed value of the stock investment.

On June 15, 2023, the Group invested in TSS Holdings Limited for \$20,000 thousand, which is designated as an investment at FVTOCI because it is a medium- to long-term strategic investment in view of the Group's international strategy.

On June 7, 2024, the Group invested in Ultratak Industry (Guangdong) Co., Ltd. for RMB6,700 thousand (equivalent to \$29,781 thousand, which is designated as an investment at FVTOCI because it is a medium- to long-term strategic investment in view of the Group's international strategy.

In September 2024, the Group sold its shares in SynPower Co., Ltd. in order to manage credit concentration risk. The shares sold had a fair value of \$9,610 thousand and their related unrealized valuation gain of \$5,511 thousand was transferred from other equity to retained earnings.

## 8. FINANCIAL ASSETS AT AMORTIZED COST

	September 30, 2024	December 31, 2023	September 30, 2023
<u>Current</u>			
Time deposits with original maturities of more than 3 months	\$ 90,460	\$ 155,619	\$ 110,375

As the nine months ended September 30, 2024, the year ended December 31, 2023 and the nine months ended September 30, 2023, the ranges of interest rates for time deposits with original maturities of more than 3 months were from 2.10%, 2% to 5% and 2.0% to 2.3% per annum, respectively.

## 9. NOTES RECEIVABLE, TRADE RECEIVABLES AND OTHER RECEIVABLES

	September 30, 2024	December 31, 2023	September 30, 2023
<u>Notes receivable - operating</u>			
At amortized cost			
Gross carrying amount	\$ 3,945	\$ 13,776	\$ 17,289
Less: Allowance for impairment loss	-	-	-
	<u>\$ 3,945</u>	<u>\$ 13,776</u>	<u>\$ 17,289</u>
<u>Trade receivables</u>			
At amortized cost			
Gross carrying amount	\$ 1,234,313	\$ 1,151,058	\$ 1,116,483
Less: Allowance for impairment loss	(176,939)	(106,373)	(122,391)
	1,057,374	1,044,685	994,092
At FVTOCI	16,531	39,165	35,550
	<u>\$ 1,073,905</u>	<u>\$ 1,083,850</u>	<u>\$ 1,029,642</u>
<u>Other receivables</u>			
Business tax refund receivable	\$ -	\$ -	\$ 2,052
Transfer of trade receivable factoring	12,359	10,009	16,891
Other	155	1,146	-
	<u>\$ 12,514</u>	<u>\$ 11,155</u>	<u>\$ 18,943</u>

## Trade Receivables

### a. At amortized cost

The average credit period of sales of goods is 90 to 365 days. 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 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 provides for expected credit losses based on 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 the 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 forecasted direction of economic conditions at the reporting date. As the Group'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 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.

### b. At FVTOCI

For trade receivables, the Group will decide whether to sell these trade receivables to banks without recourse based on its level of working capital. These trade receivables are classified as at FVTOCI because they are held within a business model whose objective is achieved by both the collecting of contractual cash flows and the selling of financial assets.

The following table details the loss allowance of notes receivable and trade receivables based on the Group's provision matrix.

#### September 30, 2024

	No Signs of Default by Counterparties						Total
	Not Past Due	1 to 90 Days	91 to 180 Days	181 to 270 Days	271 to 365 Days	Over 366 Days	
Expected credit loss rate	0.56%	11.15%	17.58%	23.53%	50.76%	100%	
Gross carrying amount	\$ 807,508	\$ 133,973	\$ 86,881	\$ 71,715	\$ 59,668	\$ 95,044	\$ 1,254,789
Loss allowance (Lifetime ECLs)	(4,523)	(14,940)	(15,276)	(16,871)	(30,285)	(95,044)	(176,939)
Amortized cost	<u>\$ 802,985</u>	<u>\$ 119,033</u>	<u>\$ 71,605</u>	<u>\$ 54,844</u>	<u>\$ 29,383</u>	<u>\$ -</u>	<u>\$ 1,077,850</u>

#### December 31, 2023

	No Signs of Default by Counterparties						Total
	Not Past Due	1 to 90 Days	91 to 180 Days	181 to 270 Days	271 to 365 Days	Over 366 Days	
Expected credit loss rate	0.29%	8.94%	8.36%	29.56%	46.22%	100%	
Gross carrying amount	\$ 768,408	\$ 119,913	\$ 207,715	\$ 36,739	\$ 11,134	\$ 60,090	\$ 1,203,999
Loss allowance (Lifetime ECLs)	(2,204)	(10,716)	(17,358)	(10,859)	(5,146)	(60,090)	(106,373)
Amortized cost	<u>\$ 766,204</u>	<u>\$ 109,197</u>	<u>\$ 190,357</u>	<u>\$ 25,880</u>	<u>\$ 5,988</u>	<u>\$ -</u>	<u>\$ 1,097,626</u>



## September 30, 2023

	No Signs of Default by Counterparties						Total
	Not Past Due	1 to 90 Days	91 to 180 Days	181 to 270 Days	271 to 365 Days	Over 366 Days	
Expected credit loss rate	0.24%	8.37%	19.99%	20.39%	74.01%	100%	
Gross carrying amount	\$ 675,109	\$ 309,841	\$ 85,198	\$ 12,139	\$ 45,092	\$ 41,943	\$ 1,169,322
Loss allowance (Lifetime ECLs)	<u>(1,634)</u>	<u>(25,935)</u>	<u>(17,030)</u>	<u>(2,475)</u>	<u>(33,374)</u>	<u>(41,943)</u>	<u>(122,391)</u>
Amortized cost	<u>\$ 673,475</u>	<u>\$ 283,906</u>	<u>\$ 68,168</u>	<u>\$ 9,664</u>	<u>\$ 11,718</u>	<u>\$ -</u>	<u>\$ 1,046,931</u>

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

	For the Nine Months Ended September 30	
	2024	2023
Balance at January 1	\$ 106,373	\$ 91,465
Add: Net remeasurement of loss allowance	66,313	30,713
Foreign exchange gains and losses	<u>4,253</u>	<u>213</u>
Balance at September 30	<u>\$ 176,939</u>	<u>\$ 122,391</u>

The Group entered into a non-recourse sale contract with the bank for the trade receivable arising from the sale of a portion of the consolidated receivable on credit. For information on the Group's sale of trade receivable. Refer to Note 30 (e) for details of the factoring agreements for trade receivables.

## 10. INVENTORIES

	September 30, 2024	December 31, 2023	September 30, 2023
Finished goods	\$ 11,664	\$ 18,031	\$ 11,350
Work-in-progress	1,181,617	1,342,852	1,733,423
Raw materials	<u>85,434</u>	<u>108,628</u>	<u>151,414</u>
	<u>\$ 1,278,715</u>	<u>\$ 1,469,511</u>	<u>\$ 1,896,187</u>

The cost of goods sold for the three months and nine months ended September 30, 2024 included reversal of inventory write-downs of \$7,250 thousand and \$73,458 thousand, respectively. The cost of goods sold for the three months and nine months ended September 30, 2023 included reversal of inventory write-downs of \$16,296 thousand and inventory write-downs of \$102,491 thousand, respectively. The reversal of previous write-downs resulted from the disposal of partial inventories with longer aging.

## 11. SUBSIDIARIES

### a. Subsidiaries included in the consolidated financial statements:

Investor	Subsidiary	Nature of Activities	Proportion of Ownership			Remark
			September 30, 2024	December 31, 2023	September 30, 2023	
Symtek Automation Asia Co., Ltd.	Symtek Automation Ltd. (SAL)	Investment	100.00%	100.00%	100.00%	-
SAL	Symtek Automation China Co., Ltd. (Symtek China)	Equipment manufacturing and sales	100.00%	100.00%	100.00%	-
Symtek China	Symtek Power Asia Co., Ltd.	Equipment manufacturing and sales	60.00%	60.00%	60.00%	(1), (2)
Symtek Power Asia Co., Ltd.	Symtek Power Automation Technology (Thailand) Co., Ltd.	Equipment sales	100.00%	100.00%	-	(3)

1) In February 2022, Symtek China completed the registration of Symtek Power Asia Co., Ltd. The registered capital of Symtek Power Asia Co., Ltd. was RMB54,000 thousand, and the paid in capital was RMB6,000 thousand, with Symtek China holding a 100% stake. In August 2022, Symtek Power Asia Co., Ltd. changed its registered capital to RMB90,000 thousand and carried out a cash increase of RMB21,000 thousand. As Symtek China did not subscribe to the cash increase shares of Symtek Power Asia Co., Ltd. In proportion to its shareholding, its stake decreased from 100% to 60% by September 2022. As of September 30, 2024, December 31, 2023 and September 30, 2023, Symtek Power Asia Co., Ltd. paid-in capital was RMB72,000 thousand, RMB27,000 thousand and RMB27,000 thousand.

2) Subsidiary with material non-controlling interests.

3) In May 2023, Symtek Power Automation Technology (Thailand) Co., Ltd. Was registered as a company limited by shares with a capital of THB18,000 thousand. In June 2024, Symtek Power Automation Technology (Thailand) Co., Ltd. changed its registered capital to THB201,700 thousand and carried out a cash increase of THB183,700 thousand. As of September 30, 2024 and December 31, 2023, both of the invested capital was THB201,700 thousand and THB18,000 thousand.

### b. Details of subsidiaries that have material non-controlling interests

Name of Subsidiary	Proportion of Ownership and Voting Rights Held by Non-controlling Interests		
	September 30, 2024	December 31, 2023	September 30, 2023
Symtek Power Asia Co., Ltd.	40%	40%	40%

Refer to Table 5 for the details of main business location and country of incorporation.

Name of Subsidiary	Profit Allocated to Non-controlling Interests		Accumulated Non-controlling Interests		
	For the Nine Months Ended		September 30,		
	September 30, 2024	September 30, 2023	September 30, 2024	December 31, 2023	September 30, 2023
Symtek Power Asia Co., Ltd.	\$ (12,938)	\$ (1,467)	\$ 119,460	\$ 42,442	\$ 42,289

The summarized financial information below represents amounts before intragroup eliminations.

Symtek Power Asia Co., Ltd.

	<b>September 30, 2024</b>	<b>December 31, 2023</b>	<b>September 30, 2023</b>
Current assets	\$ 254,172	\$ 243,218	\$ 193,799
Non-current assets	175,022	18,469	21,638
Current liabilities	(129,885)	(155,583)	(109,716)
Non-current liabilities	<u>(659)</u>	<u>-</u>	<u>-</u>
Equity	<u>\$ 298,650</u>	<u>\$ 106,104</u>	<u>\$ 105,721</u>
Equity attributable to:			
Owners of the Company	\$ 179,190	\$ 63,662	\$ 63,432
Non-controlling interests of Symtek Power Asia Co., Ltd.	<u>119,460</u>	<u>42,442</u>	<u>42,289</u>
	<u>\$ 298,650</u>	<u>\$ 106,104</u>	<u>\$ 105,721</u>
	<b>For the Nine Months Ended September 30</b>		
	<b>2024</b>	<b>2023</b>	
Operating revenue	<u>\$ 197,519</u>	<u>\$ 85,895</u>	
Net loss	\$ (32,344)	\$ (3,667)	
Other comprehensive income	<u>29,052</u>	<u>(1,397)</u>	
Total comprehensive income	<u>\$ (3,292)</u>	<u>\$ (5,064)</u>	
Net loss attributable to:			
Owners of the Company	\$ (19,406)	\$ (2,200)	
Non-controlling interests of Symtek Power Asia Co., Ltd.	<u>(12,938)</u>	<u>(1,467)</u>	
	<u>\$ (32,344)</u>	<u>\$ (3,667)</u>	
Total comprehensive income attributable to:			
Owners of the Company	\$ (1,975)	\$ (2,106)	
Non-controlling interests of Symtek Power Asia Co., Ltd.	<u>(1,317)</u>	<u>(2,958)</u>	
	<u>\$ (3,292)</u>	<u>\$ (5,064)</u>	
Cash flows			
Operating activities	\$ 9,917	\$ 5,105	
Investing activities	(138,432)	(5,282)	
Financing activities	197,852	(2,454)	
Effect of exchange rate	<u>10,875</u>	<u>82</u>	
Net cash inflows (outflows)	<u>\$ 80,212</u>	<u>\$ (2,549)</u>	

