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WPG Holdings Limited

2023 Annual Report

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■ **Listing Exchange for Euro-Convertible Bonds**

None

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1. Letter to Shareholders

Through the industrial holding model, WPG focuses on international operation scale and local flexibility, and fully implements the core values of "Teamwork, Integrity, Professionalism and Effectiveness" with the vision of "the First Choice of Industry • the Benchmark of Distribution". The value-added services provided by our company in the semiconductor supply chain are well recognized. We have been awarded the "Outstanding International Branded Distributor Award" for 23 consecutive years. After years of active deployment and continuous growing in market applications, WPG sufficiently grasps market growth opportunities, assists in promoting digital transformation and help customers face challenges together. We continuously provides value-adding supply chain management services, helping customers develop and invest in future markets, aiming to create win-win outcomes with our vendors, customers and strategic investment partners. Under the industrial holding model, we continue to expand our investment scope, and establish the production control ecosystem, to achieve the goals of resource integration and diversified management, enhancing international competitiveness and leading the enterprise to a new milestone.

1. 2023 Review

WPG's consolidated revenue in 2023 reached NT\$671.888 billion (US\$21.551 billion), and the net profit after tax reached NT\$8.109 billion. Basic earnings per share (EPS) was NT\$4.59. Key performance indicators Return on Working Capital (ROWC) and Return on Equity (ROE) were 7.00% and 9.85%, respectively. We increased our profit margin by continuously optimizing the operational quality of each function.

The Company regards sustainable development as one of its important objectives, actively responds to the Sustainable Development Goals adopted by the United Nations, and is committed to taking into account the interests of stakeholders and investors while pursuing sound operational performance, and fulfilling various commitments to stakeholders. To strengthen corporate sustainable operation, WPG takes the "ESG and Sustainable Development Committee" as the highest guiding organization of the Company's sustainable governance, all members of which are composed of directors, effectively driving the Group's overall sustainability goal setting and implementation of specific action plans, continuously focusing on five aspects including corporate governance, environmental sustainability, human capital development, social participation, and sustainable supply chain, forming a sustainable business blueprint. WPG is well recognized and has been awarded the Taiwan Corporate Sustainability Awards (TCSA) for five consecutive years. In 2023, we won the "Taiwan Top 100 Sustainability Corporate Role Model Award (Service Industry)" in the category of Corporate Comprehensive Performance, and "Corporate Sustainability Report - Service Industry Gold Award".

- Environmental aspect: (1) WPG took the lead among global semiconductor component distributors and pledged to achieve Net Zero Emissions by 2050 and Net Zero in own

operations including office buildings and warehouses by 2030, continued to expand the carbon inventory and ISO 14064 verification of the Group's main operations and own warehouses. (2) WPG set targets for the Group's use of renewable energy. WPG actively builds smart warehouses as well to considerably increase operational efficiency.

- Social aspect: (1) Through Employee Stock Ownership Trust (ESOT), the Company provided a diverse profit-sharing mechanism, such as raising benefits for employees and striving to retain talents, as well as integrated employees' performance with shareholders' interests, with a coverage rate of 92.4%. (2) The Company continued to develop the online learning system to cultivate talents, with the total number of employees' learning hours growing by 11%. (3) The Company expands industry-academy collaboration year by year, and provides complete internship training, tutoring and conversion mechanism, promoting seamless integration of campus and workplace.
- Governance aspect: (1) The evaluation score of the Company governance ranked among the top 5% of listed companies. (2) The Shareholders' meeting was earlier convened in May. (3) Increasing information transparency, financial reports were announced within 2 months after the end of the fiscal year. (4) Obtaining the Taiwan Intellectual Property Management System (TIPS) A-level certification. (5) ISO 27001 information security management certified and passed ISO 27017 Cloud Services Information Security Management certification. (6) Continuing promoting business ethics and conducting ethics training courses for all employees.

2. 2024 Outlook

Based on the industrial holding model, the Company plans to expand the holding investment scope, and establish a production control ecosystem. With "global service", "operation optimization" and "service optimization" as the main axis of our work in 2024, we strive to meet the business needs of the supply chain with online platforms and offline teams on the basis of continuous digital transformation, explore and construct new business models through warehousing services (LaaS: Logistics as a Service), business process services (Bapa's: Business Process as a Service). In addition, we will focus on capital management and optimizing resource allocation, expand efforts on internal growth and external investment simultaneously, and establish the performance and good reputation of production control investment to increase the profitability of the Company.

- Key financial indicators: Increase net income and effectively control operating costs, and enhance the management of reinvestment to increase the contribution of comprehensive income and net worth. With Return on Working Capital (ROWC) and Return on Equity (ROE) as the Group's key financial indicators, WPG continuously reinforces operational asset management, optimizes the product line mix, strengthens

trading and credit risk management to ensure asset quality and liquidity, utilizes financial leverage discreetly as well as enhances asset structure and profitability to improve shareholders' return on equity and dividend distribution.

- **Market influence expansion:** Continue to expand internal and external brand recognition and promote brand marketing, complete online and offline brand activities and Cause Marketing plans, increase brand ultimate durability; integrate internal and external industry intelligence in the service platform, assist the front end to grasp market opportunities, strengthen the long-lasting ability to improve accurate marketing; capitalize on WPG's social media resources, continue to collaborate closely with local media, and provide diversified value-added exposure for front-end techniques.
- **Product portfolio management and enhancement:** Strengthen the WPG platform data collection, analysis and integration capabilities, achieve a higher level of data insight, provide business solutions to deepen customer relationships, and satisfy customers with the best data-driven docking resources with transparent, fast and accurate feedback information.
- **Risk management in operation:** All units carry out regular tracking and management of existing risk projects to reduce the corporate operational risks and strengthen the resilience of continuous operation, Including major critical risk responses, Key Risk Indicator (KRI) management, transaction and credit risk management, investigation and analysis and risk management for unusual transactions, logistics warehouse emergency response emergency response and risk management for Business Continuity Management (BCM), establish a monitoring indicator mechanism and the tracking management with reports for the risk response.
- **Integration process and information platform:** Under the premise of Business Continuity Management (BCM), the information team will accelerate the migration speed on premise to cloud for the resilience implementation of the information system, actively deploy cross-regional service networks and platforms, and provide a variety of portfolio solutions to meet the key needs of upstream and downstream industrial partners.
- **Smart logistics management:** Through collaboration with partners to provide local services, connect the global market to provide customers with efficient, flexible and competitive comprehensive logistics solutions. Strive to upgrade warehouses and optimize the use of inventory space, optimize equipment and enhance the operation rate to achieve production capacity multiplication.
- **Corporate governance and sustainable development:** Strengthen the structure and operation of the Board of Directors and enhance information transparency, maintain the goal of top 5% of listed companies in the Corporate Governance Evaluation and raise

MSCI rating, continue to promote business ethics, implement risk management and strengthen human capital. In addition, to move towards the Group's net zero emission target, the focus also includes planning the carbon reduction paths, promoting the low-carbon transition, and strenuously cooperating with upstream and downstream partners in environmental strategies.

Looking ahead, in the face of rising geopolitical and climate risks, investing in Business Continuity Management (BCM) with active governance of related risks is a mandatory task for WPG. WPG will establish solid corporate governance as the foundation, with digital transformation, strengthen operational resilience, continue to practice the vision of "the First Choice of Industry • the Benchmark of Distribution", fully implement the core values of "Teamwork, Integrity, Professionalism, effectiveness", and unswervingly take sustainable actions to strengthen long-term competitiveness. Through good engagement and communication with our stakeholders such as our customers, suppliers, employees, banks, investors, and competent authorities...etc., we band together aiming to achieve the sustainable goals of "Grow Together, Strive Together, and Win Together."

We sincerely welcome all our peers and shareholders to share their concerns and advice with us.

Chairman: Simon Huang

Chief Executive Officer: Mike Chang

Chief Financial Officer: Cliff Yuan

2. Company Profile

2.1 Date of Incorporation : November 9 , 2005

2.2 Milestones

Nov 2005	WPG Holdings Limited (hereinafter referred to as WPG or the Company) was incorporated as a holding company of World Peace Industrial Co., Ltd., and Silicon Application Corporation by exchanging shares of common stock. The Company went public on the Taiwan Stock Exchange (TSE) with the stock code of 3702.
May 2006	Ranked top 10 among the leading 500 service companies in Taiwan by CommonWealth Magazine.
Jun 2006	Ranked 4th largest electronics component distributor globally and the 1st largest electronics component distributor in APAC by Electronic Supply & Manufacturing (ESM).
2006	Newly appointed by CREE, ACTIONS, Microchip, and Mstar as distributor in APAC or greater China, underpinning High Power LED, and mobile device, imaging, consumer electronics markets in Mainland China.
Jan 2007	Established WPG Korea Co., Ltd. that dedicated to serve Korean customers.
Apr 2007	Ranked the largest electronic component distributor in APAC by ESM.
May 2007	Ranked top 10 among the leading 500 service companies in Taiwan by CommonWealth Magazine; ranked top 100 among the leading 1000 companies in the Mainland, Taiwan and Hong Kong by Business Weekly.
May 2007	Ranked as The Most Preferred Regional Distributor by Electronics Supply and Manufacturing-China (ESMC); special consideration in The Best Supply Capability, The Best Technical Support, and The Best Logistics Service.
2007	Newly appointed by LITEON and Renesas as distributor in APAC or greater China.
Jan 2008	Awarded MII sponsored, CQAE and CEPA co-certified RECS qualifications in Mainland China; supply & distribution recognized for being one of the first to qualify.
May 2008	Awarded as No.1 IC distributor by CommonWealth Magazine and Business Weekly.
May 2008	Re-elected as the Best and Largest Asian Electronics Distributor and ranked the 3rd worldwide semiconductor distributor by My-ESM!
Jun 2008	Re-elected as The Best Overseas Distributor by ESMC, the only company with special consideration in The Best Supply Capability, The Best Technical Support, The Best Logistics Service, and The Best E-commerce Capability.
Jul 2008	WPG acquired passive component distributor-Pernas Electronic Co., Ltd. (stock code: 3256) through share swap, with July 16, 2008 as reference date of the share swap.
Oct 2008	Moved to a new office at 10F., No. 97, Sec. 2, Dun Hua S. Rd., Taipei, Taiwan, R.O.C.
2008	Newly appointed by SETi, Telechips, Elan, Harvatek, and Volterra as distributor in APAC or greater China distributor.
Feb 2009	WPG acquired AIT (Code: 6159) by share swap, with the base day set for February 6, 2009.