## 12. PROPERTY, PLANT AND EQUIPMENT

### Asset Used by the Group

	Land	Buildings	Machinery and Equipment	Transportation Equipment	Office Equipment	Other Equipment	Property Under Construction	Total
<u>Cost</u>								
Balance at January 1, 2023	\$ 1,345,283	\$ 391,671	\$ 81,410	\$ 5,907	\$ 49,995	\$ 16,696	\$ 11,008	\$ 1,901,970
Additions	-	913	5,273	-	1,508	196	274,045	281,935
Transfers from property under construction	-	3,370	528	-	1,935	-	(5,833)	-
Disposals	-	-	(1,141)	-	(436)	-	-	(1,577)
Effect of foreign currency exchange differences	-	177	77	8	49	22	(7)	326
Balance at September 30, 2023	<u>\$ 1,345,283</u>	<u>\$ 396,131</u>	<u>\$ 86,147</u>	<u>\$ 5,915</u>	<u>\$ 53,051</u>	<u>\$ 16,914</u>	<u>\$ 279,213</u>	<u>\$ 2,182,654</u>
<u>Accumulated depreciation</u>								
Balance at January 1, 2023	\$ -	\$ 99,252	\$ 63,862	\$ 2,482	\$ 36,356	\$ 11,965	\$ -	\$ 213,917
Depreciation expense	-	8,615	3,431	570	3,674	651	-	16,941
Disposals	-	-	(1,135)	-	(390)	-	-	(1,525)
Effect of foreign currency exchange differences	-	93	38	4	35	14	-	184
Balance at September 30, 2023	<u>\$ -</u>	<u>\$ 107,960</u>	<u>\$ 66,196</u>	<u>\$ 3,056</u>	<u>\$ 39,675</u>	<u>\$ 12,630</u>	<u>\$ -</u>	<u>\$ 229,517</u>
Carrying amount at September 30, 2023	<u>\$ 1,345,283</u>	<u>\$ 288,171</u>	<u>\$ 19,951</u>	<u>\$ 2,859</u>	<u>\$ 13,376</u>	<u>\$ 4,284</u>	<u>\$ 279,213</u>	<u>\$ 1,953,137</u>
<u>Cost</u>								
Balance at January 1, 2024	\$ 1,287,485	\$ 394,064	\$ 87,393	\$ 5,823	\$ 55,459	\$ 16,635	\$ 429,721	\$ 2,276,580
Additions	-	247	-	-	4,027	403	453,456	458,133
Transfers from property under construction	-	-	2,373	-	1,520	-	(3,893)	-
Transfers from right-of-use assets	-	-	-	5,305	-	-	-	5,305
Disposals	-	-	-	-	(565)	(51)	-	(616)
Effect of foreign currency exchange differences	-	4,604	1,680	302	1,360	635	52	8,633
Balance at September 30, 2024	<u>\$ 1,287,485</u>	<u>\$ 398,915</u>	<u>\$ 91,446</u>	<u>\$ 11,430</u>	<u>\$ 61,801</u>	<u>\$ 17,622</u>	<u>\$ 879,336</u>	<u>\$ 2,748,035</u>
<u>Accumulated depreciation</u>								
Balance at January 1, 2024	\$ -	\$ 109,800	\$ 66,770	\$ 3,187	\$ 40,322	\$ 12,603	\$ -	\$ 232,682
Depreciation expense	-	8,730	3,342	1,168	3,877	550	-	17,667
Disposals	-	-	-	-	(509)	(46)	-	(555)
Effect of foreign currency exchange differences	-	2,427	974	124	966	477	-	4,968
Balance at September 30, 2024	<u>\$ -</u>	<u>\$ 120,957</u>	<u>\$ 71,086</u>	<u>\$ 4,479</u>	<u>\$ 44,656</u>	<u>\$ 13,584</u>	<u>\$ -</u>	<u>\$ 254,762</u>
Carrying amount at December 31, 2023 and January 1, 2024	<u>\$ 1,287,485</u>	<u>\$ 284,264</u>	<u>\$ 20,623</u>	<u>\$ 2,636</u>	<u>\$ 15,137</u>	<u>\$ 4,032</u>	<u>\$ 429,721</u>	<u>\$ 2,043,898</u>
Carrying amount at September 30, 2024	<u>\$ 1,287,485</u>	<u>\$ 277,958</u>	<u>\$ 20,360</u>	<u>\$ 6,951</u>	<u>\$ 17,145</u>	<u>\$ 4,038</u>	<u>\$ 879,336</u>	<u>\$ 2,493,273</u>

No impairment loss or reversal of impairment loss was recognized for the nine months ended September 30, 2024 and 2023.

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

Building	
Main buildings	20-50 years
Elevators	10-30 years
Machinery and equipment	3-10 years
Transportation equipment	3-4 years
Office equipment	4-10 years
Other equipment	5 years

Property, plant and equipment used by the Group and pledged as collateral for bank borrowings are set out in Note 32.

### 13. LEASE ARRANGEMENTS

#### a. Right-of-use assets

	September 30, 2024	December 31, 2023	September 30, 2023
<u>Carrying amounts</u>			
Land	\$ 13,651	\$ 14,708	\$ 15,410
Buildings	40,150	37,053	50,318
Transportation equipment	<u>11,429</u>	<u>23,739</u>	<u>25,039</u>
	<u>\$ 65,230</u>	<u>\$ 75,500</u>	<u>\$ 90,767</u>
	<b>For the Three Months Ended September 30</b>		<b>For the Nine Months Ended September 30</b>
	<b>2024</b>	<b>2023</b>	<b>2024</b>
			<b>2023</b>
Additions to right-of-use assets			<u>\$ 33,047</u>
Depreciation charge for right-of-use assets			<u>\$ 38,435</u>
Land	\$ 501	\$ 500	\$ 1,502
Buildings	5,193	9,343	16,272
Transportation equipment	<u>2,989</u>	<u>3,469</u>	<u>9,645</u>
	<u>\$ 8,683</u>	<u>\$ 13,312</u>	<u>\$ 27,419</u>
			<u>\$ 34,783</u>

Except for the aforementioned addition and recognized depreciation, the Group did not have significant sublease or impairment of right-of-use assets during the nine months ended September 30, 2024 and 2023.

The group terminated the original lease agreement, derecognizing the net amount of the right-of-use asset at \$13,261 thousand, lease liabilities - current at \$8,438 thousand and lease liabilities - non-current at \$5,486 thousand. A lease modification gain of \$663 thousand was also recognized (recorded under other gains and losses).

#### b. Lease liabilities

	September 30, 2024	December 31, 2023	September 30, 2023
<u>Carrying amount</u>			
Current	<u>\$ 25,060</u>	<u>\$ 32,519</u>	<u>\$ 41,894</u>
Non-current	<u>\$ 29,402</u>	<u>\$ 28,104</u>	<u>\$ 33,780</u>

Range of discount rate for lease liabilities was as follows:

	September 30, 2024	December 31, 2023	September 30, 2023
Land	0.87%	0.87%	0.87%
Buildings	1.52%-4.30%	0.87%-4.30%	0.87%-4.76%
Transportation equipment	0.90%-3.92%	0.90%-3.92%	0.90%-3.92%

c. Material leasing activities and terms

The Group leases certain transportation equipment for official business use for a term of 2 to 3 years. These lease agreement do not contain any renewal or purchase rights.

The Group Company also leases land and buildings for the use of factories and offices with lease terms of 1 to 5 years. At the end of the lease term, the Group has no preferential purchase rights to the leased land and buildings and has agreed not to sublease or assign all or part of the subject of the lease without the consent of the lessor.

d. Other lease information

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2024	2023	2024	2023
Expenses relating to short-term leases	\$ 8,099	\$ 10,124	\$ 24,972	\$ 27,785
Expenses relating to low-value asset leases	\$ -	\$ -	\$ -	\$ -
Expenses relating to variable lease payments not included in the measurement of lease liabilities	\$ -	\$ -	\$ -	\$ -
Total cash outflow for leases			\$ (53,686)	\$ (64,256)

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

## 14. INTANGIBLE ASSETS

	Computer Software
<u>Cost</u>	
Balance at January 1, 2023	\$ 21,598
Additions	2,094
Disposals	(1,800)
Effect of foreign currency exchange differences	<u>11</u>
Balance at September 30, 2023	<u>\$ 21,903</u>

(Continued)

**Computer  
Software**

Accumulated amortization

Balance at January 1, 2023	\$ (7,097)
Amortization expense	(4,268)
Disposals	1,800
Effect of foreign currency exchange differences	<u>(6)</u>
Balance at September 30, 2023	<u>\$ (9,571)</u>
Carrying amount at September 30, 2023	<u>\$ 12,332</u>

Cost

Balance at January 1, 2024	\$ 23,317
Additions	13,551
Disposals	(2,600)
Effect of foreign currency exchange differences	<u>519</u>
Balance at September 30, 2024	<u>\$ 34,787</u>

Accumulated amortization

Balance at January 1, 2024	\$ (11,002)
Amortization expense	(5,009)
Disposals	2,600
Effect of foreign currency exchange differences	<u>(148)</u>
Balance at September 30, 2024	<u>\$ (13,559)</u>
Carrying amount at December 31, 2023 and January 1, 2024	<u>\$ 12,315</u>
Carrying amount at September 30, 2024	<u>\$ 21,228</u>
	(Concluded)

Computer software is amortized on a straight-line basis over two to five years.

An analysis of amortization by function is as follows:

	<b>For the Three Months Ended September 30</b>		<b>For the Nine Months Ended September 30</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
Operating costs	\$ 345	\$ 87	\$ 690	\$ 264
General and administrative expenses	1,277	1,244	3,812	3,716
Research and development expenses	<u>170</u>	<u>96</u>	<u>507</u>	<u>288</u>
	<u>\$ 1,792</u>	<u>\$ 1,427</u>	<u>\$ 5,009</u>	<u>\$ 4,268</u>

## 15. OTHER ASSETS

	September 30, 2024	December 31, 2023	September 30, 2023
<u>Current</u>			
Prepayments	\$ 80,422	\$ 91,609	\$ 126,433
Restricted assets (Note 32)	4,537	4,340	4,428
Others	<u>1,447</u>	<u>-</u>	<u>-</u>
	<u>\$ 86,406</u>	<u>\$ 95,949</u>	<u>\$ 130,861</u>
<u>Non-current</u>			
Refundable deposits	\$ 13,088	\$ 12,553	\$ 15,328
Prepayments	27,853	31,193	33,469
Prepayments for real estate	148,038	-	-
Others	<u>3,373</u>	<u>3,373</u>	<u>3,373</u>
	<u>\$ 192,352</u>	<u>\$ 47,119</u>	<u>\$ 52,170</u>

## 16. BORROWINGS

### a. Short-term borrowings

	September 30, 2024	December 31, 2023	September 30, 2023
<u>Unsecured borrowings</u>			
Line of credit borrowings	<u>\$ -</u>	<u>\$ 200,000</u>	<u>\$ 100,000</u>

The range of weighted average effective interest rates on bank loans was 1.99% per annum as of December 31, 2023 and September 30, 2023.

### b. Long-term borrowings

	September 30, 2024	December 31, 2023	September 30, 2023
<u>Secured borrowings</u>			
Bank loans (1)	\$ -	\$ 1,778	\$ 2,444
Bank loans (2)	16,357	17,207	17,491
Bank loans (4)	<u>500,000</u>	<u>500,000</u>	<u>598,500</u>
	<u>516,357</u>	<u>518,985</u>	<u>618,435</u>
<u>Unsecured borrowings</u>			
Bank loans (3)	24,658	36,986	41,096
Bank loans (5)	45,918	200,000	200,000
Bank loans (6)	223,000	223,000	223,000
Bank loans (7)	35,230	35,230	-

(Continued)



	September 30, 2024	December 31, 2023	September 30, 2023
Bank loans (8)	\$ 88,000	\$ -	\$ -
Bank loans (9)	264,000	-	-
Bank loans (10)	26,000	-	-
Bank loans (11)	<u>79,000</u>	<u>-</u>	<u>-</u>
	<u>785,806</u>	<u>495,216</u>	<u>464,096</u>
Less: Current portion	<u>(29,818)</u>	<u>(47,922)</u>	<u>(36,344)</u>
	<u>\$ 1,272,345</u>	<u>\$ 966,279</u>	<u>\$ 1,046,187</u>
			(Concluded)

- 1) The bank loan is secured by the Group's own land and buildings (see Note 32) and is due on August 2024. The principal and interest are repaid monthly, and the effective annual interest rate is 1.96% as of December 31, 2023 and September 30, 2023.
- 2) The bank loan is secured by the Group's own land and buildings (see Note 32) and is due on February 2039. The principal and interest are repaid monthly, and the effective annual interest rate is 2.16%, 2.04% and 2.04% as of September 30, 2024, December 31, 2023 and September 30, 2023, respectively.
- 3) The bank loan is due on March 2026, and the first installment was repaid starting from March 2020. The principal is repaid in 73 monthly installments over 6 years, with interest paid monthly. The effective annual interest rate is 1.718%, 1.586% and 1.586% as of September 30, 2024, December 31, 2023 and September 30, 2023, respectively.
- 4) The bank loan was secured by the Group's own land (see Note 32). The due was originally set in July 2024, but was extended to July 2030, and the loan was repaid in advance by \$18,500 thousand and \$98,500 thousand in September and December 2023, respectively, with the remaining loan will be repaid by the first installment starting from August 2026, and the principal will be repaid in 48 monthly installments over 4 years, with interest paid monthly. The effective annual interest rate is 2.06%, 1.94% and 2.07% as of September 30, 2024, December 31, 2023 and September 30, 2023, respectively.
- 5) The bank loan is due on June 2028, and the first installment will be repaid starting from June 2024. The principal is repaid in 49 monthly installments over 4 years, and the loan was repaid in advance by \$150,000 thousand in January 2024, with interest paid monthly. The effective annual interest rate is 2.03%, 1.95% and 1.95% as of September 30, 2024, December 31, 2023 and September 30, 2023, respectively.
- 6) The bank loan is due on July 2030, and the first installment will be repaid starting from September 2026. The principal is repaid in 46 monthly installments over 4 years, with interest paid monthly. The effective annual interest rate is 1.81%, 2.18% and 1.68% as of September 30, 2024, December 31, 2023 and September 30, 2023, respectively.
- 7) The bank loan is due on July 2030, and the first installment will be repaid starting from September 2026. The principal is repaid in 46 monthly installments over 4 years, with interest paid monthly. The effective annual interest rate is 1.81% and 2.18% as of September 30, 2024 and December 31, 2023, respectively.