May 2009	Included by MSCI as the first-ever Taiwan IC distributor constituent.
Jun 2009	Elected as the Best Overseas Authorized Distributor by ESMC, and rated as having The Best Logistic Capability, The Best Technical Support, and The Best Volume Flexibility.
Jun 2009	Re-elected as the No. 1 Electronics Distributor in APAC by EETimes, and ranked as the 3rd worldwide distributor.
Dec 2009	WPG launched webinars that attracted much attention from customers in Mainland China.
Dec 2009	WPG Electronics (HK) awarded Logistics Awards Hong Kong.
2009	Newly appointed by TA-I, TDK, KEMET, Wintek, K.S Terminals Inc., Macro Image Technology, Orister Corp., and SG Micro Corp. (Hong Kong) as distributor in APAC or greater China distributor.
Mar 2010	WPI Group, the subsidiary of WPG Holdings, acquired AIO Components Company Ltd. (AIO) through overseas dealing.
May 2010	Elected as the Best Overseas Authorized Distributor by ESMC, and rated as having The Best Logistic Capability, The Best Logistic Support, and The Best Volume Flexibility.
Jun 2010	Re-elected as the No. 1 Electronics Distributor in APAC by EETimes, and ranked as the 3rd worldwide distributor.
Nov 2010	WPG acquired YOSUN Industrial Corp. (stock code: 2403) by share swap, with the base day set for November 15, 2010.
2010	Appointed by Raontech, GigaDevice, INSIDE, Advanced Silicon, Redmere, NXP Semiconductors, OSRAM Opto Semiconductors, Synerchip, Sitronix, Epson, Infineon Technologies, Sanyo Semiconductors, Summit Microelectronics Inc., ST Ericsson, AMIC Technology Corporation, Silergy, AMS, Nutune, Trident, AcSip, HuaJie, Evolution, TT Electronics, Leadcore, Rockchip, Synic, Black Sand, ATLAB, SGMICR0, UBIQ, EPICOM, RAYDIUM, TAI-SAW, ALCOR, FUDATONG, PST, Wellypower, ABT, and ZILLTEK as distributor in APAC or greater China distributor.
May 2011	Re-elected as the No. 1 Electronics Distributor in APAC by EETimes, and ranked as the 3rd worldwide distributor.
2011	Newly appointed by Quality, Energyled Corp., Phoenix, TTM, Marvell, SMSC, Mindspeed, TranSwitch, Vitesse, ICP, mCube, ARM, AzureWave, Citruscom, Domintech, ESMT, FuDaTong, InfoTM, JustPower, Kingston, Neotec, Novatek, Powervation, Quintic, and Winbond as distributor in APAC or greater China distributor.
Mar 2012	WPG acquired AECO Technology Co., Ltd. (stock code: 6119) by share swap, with the base day set for March 1, 2012.
Apr 2012	Longview Technology Inc., subsidiary of WPG Holdings' subgroup WPI Group, acquired Long-Think Group's electronics components business in greater China area in cash.
May 2012	Re-elected as the No. 1 Electronics Distributor in APAC by EETimes, and ranked as the 3rd worldwide distributor.
2012	Newly or additionally appointed by Bridgelux, ADDA, Prolific, GigaDevice, Action, Hanergy, Sigma Designs, RFM, Eri, Metrodyne, ERP, TUL, PTC, Philips Lumiled, Siano, CHAMPION, CPT, IR, mCube, and Sinopower as a distributor in APAC or greater China distributor.

May 2013	Elected into 2013 TOP 25 Global Electronics Component Distributors by EDN, and ranked as the 3rd worldwide distributor.
Aug 2013	First took part in the evaluation of 2013 CSR Award by Commonwealth Magazine and ranked 27/50.
2013	Newly or additionally appointed by Goodix, Touchstone, LITEON-SILI, T&T, ELAN, Silicon Line, Aptos, CellWise, Next Biometrics, Cyntec, Kingston, Merry, and Wolfson as a distributor in APAC or greater China distributor.
Jan 2014	BOD of WPG resolved the share swap transactions: World Peace Industrial Co., Ltd. in exchange for -Aeco Technology Co., Yosun Industrial Corp. in exchange for -RichPower Electronic Devices Co., Ltd., and Silicon Application Corp. in exchange for -Pernas Electronics Co., Ltd.; January 1 2014 was set as the base day of share swap.
Jul 2014	Ranked “A++” in the “Transparency and Information Disclosure” evaluation.
Dec 2014	Elected as The Most Popular Authorized Distributor in the "2014 EEPW Editors' Choice Award" evaluation.
2014	Newly appointed by O2 Micro, ISSC, Huntersun, Solteam, Fibocom, SEQUANS, VANCHIP, and OTUS as distributor.
Mar 2015	WPG commenced tender offer for shares of Genuine C&C INC.
Apr 2015	Ranked “A++” in the “Transparency and Information Disclosure” evaluation.
Apr 2015	Ranked among the top 20% of TWSE listed and TPEx listed companies in the 1st Corporate Governance Evaluation.
May 2015	Ranked the 1814th on the Forbes Global 2000.
May 2015	Rated as one of the Top 10 Overseas Distributors by ESMC.
2015	Newly appointed by SANA, ISSC, Thine, TBPC, Akustica Inc., BRIGHTTEK, Panda, VANCHIP, High--Flying, Ambiq Beken, etc. as agent.
Feb 2016	Moved to new office at 8F., No. 489, Sec. 2, Tiding Blvd., Neihu Dist., Taipei City.
Apr 2016	Ranked among the top 20% of TWSE listed and TPEx listed companies in the 2nd Corporate Governance Evaluation.
Apr 2016	Ranked the 1735th in the Forbes Global 2000, and No. 2 in the 2000 Survey Service Industry by Commonwealth Magazine.
Jul 2016	Selected in TWSE Corporate Governance 100 Index.
Oct 2016	Rated as one of the Top 10 Overseas Authorized Distributors by the ESMC.
2016	Newly appointed by VATICS, CT Micro, Skywalker, Seoul Semiconductor, BroadLink, UNEO, TELINK, AQUANTIA, and Sharp as agent.
Apr 2017	Ranked top 20% amongst all listed companies in the 3rd Corporate Governance Evaluation.
May 2017	Listed in the Forbes Global 2000, and ranked No. 2 in the 2000 Survey Service Industry by Commonwealth Magazine.
Oct 2017	Rated as one of the Top 10 Overseas Authorized Distributors by the ESMC.
2017	Newly appointed by Western, Acsip, JMicon, Microvision, PI, SILICONGEAR, UBIQ, Lumileds, TDK, Lattice, and Nexperia as agent.
Apr 2018	Ranked between 6% to 20% of the listed companies in the 4th Corporate Governance Evaluation.

May 2018	Ranked No. 2 in the 2000 Survey Service Industry by Commonwealth Magazine.
Jun 2018	Ranked the 1717th on the Forbes Global 2000.
Nov 2018	Rated as one of the Top 10 International Brand Distributors by the ESMC.
2018	Newly appointed by Renesas, CPS, China Mobile, AMS, ASINK, TOSHIBA MEMORY, Giantec, Yangjie, tBPC, Intelligo, Fenghua, FingerTech, GOKE, Neoway, Socionext, Chilisin, NJRC, and Navitas as agent
Apr 2019	Ranked between 6% to 20% of the listed companies in the 5th Corporate Governance Evaluation.
May 2019	Ranked No. 2 in the 2000 Survey Service Industry by Commonwealth Magazine.
May 2019	Ranked the 1741th on the Forbes Global 2000.
Nov 2019	Rated as one of Top 5 Technology Support Distributor, and the Top 10 International Brand Distributors by the ESMC.
2019	Newly appointed by NeuroMem, Thundercomm, V-Color, Maxeye, XTX, NCE, HPI, Genesys, HiSilicon, Broadcom, and VARTA as distributor.
Apr 2020	Ranked between 6% to 20% of the listed companies in the 6th Corporate Governance Evaluation.
May 2020	Ranked the 1822th on the Forbes Global 2000.
May 2020	Ranked No. 2 in the 2000 Survey Service Industry and No. 12 of 50 Largest Groups by Commonwealth Magazine.
Jun 2020	Ranked No. 104 in the Top 1000 Surveys of Mainland China, Taiwan and Hong Kong by Commonwealth Magazine.
Nov 2020	Won the Outstanding International Brand Distributor of the Global Electronic Component Distributor Awards in Electronics Supply and Manufacturing-China (ESMC) Magazine.
Dec 2020	Nangang headquarter building established.
2020	Newly appointed by SGMICRO, Neoway, Southchip, ESMT, JoulWatt, AMICCOM, GPT, NOVOSENSE, Mobileye, VCOM, SGR, Audiowise, Vesper, SIMCom, Silergy, MPS, Diao, Baidu, Artery, TOUCHÉ, SRO, Phison, Konsemi, EEASY, ACEINNA, Nations, awinic, and Radrock as agent.
Jan 2021	Introduced Employee Stock Ownership Trust.
Apr 2021	Ranked between 21% to 35% of the listed companies in the 7th Corporate Governance Evaluation.
May 2021	Ranked the 1760th on the Forbes Global 2000.
May 2021	Ranked No. 1 in the 2000 Survey Service Industry by Commonwealth Magazine.
Jun 2021	Ranked No. 101 in the Top 1000 Surveys of Mainland China, Taiwan and Hong Kong by Commonwealth Magazine.
Nov 2021	Won the Outstanding International Brand Distributor of the Global Electronic Component Distributor Awards in Electronics Supply and Manufacturing-China (ESMC) Magazine.
Nov 2021	Won the golden selection of AspenCore's three Major Electronic Component Distributor and Outstanding International Branded Distributor.

2021	Newly appointed by HorizonRobotics, LPS, MindMotion, Willsemi, uPI, Cambricon, Hoturnkey, Kneron, Bluetrum, VIYONG, ASE, ALTOBEAM, BLUEX, DSPG, GreenWaves, IGNION, IPU, Mobvoi, MONTAGELZ, PNJ, SCY, VANCHIP, and WINNER MICRO as agent.
Apr 2022	Ranked between 6% to 20% of the listed companies in the 8th Corporate Governance Evaluation.
May 2022	<u>Obtained MSCI ESG rating upgraded to BBB.</u>
May 2022	Ranked the 1676th on the Forbes Global 2000.
May 2022	<u>Ranked No. 2 in Prosperous 100 Semiconductor Enterprises by CommonWealth Magazine.</u>
May 2022	<u>Ranked No. 1 in the 2000 Survey Service Industry by CommonWealth Magazine.</u>
May 2022	<u>Ranked No. 934 in the Top 1000 Surveys of Mainland China, Taiwan and Hong Kong by Business Today.</u>
Nov 2022	<u>Won the Outstanding International Brand Distributor of the Global Electronic Component Distributor Awards in Electronics Supply and Manufacturing-China (ESMC) Magazine.</u>
Nov 2022	<u>Won the Corporate Comprehensive Performance Category – 100 Sustainability Model Enterprise Award, Sustainability Report Category – Service Industries Category I Gold Award, at the 15th TCSA (Taiwan Corporate Sustainability Awards) Ceremony.</u>
Dec 2022	<u>Award as one of AspenCore's Top Aisa 3 Electronic Components Distributors.</u>
2022	Newly appointed by EPC, Hailo, Innoscience, SMARTSENS, SYNAPTICS, AAC, STARMEMS, Solidigm, HME, Power Forest, AcSiP, Runic, BASiC, Fudan, Hynetek, MDT, Sirius, SemiDrive, NCEPOWER, Novosense, SG Micro, Raspberry Pi, BOLB Inc., SPARK Microsystems, Fitipower, Gowin Semiconductor, IST AG, Innoscience, Hikstorage, Alliance Memory, ATS, Southchip, and Spark Microsystems as agent
Apr 2023	<u>Obtained MSCI ESG rating upgraded to A.</u>
Apr 2023	<u>Ranked the top 5% of the listed companies in the 9th Corporate Governance Evaluation.</u>
May 2023	<u>Ranked No. 1 in the 2000 Survey Service Industry by CommonWealth Magazine.</u>
May 2023	<u>Ranked No. 1 in the 2000 Survey Industry Holding by CommonWealth Magazine.</u>
May 2023	<u>Ranked the 1704th on the Forbes Global 2000.</u>
Jun 2023	Changed the company name from "大聯大投資控股股份有限公司(Chinese name)" to "大聯大控股股份有限公司(Chinese name)".
Nov 2023	<u>Won the Outstanding International Brand Distributor of the Global Electronic Component Distributor Awards in Electronics Supply and Manufacturing-China (ESMC) Magazine.</u>
Nov 2023	<u>Won the Corporate Comprehensive Performance Category – 100 Sustainability Model Enterprise Award, Sustainability Report Category – Service Industries Category I Gold Award, at the 16th TCSA (Taiwan Corporate Sustainability Awards) Ceremony.</u>
Dec 2023	WPG Taiwan Logistics Center officially inaugurated.