- 8) The bank loan is due on July 2030, and the first installment will be repaid starting from September 2026. The principal is repaid in 46 monthly installments over 4 years, with interest paid monthly. The effective annual interest rate is 1.81% as of September 30, 2024.
- 9) The bank loan is due on July 2030, and the first installment will be repaid starting from September 2026. The principal is repaid in 46 monthly installments over 4 years, with interest paid monthly. The effective annual interest rate is 1.81% as of September 30, 2024.
- 10) The bank loan is due on July 2030, and the first installment will be repaid starting from September 2026. The principal is repaid in 46 monthly installments over 4 years, with interest paid monthly. The effective annual interest rate is 1.81% as of September 30, 2024.
- 11) The bank loan is due on July 2030, and the first installment will be repaid starting from September 2026. The principal is repaid in 46 monthly installments over 4 years, with interest paid monthly. The effective annual interest rate is 1.81% as of September 30, 2024.

## 17. BONDS PAYABLE

	September 30, 2024	December 31, 2023	September 30, 2023
Second domestic unsecured convertible bonds	\$ 283,732	\$ 285,898	\$ 284,408
Less: Current portion	<u>(283,732)</u>	<u>-</u>	<u>-</u>
	<u>\$ -</u>	<u>\$ 285,898</u>	<u>\$ 284,408</u>

On May 5, 2023, the Company issued unsecured convertible bonds in Taiwan for the purpose of repaying bank loans and to increase working capital, with the following circumstances:

- Total amount issued: NT\$300,000 thousand
- Par value: NT\$100 thousand each
- Coupon rate: 0%
- Effective interest rate: 2.0907%
- Carrying value at issuance: NT\$281,944 thousand
- Maturity: 2023/5/5-2026/5/5
- Conversion period: Except for the cessation of conversion period, creditors may request conversion of their convertible bonds into common shares of the Company at any time from the day after the expiration of three months from the date of issuance (August 6, 2023) to the maturity date of May 5, 2026, in accordance with the conversion rule for corporate bonds. The cessation of conversion period is as follows:
  - The period during which the transfer of common shares is legally suspended and ceased.
  - The period from 15 business days prior to the date on which the Company applies to the Taipei Exchange for the cessation of transfer of the gratis allotment of shares, the cessation of transfer of cash dividends or the cessation of transfer of cash capital increase stock options to the record date.

- 3) From the base date of capital reduction to 1 day before the start of trading day of capital reduction and share exchange.
  - 4) The starting date of the cessation of conversion for the change of par value of share is the day before the commencement date of the trading of the new shares to be exchanged.
- h. Conversion price and its adjustment: Creditors may request the Company to convert the bonds held by them into common shares of the Company at NT\$115 per share. The conversion price will be adjusted if there is an increase in the number of common shares issued by the Company after the issuance. As of the issuance period, the last announced adjusted conversion price was NT\$102.8.
  - i. Repayment of the bonds at maturity: The bonds will be repaid by the issuing company in cash on the maturity date at the face value of the bonds.
  - j. Repurchase rights of the creditors: Upon the expiration of 2 years from the date of issuance (May 5, 2025), the bondholders may request the Company to redeem the bonds held by them in cash at the face value plus interest compensation (100.500625% of the face value of the bonds and 0.25% of the effective yield) by written notice to the Company in accordance with regulations governing the conversion.
  - k. Redemption rights of Company: After 3 months from the issuance date (August 6, 2023) of the bonds and up to 40 days prior to the expiration of the issuance period (March 26, 2026), if the closing price of the common shares of the issuer on the Taipei Exchange exceeds the then prevailing conversion price by 30% (inclusive) for 30 consecutive business days or if the outstanding balance of the bonds is less than 10% of the original issue amount, the issuer may redeem all of the bonds in cash at the face value of the bonds. The convertible bonds consist of liabilities and equity components, with the equity components expressed as capital surplus - stock options under equity. The liability components are presented as liabilities embedded in derivative financial instruments and non-derivative financial liabilities, respectively. The liabilities for embedded derivative financial instruments were valued at fair value of \$(586) thousand, \$930 thousand and \$1,290 thousand as of September 30, 2024, December 31, 2023 and September 30, 2023. The liabilities for nonderivative financial instruments were measured at amortized cost of \$283,732 thousand, \$285,898 thousand and \$284,408 thousand as of September 30, 2024, December 31, 2023 and September 30, 2023 with an effective interest rate of 2.0907% as originally recognized.

Proceeds from issuance (less transaction costs of \$2,730 thousand)	\$ 298,770
Equity component (less transaction costs allocated to the equity components of \$144 thousand)	<u>(15,756)</u>
Liability component at the date of issue (less transaction costs allocated to the liability component of \$2,586 thousand)	283,014
Interest charged at an effective interest rate of 2.0907%	2,464
Valuation loss on financial instruments	<u>220</u>
Liability component at September 30, 2023	<u>\$ 285,698</u>
Liability component at January 1, 2024	\$ 286,828
Interest charged at an effective interest rate of 2.0907%	4,514
Valuation gain on financial investments	(1,514)
Convertible bonds converted into ordinary shares	<u>(6,682)</u>
Liability component at September 30, 2024	<u>\$ 283,146</u>

## 18. TRADE PAYABLES

	September 30, 2024	December 31, 2023	September 30, 2023
<u>Trade payable</u>			
Operating	<u>\$ 1,241,747</u>	<u>\$ 835,314</u>	<u>\$ 1,013,894</u>

The average credit period for trade payable is approximately four months. The Group has a financial risk management policy to ensure that all trade payables are repaid within the prearranged credit period.

## 19. OTHER LIABILITIES

	September 30, 2024	December 31, 2023	September 30, 2023
<u>Current</u>			
Other payables			
Payables for salaries and bonuses	\$ 279,838	\$ 318,220	\$ 279,925
Payables for compensation of employees	15,000	27,000	18,000
Payables for remuneration of directors	3,800	9,000	6,000
Payables for insurance premiums and provident funds	123,438	106,199	104,501
Payables for dividends	150,563	-	214,295
Payables for equipment and construction	949	112,007	1,931
Payables for business tax	-	-	11,013
Others	<u>61,165</u>	<u>65,415</u>	<u>65,331</u>
	<u>\$ 634,753</u>	<u>\$ 637,841</u>	<u>\$ 700,996</u>
Other liabilities			
Temporary receipts	\$ -	\$ -	\$ 96,021
Receipts under custody	<u>3,420</u>	<u>2,580</u>	<u>3,383</u>
	<u>\$ 3,420</u>	<u>\$ 2,580</u>	<u>\$ 99,404</u>
<u>Non-current</u>			
Other payables			
Long-term employee benefits payable	<u>\$ 2,936</u>	<u>\$ 2,936</u>	<u>\$ 2,227</u>

## 20. PROVISIONS

	September 30, 2024	December 31, 2023	September 30, 2023
<u>Current</u>			
Warranties provision	<u>\$ 83,682</u>	<u>\$ 92,645</u>	<u>\$ 108,890</u>

	<b>Warranty Provision</b>
Balance at January 1, 2023	\$ 109,014
Additions	47,277
Used	(47,474)
Effect of foreign currency exchange	<u>73</u>
Balance at September 30, 2023	<u>\$ 108,890</u>
Balance at January 1, 2024	\$ 92,645
Additions	30,718
Used	(41,340)
Effect of foreign currency exchange	<u>1,659</u>
Balance of September 30, 2024	<u>\$ 83,682</u>

The provision for warranty claims represents the present value of management's best estimate of the future outflow of economic benefits that will be required under the Group's obligations for warranties under contracts for the sale of goods.

## 21. RETIREMENT BENEFIT PLANS

### Defined Contribution Plans

The Group adopted a pension plan under the Labor Pension Act (LPA), which is a state-managed defined contribution plan. Under the LPA, an entity makes monthly contributions to employees' individual pension accounts at 6% of monthly salaries and wages. Symtek China and Symtek Power Asia also contributes to the pension fund in accordance with local laws and regulations, which is a defined contribution pension plan.

## 22. EQUITY

### a. Share capital

#### 1) Ordinary shares

	<b>September 30, 2024</b>	<b>December 31, 2023</b>	<b>September 30, 2023</b>
Shares authorized (in thousands of share)	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>
Shares authorized	<u>\$ 1,000,000</u>	<u>\$ 1,000,000</u>	<u>\$ 1,000,000</u>
Shares issued and fully paid (in thousands of share)	<u>75,282</u>	<u>75,282</u>	<u>75,282</u>
Shares issued	<u>\$ 752,817</u>	<u>\$ 752,817</u>	<u>\$ 752,817</u>

The issued common stock has a par value of NT\$10 per share and each share has one voting right and the right to receive dividends.

To control the timeliness of raising capital, to obtain long-term capital within the shortest period of time, and to restrict the transfer of capital for three years to facilitate the stability of the Company's operating right and the expansion of its operations, the Company approved the issuance of 6,000 thousand shares of common stock through a private placement cash capital increase on August 11, 2021. The issue price per share was NT\$95, the actual number of shares issued was 4,000 thousand shares, and the actual amount issued was NT\$380,000 thousand, the base date of the capital increase was August 25, 2021, and the change of registration was completed on September 13, 2021. In accordance with Article 438 of the Securities and Exchange Act, the common shares of the private placement shall be freely transferable after three years from the date of delivery and shall not be listed for trading until after the completion of public offering.

On February 24, 2023, the board of directors resolved the proposal of capital increase by cash and issued 3,850 thousand shares of common stock with a par value of NT\$10 per share at a premium of NT\$93 per share. The proposal of capital increase by cash was based on the share exchange date of August 15, 2023, and the capital increase registration was completed on August 28, 2023.

Of the new shares issued under the above cash capital increase proposal, 578 thousand shares were reserved for employee stock options in accordance with Article 267 of the Company Act. Moreover, in accordance with IFRS 2, "Share based Payment", the fair value of equity instruments at the date of transferred should be measured, and recognized \$12,647 thousand of salary expenses as a capital surplus addition to the issue premium at the date of transferred.

2) Bond conversion entitlement certificates

	September 30, 2024	December 31, 2023	September 30, 2023
Number of shares requested for conversion and change in registration not yet been completed (in thousands)	<u>67</u>	<u>-</u>	<u>-</u>
Shares requested for conversion but change in registration has not yet been completed	<u>\$ 671</u>	<u>\$ -</u>	<u>\$ -</u>

The registration of the change was made after new shares issued on the ex-rights date of the capital increase according to the law

b. Capital surplus

	September 30, 2024	December 31, 2023	September 30, 2023
May be used to offset a deficit, distributed as cash dividends, or transferred to share capital (1)			
Issuance of ordinary shares	\$ 1,480,755	\$ 1,480,755	\$ 1,480,755
Conversion of bonds	351,019	344,646	344,646
Treasury share transactions	9,700	9,700	9,700

(Continued)

	September 30, 2024	December 31, 2023	September 30, 2023
<u>May only be used to offset a deficit</u>			
Changes in percentage of ownership interests in subsidiaries (2)	\$ 3,192	\$ 3,192	\$ 3,192
<u>May not be used for any purpose</u>			
Convertible bond stock options (3)	<u>15,394</u>	<u>15,756</u>	<u>15,756</u>
	<u>\$ 1,860,060</u>	<u>\$ 1,854,049</u>	<u>\$ 1,854,049</u>
			(Concluded)

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

c. Retained earnings and dividends policy

On May 31, 2023, the shareholders' meeting resolved to amend the Articles of Incorporation to provide that the distribution of earnings or the appropriation of losses of the Company shall be made after the end of each semi-annual period.

In accordance with the distribution of earnings policy of the Company's amended Articles of Incorporation, the Company distributes earnings or makes up for losses after the end of each semi-annual period. When distributing earnings, the Company should first estimate and retain taxes, compensation of employees and remuneration of directors and supervisors, and then make compensations for losses as well as set aside legal reserve in accordance with the law. However, when the legal reserve has reached the amount of paid-in capital, it may not be appropriated. When the distribution of earnings is by cash, it shall be resolved by the board of directors; When the distribution of earnings is by issuance of new shares, it shall be resolved by the shareholders' meeting. In accordance with the Company's Articles of Incorporation before amendment, 10% of the Company's annual earnings, if any, shall be set aside as legal reserve after paying taxes and making up for accumulated deficits. However, if the legal reserve has reached the Company's paid-in capital, it may not be set aside, and the remainder may be set aside or reversed to a special reserve in accordance with the law. If there are any unappropriated earnings, the board of directors shall prepare a proposal for the distribution of earnings and submit it to the shareholders' meeting for resolution on the distribution of dividends to shareholders. The Company's policy on the distribution of compensation of employees and remuneration of directors is described in Note 24 (g), "Compensation of employees and remuneration of directors.

In the case of dividends or legal reserve or capital surplus distributed in cash as described above, the board of directors is authorized to do so with the presence of at least two-thirds of the directors and a resolution of a majority of the directors present, and to report to the shareholders' meeting.

The Company's dividend policy is to distribute dividends to shareholders at a rate of not less than 10% of the distributable earnings each year in accordance with the Company's current and future development plans, taking into account the investment environment, capital requirements, domestic and international competition, and the interests of shareholders. However, if the accumulated distributable earnings are less than 5% of the paid-in capital, the dividends may not be distributed. Dividends may be distributed in cash or in shares, with cash dividends not less than 50% of the total dividends.

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 deficit. If the Company has no deficit and the legal reserve has exceeded 25% of the Company's paid-in capital, the excess may be transferred to capital or distributed in cash. When the Company transferred the net decrease in other equity components to special reserves, it only transferred the portion that was not distributed as retained earnings in previous periods.

The appropriations of 2023 semi-annually earnings have been approved by the Board of Directors in its meeting, respectively. The appropriations and cash dividends per share were as follows:

	<b>Second Half of 2023</b>	<b>First Half of 2023</b>
Resolution date of the board of directors in its meeting	February 23, 2024	August 11, 2023
Legal reserve	<u>\$ 28,927</u>	<u>\$ 35,854</u>
Appropriation/reversals of special reserve	<u>\$ (42,455)</u>	<u>\$ 35,598</u>
Cash dividends	<u>\$ 188,204</u>	<u>\$ 214,295</u>
Cash dividends per share (NT\$)	<u>\$ 2.5</u>	<u>\$ 3.0</u>

The appropriations of earnings for 2022 were as follows:

	<b>For the Year Ended December 31, 2022</b>
Resolution Date of the Board of Directors in its meeting	March 21, 2023
Legal reserve	<u>\$ 66,549</u>
Reversal of special capital	<u>\$ (13,538)</u>
Cash dividends	<u>\$ 428,590</u>
Cash dividends per share (NT\$)	<u>\$ 6.0</u>

Due to the cash dividends of common stock for the first six months in 2023 and then capital increase by cash, the number of outstanding shares was affected. Therefore, the dividend payout ratio for ordinary shares was adjusted to NT\$2.84657628 per share.

The above cash dividends have been approved by the board of directors. The other proposed appropriations were resolved by the shareholders in their meetings on May 30, 2024 and May 31, 2023, respectively.



The appropriations of the quarterly earnings for 2024, which were resolved by the Company's board of directors, were as follows:

	<b>First Half of 2024</b>
Resolution Date of the Board of Directors in its meeting	August 9, 2024
Legal reserve	<u>\$ 23,380</u>
Reversal of special capital	<u>\$ (75,663)</u>
Cash dividends	<u>\$ 150,563</u>
Cash dividends per share (NT\$)	<u>\$ 2</u>

d. Non-controlling interests

	<b>For the Nine Months Ended September 30</b>	
	<b>2024</b>	<b>2023</b>
Balance at January 1	\$ 42,442	\$ 45,247
Net loss	(12,938)	(1,467)
Other comprehensive income (loss)		
Exchange differences on translating during the year the financial statements of foreign entities	11,621	(1,491)
Issuance of ordinary shares for cash by subsidiaries	<u>78,335</u>	<u>-</u>
Balance at September 30	<u>\$ 119,460</u>	<u>\$ 42,289</u>

## 23. REVENUE

	<b>For the Three Months Ended September 30</b>		<b>For the Nine Months Ended September 30</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
Revenue from customer contracts				
Merchandise sales revenue	<u>\$ 1,314,147</u>	<u>\$ 1,237,969</u>	<u>\$ 3,837,038</u>	<u>\$ 4,427,549</u>

a. Contract information

The Automation equipment was sold to the manufacturers in Taiwan, China, and United States on a geographical basis and sold at a fixed price under a contractual agreement.

b. Contract balances

	<b>September 30, 2024</b>	<b>December 31, 2023</b>	<b>September 30, 2023</b>	<b>January 1, 2023</b>
Trade receivables from unrelated parties (Note 9)	\$ 1,073,905	\$ 1,083,850	\$ 1,029,642	\$ 1,090,929
Trade receivables from related parties (Note 31)	<u>2,610</u>	<u>2,774</u>	<u>20,344</u>	<u>93,939</u>
	<u>\$ 1,076,515</u>	<u>\$ 1,086,624</u>	<u>\$ 1,049,986</u>	<u>\$ 1,184,868</u>

(Continued)

	September 30, 2024	December 31, 2023	September 30, 2023	January 1, 2023
Contract assets - current				
Sale of goods	<u>\$ 720,362</u>	<u>\$ 665,279</u>	<u>\$ 573,937</u>	<u>\$ 653,588</u>
Contract liabilities - current				
Sale of goods	<u>\$ 301,421</u>	<u>\$ 485,291</u>	<u>\$ 414,922</u>	<u>\$ 731,761</u>
				(Concluded)

The Group measures the loss allowance for contract assets at an amount equal to lifetime ECLs. The contract assets will be transferred to trade receivable when the corresponding invoice is billed to the client, and the contract assets have substantially the same risk characteristics as the trade receivables for the same types of contracts. Therefore, the Group concluded that the expected loss rates for trade receivables can be applied to the contract assets.

	September 30, 2024	December 31, 2023	September 30, 2023
Expected credit loss rate	0.81%	0.70%	0.48%
Gross carrying amount	\$ 726,266	\$ 670,000	\$ 576,692
Allowance for impairment loss (Lifetime ECLs)	<u>(5,904)</u>	<u>(4,721)</u>	<u>(2,755)</u>
	<u>\$ 720,362</u>	<u>\$ 665,279</u>	<u>\$ 573,937</u>

The movements of the loss allowance of contract assets were as follows:

	For the Nine Months Ended September 30	
	2024	2023
Balance at January 1	\$ 4,721	\$ 1,012
Add: Net remeasurement of loss allowance	1,089	1,739
Foreign exchange gains and losses	<u>94</u>	<u>4</u>
Balance at September 30	<u>\$ 5,904</u>	<u>\$ 2,755</u>

c. Disaggregation of revenue

For the nine months ended September 30, 2024

	Reportable Segments				
	Semiconductor Carriers - PCB Automation Equipment	Semiconductor Packaging and Testing - LCD Panel Automation Equipment	Semiconductor Wafers - Semiconductor Automation Equipment	AMHS Department - Automated Material Handling System	Total
Type of goods or services					
Merchandise sales revenue	<u>\$ 2,490,552</u>	<u>\$ 48,454</u>	<u>\$ 1,253,275</u>	<u>\$ 44,757</u>	<u>\$ 3,837,038</u>

For the nine months ended September 30, 2023

	<b>Reportable Segments</b>			<b>Total</b>
	<b>Semiconductor Carriers - PCB Automation Equipment</b>	<b>Semiconductor Packaging and Testing - LCD Panel Automation Equipment</b>	<b>Semiconductor Wafers - Semiconductor Automation Equipment</b>	
<u>Type of goods or services</u>				
Merchandise sales revenue	<u>\$ 3,111,311</u>	<u>\$ 159,881</u>	<u>\$ 1,156,357</u>	<u>\$ 4,427,549</u>

## 24. NET PROFIT

### a. Interest income

	<b>For the Three Months Ended September 30</b>		<b>For the Nine Months Ended September 30</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
Bank deposits	<u>\$ 4,945</u>	<u>\$ 3,051</u>	<u>\$ 18,573</u>	<u>\$ 12,911</u>

### b. Other income

	<b>For the Three Months Ended September 30</b>		<b>For the Nine Months Ended September 30</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
Dividend income	\$ 103	\$ 6,086	\$ 3,693	\$ 6,086
Others	<u>5,001</u>	<u>7,860</u>	<u>12,352</u>	<u>12,438</u>
	<u>\$ 5,104</u>	<u>\$ 13,946</u>	<u>\$ 16,045</u>	<u>\$ 18,524</u>

### c. Other gains and losses

	<b>For the Three Months Ended September 30</b>		<b>For the Nine Months Ended September 30</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
Interest in financial assets and financial liabilities				
Financial liabilities held for trading	\$ 674	\$ (597)	\$ 1,514	\$ (220)
Gain (loss) on disposal of property, plant and equipment	(29)	(21)	(61)	1,000
Net gain (loss) on foreign currency exchange	(7,001)	20,705	15,449	28,460
Others	<u>(1,402)</u>	<u>(2,385)</u>	<u>(3,075)</u>	<u>(5,377)</u>
	<u>\$ (7,758)</u>	<u>\$ 17,702</u>	<u>\$ 13,827</u>	<u>\$ 23,863</u>

d. Finance costs

	<b>For the Three Months Ended September 30</b>		<b>For the Nine Months Ended September 30</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
Interest on bank overdrafts and loans	\$ 6,604	\$ 6,978	\$ 20,597	\$ 20,308
Interest on lease liability	464	602	1,346	1,541
Interest on convertible bonds	1,513	1,401	4,514	2,464
Less: Amounts included in the cost of qualifying assets	<u>(4,089)</u>	<u>-</u>	<u>(9,439)</u>	<u>-</u>
	<u>\$ 4,492</u>	<u>\$ 8,981</u>	<u>\$ 17,018</u>	<u>\$ 24,313</u>

Information on capitalized interest is as follows:

	<b>For the Three Months Ended September 30</b>		<b>For the Nine Months Ended September 30</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
Capitalized interest amount	\$ 4,089	\$ -	\$ 9,439	\$ -
Capitalization rate	1.92%	-	1.83%-2.05%	-

e. Depreciation and amortization

	<b>For the Three Months Ended September 30</b>		<b>For the Nine Months Ended September 30</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
An analysis of depreciation by function				
Operating costs	\$ 7,214	\$ 10,932	\$ 21,733	\$ 28,746
Operating expenses	<u>7,575</u>	<u>7,766</u>	<u>23,353</u>	<u>22,978</u>
	<u>\$ 14,789</u>	<u>\$ 18,698</u>	<u>\$ 45,086</u>	<u>\$ 51,724</u>
An analysis of amortization by function				
Operating costs	\$ 367	\$ 587	\$ 744	\$ 1,098
Operating expenses	<u>6,335</u>	<u>5,946</u>	<u>18,703</u>	<u>17,931</u>
	<u>\$ 6,702</u>	<u>\$ 6,533</u>	<u>\$ 19,447</u>	<u>\$ 19,029</u>

Refer to Note 14 for information relating to the line items in which any amortization of intangible assets is included.

f. Employee benefits expense

	<b>For the Three Months Ended September 30</b>		<b>For the Nine Months Ended September 30</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
Post-employment benefits (refer to Note 21)				
Defined contribution plans	\$ 9,484	\$ 8,881	\$ 27,680	\$ 24,536
Other employee benefits	<u>227,777</u>	<u>249,851</u>	<u>729,669</u>	<u>766,614</u>
Total employee benefits expense	<u>\$ 237,261</u>	<u>\$ 258,732</u>	<u>\$ 757,349</u>	<u>\$ 791,150</u>
An analysis of employee benefits expense by function				
Operating costs	\$ 105,086	\$ 105,433	\$ 316,731	\$ 320,640
Operating expenses	<u>132,175</u>	<u>153,299</u>	<u>440,618</u>	<u>470,510</u>
	<u>\$ 237,261</u>	<u>\$ 258,732</u>	<u>\$ 757,349</u>	<u>\$ 791,150</u>

g. Employees' compensation and remuneration of directors and supervisors.