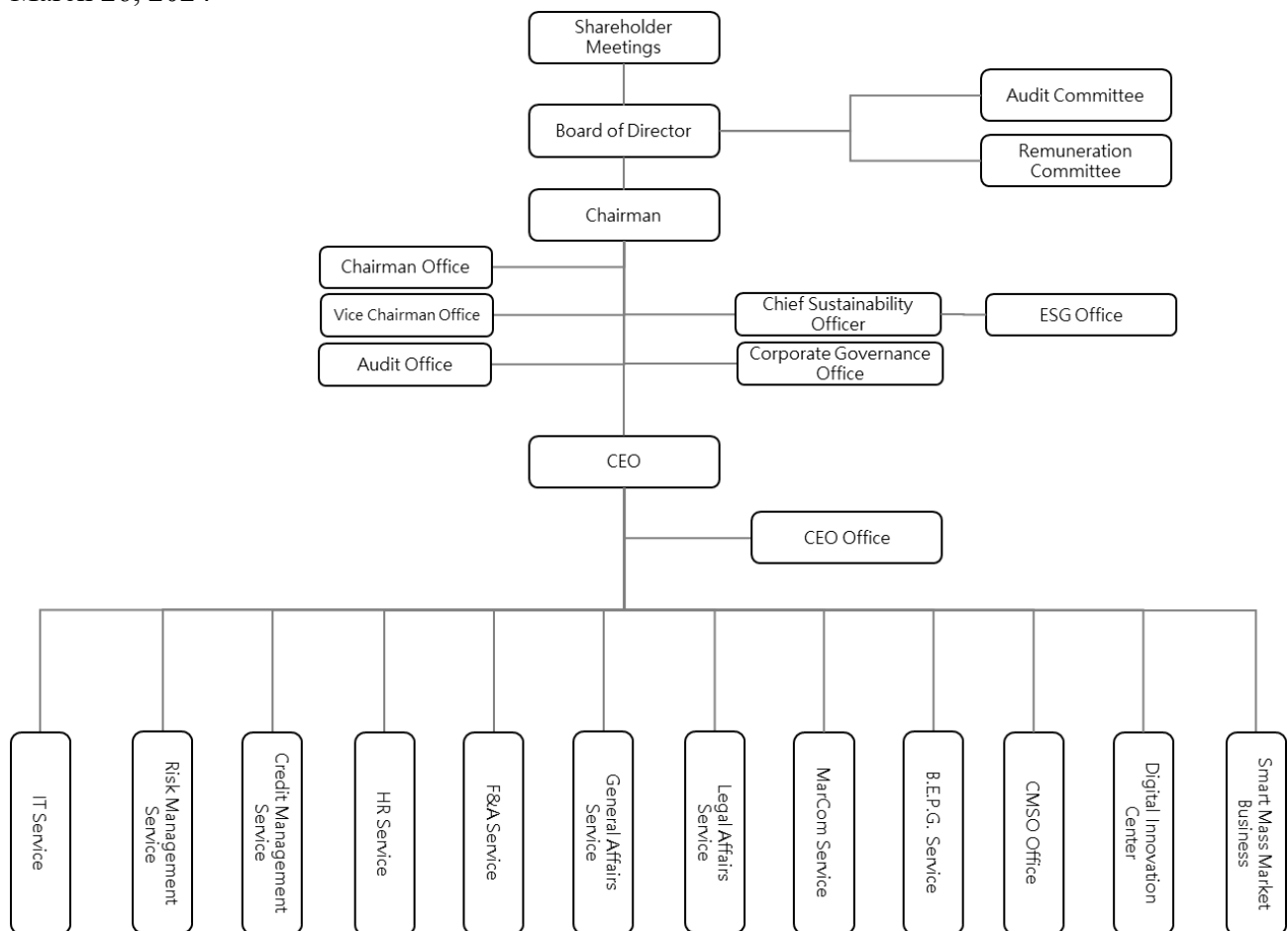
2023	Newly appointed by MaxLinear, Metanoia, MetaX, Black Sesame, Micradar, JieJie Microelectronics, Flagchip, Calterah, USI, JLSemi, EnergyMath, nFore, AIM, Lattice Art, Goodix, AST, xMEMS, and SemiDrive as agent.
Feb 2024	<u>Obtained continuously MSCI ESG rating as A.</u>

3. Corporate Governance Report

3.1 Organization

3.1.1 Organization Chart

March 26, 2024



3.1.2 Major Corporate Functions

WPG Holdings is operated in cooperation with WPI Group, SAC Group, AIT Group, and YOSUN Group, and its business is characterized by cross-group, cross-region, and cross-company.

The framework of WPG is organized to meet the needs of the ever-changing markets. In order to fulfill the shared vision of “the First Choice of Industry • the Benchmark of Distribution”, WPG focuses on establishing management mechanisms and supervision for its affiliated subgroups and subsidiaries; highlighting back-end management effectiveness and front-end coordination through sharing/integral resource platform in order to enhance front-end effectiveness; and specializing in the capital market, investor relations, and financing.

(1) Audit Office

Responsible for conducting audits for the effectiveness of internal regulations and institutional implementation for WPG and making recommendations for improvement based on the results.

(2) F&A Service

Responsible for matters related to finance and accounting, investment management for WPG, as well as managing investor relations; responsible for the management, guidance, and supervision of each group’s corresponding function. CFO also serves as the Company’s Spokesperson.

(3) IT Service

Responsible for information management strategy, as well as planning of information management policy, optimization, and integration of information platform; responsible management, guidance, and supervision of each group’s corresponding function.

(4) HR Service

Responsible for matters related to human resources for WPG; responsible for the management, guidance, and supervision of each group’s corresponding function.

(5) MarCom Service

Responsible for maintaining brand image, as well as planning, implementing, and supervising of e-marketing platform for WPG; responsible for the management, guidance, and supervision of each group’s corresponding function.

(6) Legal Affairs Service

Responsible for legal affairs of WPG; responsible for the management, guidance, and supervision of each groups’ corresponding function.

(7) Credit Management Service

Responsible for credit management affairs of WPG Holdings; responsible for the management, guidance, and supervision of each groups’ corresponding function.

(8) Risk Management Service

Responsible for risk and crisis management mechanisms establishment, various risk management operations, as well as risk and crisis management awareness promotion.

(9) General Affairs Service

Responsible for general and administrative affairs of WPG Taipei headquarters building; responsible for the management, guidance and supervision of each groups' corresponding function.

(10) Process Excellence Management Service

Responsible for optimization of WPG business management mechanisms, intelligent operation performance management, and operating procedures quality to improve overall operation management effectiveness and efficiency.

(11) Chief Marketing and Sales Officer Office

Responsible for assisting internal communication between each Group and establishing resource sharing and collaboration platform to serve customers, strengthen production lines, and enhance trade compliance management mechanism. Externally, CMSO Office is responsible for improving user experience through WPG DADAWANT platform's automation and subscription-based innovative services.

(12) ESG Office

Responsible for strengthening WPG Holdings' sustainable competitiveness through planning and promoting sustainable development matters, tracking the implementation effectiveness, and establishing continuous improvement plan.

(13) Digital Innovation Center

Responsible for the design, testing, feedback, and incubation of new business models through the utilization of digital technologies and strategies.

(14) Smart Mass Market Business Unit

Responsible for the design, establishment and verification of the WPGH new business platform for serving the diverse and small-volume transaction needs in the broad mass market, and cooperate with relevant groups to promote business digitalization operation mechanisms.

3.2 Directors, Supervisors, President, Vice Presidents, Directors, and Division / Department / Affiliates Heads

3.2.1 Information of Directors

(1) Information of Directors

March 26, 2024

Title	Nationality / Place of Registration	Name	Gender / Age	Date Elected (Appointed)	Term	Date First Elected	Shareholding When Elected		Current Shareholding		Shareholding by Spouse & Minor Children		Shareholding by Nominee Arrangement		Education and Selected Past Positions	Selected Concurrent Positions at the Company and Other Companies	Managers, Directors, or Supervisors Who are Spouses or within Second-degree Relative of Consanguinity to Each Other			Remarks
							Common Shares	(%)	Common Shares	(%)	Common Shares	(%)	Common Shares	(%)			Title	Name	Relation	
							Preferred Shares	(%)	Preferred Shares	(%)	Preferred Shares	(%)	Preferred Shares	(%)						
Chairman	Republic of China	Simon Huang	Male, 60-69 years old	2023/5/31	3 years	2005/6/14	41,411,507	2.47	41,411,507	2.47	10,523,167	0.63	—	—	Department of Engineering Science, National Cheng Kung University Co-founder and Chairman, World Peace Industrial Co., Ltd.	Chairman & Director, WPG Holdings Affiliated Ventures Chairman, Trigold Holdings Limited Director (Legal Representative), T3EX Global Holdings Corp. Director, Phoenix Innovation and Entrepreneurship Investment Inc. Chairman, Taiwan Listed Companies Association Chairman, Taiwan Industrial Holding Association Executive Supervisor, Sinocon Industrial Standards Foundation Director, Taipei Electronic Components Suppliers' Association (TECSA)	—	—	—	—
							—	—	—	—	—	—	—	—						

Title	Nationality / Place of Registration	Name	Gender / Age	Date Elected (Appointed)	Term	Date First Elected	Shareholding When Elected		Current Shareholding		Shareholding by Spouse & Minor Children		Shareholding by Nominee Arrangement		Education and Selected Past Positions	Selected Concurrent Positions at the Company and Other Companies	Managers, Directors, or Supervisors Who are Spouses or within Second-degree Relative of Consanguinity to Each Other			Remarks
							Common Shares	(%)	Common Shares	(%)	Common Shares	(%)	Common Shares	(%)			Title	Name	Relation	
							Preferred Shares	(%)	Preferred Shares	(%)	Preferred Shares	(%)	Preferred Shares	(%)						
Vice Chairman	Republic of China	Frank Yeh	Male,60 - 69years old	2023/5/31	3 years	2014/6/18	1,196,537	0.07	1,196,537	0.07	—	—	—	—	Department of Electronics Engineering, Feng Chia University President, Arrow Electronics, Inc. CEO, WPG Holdings Limited	Director, WPG Holdings Affiliated Ventures Independent Director, BenQ Materials Corp. CEO, WPG Holdings Limited Director, Senao International Co., Ltd.	—	—	—	—
							113,000	0.06	113,000	0.06	—	—	—	—						
Director	Republic of China	K. D. Tseng	Male,70 - 79years old	2023/5/31	3 years	2011/6/22	9,654,480	0.57	9,654,480	0.57	19,053,200	1.13	—	—	Department of Electronics Engineering, National Taiwan Ocean University Founder and Chairman, Yosun Industrial Corp.	Chairman & Director, WPG Holdings Affiliated Ventures Director, Trigold Holdings Limited Director (Legal Representative), Qleap Accelerators Limited Chairman, Management Intelligence Sharing Association (MISA)	—	—	—	—
							—	—	—	—	—	—	—	—						

Title	Nationality / Place of Registration	Name	Gender / Age	Date Elected (Appointed)	Term	Date First Elected	Shareholding When Elected		Current Shareholding		Shareholding by Spouse & Minor Children		Shareholding by Nominee Arrangement		Education and Selected Past Positions	Selected Concurrent Positions at the Company and Other Companies	Managers, Directors, or Supervisors Who are Spouses or within Second-degree Relative of Consanguinity to Each Other			Remarks
							Common Shares	(%)	Common Shares	(%)	Common Shares	(%)	Common Shares	(%)			Title	Name	Relation	
							Preferred Shares	(%)	Preferred Shares	(%)	Preferred Shares	(%)	Preferred Shares	(%)						
Director	Republic of China	Mike Chang	Male,60 - 69years old	2023/5/31	3 years	2005/6/14	12,612,020	0.75	7,806,020	0.46	582,148	0.03	22,564,000	1.34	Department of Electrical Engineering, National Taipei Institute of Technology (Department of Electrical Engineering, National Taipei University of Technology President (Far East Dist.), TXC Corporation President, WPG Holdings Affiliated Ventures	CEO, WPG Holdings Limited Chairman & Director, WPG Holdings Affiliated Ventures Supervisor, Taipei Electronic Components Suppliers' Association (TECSA)	—	—	—	—
Director	Republic of China	T. L. Lin	Male, aged 60- 69.	2023/5/31	3 years	2005/6/14	15,195,570	0.91	12,975,570	0.77	17,108,688	1.02	—	—	Department of Electrical Engineering, National Taipei Institute of Technology (Department of Electrical Engineering, National Taipei University of Technology Co-founder, World Peace Industrial Co., Ltd.	Director, FantasyStory Inc. Independent Director, Simple Mart Retail Co., Ltd. Director of Cloud Creation Communications, Inc. Director, H Bank Biopharma Corp. Director, HBank Technology Inc. Executive Director, Taipei Electronic Components Suppliers' Association (TECSA)	—	—	—	—