The Company accrued employees' compensation at the rates no less than 1% and no higher than 3%, respectively, of net profit before income tax excluding employees' compensation. For the three months and nine months ended September 30, 2024 and 2023, the employees' compensation were as follows:

Accrual rate

	<b>For the Nine Months Ended September 30</b>	
	<b>2024</b>	<b>2023</b>
Compensation of employees	4.02%	2.57%
Remuneration of directors and supervisors	1.02%	0.86%

Amount

	<b>For the Three Months Ended September 30</b>		<b>For the Nine Months Ended September 30</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
Compensation of employees	<u>\$ 3,000</u>	<u>\$ 4,500</u>	<u>\$ 15,000</u>	<u>\$ 18,000</u>
Remuneration of directors and supervisors	<u>\$ 800</u>	<u>\$ 1,500</u>	<u>\$ 3,800</u>	<u>\$ 6,000</u>

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.

The appropriations for employees' compensation and remuneration of directors and supervisors for 2023 and 2022 having been resolved by the board of directors February 23, 2024 and February 24, 2023, respectively, were as follows:

	<b>For the Year Ended December 31</b>	
	<b>2023</b>	<b>2022</b>
Compensation of employees	\$ 27,000	\$ 33,500
Remuneration of directors and supervisors	9,000	11,700

There is no difference between the actual amounts of compensation of employees and remuneration of directors and supervisors paid and the amounts recognized in the consolidated financial statements for the years ended December 31, 2023 and 2022.

Information on the compensation of employees and remuneration of directors and supervisors resolved by the Company's board of directors for 2023 and 2022 is available at the Market Observation Post System website of the Taiwan Stock Exchange.

h. Gains or losses on foreign currency exchange

	<b>For the Three Months Ended September 30</b>		<b>For the Nine Months Ended September 30</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
Foreign exchange gains	\$ 5,251	\$ 21,971	\$ 43,627	\$ 54,187
Foreign exchange losses	<u>(12,252)</u>	<u>(1,266)</u>	<u>(28,178)</u>	<u>(25,727)</u>
Net gains (losses)	<u>\$ (7,001)</u>	<u>\$ 20,705</u>	<u>\$ 15,449</u>	<u>\$ 28,460</u>

## 25. INCOME TAX

a. Income tax recognized in profit or loss

Major components of income tax expense are as follows:

	<b>For the Three Months Ended September 30</b>		<b>For the Nine Months Ended September 30</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
Current tax				
In respect of the current year	\$ 4,026	\$ 37,707	\$ 69,598	\$ 172,929
Income tax on				
unappropriated earnings	-	-	9,369	9,195
Adjustment for prior year	23	6	(2,260)	(2,413)
Deferred tax				
In respect of the current year	<u>8,758</u>	<u>4,131</u>	<u>263</u>	<u>(27,686)</u>
Income tax expense recognized in profit or loss	<u>\$ 12,807</u>	<u>\$ 41,844</u>	<u>\$ 76,970</u>	<u>\$ 152,025</u>

b. Income tax recognized in other comprehensive income

	<b>For the Three Months Ended September 30</b>		<b>For the Nine Months Ended September 30</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
<u>Deferred tax</u>				
In respect of the current year				
Translation of foreign operations	<u>\$ 7,382</u>	<u>\$ 9,411</u>	<u>\$ 16,073</u>	<u>\$ 855</u>

c. Income tax assessments

The income tax returns of the Company through 2022, have been assessed by the tax authorities. All income tax returns as of 2023 of Symtek Automation China Co., Ltd., Symtek Power Asia Co., Ltd. and Symtek Power Automation Technology (Thailand) Co., Ltd. have been completed in accordance with the deadline set by the local government.

## 26. EARNINGS PER SHARE

The earnings and weighted average number of ordinary shares outstanding used in the computation of earnings per shares were as follows:

	<b>For the Three Months Ended September 30</b>		<b>For the Nine Months Ended September 30</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
Profit for the year attributable to owners of the Company	\$ 45,851	\$ 187,037	\$ 279,653	\$ 545,579
Effect of potentially dilutive ordinary shares				
Employees' compensation	<u>1,513</u>	<u>1,401</u>	<u>4,514</u>	<u>2,464</u>
Earnings used in the computation of diluted earnings per share	<u>\$ 47,364</u>	<u>\$ 188,438</u>	<u>\$ 284,167</u>	<u>\$ 548,043</u>

The weighted average number of ordinary shares outstanding (in thousands of shares) was as follows:

	<b>For the Three Months Ended September 30</b>		<b>For the Nine Months Ended September 30</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
Weighted average number of ordinary shares used in the computation of basic earnings per share	75,282	73,399	75,282	72,095

(Continued)

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2024	2023	2024	2023
Effect of potentially dilutive ordinary shares				
Employees' compensation	100	44	148	243
Bond conversion entitlement certificates	67	-	67	-
Convertible bonds	<u>2,851</u>	<u>2,778</u>	<u>2,851</u>	<u>2,778</u>
Weighted average number of ordinary shares used in the computation of diluted earnings per share	<u>78,300</u>	<u>76,221</u>	<u>78,348</u>	<u>75,116</u>
				(Concluded)

The Group may settle bonuses or compensation paid to employees in shares or cash; therefore, the Group assumed that the entire amount of the bonus or 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, if the effect is dilutive. Such dilutive effect of the potential shares was included in the computation of diluted earnings per share until the shareholders resolve the number of shares to be distributed to employees at their meeting in the following year.

## 27. SHARE-BASED PAYMENT ARRANGEMENTS

### Employee Share Options

In August 2023, for the new shares issued under capital increase by cash of the Company, 578 thousand shares were open for stock options to employees of the Consolidated Company, including those who met certain criteria.

The Company adopted the Black-Scholes valuation model, and the inputs used in the valuation model were as follows:

	August 2023
Expected volatility rate	36.83%
Risk-free interest rate	1.16%
Expected life	0.156 years
Exercise price (NT\$)	\$93
Stock market price on the date of transaction (NT\$)	\$114.24
Employee share options (in thousands of share)	578

The remuneration cost recognized for the nine months ended September 30, 2023 was \$12,647 thousand.

## 28. NON-CASH TRANSACTIONS

- The cash dividends approved in the Company's board of directors was not yet distributed as of September 30, 2024 and 2023 (refer to Notes 19 "OTHER LIABILITIES" and 22 "EQUITY", respectively).



- b. The Company converted convertible bonds into bond conversion entitlement certificates and capital surplus for the nine months ended September 30, 2024, with a total impact of \$6,682 thousand.

## 29. CAPITAL MANAGEMENT

In consideration of the prevailing industry dynamics and the future development as well as the changes in the external economic environment, the Group manages its working capital and dividend payments in the future, to ensure that the Group will be able to continue as a going concern while maximizing the returns to shareholders as well as other related parties through the optimization of capital structure.

The Group could make adjustments to dividends or issue new shares in order to maintain or adjust the capital structure.

## 30. FINANCIAL INSTRUMENTS

- a. Fair value of financial instruments not measured at fair value

Except as detailed in the following table, the Company considers that the carrying amounts of financial instruments in the consolidated financial statements that are not measured at fair value approximate their fair values.

September 30, 2024

	Carrying Amount	Fair Value			
		Level 1	Level 2	Level 3	Total
<u>Financial liabilities</u>					
Financial liabilities at amortized cost					
Bonds payable	\$ 283,732	\$ 428,219	\$ -	\$ -	\$ 428,219

December 31, 2023

	Carrying Amount	Fair Value			
		Level 1	Level 2	Level 3	Total
<u>Financial liabilities</u>					
Financial liabilities at amortized cost					
Bonds payable	\$ 285,898	\$ 358,500	\$ -	\$ -	\$ 358,500

September 30, 2023

	Carrying Amount	Fair Value			
		Level 1	Level 2	Level 3	Total
<u>Financial liabilities</u>					
Financial liabilities at amortized cost					
Bonds payable	\$ 284,408	\$ 358,980	\$ -	\$ -	\$ 358,980

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

1) Fair value hierarchy

September 30, 2024

	Level 1	Level 2	Level 3	Total
<u>Financial assets at FVTPL</u>				
Derivatives	\$ -	\$ 586	\$ -	\$ 586
<u>Financial liabilities at FVTOCI</u>				
Investments in equity instruments				
Listed shares	\$ 198,206	\$ -	\$ -	\$ 198,206
Unlisted shares	-	-	80,534	80,534
	<u>\$ 198,206</u>	<u>\$ -</u>	<u>\$ 80,534</u>	<u>\$ 278,740</u>

December 31, 2023

	Level 1	Level 2	Level 3	Total
<u>Financial assets at FVTOCI</u>				
Investments in equity instruments				
Listed shares	\$ 129,390	\$ -	\$ -	\$ 129,390
Unlisted shares	-	-	39,700	39,700
	<u>\$ 129,390</u>	<u>\$ -</u>	<u>\$ 39,700</u>	<u>\$ 169,090</u>

Financial liabilities at FVTPL

Derivatives	\$ -	\$ 930	\$ -	\$ 930
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September 30, 2023

	Level 1	Level 2	Level 3	Total
<u>Financial assets at FVTOCI</u>				
Investments in equity instruments				
Emerging market shares	\$ -	\$ -	\$ 114,640	\$ 114,640
Unlisted shares	-	-	26,760	26,760
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 141,400</u>	<u>\$ 141,400</u>

Financial liabilities at FVTPL

Derivatives	\$ -	\$ 1,290	\$ -	\$ 1,290
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There were no transfers between Levels 1 and 2 in the current and prior periods.

2) Reconciliation of Level 3 fair value measurements of financial instruments

For the nine months ended September 30, 2024

<b>Financial Assets</b>	<b>Financial Assets at FVTOCI Equity Instruments</b>
Balance at January 1, 2024	\$ 39,700
Recognized in other comprehensive income (included in unrealized valuation gain/(loss) on financial assets at FVTOCI)	10,530
Purchases	29,781
Effects of foreign currency exchange differences	<u>523</u>
Balance at September 30, 2024	<u>\$ 80,534</u>

For the nine months ended September 30, 2023

<b>Financial Assets</b>	<b>Financial Assets at FVTOCI Equity Instruments</b>
Balance at January 1, 2023	\$ 120,443
Recognized in other comprehensive income (included in unrealized valuation gain/(loss) on financial assets at FVTOCI)	957
Purchases	<u>20,000</u>
Balance at September 30, 2023	<u>\$ 141,400</u>

3) Valuation techniques and inputs applied for Level 2 fair value measurement

<b>Financial Instrument</b>	<b>Valuation Technique and Inputs</b>
Derivatives - selling-/ buying-back of convertible bonds	The binary tree method is used to evaluate the convertible bonds based on the volatility of conversion price, risk-free interest rate, risk discount rate and remaining maturity.

4) Valuation techniques and assumptions used in Level 3 fair value measurement

The fair values of convertible preferred stocks, convertible bonds, mutual funds and non-publicly traded equity investments (excluding those trading on the Emerging Stock Board) are mainly determined by using the asset approach, income approach and market approach.

c. Categories of financial instruments

	September 30, 2024	December 31, 2023	September 30, 2023
<u>Financial assets</u>			
FVTPL			
Held for trading	\$ 586	\$ -	\$ -
Financial assets at amortized cost (1)	3,030,000	3,195,388	3,076,909
Financial assets at FVTOCI			
Equity instruments	278,740	169,090	141,400
Debt instruments	16,531	39,165	35,550
<u>Financial liabilities</u>			
FVTPL			
Held for trading	-	930	1,290
Amortized cost (2)	2,827,642	2,335,413	2,480,833

- 1) The balances include financial assets at amortized cost, which comprise cash and cash equivalents, debt investments, notes receivable (including related parties), trade receivables (including related parties), other receivables, refundable deposits and restricted deposits.
- 2) The balances include financial liabilities at amortized cost, which comprise short-term bank loans, trade payables, bonds payable (including current portion), and long-term bank loans (including current portion).

d. Financial risk management objectives and policies

The Group's major financial instruments include cash and cash equivalents, equity and debt investments, notes receivable (including related parties), trade receivables (including related parties), trade payables, bonds payable, and bank borrowings. The Group's corporate treasury function provides services to the business, coordinates access to domestic and international financial markets, and monitors and manages the financial risks relating to the operations of the Group through internal risk reports which analyze exposures by degree and magnitude of risks. These risks include market risk (including foreign currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

1) Market risk

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

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

a) Foreign currency risk

The Group had foreign currency sales and purchases, which exposed the Group to foreign currency risk. Exchange rate exposures are managed within approved policy parameters utilizing foreign exchange forward contracts.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are set out in Note 35.

### Sensitivity analysis

The Group was mainly exposed to the Chinese Yen (RMB) and U.S. dollars (USD).

The following table details the Group's sensitivity to a 1% increase and decrease in NTD (the functional currency) against the relevant foreign currencies. 1% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis included only outstanding foreign currency denominated monetary items and adjusts their translation at the end of the reporting period for a 1% change in foreign currency rates. A positive number below indicates an increase (decrease) in pre-tax profit associated with the NTD weakening 1% against the relevant currency. For a 1% strengthening of the NTD assets (liabilities) against the relevant currency, there would be an equal and opposite impact on pre-tax profit and the balances below would be negative.

	<b>RMB Impact*</b>		<b>USD Impact*</b>	
	<b>For the Nine Months Ended</b>		<b>For the Nine Months Ended</b>	
	<b>September 30</b>		<b>September 30</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
Profit or loss	\$ 374	\$ 135	\$ 4,261	\$ 5,674

\* This was mainly attributable to the exposure outstanding on RMB and USD cash and cash equivalents, receivables and payables in RMB and USD, which were not hedged at the end of the reporting period.

The Group's sensitivity to the Chinese Yen (RMB) increased during the current year mainly due to the increased in Checking accounts demand trade receivables in RMB. The Group's sensitivity to the U.S. dollars (USD) decreased during the current year mainly due to the decreased in Checking accounts demand trade receivables in USD.

#### b) Interest rate risk

The Group is exposed to interest rate risk because entities in the Group borrow funds at both fixed and floating interest rates. The risk is managed by the Group by maintaining an appropriate mix of fixed and floating rate borrowings and using interest rate swap contracts and forward interest rate contracts. Hedging activities are evaluated regularly to align with interest rate views and defined risk appetites ensuring the most cost-effective hedging strategies are applied.

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

	<b>September 30, 2024</b>	<b>December 31, 2023</b>	<b>September 30, 2023</b>
Fair value interest rate risk			
Financial assets	\$ 367,637	\$ 621,706	\$ 663,810
Financial liabilities	283,732	285,898	284,408
Cash flow interest rate risk			
Financial liabilities	1,302,163	1,214,201	1,182,531

### Sensitivity analysis

The sensitivity analyses below were determined based on the Group's exposure to interest rates for both derivatives and non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis was prepared assuming the amount of the liabilities outstanding at the end of the reporting period was outstanding for the whole year. A 1% increase or decrease was used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 1% higher and all other variables were held constant, the Group's pre-tax profit for the nine months ended September 30, 2024 and 2023 would have decreased by \$9,766 thousand and \$8,869 thousand, respectively, which was mainly attributable to the Group's exposure to interest rates on floating rate bank deposits.

The Group's sensitivity to interest rates has no major difference for the nine months ended September 30, 2024 and 2023.

#### c) Other price risk

The Group was exposed to equity price risk through its investments in equity securities. Equity investments are held for strategic rather than for trading purposes, the Group does not actively trade these investments. In addition, the Group has appointed a special team to monitor the price risk and will consider hedging the risk exposure should the need arise.

### Sensitivity analysis

The sensitivity analysis below was determined based on the exposure to equity price risks at the end of the period.

If equity prices had been 5% higher/lower, pre-tax profit for the nine months ended September 30, 2024 and 2023 would have increased/decreased by \$13,937 thousand and \$7,070 thousand, respectively, as a result of the changes in fair value of financial assets at FVTOCI.

#### 2) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group is exposed to credit risk from operating activities, primarily trade receivables.

In order to minimize credit risk, 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 allowances are made for irrecoverable amounts. In this regard, management believes the Group's credit risk was significantly reduced.

The Group's concentration of credit risk of 21%, 27% and 26% of total amounts of trade receivables and contract assets as of September 30, 2024, December 31, 2023 and September 30, 2023, respectively, was attributable to the Group's largest customer and the three largest customers in the property construction business segment.

### 3) Liquidity risk

The Group manages liquidity risk by monitoring and maintaining a level of cash and cash equivalents, highly liquid marketable securities, and sufficient bank borrowings deemed adequate to finance the Group's operations and mitigate the effects of fluctuations in cash flows.

The Group relies on bank borrowings as a significant source of liquidity. As of September 30, 2024, December 31, 2023 and September 30, 2023, the Group had available unutilized short-term bank loan facilities set out to \$2,335,561 thousand, \$2,538,938 thousand and \$2,484,588 thousand.

The following tables detail the Group's remaining contractual maturities for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities from the earliest date on which the Group can be required to pay. The tables include both interest and principal cash flows.

#### September 30, 2024

	<b>On Demand or Less than 1 Month</b>	<b>1-3 Months</b>	<b>3 Months to 1 Year</b>	<b>1-5 Years</b>	<b>5+ Years</b>
Non-interest bearing	\$ 286,679	\$ 418,259	\$ 536,809	\$ -	\$ -
Lease liabilities	2,867	4,849	18,678	30,468	-
Variable interest rate liabilities	4,560	9,111	40,810	1,073,349	273,954
Fixed interest rate liabilities	-	-	-	293,100	-
	<u>\$ 294,106</u>	<u>\$ 432,219</u>	<u>\$ 596,297</u>	<u>\$ 1,396,917</u>	<u>\$ 273,954</u>

Further information on the maturity analysis of the above financial liabilities was as follows:

	<b>Less than 1 Year</b>	<b>1-5 Years</b>	<b>5-10 Years</b>	<b>10-15 Years</b>	<b>15-20 Years</b>
Variable interest rate liabilities	<u>\$ 54,481</u>	<u>\$ 1,073,349</u>	<u>\$ 268,700</u>	<u>\$ 5,254</u>	<u>\$ -</u>

#### December 31, 2023

	<b>On Demand or Less than 1 Month</b>	<b>1-3 Months</b>	<b>3 Months to 1 Year</b>	<b>1-5 Years</b>	<b>5+ Years</b>
Non-interest bearing	\$ 273,548	\$ 324,973	\$ 236,793	\$ -	\$ -
Lease liabilities	3,207	6,323	24,365	28,948	-
Variable interest rate liabilities	3,714	7,377	260,653	710,094	322,824
Fixed interest rate liabilities	-	-	-	300,000	-
	<u>\$ 280,469</u>	<u>\$ 338,673</u>	<u>\$ 521,811</u>	<u>\$ 1,039,042</u>	<u>\$ 322,824</u>

Further information on the maturity analysis of the above financial liabilities was as follows:

	<b>Less than 1 Year</b>	<b>1-5 Years</b>	<b>5-10 Years</b>	<b>10-15 Years</b>	<b>15-20 Years</b>
Variable interest rate liabilities	\$ <u>271,744</u>	\$ <u>710,094</u>	\$ <u>316,648</u>	\$ <u>5,986</u>	\$ <u>190</u>

September 30, 2023

	<b>On Demand or Less than 1 Month</b>	<b>1-3 Months</b>	<b>3 Months to 1 Year</b>	<b>1-5 Years</b>	<b>5+ Years</b>
Non-interest bearing Lease liabilities	\$ 372,733 4,665	\$ 423,443 8,930	\$ 217,718 29,942	\$ - 34,877	\$ - -
Variable interest rate liabilities	3,606	7,211	147,796	722,988	397,085
Fixed interest rate liabilities	-	-	-	300,000	-
	\$ <u>381,004</u>	\$ <u>439,584</u>	\$ <u>395,456</u>	\$ <u>1,057,865</u>	\$ <u>397,085</u>

Further information on the maturity analysis of the above financial liabilities was as follows:

	<b>Less than 1 Year</b>	<b>1-5 Years</b>	<b>5-10 Years</b>	<b>10-15 Years</b>	<b>15-20 Years</b>
Variable interest rate liabilities	\$ <u>158,613</u>	\$ <u>722,988</u>	\$ <u>390,595</u>	\$ <u>6,015</u>	\$ <u>475</u>

e. Transfers of financial assets

Factored trade receivables that are not yet overdue at the end of the period were as follows:

September 30, 2024

<b>Counterparty</b>	<b>Receivables Factoring Proceeds</b>	<b>Amount Reclassified to Other Receivables</b>	<b>Advances Received - Unused</b>	<b>Advances Received - Used</b>	<b>Annual Interest Rates on Advances Received (Used) (%)</b>
Taipei Fubon Bank	\$ <u>123,585</u>	\$ <u>12,359</u>	\$ -	\$ <u>111,226</u>	2.00-2.07

December 31, 2023

<b>Counterparty</b>	<b>Receivables Factoring Proceeds</b>	<b>Amount Reclassified to Other Receivables</b>	<b>Advances Received - Unused</b>	<b>Advances Received - Used</b>	<b>Annual Interest Rates on Advances Received (Used) (%)</b>
Taipei Fubon Bank	\$ 93,927	\$ 9,393	\$ -	\$ 84,534	1.987-1.991
O-bank	<u>6,164</u>	<u>616</u>	-	<u>5,548</u>	1.9377
	\$ <u>100,091</u>	\$ <u>10,009</u>	\$ -	\$ <u>90,082</u>	



September 30, 2023

Counterparty	Receivables Factoring Proceeds	Amount Reclassified to Other Receivables	Advances Received - Unused	Advances Received - Used	Annual Interest Rates on Advances Received (Used) (%)
Taipei Fubon Bank	\$ 163,887	\$ 16,389	\$ -	\$ 147,498	1.9873
O-bank	<u>5,022</u>	<u>502</u>	<u>-</u>	<u>4,520</u>	1.9345
	<u>\$ 168,909</u>	<u>\$ 16,891</u>	<u>\$ -</u>	<u>\$ 152,018</u>	

Pursuant to the Group's factoring agreements, losses from commercial disputes (such as sales returns and discounts) are borne by the Group, while losses from credit risk are borne by the banks.

### 31. 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 its related parties are disclosed below.

#### a. Related parties and their relationships with the Group:

Related Party Name	Related Party Categories and Relationship with the Group
Protek Technology Limited	Other related parties - key management companies
Dongguan Protek Machinery Co., Ltd.	Other related parties - key management companies
Protek Innovative Technology (Shenzhen) Limited	Other related parties - key management companies
Gudeng Precision Industrial Co., Ltd.	Substantial related party (as a related party from September 26, 2023)
Gudeng Inc.	Substantial related party (as a related party from September 26, 2023)
Shanghai Gudeng Trading Co., Ltd.	Substantial related party (as a related party from September 26, 2023)
Gudeng Equipment Co., LTD.	Substantial related party (as a related party from September 26, 2023)

#### b. Sale of good

Line Items	Related Party Categories	For the Three Months Ended September 30		For the Nine Months Ended September 30	
		2024	2023	2024	2023
Sales	Other related parties - key management companies	\$ 2,885	\$ 6,018	\$ 5,005	\$ 10,017
	Substantial related party	<u>-</u>	<u>-</u>	<u>48,270</u>	<u>-</u>
		<u>\$ 2,885</u>	<u>\$ 6,018</u>	<u>\$ 53,275</u>	<u>\$ 10,017</u>

The Company's sales transaction prices to related parties are based on mutual agreements, and the collection policy are 30 days and based on monthly payments in 6 to 10 installments.

c. Purchases of goods

Related Party Category	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2024	2023	2024	2023
Other related parties - key management companies	\$ 336	\$ -	\$ 336	\$ -
Substantial related party	<u>1,864</u>	<u>-</u>	<u>2,466</u>	<u>-</u>
	<u>\$ 2,200</u>	<u>\$ -</u>	<u>\$ 2,802</u>	<u>\$ -</u>

The Company's purchases transaction prices to related parties are based on mutual agreements, and the collection policy are 30 days and based on monthly payments.

d. Contract assets

Related Party Categories	September 30, 2024	December 31, 2023	September 30, 2023
Substantial related party	<u>\$ 5,654</u>	<u>\$ -</u>	<u>\$ -</u>