Title	Nationality / Place of Registration	Name	Gender / Age	Date Elected (Appointed)	Term	Date First Elected	Shareholding When Elected		Current Shareholding		Shareholding by Spouse & Minor Children		Shareholding by Nominee Arrangement		Education and Selected Past Positions	Selected Concurrent Positions at the Company and Other Companies	Managers, Directors, or Supervisors Who are Spouses or within Second-degree Relative of Consanguinity to Each Other			Remarks
							Common Shares	(%)	Common Shares	(%)	Common Shares	(%)	Common Shares	(%)			Title	Name	Relation	
							Preferred Shares	(%)	Preferred Shares	(%)	Preferred Shares	(%)	Preferred Shares	(%)						
Independent Director	Republic of China	Jack J. T. Huang	Male, 70 - 79 years old	2023/5/31	3 years	2008/06/25	—	—	—	—	—	—	—	—	S.J.D., Harvard University LL.M., Northwestern University LL.B., National Taiwan University	Chairman, Taiwan Renaissance Platform Independent Director, Delta Electronics Inc. Director (Legal Representative), Yulon Motor Co., Ltd. Director (Legal Representative), Taiwania Capital Buffalo Fund Co., Ltd.	—	—	—	—
							—	—	—	—	—	—	—	—						
Independent Director	Republic of China	Charles Chen	Male, 70 - 79 years old	2023/5/31	3 years	2020/6/24	—	—	—	—	—	—	—	—	Master of Accounting, Soochow University CPA, PricewaterhouseCoopers Taiwan	Director, Prime Oil Chemical Service Corporation Independent Director, China Television Company, Ltd. Executive Director, United Way of Taiwan	—	—	—	—
							—	—	—	—	—	—	—	—						

Title	Nationality / Place of Registration	Name	Gender / Age	Date Elected (Appointed)	Term	Date First Elected	Shareholding When Elected		Current Shareholding		Shareholding by Spouse & Minor Children		Shareholding by Nominee Arrangement		Education and Selected Past Positions	Selected Concurrent Positions at the Company and Other Companies	Managers, Directors, or Supervisors Who are Spouses or within Second-degree Relative of Consanguinity to Each Other			Remarks
							Common Shares	(%)	Common Shares	(%)	Common Shares	(%)	Common Shares	(%)			Title	Name	Relation	
							Preferred Shares	(%)	Preferred Shares	(%)	Preferred Shares	(%)	Preferred Shares	(%)						
Independent Director	Republic of China	Kathy Yang	Female, 60- 69years old	2023/5/31	3 years	2021/8/3	50,251	0.00	50,251	0.00	—	—	—	—	MBA, Kansas State University Business Association Executive Program, National Chengchi University Bachelor of Business Administration, National Chengchi University Senior Deputy General Manager , CDIB Capital Group General Manager , CDIB Venture Capital Corporation General Manager , CDIB Capital Management Corporation	Independent Director, Sinopower Semiconductor Inc. Independent Director, Innodisk International Co., Ltd. Director, Young Shine Electric Co., Ltd.	—	—	—	—
							—	—	—	—	—	—	—	—						
Independent Director	Republic of China	Joseph Yu	Male,60 - 69years old	2023/5/31	3 years	2023/5/31	—	—	—	—	—	—	—	—	Ph.D. in Business Administration, University of Michigan Professor, Department of Business Administration, National Chengchi University	Distinguished Professor, Chang Gung University Independent Director, Integrated Service Technology Independent Director, Axiomtek Co., Ltd. CEO, Kung-Hwa Management Foundation	—	—	—	—
							—	—	—	—	—	—	—	—						

Table 1. Major Shareholder of WPG's Director or Supervisor that is an Institutional Shareholder: Not applicable.

Table 2. Shareholder of WPG's Major Shareholder that is an Institutional Shareholder: Not applicable.

(2) Disclosure of Information regarding the Professional Qualifications of Directors and the Independence of Independent Directors

Name / Qualification	Professional Qualifications and Experience	Independence Status	Number of Listed Companies in which Independent Directors Serving Concurrently as Independent Directors
Simon Huang Chairman	Mr. Simon Huang is currently the Chairman of WPG Holdings Limited. He also acts as Director of the Taipei Electronic Components Suppliers' Association (TECSA). Mr. Huang holds a Bachelor's degree in Engineering Science from National Cheng-Kung University and has over 30 years of experience in the electronic components industry.	Not applicable	0
Frank Yeh Vice Chairman	Mr. Frank Yeh is currently the Vice Chairman of WPG Holdings Limited. Mr. Yeh has over 30 years of experience in the electronic components industry and previously served as General Manager at Arrow Electronics. Mr. Yeh holds a Bachelor's degree in Electrical Engineering from Feng Chia University and has over 30 years of experience in the electronic components industry.		2
K. D. Tseng Director	Mr. K.D. Tseng currently serves as Chairman of Yosun Industrial Corp., holding a concurrent position as Chairman of Management Intelligence Sharing Association (MISA). Mr. Tseng used to serve at Arrow Strong Electronics Co. Ltd. Mr. Tseng holds a Bachelor's degree in Electrical Engineering from National Taiwan Ocean University and has over 30 years of experience in the electronic components industry.		0
Mike Chang Director	Mr. Mike Chang is currently the CEO of WPG Holdings Limited and the Chairman of WPG Holdings subsidiary WPI Group. He also acts as Supervisor of the Taipei Electronic Components Suppliers' Association (TECSA). Mr. Chang has over 30 years of experience in the electronic components industry and previously served executive positions at Texas Instruments and TXC Corporations. Mr. Chang holds a Bachelor's degree in Electrical Engineering from the National Taipei University of Technology.		0
T. L. Lin Director	Mr. T. L. Lin currently serves as Executive Director of the Taipei Electronic Components Suppliers' Association (TECSA) and Independent Director of Simple Mart Retail Co., Ltd. Mr. Lin holds a Bachelor's degree in Electrical Engineering from the National Taipei University of Technology and has over 30 years of experience in the electronic components industry.		1
Jack J. T. Huang Independent Director	Mr. Jack J.T. Huang is the founder and Chairman of Taiwan Renaissance Platform, and special advisor of Yulon Group CEO and Tai Yuen Textile Co., Ltd. Chairman. Mr. Huang is a R.O.C. attorney and practiced law in Hong Kong, New York, and Taipei for many years. He is also a member of the Taipei Bar Association, American Bar Association, and New York City Bar Association. His professional expertise encompasses various international investments, mergers, and acquisitions, joint ventures, etc. Mr. Huang	Excerpts of key points in accordance with Article 14-2 of the Securities and Exchange Act and the "Regulations Governing Appointment of Independent Directors and Compliance Matters for	1

Name / Qualification	Professional Qualifications and Experience	Independence Status	Number of Listed Companies in which Independent Directors Serving Concurrently as Independent Directors
	graduated from National Taiwan University (LL.B.), Northwestern University (LL.M.), and Harvard University (S.J.D.). Mr. Huang has over 5 years of work experience and attorney qualification.	Public Companies" regarding independence are as follows: - Whether myself, spouse, or relatives within the second degree are serving as directors, supervisors, or employees of the Company or its affiliated enterprises: No. - The number and proportion of company shares held by myself, spouse, or relatives within the second degree (or using nominee arrangement): Please refer to the "Director Information Table" in the annual report(P.12-16) - Whether serving as directors, supervisors, or employees of companies with specific relationships to the Company: No. - Amount of remuneration received in the past two years for providing business, legal, financial, accounting, or other services to the Company or its affiliated enterprises: 0	
Charles Chen Independent Director	Mr. Charles Chen currently serves as a director of Prime Oil Chemical Service Corporation and an executive director of United Way of Taiwan. Previously, he held positions as the deputy managing partner of PricewaterhouseCoopers Taiwan and the chairman of Wei Chuan Foods. Director Chen is a certified public accountant in the Republic of China and holds a master's degree in accounting from Soochow University. Mr. Chen has over 5 years of work experience and CPA qualification.		1
Kathy Yang Independent Director	Ms. Kathy Yang currently serves as Independent Director at Sinopower Semiconductor Inc. & Innodisk Corporation. Previously, Ms. Yang served as Executive Vice President of CDIB Capital Group and led the venture capital and industry investment department. She was also the General Manager at CDIB Capital Management Corporation and CDIB Venture Capital Corporation. Ms. Yang holds Master's degree in Business Management from Kansas State University Ms. Yang has over 5 years of work experience.		2
Joseph Yu Independent Director	Ms. Joseph Yu is currently a distinguished professor at Chang Gung University, an independent director of Integrated Service Technology, and an independent director of Axiomtek Co., Ltd. He previously held the position of professor in the Department of Business Administration at National Chengchi University. Director Yu holds a Ph.D. in Business Administration from the University of Michigan. Mr. Yu has over 5 years of work experience.		2

Note: None of the directors have been involved in any of the circumstances specified in Article 30 of the Company Act.

(3) Diversity and Independence of the Board of Directors:

I. Diversity of the Board of Directors

In accordance with the Company's Articles of Association, the Rules for Election of Directors, and Corporate Governance Best Practice Principles, candidate nomination system is adopted to elect Board of Directors in a fair, just, and open procedure. The "Rules for Election of Directors" is stipulated and board diversity policy is specified in "Corporate Governance Best Practice Principles". Based on the Company's business operations, operating dynamics, and development needs, the criteria of the professional background, professional skills, industry experience, gender, age, nationality, etc. when determining the suitable composition of the Board of Directors and successor candidates. The policy of diversity of the Board of Directors, as stipulated in Article 20, Section 4 of the Company's "Corporate Governance Best Practice Principles", states that the composition of the Board of Directors should adhere to, but is not limited to, the following two general standards:

- i. Basic criteria and values: gender, race, age, nationality, and culture, etc.
- ii. Professional knowledge and skills: professional background (such as law, accounting, industry, finance, marketing, technology, information security, risk management, corporate governance/legal compliance, environmental sustainability, corporate social responsibility, and human rights protection), professional skills, and industry experience, etc.

All members of the board shall have the knowledge, skills, and experience necessary to perform their duties. To achieve the ideal goal of corporate governance, the board of directors shall possess the following abilities:

- i. Ability to make operational judgments.
- ii. Ability to perform accounting and financial analysis.
- iii. Ability to conduct management administration.
- iv. Ability to conduct crisis management.
- v. Knowledge of the industry.
- vi. An international market perspective.
- vii. Ability to lead.
- viii. Ability to make policy decisions.

At the general meeting of shareholders on May 31, 2023, WPG Holdings elected the seventh Board of Directors for a term of 3 years from 2023/5/31 to 2026/5/30. The seventh Board of Directors consists of 9 members (including 4 Independent Directors). In addition to the electronic

components industry, the professional background of the Board covers investment management, strategic management, financial accounting, law, and global market perspective. Among the Board members, 2 members are concurrent employees (including appointed managers) (22% of the Board), and 4 members are independent directors (44% of the Board). There is currently 8 male directors and 1 female director (achieved the target of at least 1 female director; 11% of the Board). In terms of age, 3 members are over 70 years old (33% of the Board), while the remaining 6 members are under the age of 70 (67% of the Board). There are 3 independent directors with tenure of less than 9 years, and 1 independent director with tenure of more than 9 years. However, after the Board of Directors has evaluated his participation in the operations of the Board of Directors and his independence, it is believed that Mr. Jack J. T. Huang still possesses the necessary independence and has not established any relationship with the management (or others) that may impair his ability to exercise impartial judgment based on the best interests of the Company or to his their duties impartially. Considering that Mr. Huang contributes his expertise in law and business mergers and acquisitions, and are good at related legal practices and business management, he is able to provide forward-looking and fair important suggestions for the Company's operation and development, as well as suggestions and supervision to the functional committees under the Company's Board of Directors, and continue to improve the experience of a more comprehensive corporate governance mechanism. Thus, Mr. Huang is re-elected as the current independent director. The directors' industry experience/professional distribution are as follows:

Name of Director	Nationality	Gender	Age		Length of Service as an Independent Director		Business Management	Decision-Making	Industry Knowledge	Finance and Accounting	Law	Human Resources	Risk Management	International Market Perspective	Investment Management
			Under 70	70 or over	Under 9 years	Over 9 years									
Simon Huang	Republic of China	Male	√				√	√		√					√
Frank Yeh	Republic of China	Male	√				√	√	√			√	√	√	
K. D. Tseng	Republic of China	Male		√			√	√	√	√			√		√
Mike Chang	Republic of China	Male	√				√	√	√			√		√	
T. L. Lin	Republic of China	Male	√				√	√	√	√			√		√
Jack J. T. Huang	Republic of China	Male		√		√	√	√	√	√	√		√	√	
Charles Chen	Republic of China	Male		√	√		√	√		√		√	√		
Kathy Yang	Republic of China	Female	√		√		√		√	√				√	√
Joseph Yu	Republic of China	Male	√		√		√	√		√		√		√	

II. Independence of the Board of Directors The seventh term Board of Directors consists of 9 members, including 4 independent directors (approximately 44%). All directors comply with the provisions of Article 26-3, Paragraphs 3 and 4 of the Securities and Exchange Act. There is no spousal relationship or familial relationship within the second degree of kinship among the directors.

3.2.2 Information regarding President, Vice Presidents, Directors, and Division/Department/Affiliates Heads

March 26, 2024

Title	Nationality	Name	Gender	On-board Date	Shareholding		Shareholding by Spouse & Minor Children		Shareholding by Nominee Arrangement		Education and Selected Past Positions	Selected Concurrent Positions at Other Companies	Managers Who are Spouses or within Second-degree Relative of Consanguinity to Each Other			Remarks
					Common Shares	(%)	Common Shares	(%)	Common Shares	(%)			Title	Name	Relation	
					Preferred Shares	(%)	Preferred Shares	(%)	Preferred Shares	(%)						
Chief Executive Officer (Note 1)(Note 2)	Republic of China	Mike Chang	Male	2021/01/01	12,612,020	0.75	582,148	0.03	22,564,000	1.34	Department of Electrical Engineering, National Taipei Institute of Technology (Department of Electrical Engineering, National Taipei University of Technology)	Chairman & Director, WPG Holdings Affiliated Venture	—	—	—	—
					—	—	—	—	—	—	President (Far East Dist.), TXC Corporation President, WPG Holdings Affiliated Ventures					
Chief Marketing & Sales Officer (Note 1)	Republic of China	I. J. Hsu	Male	2021/01/01	—	—	—	—	—	—	B.S., Electronic Engineering, Feng Chia University Senior Executive Vice President, WPG Holdings Affiliated Venture	Director, WPG Holdings Affiliated Ventures	—	—	—	—
					—	—	—	—	—	—						
Chief Sustainability Officer	Republic of China	K. D. Tseng	Male	2021/01/01	9,654,480	0.57	19,053,200	1.13	—	—	B.S., Department of Electronics, National Taiwan College of Marine Science and Technology (B.S., Electronic Engineering, National Taiwan Ocean University)	Chairman & Director, WPG Holdings Affiliated Ventures	—	—	—	—
					—	—	—	—	—	—	Chairman, WPG Holdings Affiliated Ventures					

Title	Nationality	Name	Gender	On-board Date	Shareholding		Shareholding by Spouse & Minor Children		Shareholding by Nominee Arrangement		Education and Selected Past Positions	Selected Concurrent Positions at Other Companies	Managers Who are Spouses or within Second-degree Relative of Consanguinity to Each Other			Remarks
					Common Shares	(%)	Common Shares	(%)	Common Shares	(%)			Title	Name	Relation	
					Preferred Shares	(%)	Preferred Shares	(%)	Preferred Shares	(%)						
Chief Financial Officer (Accounting Supervisor, Financial Supervisor)	Republic of China	Cliff Yuan	Male	2005/11/09	685,584	0.04	13,082	0.00	—	—	Bachelor of Law & Bachelor of Accounting, Soochow University Financial Assistant Vice President, WPG Holdings Affiliated Ventures	Director & Supervisor, WPG Holdings Affiliated Ventures	—	—	—	—
					—	—	—	—	—	—						
Chief Information Officer (Note 2)	Republic of China	Jazz Chuang	Male	2012/01/01	—	—	—	—	—	—	E.M.B.A., Information Management, National Taiwan University College of Management Vice President, WPG Holdings Affiliated Ventures	None	—	—	—	—
					—	—	—	—	—	—						
Chief HR Officer	Republic of China	David Li	Male	2013/07/01	50,367	0.00	—	—	—	—	Master, Southern California University Vice President, WPG Holdings Affiliated Ventures	None	—	—	—	—
					—	—	—	—	—	—						
Chief Legal Officer	Republic of China	Lucia Tai	Female	2018/05/01	238	0.00	1,000	0.00	—	—	Bachelor of Law, National Taiwan University	Director, WPG Holdings Affiliated Ventures	—	—	—	—
					—	—	—	—	—	—						
Chief MarCom Officer	Republic of China	Tracy Cheng	Female	2018/05/01	239,701	0.01	—	—	—	—	Bachelor of German Language and Culture & Bachelor of English, Soochow University	None	—	—	—	—
					—	—	—	—	—	—						
Vice President	Republic of China	Scott Lin	Male	2007/01/01	543,507	0.03	—	—	—	—	B.S., Electronic Engineering Technology, National Taiwan University of Science and Technology General Manager, Infineon Technologies Taiwan Co., Ltd.	None	—	—	—	—
					—	—	—	—	—	—						

Title	Nationality	Name	Gender	On-board Date	Shareholding		Shareholding by Spouse & Minor Children		Shareholding by Nominee Arrangement		Education and Selected Past Positions	Selected Concurrent Positions at Other Companies	Managers Who are Spouses or within Second-degree Relative of Consanguinity to Each Other			Remarks
					Common Shares	(%)	Common Shares	(%)	Common Shares	(%)			Title	Name	Relation	
					Preferred Shares	(%)	Preferred Shares	(%)	Preferred Shares	(%)						
Vice President	Republic of China	Victor Lu	Male	2021/01/01	563	0.00	290	0.00	—	—	B.S., Electronic Engineering, National Taipei University of Technology Vice President, Arrow Electronics Taiwan Limited	None	—	—	—	—
					—	—	—	—	—	—						
Vice President	Republic of China	Jessica Lee	Female	2021/01/01	17,558	0.00	—	—	—	—	A.S.,Shipping and Transportation Management, Taipei University of Marine Technology Vice President, WPG Holdings Affiliated Ventures	None	—	—	—	—
					—	—	—	—	—	—						

Note 1: Mr. I. J. Hsu passed away on October 12, 2023. Mr. Mike Chang assumed the additional role in accordance with the Company's governance system.

Note 2: Mr. Jazz Chuang retired on December 31, 2023. Mr. Mike Chang assumed the additional role for the time being in accordance with the Company's governance system.

3.2.3 Remuneration Paid in the Most Recent Year to Directors, President, and Vice Presidents

(1) Compensation Paid to Directors and Independent Director

December 31, 2023 / Unit: NT\$ thousands

Title	Name	Director's Remuneration (Note 1)								(A+B+C+D) as a % of Net Income		Compensation Paid to Director Who is an Employee of WPG or of WPG's Consolidated Entities										Compensation Paid from Non-consolidated Reinvested Ventures or from Parent Company
		Base Compensation (A)		Severance Pay and Pensions (B)		Compensation to Directors (C)		Business Execution Expenses (D)				Base Compensation, Bonuses and Allowances (E)		Severance Pay and Pensions (F)		Employee Compensation (G)				(A+B+C+D+E+F+G) as a % of Net Income		
		The Company	All Consolidated Entities	The Company	All Consolidated Entities	The Company	All Consolidated Entities	The Company	All Consolidated Entities	The Company	All Consolidated Entities	The Company	All Consolidated Entities	The Company	All Consolidated Entities	The Company		All Consolidated Entities		The Company	All Consolidated Entities	
																Cash	Stock (Fair Market Value)	Cash	Stock (Fair Market Value)			
Director	Simon Huang	240	624	0	0	8,030	8,663	0	0	8,270 0.10%	9,287 0.11%	16,100	19,200	594	594	0	0	0	0	24,964 0.31%	29,081 0.35%	0
	K. D. Tseng	240	624	0	0	4,016	4,332	0	0	4,256 0.05%	4,956 0.06%	10,000	16,000	0	606	0	0	0	0	14,256 0.18%	21,562 0.26%	0
	Mike Chang	240	240	0	0	4,016	4,016	0	0	4,256 0.05%	4,256 0.05%	24,485	24,485	922	922	8,515	0	8,515	0	38,178 0.47%	38,178 0.47%	0
	Frank Yeh	240	240	0	0	4,016	4,016	0	0	4,256 0.05%	4,256 0.05%	42,000	42,000	1,531	1,531	3,000	0	3,000	0	50,787 0.63%	50,787 0.62%	0
	T. L. Lin	240	240	0	0	4,016	4,016	0	0	4,256 0.05%	4,256 0.05%	0	0	0	0	0	0	0	0	4,256 0.05%	4,256 0.05%	0
	K. Y. Chen (Note 2)	100	100	0	0	1,616	1,616	0	0	1,716 0.02%	1,716 0.02%	10,000	15,100	0	543	0	0	0	0	11,716 0.14%	17,359 0.21%	0
	Fullerton Technology Co., Ltd.	0	0	0	0	1,616	1,616	0	0	1,616 0.02%	1,616 0.02%	0	0	0	0	0	0	0	0	1,616 0.02%	1,616 0.02%	0
	Representative: Richard Wu (Note 2)	100	100	0	0	0	0	0	0	100 —%	100 —%	0	0	0	0	0	0	0	0	100 —%	100 —%	0
Independent Director	Jack J. T. Huang	1,200	1,200	0	0	5,355	5,355	0	0	6,555 0.08%	6,555 0.08%	0	0	0	0	0	0	0	0	6,555 0.08%	6,555 0.08%	0
	Charles Chen	1,060	1,060	0	0	5,355	5,355	0	0	6,415 0.08%	6,415 0.08%	0	0	0	0	0	0	0	0	6,415 0.08%	6,415 0.08%	0
	Weiru Chen (Note 2)	260	260	0	0	2,181	2,181	0	0	2,441 0.03%	2,441 0.03%	0	0	0	0	0	0	0	0	2,441 0.03%	2,441 0.03%	0
	Kathy Yang	520	520	0	0	5,217	5,217	0	0	5,737 0.07%	5,737 0.07%	0	0	0	0	0	0	0	0	5,737 0.07%	5,737 0.07%	0
	Joseph Yu (Note 3)	321	321	0	0	3,174	3,174	0	0	3,495 0.04%	3,495 0.04%	0	0	0	0	0	0	0	0	3,495 0.04%	3,495 0.04%	0

Note 1: Resolved by the Company's Board of Directors on March 26, 2024.