For the nine months ended September 30, 2024 and 2023, no impairment loss was recognized for contract assets from related parties.

e. Receivables from related parties

Line Item	Related Party Category/Name	September 30, 2024	December 31, 2023	September 30, 2023
Notes receivable from related parties	Other related parties Dongguan Protek Machinery Co., Ltd.	<u>\$ 535</u>	<u>\$ 21,640</u>	<u>\$ 2,561</u>
Trade receivables from related parties	Other related parties Dongguan Protek Machinery Co., Ltd. Protek Technology Limited	\$ 2,011 <u>599</u>	\$ 2,195 <u>579</u>	\$ 19,745 <u>599</u>
		<u>\$ 2,610</u>	<u>\$ 2,774</u>	<u>\$ 20,344</u>

The outstanding trade receivables from related parties are unsecured. For the nine months ended September 30, 2024 and 2023, no impairment losses were recognized for trade receivables from related parties.

f. Contract liabilities

Related Party Categories	September 30, 2024	December 31, 2023	September 30, 2023
Other related parties - key management companies	<u>\$ 14,817</u>	<u>\$ 2,951</u>	<u>\$ 3,736</u>

g. Other transactions with related parties

Line Items	Related Party Categories	For the Three Months Ended September 30		For the Nine Months Ended September 30	
		2024	2023	2024	2023
Selling and marketing expenses	Substantial related party	\$ <u>6,728</u>	\$ <u>3,316</u>	\$ <u>12,422</u>	\$ <u>3,316</u>

Line Item	Related Party Category	September 30, 2024	December 31, 2023	September 30, 2023
Other payables	Substantial related party	\$ <u>-</u>	\$ <u>796</u>	\$ <u>2,490</u>

The transaction prices are based on mutual agreement. The credit term are from the day the related party confirms the sale 120 days - parent entity.

h. Compensation of key management personnel

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2024	2023	2024	2023
Short-term employee benefits	\$ <u>10,477</u>	\$ <u>10,276</u>	\$ <u>37,125</u>	\$ <u>33,776</u>

The remuneration of directors and key executives was determined by the remuneration committee with regard to the performance of individuals and market trends.

### 32. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

The following assets were provided as collateral for bank borrowings, tariff guarantee for imported raw material or the deposits for hiring foreign workers:

	September 30, 2024	December 31, 2023	September 30, 2023
Pledged deposits (classified as other current assets)	\$ 4,537	\$ 4,340	\$ 4,428
Machinery and equipment, net	<u>1,517,246</u>	<u>1,522,205</u>	<u>1,581,736</u>
	<u>\$ 1,521,783</u>	<u>\$ 1,526,545</u>	<u>\$ 1,586,164</u>

### 33. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

In addition to those disclosed in other notes, significant contingencies and commitments of the Group as of September 30, 2024 were as follows:

- a. As of September 30 2024, unused letters of credit for purchases of raw materials and amounted to approximately \$40,734 thousand, respectively.

- b. The construction contracts the Group has entered into amounted to \$1,396,880 thousand (including tax), and as of September 30, 2024, the payment the Group had not yet paid amounted to \$500,971 thousand (including tax).

### 34. SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

To attract and retain the necessary talent for the company, motivate employees, and enhance their loyalty, thereby creating shared benefits for the company and its shareholders, the Board of Directors resolved on November 12, 2024, to issue 2,000 units of employee stock warrants. Each warrant unit entitles the holder to purchase 1,000 shares, resulting in a total issuance of 2,000 thousand new common shares upon full exercise of these warrants.

To meet financial needs, strengthen operational funds, and/or repay bank borrowings, the Board of Directors resolved on November 12, 2024, to conduct a cash capital increase by issuing 4,000 thousand new common shares. Each share will have a par value of NT\$10, with the issue price tentatively set at NT\$180 per share, aiming to raise an estimated total of NT\$720,000 thousand.

### 35. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

The following information was aggregated by the foreign currencies other than functional currencies of the group entities and the exchange rates between foreign currencies and respective functional currencies were disclosed. The significant assets and liabilities denominated in foreign currencies were as follows:

September 30, 2024

	Foreign Currency	Exchange Rate	Carrying Amount
<u>Financial assets</u>			
Monetary items			
USD	\$ 6,289	31.65 (USD:NTD)	\$ 199,061
USD	7,545	7.01 (USD:RMB)	238,808
EUR	18	35.38 (EUR:NTD)	629
JPY	2,728	0.22 (JPY:NTD)	606
RMB	11,554	4.52 (RMB:NTD)	<u>52,258</u>
			<u>\$ 491,362</u>
<u>Financial liabilities</u>			
Monetary items			
USD	373	7.01 (USD:RMB)	\$ 11,812
EUR	7	35.38 (EUR:NTD)	234
JPY	9,189	0.22 (JPY:NTD)	2,043
RMB	3,286	4.52 (RMB:NTD)	<u>14,862</u>
			<u>\$ 28,951</u>

December 31, 2023

	<b>Foreign Currency</b>	<b>Exchange Rate</b>	<b>Carrying Amount</b>
<u>Financial assets</u>			
Monetary items			
USD	\$ 11,943	30.71 (USD:NTD)	\$ 366,699
USD	3,875	7.08 (USD:RMB)	118,975
EUR	89	33.98 (EUR:NTD)	3,019
JPY	16,213	0.22 (JPY:NTD)	3,521
RMB	8,161	4.33 (RMB:NTD)	<u>35,313</u>
			<u>\$ 527,527</u>

Financial liabilities

Monetary items			
USD	68	30.71 (USD:NTD)	\$ 2,080
EUR	385	33.98 (EUR:NTD)	13,094
JPY	19,255	0.22 (JPY:NTD)	4,182
RMB	1,775	4.33 (RMB:NTD)	<u>7,683</u>
			<u>\$ 27,039</u>

September 30, 2023

	<b>Foreign Currency</b>	<b>Exchange Rate</b>	<b>Carrying Amount</b>
<u>Financial assets</u>			
Monetary items			
USD	\$ 15,749	32.27 (USD:NTD)	\$ 508,212
USD	1,963	7.18 (USD:RMB)	63,357
EUR	69	33.91 (EUR:NTD)	2,346
JPY	15,822	0.22 (JPY:NTD)	3,421
RMB	11,217	4.42 (RMB:NTD)	<u>49,524</u>
			<u>\$ 626,860</u>

Financial liabilities

Monetary items			
USD	129	32.27 (USD:NTD)	\$ 4,158
EUR	65	33.91 (EUR:NTD)	2,209
RMB	8,163	4.42 (RMB:NTD)	<u>36,037</u>
			<u>\$ 42,404</u>

The Group is mainly exposed to the RMB and the USD. The above information was aggregated by the functional currencies of the entities in the Group, and the exchange rates between the respective functional currencies and the presentation currency were disclosed.

For the Three Months Ended September 30				
Functional Currency	2024		2023	
	Exchange Rate (Functional Currency: Presentation Currency)	Net Foreign Exchange Gains (Losses)	Exchange Rate (Functional Currency: Presentation Currency)	Net Foreign Exchange Gains (Losses)
NTD	1 (NTD:NTD)	\$ (5,034)	1 (NTD:NTD)	\$ 21,092
RMB	4.50 (RMB:NTD)	<u>(1,967)</u>	4.37 (RMB:NTD)	<u>(387)</u>
		<u>\$ (7,001)</u>		<u>\$ 20,705</u>

For the Nine Months Ended September 30				
Functional Currency	2024		2023	
	Exchange Rate (Functional Currency: Presentation Currency)	Net Foreign Exchange Gains (Losses)	Exchange Rate (Functional Currency: Presentation Currency)	Net Foreign Exchange Gains (Losses)
NTD	1 (NTD:NTD)	\$ 15,688	1 (NTD:NTD)	\$ 27,104
RMB	4.44 (RMB:NTD)	<u>(239)</u>	4.39 (RMB:NTD)	<u>1,356</u>
		<u>\$ 15,449</u>		<u>\$ 28,460</u>

### 36. SEPARATELY DISCLOSED ITEMS

a. Information on significant transactions:

- 1) Financing provided to others (None)
- 2) Endorsements/guarantees provided (None)
- 3) Marketable securities held (excluding investment in subsidiaries, associates and joint ventures) (Table 1)
- 4) Marketable securities acquired or disposed at costs or prices 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 (Table 2)
- 6) Disposal of individual real estate at prices of at least NT\$300 million or 20% of the paid-in capital (Table 3)
- 7) Total purchases from or sales to related parties amounting to at least NT\$100 million or 20% of the paid-in capital (None)
- 8) Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital (None)

- 9) Trading in derivative instruments (Notes 17 and 30)
- 10) Intercompany relationships and significant intercompany transactions (Table 4)
- b. Information on investees (Table 5)
- c. Information on investments in mainland China
  - 1) Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, net income of investees, investment income or loss, carrying amount of the investment at the end of the period, repatriations of investment income, and limit on the amount of investment in the mainland China area (Table 6)
  - 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 period
    - b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period
    - 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 period 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: 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)

### **37. 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 resource allocation and departmental performance evaluation. Specifically, the segments that the Consolidated Company should report on are as follows:

Symtek Taiwan - Symtek Automation Asia Co., Ltd.

Symtek Oversea - Symtek China, SAL, Symtek Power Asia and Symtek Power Automation Technology (Thailand)

The following was an analysis of the Group's revenue and results from continuing operations by reportable segment.

	<b>Symtek Taiwan</b>	<b>Symtek Oversea</b>	<b>Adjustments and Eliminations</b>	<b>Total</b>
<u>For the nine months ended September 30, 2024</u>				
Revenue from external customers	\$ 2,150,259	\$ 1,686,779	\$ -	\$ 3,837,038
Inter-segment revenue	<u>7,181</u>	<u>5,734</u>	<u>(12,915)</u>	<u>-</u>
Segment revenue	<u>\$ 2,157,440</u>	<u>\$ 1,692,513</u>	<u>\$ (12,915)</u>	<u>\$ 3,837,038</u>
Interest income	<u>\$ 4,149</u>	<u>\$ 14,424</u>	<u>\$ -</u>	<u>\$ 18,573</u>
Finance costs	<u>\$ 14,884</u>	<u>\$ 2,134</u>	<u>\$ -</u>	<u>\$ 17,018</u>
Depreciation	<u>\$ 18,992</u>	<u>\$ 26,094</u>	<u>\$ -</u>	<u>\$ 45,086</u>
Amortization costs	<u>\$ 15,970</u>	<u>\$ 3,477</u>	<u>\$ -</u>	<u>\$ 19,447</u>
Reversal of write-down of inventories	<u>\$ (48,000)</u>	<u>\$ (25,458)</u>	<u>\$ -</u>	<u>\$ (73,458)</u>
Impairment loss on financial assets	<u>\$ 37,190</u>	<u>\$ 30,212</u>	<u>\$ -</u>	<u>\$ 67,402</u>
Segment income	<u>\$ 251,287</u>	<u>\$ 92,398</u>	<u>\$ -</u>	<u>\$ 343,685</u>
<u>For the nine months ended September 30, 2023</u>				
Revenue from external customers	\$ 2,670,643	\$ 1,756,906	\$ -	\$ 4,427,549
Inter-segment revenue	<u>17,461</u>	<u>26,634</u>	<u>(44,095)</u>	<u>-</u>
Segment income	<u>\$ 2,688,104</u>	<u>\$ 1,783,540</u>	<u>\$ (44,095)</u>	<u>\$ 4,427,549</u>
Interest revenue	<u>\$ 2,046</u>	<u>\$ 10,865</u>	<u>\$ -</u>	<u>\$ 12,911</u>
Finance costs	<u>\$ 22,918</u>	<u>\$ 1,395</u>	<u>\$ -</u>	<u>\$ 24,313</u>
Depreciation	<u>\$ 26,803</u>	<u>\$ 24,921</u>	<u>\$ -</u>	<u>\$ 51,724</u>
Amortization costs	<u>\$ 16,079</u>	<u>\$ 2,950</u>	<u>\$ -</u>	<u>\$ 19,029</u>
Write-down of inventories	<u>\$ 64,000</u>	<u>\$ 38,491</u>	<u>\$ -</u>	<u>\$ 102,491</u>
Impairment loss on financial assets	<u>\$ 12,240</u>	<u>\$ 20,212</u>	<u>\$ -</u>	<u>\$ 32,452</u>
Segment income	<u>\$ 499,458</u>	<u>\$ 196,679</u>	<u>\$ -</u>	<u>\$ 696,137</u>

Inter-segment revenue was accounted for according to (market prices).