Note 2: The term of Mr. K. Y. Chen, Fullerton Technology Co., Ltd. (represented by Mr. Richard Wu), and Mr. Weiru Chen ended following the annual shareholders' meeting held on May 31, 2023.

Note 3: Mr. Joseph Yu assumed office after being elected at the annual shareholders' meeting on May 31, 2023.

1. Please describe the remuneration policy, system, standard, and structure of Independent Directors, and as attested by the responsibilities, risks, investment time, and other factors to describe the relation with the amount of remuneration paid: the Independent Directors of the Company are ex officio members of the audit committee, as claimed by the remuneration payment standard for directors decided by the Board of Directors of the Company. In addition to receiving fixed remuneration as a director, the convener of the Audit Committee receives a fixed monthly remuneration, the audit members receive attendance fees as stated by the number of meetings; based on the performance evaluation method of the Board of Directors, the Audit Committee receives committee performance remuneration as reported by the annual performance evaluation results; if the Company has a surplus at the end of the year, the director's remuneration is paid on the basis of the Company's operating performance, considering the time invested by the Independent Directors and their responsibilities, the amount to be released shall be decided by the Board of Directors.

2. Besides the disclosure in the above table, remuneration received by the Directors of the Company in the most recent year for providing services (such as serving as a consultant for the parent company / all companies listed in the financial report / non-employees of the investments in other companies, etc.): None.

(2) Compensation Paid to President and Vice Presidents

December 31, 2023 / Unit: NT\$ thousands

Title	Name	Salary (A)		Severance Pay and Pensions (B)		Bonuses and Allowances (C)		Employee's Profit Sharing Bonus (D)(Note 1)				(A+B+C+D) as a % of Net Income		Compensation Paid from Non-consolidated Reinvested Ventures or from Parent Company
		The Company	All Consolidated Entities	The Company	All Consolidated Entities	The Company	All Consolidated Entities	The Company		All Consolidated Entities		The Company	All Consolidated Entities	
								Cash	Stock (Fair Market Value)	Cash	Stock (Fair Market Value)			
Chief Executive Officer	Mike Chang	66,854	66,854	2,452	2,452	48,862	48,862	23,001	—	23,001	—	141,169 1.74%	141,169 1.72%	None
Chief Corporate Structure Officer	Frank Yeh													
Chief Marketing & Sales Officer	I. J. Hsu													
Chief Financial Officer (Accounting Supervisor, Financial Supervisor)	Cliff Yuan													
Chief Information Officer	Jazz Chuang													
Chief HR Officer	David Li													
Chief Legal Officer	Lucia Tai													
Chief MarCom Officer	Tracy Cheng													
Vice President	Jessica Lee													
Vice President	Victor Lu													
Vice President	Scott Lin													
Total of President and Vice Presidents														

Note 1: On March 26, 2024, the Company's Board of Directors resolved that the employees' and Directors' remuneration for 2023 was \$23,001 and \$48,608, respectively. The difference from the recognized amount in the 2023 financial statements has been adjusted into gain and loss in the first quarter of 2024.

Salary Grade Table

Range of Remuneration Paid to President and Vice Presidents	Name of President and Vice Presidents	
	The Company	All Consolidated Entities
Less than NT\$1,000,000	—	—
NT\$1,000,000 to NT\$1,999,999	—	—
NT\$2,000,000 to NT\$3,499,999	Jazz Chuang	Jazz Chuang
NT\$3,500,000 to NT\$4,999,999	David Li, Lucia Tai, Tracy Cheng, Jessica Lee, Victor Lu, Scott Lin	David Li, Lucia Tai, Tracy Cheng, Jessica Lee, Victor Lu, Scott Lin
NT\$5,000,000 to NT\$9,999,999	Cliff Yuan	Cliff Yuan
NT\$10,000,000 to NT\$14,999,999	—	—
NT\$15,000,000 to NT\$29,999,999	I. J. Hsu	I. J. Hsu
NT\$30,000,000 to NT\$49,999,999	Mike Chang, Frank Yeh	Mike Chang, Frank Yeh
NT\$50,000,000 to NT\$99,999,999	—	—
NT\$100,000,000 or more	—	—
Total	11	11

(3) Employee's Profit Sharing Bonus Paid to Management Team

December 31, 2023 / Unit: NT\$ thousands

	Title	Name	Stock (Fair Market Value)	Cash (Note 1)	Total	Total Amount as % of Net Income
Management Team	Chief Executive Officer	Mike Chang	—	Total of Management Team 23,001	23,001	0.28
	Chief Corporate Structure Officer	Frank Yeh				
	Chief Marketing & Sales Officer	I. J. Hsu				
	Chief Financial Officer (Accounting Supervisor, Financial Supervisor)	Cliff Yuan				
	Chief Information Officer	Jazz Chuang				
	Chief HR Officer	David Li				
	Chief Legal Officer	Lucia Tai				
	Chief MarCom Officer	Tracy Cheng				
	Vice President	Jessica Lee				
	Vice President	Victor Lu				
	Vice President	Scott Lin				

Note 1: On March 26, 2024, the Company's Board of Directors resolved that the employees' and Directors' remuneration for 2023 was \$23,001 and \$48,608, respectively. The difference from the recognized amount in the 2023 financial statements has been adjusted into gain and loss in the first quarter of 2024.

3.2.4 Separate Comparisons and Descriptions of Total Remuneration, as a Percentage of Net Income Stated in the Parent Company-only Financial Reports or Individual Financial Reports, as Paid by the Company and All Other Companies Included in the Consolidated Financial Statements in the Past Two Years to Directors, Supervisors, the President, and Vice Presidents, with Analysis and Description of Remuneration Policies, Standards, and Packages, Procedure for Determining Remuneration, and Linkage Thereof to Operating Performance and Future Risk Exposure

(1) Analysis of total compensations paid to the Company's Directors, Supervisors, President, and Vice Presidents in the 2 most recent years as a % of Net Income After Tax (NIAT)

Unit: NT\$ thousands

Category	The Company		All Consolidated Entities	
	2022	2023	2022	2023
Director's Remuneration	56,940	53,369	58,971	55,086
Ratio of Total Amount to Net Income (%)	0.54	0.66	0.56	0.67
Supervisor's Remuneration	—	—	—	—
Ratio of Total Amount to Net Income (%)	—	—	—	—
President and Vice Presidents' Compensation	162,496	141,169	162,496	141,169
Ratio of Total Amount to Net Income (%)	1.55	1.74	1.54	1.72
NIAT	10,512,466	8,109,407	10,577,434	8,197,737

As shown in the above table, it is evident that the Director's compensation, as well as the compensation of the President and Vice Presidents in the financial statements of all consolidated entities of the Company for the year of 2023, decreased in line with the decline in NIAT. However, the decrease in compensation was not as significant as the decrease in NIAT; thus, the Director's compensation, along with the compensation of the President and Vice President for the year of 2023, increased proportionally to the NIAT compared to the previous year.

(2) Remuneration policy, standard and package, the procedure for determination, and linkage thereof to operating performance and future risk exposure:

- i. The rules governing the remunerations paid to Directors and Supervisors are as follows:
In accordance with the regulations stipulated in the Articles of Incorporation of the Company, where the financial results for the fiscal year show a profit, the Company may, by a resolution adopted by the meeting of the Board of Directors, allocate no more than 3% as directors' remuneration, and report to the shareholders meeting. However, when the Company still has accumulated losses, it shall reserve the compensation amount in advance.
- ii. The rules governing the remunerations paid to President and Vice Presidents are as follows:
In compliance with the regulations stipulated in the Articles of Incorporation of the Company, where the financial results for the fiscal year show a profit, the Company may, by a resolution adopted by the meeting of the Board of Directors, allocate more than 0.01% and less than 5% as employees' remuneration and report to the shareholders meeting.

However, if the Company still has accumulated losses, it should reserve the compensation amount in advance.

The remuneration of the Vice President of the Company is reported by the President.

After review and securing approval by the Remuneration Committee, the remuneration is then reported to the Board of Directors in an aggregated manner for approval.

iii. Remuneration structure for CEO and senior managers:

The remuneration structure of CEO and senior managers is highly aligned with their performance. The remuneration policies and performance evaluation policies and standards are reviewed by the remuneration committee and submitted to the board of directors for resolution and implementation. The measurement aspects of manager remuneration and performance include the practice of corporate core values, senior-level competency behavior indicators, leadership and management capabilities, relevant operational performance indicators, and other special performances.

Measurement Dimension	Items and Weight	Description
Performance Indicators	Financial and business indicators—60%	Profit growth index and operation management quality improvement index, e.g., profit after tax (PAT), operating expense over gross profit (OPEX/GP), etc.
	Comprehensive management indicators—40%	- Practice business philosophy, corporate culture, and core values, and cast the vision of common prosperity. - Organizational leadership and management capabilities - Human resource management and human capital development - Innovation and integration, risk management, regulation compliance, and sustainable development (ESG) strategies.
	Other special contributions or major events are also included in the assessment	—

iv. Pursuant to the Company's Articles of Incorporation, the remuneration of Directors who conduct the business of the Company shall be determined by the Board of Directors and paid based on the participation in and contribution to the Company and with reference to industry standards no matter whether the Company is in a loss or not. The Board of Directors of the Company has established Remuneration Committee that assists in the development of remuneration policies for Directors, the senior managers, and the Company as a whole. In accordance with the Company's board resolutions, Directors and committee conveners receive fixed pay every month, and committee members are offered allowance

according to the attendance of meetings, with no compensation paid. If the Company has surplus earnings at the end of the year, directors' remuneration shall be determined in consideration of the Company's operating performance as well as directors' participation in and contribution to the Company's operation, and paid after the distribution proposal is reviewed by Remuneration Committee and resolved by the Board of Directors. Directors' remuneration content and rationality is periodically reviewed (at least once per term) by the Remuneration Committee and resolved by the Board of Directors. Directors' remuneration policy is reviewed in due course according to operating performance and related regulations in order to balance sustainable development and risk control. The Company has ensured the Board and managerial personnel against liability, with insured amounts adding up to US\$15,000 thousand; by means of D&O insurance, the Company mitigates the risk exposure, shifting the potential damages arising from the business conduct of Directors, management team and the Company.

- v. The Company's remuneration policy for directors and appointed managers will be reviewed timely based on consideration of the overall environment, corporate business strategies, future risk assessment, etc. with the aim of minimizing potential risks.

3.3 Overview of Corporate Governance

3.3.1 Information on Board Operations

At the general meeting of shareholders on May 31, 2023, WPG Holdings elected the seventh Board of Directors for a term of 3 years from May 31, 2023 to May 30, 2026. The seventh term of the Board of Directors consists of 9 members (including 4 Independent Directors). In addition to the electronic components industry, the professional background of the Board covers investment management, strategic management, financial accounting, law, and global market mindset. Among them, there are 4 Independent Directors: Jack J.T. Huang, Chairman of Taiwan Renaissance Platform Co. Ltd., Charles Chen, who previously served as Vice Director of PricewaterhouseCoopers Taiwan, Kathy Yang, who previously served as Executive Vice President of CDIB Capital Group, and Joseph Yu, Distinguished Professor of Chang Gung University.

The Board has the responsibility to supervise the overall operations and affairs of the Company and make decisions for major investment and M&A matters.

In 2023, the Board held 13 meetings. The following lists the attendance of Directors at these meetings:

Title	Name	In Person	By Proxy	Actual Presence (Attendance) (%)	Remarks
Chairman	Simon Huang	13	0	100%	
Vice Chairman	Frank Yeh	12	1	92.31%	
Director	K.D. Tseng	13	0	100%	
Director	Mike Chang	13	0	100%	
Director	T.L. Lin	13	0	100%	
Director	K.Y. Chen	3	2	60%	Relieved office on 5/31/2023, required attendance in 5 meetings.
Director	Representative of Fullerton Technology Co., Ltd.: Richard Wu	5	0	100%	Relieved office on 5/31/2023, required attendance in 5 meetings.
Independent Director	Jack J.T. Huang	12	1	92.31%	
Independent Director	Charles Chen	13	0	100%	
Independent Director	Kathy Yang	13	0	100%	
Independent Director	Joseph Yu	8	0	100%	Took office on 5/31/2023, required attendance in 8 meetings.
Independent Director	Weiru Chen	5	0	100%	Relieved office on 5/31/2023, required attendance in 5 meetings.

Other matters:

I. Where the proceedings of the Board meeting include one of the following circumstances, then describe the date, session, topic discussed, opinions of every Independent Director, and the handling by the Company:

(I) Matters referred to in Article 14-3 of the Securities and Exchange Act.

Board of Directors Meeting Date	Content of Proposal
March 28, 2023 (3rd meeting in 2023)	Proposal of the appointment of 2023 WPG's CPAs.
March 28, 2023 (3rd meeting in 2023)	Proposal of candidates list of nominated directors for WPG's 7th term of directors (including independent directors).
March 28, 2023 (3rd meeting in 2023)	Proposal for a motion to the 2023 General Shareholders' Meeting for the release of WPG's directors from the restrictions on non-competition.
October 24, 2023 (9th meeting in 2023)	WPG proposed to increase the capital of WPG Americas Inc through its subsidiary WPG International (CI) Limited.
October 24, 2023 (9th meeting in 2023)	WPG proposed to increase the capital of Yosun Singapore Pte Ltd. through its subsidiary WPG South Asia Pte. Ltd.
October 24, 2023 (9th meeting in 2023)	Proposal of the appointment of WPG's 7th term of Performance Manager.

	November 10, 2023 (11th meeting in 2023)	Proposal for the equity disposal of WT Microelectronics Co., Ltd.		
	December 26, 2023 (12th meeting in 2023)	Proposal for the amendments of internal control system "Board Operation Management".		
	December 29, 2023 (13th meeting in 2023)	Proposal for the involvement to capital increase in WT Microelectronics Co., Ltd. In cash to issue new shares in 2023.		
Opinions of independent directors: None.				
The Company's handling of independent directors' opinions: None.				
Resolution result: After the chairman consulted all the directors present, it was passed without objection.				
(II) Other than the matters mentioned above, other resolutions on which the Independent Directors have dissenting or reserved opinions: None				
II. Regarding recusals of Directors from voting due to conflicts of interests, the names of the Independent Directors, contents of motions, reasons for recusal, and results of the voting shall be specified:				
	Board of Directors Meeting Date	Content of Proposal	Director	Description/Statement of Interest
	March 28, 2023 (3rd meeting in 2023)	Proposal of candidates list of nominated directors for WPG’s 7th term of directors (including independent directors)	Simon Huang	In person/voluntarily recused
			T.L. Lin	In person/voluntarily recused
			Mike Chang	In person/voluntarily recused
			K.D. Tseng	In person/voluntarily recused
			Frank Yeh	In person/voluntarily recused
			Charles Chen	In person/voluntarily recused
			Jack J.T. Huang	In person (agent)/voluntarily recused
			Kathy Yang	In person/voluntarily recused
		Proposal for a motion to the 2023 General Shareholders' Meeting for the release of WPG’s directors from the restrictions on non-competition.	Simon Huang	In person/voluntarily recused
			T.L. Lin	In person/voluntarily recused
			K.D. Tseng	In person/voluntarily recused
			Frank Yeh	In person/voluntarily recused
			Charles Chen	In person/voluntarily recused
			Jack J.T. Huang	In person (agent)/voluntarily recused
			Kathy Yang	In person/voluntarily recused
			October 24, 2023 (9th meeting in 2023)	Proposal of the appointment of WPG’s 7th term of Performance Manager
Mike Chang	In person/voluntarily recused			
III. Implementation of Board of Directors evaluation:				
Evaluation Cycle	Evaluation Period	Evaluation Scope	Evaluation Method	Evaluation Content
Every year	2023/01/01 ~ 2023/12/31	Board of Directors	Board Member Self-Evaluation	- Degree of participation in the Company's operations - Internal control and risk management - Management of external and internal relations

				• Composition and capabilities of the Board/Election and continuing education of the Directors • Decision-making quality and operations of the Board • Whether work goals are implemented and achieved
Every year	2023/01/01 ~ 2023/12/31	Board of Directors	Directors' Self-Evaluation	• Degree of participation in the Company's operations • Internal control and risk control • Management of external and internal relations • Decision-making quality and operations of the Board • The director's awareness, professionalism and continuing education • Whether work goals of the board of directors goals are implemented and achieved
Every year	2023/01/01 ~ 2023/12/31	Functional Committees	Committee Member Self-Evaluation	• Composition, appointment and operation of the Committee • Degree of participation in the Company's operations • Understanding of the responsibilities of the functional committee • Enhance the decision-making quality of functional committees • Internal control • Whether work goals of the current committee are achieved
Every three years	2021/01/01 ~ 2022/06/30	Board of Directors	Appointment of external professional organizations	• Board structure and process • Members of the board of directors • Legal person and organizational structure • Roles and responsibilities • Behavior and culture • Director training and development • Supervision in risk control • Declaration/disclosure and performance monitoring

IV. Measures taken to strengthen the functionality of the Board this year and in recent years (including establishing Audit Committee and enhancing information transparency, etc.) and the results thereof: In order to perfect the supervising functions of the Board and enhance its managerial mechanism, since 2008, WPG has advanced the establishment and operation of the Audit Committee and the Remuneration Committee, please refer to 3.3.2 “Operation of Audit Committee” and 3.3.3 “Operation of Remuneration Committee” on page 36~39 for details.

The attendance of Independent Directors at each Board meeting in 2023

◎ Attendance in person ☆ Attendance by proxy ※ Absent

2023	1st Meeting	2nd Meeting	3rd Meeting	4th Meeting	5th Meeting	6th Meeting	7th Meeting	8th Meeting	9th Meeting	10th Meeting	11th Meeting	12th Meeting	13th Meeting
Jack J.T. Huang	◎	◎	☆	◎	◎	◎	◎	◎	◎	◎	◎	◎	◎
Charles Chen	◎	◎	◎	◎	◎	◎	◎	◎	◎	◎	◎	◎	◎
Weiru Chen	◎	◎	◎	◎	◎	(relieved of office on 5/31/2023)							
Kathy Yang	◎	◎	◎	◎	◎	◎	◎	◎	◎	◎	◎	◎	◎
Joseph Yu	(Took office on 5/31/2023)					◎	◎	◎	◎	◎	◎	◎	◎

3.3.2 Operations of the Audit Committee

The whole independent directors constitute the Audit Committee of the Company, to establish a good corporate governance structure, reinforce audit supervision functions and strengthen the management mechanism; the Audit Committee aims to assist the board of directors in performing its supervisory duties, and its powers are as follows:

1. Adoption or amendment of an internal control system pursuant to Article 14-1 of the Securities and Exchange Act.
2. Effectiveness assessment of internal control systems.
3. Adoption or amendment, pursuant to Article 36-1 of the Securities and Exchange Act, of handling procedures for financial or operational actions of material significance, such as acquisition or disposal of assets, derivatives trading, extension of monetary loans to others, or endorsements or guarantees for others.
4. Matters bearing on the personal interest of a director.
5. Material transactions in assets or derivatives.
6. Material loaning of funds or provision of endorsements/guarantees.
7. Offering, issuance or private placement of any equity based securities.
8. Appointment or discharge of an attesting CPA or the compensation was given thereto.
9. Appointment or discharge of a financial, accounting, or internal auditing officer.
10. Review of annual financial reports and semi-annual financial reports.
11. Review of major investment performance.
12. Supervision of the formulation and implementation of risk management policies.
13. Any other material matter so required by the company or the Competent Authority.

The Audit Committee convened a total of 12 meetings in 2023, with the attendance of independent directors listed as follows:

Title	Name	In Person	By Proxy	Attendance Rate (%)	Remarks
Independent Director (Convener)	Charles Chen	12	0	100%	
Independent Director (Member)	Jack J.T. Huang	11	1	91.67%	
Independent Director (Member)	Kathy Yang	12	0	100%	
Independent Director (Member)	Joseph Yu	7	0	100%	Took office on 5/31/2023, required attendance in 7 meetings.
Independent Director (Member)	Weiru Chen	5	0	100%	Relieved office on 5/31/2023, required attendance in 5 meetings.

Other matters:

I. With regard to the operation of the Audit Committee, if any of the following circumstances occur, the dates, terms of the meetings, contents of motions, all Audit Committee resolutions, and the Company's handling of such resolutions shall be specified:

(I) Matters referred to in Article 14-5 of the Securities and Exchange Act.

Audit Committee Meeting Date	Content of Proposal
February 28, 2023 (2nd Meeting in 2023)	The Company's 2022 financial reports (including parent company-only financial statements and consolidated financial statements) and business report.
March 28, 2023 (3rd Meeting in 2023)	Internal control system self-inspection and internal control statement in 2022
March 28, 2023 (3rd meeting in 2023)	Proposal of the appointment of 2023 WPG's CPAs.
October 24, 2023 (9th meeting in 2023)	WPG proposed to increase the capital of WPG Americas Inc through its subsidiary WPG International (CI) Limited.
October 24, 2023 (9th meeting in 2023)	WPG proposed to increase the capital of Yosun Singapore Pte Ltd. through its subsidiary WPG South Asia Pte. Ltd.
November 10, 2023 (11th meeting in 2023)	Proposal for the equity disposal of WT Microelectronics Co., Ltd.
December 26, 2023 (12th meeting in 2023)	Proposal for the amendments of internal control system "Board Operation Management".
December 29, 2023 (13th meeting in 2023)	Proposal for the involvement to capital increase in WT Microelectronics Co., Ltd. In cash to issue new shares in 2023.
Audit Committee resolution: After the chairman consulted all the committee member present, it was passed without objection. The Company's actions in response to the opinions of the Audit Committee: All Directors present voted in favor of the resolution.	

(II) Except for the previous matters, other matters that have not been approved by the Audit Committee and approved by more than two-thirds of all directors: None.

II. Where an independent director recuses himself or herself from a proposal in which he/she has a personal interest, the name of the independent director, the content of proposal, the reason for recusal and the results of the voting should be stated: None.

III. Communications between Independent Directors, the Company's Chief Internal Auditor, and CPAs (shall include the material items, methods, and results of audits of corporate finance or operations, etc.): The Audit Committee is composed of all three Independent Directors and holds meetings at least once per quarter, where the heads of the audit office and accounting and

financial office shall make a routine business report. In addition, CPAs shall also regularly communicate with the Audit Committee. For the relevant communication details, please refer to the Company's official website.

3.3.3 Composition, Duties, and Operation of Remuneration Committee

(1) Composition of Remuneration Committee

Position	Name/ Qualification	Professional Qualification and Experience Independence Criteria	Number of Other Taiwanese Public Companies Concurrently Serving as Remuneration Committee member
Independent Director	Jack J.T. Huang (Convener)	All members are Independent Directors, please refer to page 19~20 for information disclosure of Directors' Professional Qualifications and Independence of Independent Directors.	1
Independent Director	Charles Chen		1
Independent Director	Kathy Yang		0
Independent Director	Joseph Yu		0

(2) Operation of the Remuneration Committee

Remuneration Committee is formed according to “Remuneration Committee Organizational Rules” and the authority of the committee is listed below. Remuneration Committee reports the operating status or recommendations to the Board of Directors for discussion.

1. Propose Director’s Compensation and performance evaluation report regularly
2. Propose CEO Compensation and performance evaluation report regularly
3. Propose and review the Board of Director performance evaluation
4. Propose and review CEO performance evaluation

Remuneration Committee is composed of four members, of whom Jack J.T. Huang acts as the convener and convenes meetings no less than twice a year. The term of the current office is from May 31, 2023 to May 30, 2026.