Segment profit represents the profit before tax earned by each segment without allocation of central administration costs and directors' salaries, share of profit of associates, gains recognized on disposal of interests in former associates, lease income, interest income, gains or losses on disposal of property, plant and equipment, gains or losses on disposal of financial instruments, exchange gains or losses, valuation gains or losses on financial instruments, finance costs and income tax expense. This was the measure reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance.



**TABLE 1**

**SYMTEK AUTOMATION ASIA CO., LTD. AND SUBSIDIARIES**

**MARKETABLE SECURITIES HELD**  
**SEPTEMBER 30, 2024**  
**(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

Held Company Name	Marketable Securities Type and Name (Note)	Relationship with the Company	Financial Statement Account	Ending Balance				Note
				Shares	Carrying Value	Percentage of Ownership (%)	Fair Value	
Symtek Automation Asia Co., Ltd.	<u>Shares</u>							
	New Smart Technology Co., Ltd.	None	Financial assets at FVTOCI - non-current	515	\$ 16,995	2.34	\$ 19,400	
	Ever Radiant Inc.	None	"	560	-	6.77	-	
	SynPower Co., Ltd.	None	"	2,877	102,528	8.75	198,206	
	Great Talent Tech Co., Ltd.	None	"	100	1,000	6.25	1,000	
	TSS Holdings Limited	None	"	2,132	20,000	12.50	29,830	
Symtek Automation China Co., Ltd.	Ultratak Industry (Guangdong) Co., Ltd.	None	"	142	30,304	2.61	30,304	
	Add: Unrealized gain (loss) on investments in equity instruments at fair value through other comprehensive income				<u>107,913</u>		<u>-</u>	
					<u>\$ 278,740</u>		<u>\$ 278,740</u>	

Note 1: The marketable securities listed above includes shares, bonds, beneficiary certificates, and all forms of securities listed under IFRS 9: Financial Instruments.

Note 2: Refer to Tables 5 and 6 for information on the investment of subsidiaries.

**TABLE 2**

**SYMTEK AUTOMATION ASIA CO., LTD. AND SUBSIDIARIES**

**ACQUISITION OF INDIVIDUAL REAL ESTATE AT COSTS OF AT LEAST NT\$300 MILLION OR 20% OF THE PAID-IN CAPITAL  
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2024  
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

Buyer	Property	Event Date	Transaction Amount	Payment Status	Counterparty	Relationship	Information on Previous Title Transfer If Counterparty Is A Related Party				Pricing Reference	Purpose of Acquisition	Other Terms
							Property Owner	Relationship	Transaction Date	Amount			
Symtek Automation Asia Co., Ltd.	New construction	June 15, 2023 (Note)	\$ 1,396,880	As of September 30, 2024, \$895,909 thousand was paid (include VAT)	True-Dreams Construction Co., Ltd.	-	N/A	N/A	N/A	N/A	Price comparison and price negotiation	Self-use	None

Note: This date is the date of the board of directors’ resolution.

**TABLE 3**

**SYMTEK AUTOMATION ASIA CO., LTD. AND SUBSIDIARIES**

**DISPOSAL OF INDIVIDUAL REAL ESTATE AT PRICES OF AT LEAST NT\$300 MILLION OR 20% OF THE PAID-IN CAPITAL  
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2024  
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

Seller	Property	Event Date	Original Acquisition Date	Carrying Amount	Transaction Amount	Collection	Gain (Loss) on Disposal	Counterparty	Relationship	Purpose of Disposal	Price Reference	Other Terms
Symtek Automation Asia Co., Ltd.	Yangmei Plant Buildings and Land	July 10, 2024 (Note 1)	April 30, 2019	\$ 419,502	\$ 700,000 (Include VAT)	As of September 30, 2024, payment has not yet been received. (Note 2)	\$ 266,226 (Note 3)	Lien Chy Laminated Metal Co., Ltd.	-	To enable effective asset utilization, reduce operating costs, and enhance operational performance.	Appraisal report and mutual negotiation.	-

Note 1: This date is the date of the board of directors’ resolution.

Note 2: The collected funds are temporarily held in a designated trust account with Bank of Taiwan and are therefore not recorded in the Company’s accounts.

Note 3: Gains or losses from disposal represent the estimated amount after deducting the book value and related necessary costs from the transaction amount.

**TABLE 4**

**SYMTEK AUTOMATION ASIA CO., LTD. AND SUBSIDIARIES**

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

No. (Note 1)	Company Name	Counterparty	Relationship (Note 2)	Transactions Details			
				Financial Statement Accounts	Amount (Note 4)	Payment Terms	% to Total Sales or Assets (Note 3)
0	Symtek Automation Asia Co., Ltd.	Symtek Automation China Co., Ltd.	1	Trade receivables from related parties	\$ 6,934	General terms	-
		Symtek Automation China Co., Ltd.	1	Trade payables to related parties	659	General terms	-
		Symtek Automation China Co., Ltd.	1	Operating cost	2,058	General terms	-
		Symtek Automation China Co., Ltd.	1	Operating revenue	7,181	General terms	-
		Symtek Automation China Co., Ltd.	1	Other receivables from related parties	32,624	General terms	-
		Symtek Automation China Co., Ltd.	1	Other income	32,047	General terms	1
1	Symtek Automation China Co., Ltd.	Symtek Power Asia Co., Ltd.	3	Trade payables to related parties	124	General terms	-
		Symtek Power Asia Co., Ltd.	3	Operating cost	3,670	General terms	-
		Symtek Power Asia Co., Ltd.	3	Operating revenue	6	General terms	-
		Symtek Power Asia Co., Ltd.	3	Other income	4,106	General terms	-
		Symtek Power Automation Technology (Thailand) Co., Ltd.	3	Selling and marketing expenses	522	General terms	-
2	Symtek Power Asia Co., Ltd.	Symtek Power Automation Technology (Thailand) Co., Ltd.	3	Other receivables from related parties	11,829	General terms	-

Note 1: The intercompany relationships are coded as blow:

- a. “0” parent company.
- b. “1” and above coded based on the type of intercompany relationship.

Note 2: The transactions’ relationships are coded as blow:

- a. “1” represents the transactions from parent company to subsidiary.
- b. “2” represents the transactions from subsidiary to parent company.
- c. “3” represents the transactions between subsidiaries.

Note 3: For assets and liabilities, amount is shown as a percentage to consolidated total assets as of September 30, 2024, while revenues, costs and expenses are shown as a percentage to consolidated total operating revenues for the nine months ended September 30, 2024.

Note 4: The amount was eliminated upon consolidation.

TABLE 5

SYMTEK AUTOMATION ASIA CO., LTD. AND SUBSIDIARIES

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

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of September 30, 2024			Net Income (Loss) of the Investee	Share of Profits (Loss)	Note
				September 30, 2024	December 31, 2023	Shares (In Thousands)	%	Carrying Amount			
Symtek Automation Asia Co., Ltd.	Symtek Automation Ltd.	British Virgin Islands	Investment	\$ 298,447	\$ 298,447	26,272	100	\$ 1,608,332	\$ 103,132	\$ 103,183 (Notes 1 and 2)	Subsidiary
Symtek Automation Ltd.	Symtek Automation China Co., Ltd.	China	Equipment manufacturing and sales	298,447	298,447	26,272	100	1,608,332	103,132	103,183 (Notes 1 and 2)	Sub-subsubsidiary
Symtek Automation China Co., Ltd.	Symtek Power Asia Co., Ltd.	China	Equipment manufacturing and sales	189,621	71,443	43,200	60	179,191	(32,344)	(19,406) (Note 2)	Sub-subsubsidiary
Symtek Power Asia Co., Ltd.	Symtek Power Automation Technology (Thailand) Co., Ltd.	Thailand	Equipment sales	178,903	16,828	2,017	100	191,648	(5,225)	(5,225) (Note 2)	Sub-subsubsidiary

Note 1: The amount of \$103,132 thousand was recognized as the net profit of the investee based on the equity in the investee, after adjusting the realized gain or loss of \$604 thousand and the unrealized gain or loss of \$(553) thousand from the downstream transactions.

Note 2: The amount was eliminated upon consolidation.

TABLE 6

SYMTEK AUTOMATION ASIA CO., LTD. AND SUBSIDIARIES

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

Investee Company	Main Businesses and Products	Paid-in Capital	Method of Investment (Note 1)	Accumulated Outward Remittance for Investment from Taiwan as of December 31, 2023	Remittance of Funds		Accumulated Outward Remittance for Investment from Taiwan as of September 30, 2024	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Loss) (Note 2)	Carrying Amount as of September 30, 2024	Accumulated Repatriation of Investment Income as of September 30, 2024	Note
					Outward	Inward							
Symtek Automation China Co., Ltd.	Equipment manufacturing and sales	\$ 818,750 (RMB 180,000 thousand)	(2) (Note 5)	\$ 298,447	\$ -	\$ -	\$ 298,447	\$ 103,132	100	\$ 103,183 (Note 3)	\$ 1,608,332	\$ 340,114	Note 7
Symtek Power Asia Co., Ltd.	Equipment manufacturing and sales	316,553 (RMB 72,000 thousand)	(3) (Note 6)	-	-	-	-	(32,344)	60	(19,406) (Note 4)	179,191	-	Note 7

Accumulated Outward Remittance for Investments in Mainland China as of September 30, 2024	Investment Amount Authorized by the Investment Commission, MOEA	Upper Limit on the Amount of Investments Stipulated by the Investment Commission, MOEA
\$298,447 (HK\$39,800 thousand and RMB30,000 thousand)	\$814,140 (HK\$48,000 thousand and RMB135,137 thousand)	\$2,487,289

Note 1: The methods of investment are classified as below five types:

- a. Direct investment in Mainland China.
- b. Reinvestment in Mainland China through companies registered in a third region. (please specify the investment company in a third region).
- c. Other method.

Note 2: In the column of investment profit (loss) recognized for the period:

- a. If the Company is in preparation status without investment profit (loss), it shall be remarked.
- b. Recognized basis of investment profit (loss) includes below three types and shall be remarked.
  - 1) Financial statements audited and certified by international accounting firms in cooperation with accounting firms of Republic of China.
  - 2) The financial statements had been audited and certified by the parent company’s certified public accountant in Taiwan.
  - 3) Other - based on the financial statements unaudited by the certified public accountants.

Note 3: Recognized basis of investment profit (loss) is at Note 2, (2) item C., which is according to investee’s financial statements reviewed by Taiwanese parent company’s accountant in the correspondent period, and the amount of \$103,132 thousand was recognized as the net income of the investee based on the equity in the investee, after adjusting the realized gain or loss of \$604 thousand and the unrealized gain or loss of \$(553) thousand from the downstream transactions.

Note 4: Recognized basis of investment profit (loss) is at Note 2, (2) item C., which is according to investee’s financial statements reviewed by Taiwanese parent company’s accountant in the correspondent period, and the amount of \$19,406 thousand was recognized as the net loss of the investee based on the equity in the investee.

(Continued)

Note 5: The investment company in a third region is Symtek Automation Ltd.

Note 6: The Company reinvested by sub-subsidiary Symtek Automation China Co., Ltd.

Note 7: The amount was eliminated upon consolidation.

(Concluded)

**TABLE 7**

**SYMTEK AUTOMATION ASIA CO., LTD. AND SUBSIDIARIES**

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

1. Purchase											
Investee Company	Transaction Type	Transaction Details			Comparison with Normal Transactions		Purchase		Notes/Trade Payable		Note
		Price	Payment Terms				Amount	%	Ending Balance	%	
Symtek Automation China Co., Ltd.	-	General terms	Within 3 months after purchase		Equivalent		\$ 2,058	0.26	\$ 659	0.10	Note
2. Sale											
Investee Company	Transaction Type	Transaction Details			Sale		Gross Profit	Unrealized Gross Profit	Notes/Trade Receivable		Note
		Price	Payment Terms	Comparison with Normal Transactions	Amount	%			Ending Balance	%	
Symtek Automation China Co., Ltd.	-	General terms	Within 4 months after sale	Equivalent	\$ 7,181	0.33	\$ 2,064	\$ 553	\$ 6,934	1.50	Note

Note: The amount was eliminated upon consolidation.



**TABLE 8****SYMTEK AUTOMATION ASIA CO., LTD. AND SUBSIDIARIES****INFORMATION OF MAJOR SHAREHOLDERS  
SEPTEMBER 30, 2024**

Name of Major Shareholder	Shares	
	Number of Shares	Percentage of Ownership (%)
Gudeng Precision Industrial Co., Ltd.	4,161,692	5.52

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

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