Five meetings were convened in 2023; the status of attendance is as follows:

Title	Name	In Person	By Proxy	Attendance Rate (%)	Remarks
Independent Director (Convener)	Jack J.T. Huang	4	1	80%	
Independent Director (Member)	Charles Chen	5	0	100%	
Independent Director (Member)	Kathy Yang	5	0	100%	
Independent Director (Member)	Joseph Yu	2	0	100%	Took office on 5/31/2023, required attendance in 2 meetings.
Independent Director (Member)	Weiru Chen	3	0	100%	Relieved office on 5/31/2023, required attendance in 3 meetings.

Other matters:

Remuneration Committee Meeting Date	Content of Proposal
January 16, 2023 (1st Meeting in 2023)	Proposal of the Company's 2022 compensation distribution for Directors
March 28, 2023 (2nd Meeting in 2023)	Proposed to set 2023 WPG Holdings CEO and appointed managers key performance indicators (KPI)
	Proposal of the Company's 2022 manager and employee performance appraisal and remuneration distribution (Note 1)
April 25, 2023 (3rd Meeting in 2023)	Compensation Planning for the 7th term of directors
	Remuneration Policy for the 7th term of Non-performance Managers (Chairmen of the Company and its subsidiaries) (Note 2)
July 25, 2023 (4th Meeting in 2023)	Proposal of the amendment to provisions of the Company's "Measures on Board Performance Evaluation"
October 24, 2023 (5th Meeting in 2023)	Proposal of the amendment to provisions of the Company's "Measures on Board Performance Evaluation"
	Proposal of the appointment of WPG's 7th term of Performance Manager
	Remuneration Policy Planning for the 7th term of Performance Managers (Note 2)
Note 1: The matters to be determined by the Remuneration Committee under the authorization of the Board of Directors pursuant to Operation Procedures of the Remuneration Committee shall be first resolved by the Remuneration Committee and then reported to the Board of Directors.	
Note 2: The matters to be determined by the Remuneration Committee under the authorization of the Board of Directors pursuant to Operation Procedures of the Remuneration Committee.	
Remuneration Committee resolution: After the chairman consulted all the committee member present, it was passed without objection.	
The Company's actions in response to the opinions of the Remuneration Committee: Submitted to the board of directors and approved by all Directors present without objection.	

- I. In the event the Board of Directors does not adopt or wishes to amend the proposals of the Remuneration Committee, please state the date and number of the Board meeting, the content of the proposals, the resolution from the Board of Directors, and the method the opinion from the Remuneration Committee was handled (e.g. if the salaries and compensations approved by the Board were higher than the suggested levels from the Remuneration Committee, please state the differences and reasons): None.
- II. If a member has a dissenting or qualified opinion, that a member has a record or reservation that is recorded or stated in a written statement, the date and session of the Remuneration Committee, the content of the proposal, all members' opinions, and the handling of the opinions of the member of the Remuneration Committee shall be stated: None.

3.3.4 Corporate Governance Implementation Status and Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof

Evaluation Item		Implementation Status (Note 1)			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
		Yes	No	Description	
I.	Has the Company established and disclosed its Corporate Governance Best-Practice Principles based on the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies?	Yes		The Company has formulated the Corporate Governance Best Practice Principles on July 27, 2010, which was recently amended on July 25, 2023 and disclosed on the Market Observation Post System and the Company's website.	No deviation.
II.	Shareholding structure & shareholders' rights				
(I)	Does the Company establish an internal operating procedure to deal with shareholders' suggestions, doubts, disputes, and litigations, and implement based on the procedure?	Yes		(I) WPG designates a spokesperson, deputy spokesperson, and shareholder services agent to handle such matters.	No deviation.
(II)	Does the Company possess the list of its major shareholders as well as the ultimate owners of those shares?	Yes		(II) WPG's shareholder services division retains the register of major shareholders; such records are disclosed, by law, on the designated internet information posting system of Securities and Futures Institute.	No deviation.
(III)	Does the Company establish and execute the risk management and firewall system within its conglomerate structure?	Yes		(III) WPG's internal control systems already have relevant systems; a clear distinction has been drawn between the responsibilities and duties of involved persons and no abnormal transactions have been identified.	No deviation.

Evaluation Item		Implementation Status (Note 1)			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
		Yes	No	Description	
(IV)	Does the Company establish internal rules against Insider Trading with undisclosed information?	Yes		(IV) WPG has established the Procedures for Managements of Major Information and Prevention of Insider Dealing in place, prohibiting company insiders from trading securities using information not disclosed to the market.	No deviation.
III. (I)	Composition and responsibilities of the Board of Directors Have a diversity policy and specific management objectives been adopted for the board and have they been fully implemented?	Yes		(I) The Company adopts the Directors Candidates Nomination System in accordance with the company's Articles of the Association, Director Election Regulations, and Corporate Governance Principles. The company selects and nominates the Board of Director members through fair and open procedures. According to Article 20, Item 4 of the Company's "Corporate Governance Practice", in order to achieve the ideal goal of corporate governance, the overall board of directors should show the following capabilities: 1. Operational judgment ability 2. Accounting and financial analysis abilities 3. Operation and management abilities 4. Crisis management ability 5. Industry knowledge 6. International market perspective 7. Leadership ability 8. Decision-making ability The seventh term of the Board of Directors consists of 9 members (including 4 Independent Directors). In addition to the electronic components industry, the professional background of the Board covers investment management, strategic management, financial accounting, law, and global market mindset. Among the Board, 2 members are concurrent employees (including appointed manager) (22% of the Board), and 4 members are independent directors (44% of the Board). There are currently 8 male director (89% of the Board), and 1 female	No deviation.

Evaluation Item		Implementation Status (Note 1)			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
		Yes	No	Description	
				director (achieved the target of at least 1; 11% of the Board). In terms of age, 3 members are over 70 years old (33% of the Board), while the remaining 6 members age under 70 years old (67% of the Board). There are 3 independent directors with tenure of less than 3 years, and 1 independent director with tenure of more than 9 years. Directors' industry experience/professional distribution information is disclosed on the Company's website.	
(II)	Does the company voluntarily establish other functional committees in addition to the Remuneration Committee and the Audit Committee which are required by law?	Yes		(II) The Company established the New Business Strategy Committee on October 29, 2013. Due to the completion of the scheduled tasks, the Board of Directors of the Company resolved to dissolve it on □ November 9, 2021.	No deviation.
(III)	Does the Company formulate rules and procedures for board performance assessments and each year conduct regularly scheduled performance assessments? Does the Company submit the performance assessment results to the Board and use the results as a standard for the remuneration of directors and the nomination of their re-election?	Yes		(III) WPG formulated rules and procedures for board performance assessment in 2015 that specifies at least one internal performance assessment shall be made each year. WPG conducts director self-assessment over their performance in the previous year via closed- and open-ended questionnaires in January or so each year and such assessment results shall be reported to the Board of Directors. Since October 2019, at least one evaluation every three years shall be conducted additionally by an external professional independent institution or an external team of experts and scholars.	No deviation.
(IV)	Does the Company evaluates the independence and competency of CPAs on a regularly basis by	Yes		(IV) The Company regularly assesses the independence and competency of CPAs and establishes the "Certified Public Accountant Review and Evaluation Form" based on the "Certified Public Accountant Selection Review Method" adopted	No deviation.

Evaluation Item		Implementation Status (Note 1)			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and Reasons Thereof
		Yes	No	Description	
	referring to the Audit Quality Index (AQIs)?			by the Audit Committee. The following major items are used as review requirements: (1) CPAs and their spouses, minor children are not the Directors, Supervisors, management team of the Company and its subsidiaries or have a significant influence on duties and conflicts of interest. (2) The CPAs have not undertaken audit service for 7 years. (3) In the past two years, the firm and the CPA have had no major lawsuits or cases corrected by competent authorities. (4) The CPAs report the content of the review/inspection to the Audit Committee quarterly. (5) Obtain the independent declaration issued by the CPAs regularly. (6) Scale and reputation of the accounting firm. (7) Service quality and timeliness of audit and tax services. The Company evaluates the independence and competency of CPAs by submitting the CPAs resumes, statements, audit quality indicators (AQIs) as well as “Certified Public Accountant Selection Review Method”, then gained the approval of the Company’s resolutions from the Audit Committee as well as Board meeting on March 26, 2024. According to the Company's assessment, CPA Lin Yifan and CPA Chou Chien-Hung from PricewaterhouseCoopers Taiwan, meet the Company's evaluation criteria for independence and competency of CPAs, and have not undertaken the Company's audit services for 7 consecutive years, and are qualified to serve as the Company's CPAs.	
IV.	Does the Company have in place an adequate number of qualified corporate governance officers and has it appointed a chief corporate governance officer with responsibility corporate governance	Yes		The Company has approved to designate Lucia Tai, the Chief Legal Officer, to serve as the Company's head of corporate governance based on the Board Resolution on April 30, 2019, with the goal of protecting the rights and interests of shareholders and strengthening the functions of the Board. Ms. Tai has had more than 3 years of experience in the legal affairs in public companies. The head of corporate governance is mainly responsible for handling matters related to the Board meetings and	No deviation.

Evaluation Item		Implementation Status (Note 1)			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof																
		Yes	No	Description																	
	practices (including but not limited to providing information necessary for directors and supervisors to perform their duties, aiding directors and supervisors in complying with laws and regulations, organizing board meetings and annual general meetings of shareholders as required by law, and compiling minutes of board meetings and annual general meetings)?			Shareholders’ Meetings in accordance with the law, recording minutes of Board meetings and Shareholders’ Meetings, assisting the Directors and the Supervisors in their positions, and pursue relevant training courses, furnishing Directors and Supervisors with the information required for business decisions, and assisting them to comply with law and regulations. The scope of operation in 2023 is as follows (including but not limited to): ✓ Operated the Board meetings and various committee meetings in accordance with the law ✓ Planned and executed door-to-door training courses for Directors ✓ Obtained and maintained liability insurance for Directors Conducted performance evaluation of the Board of Directors in accordance with the Company's methodology, and by an external institution Training courses conducted in 2023: <table><tr><th>Training Date</th><th>Organizer</th><th>Course Title</th><th>Hours of Courses</th></tr><tr><td>2023/05/11</td><td>Taiwan Institute of Directors</td><td>ChatGPT Triggers AI Boom Industry Opportunities</td><td>3 hours</td></tr><tr><td>2023/07/14</td><td>Chinese National Association of Industry and Commerce, Taiwan (CNAIC)</td><td>Trade Secret Litigation Practice, Non-competition Clauses and Cases</td><td>3 hours</td></tr><tr><td>2023/07/18</td><td>Chinese National Association of Industry and Commerce, Taiwan (CNAIC)</td><td>Mission under the Boom: Generative Artificial Intelligence and Responsible Innovation</td><td>3 hours</td></tr></table>	Training Date	Organizer	Course Title	Hours of Courses	2023/05/11	Taiwan Institute of Directors	ChatGPT Triggers AI Boom Industry Opportunities	3 hours	2023/07/14	Chinese National Association of Industry and Commerce, Taiwan (CNAIC)	Trade Secret Litigation Practice, Non-competition Clauses and Cases	3 hours	2023/07/18	Chinese National Association of Industry and Commerce, Taiwan (CNAIC)	Mission under the Boom: Generative Artificial Intelligence and Responsible Innovation	3 hours	
Training Date	Organizer	Course Title	Hours of Courses																		
2023/05/11	Taiwan Institute of Directors	ChatGPT Triggers AI Boom Industry Opportunities	3 hours																		
2023/07/14	Chinese National Association of Industry and Commerce, Taiwan (CNAIC)	Trade Secret Litigation Practice, Non-competition Clauses and Cases	3 hours																		
2023/07/18	Chinese National Association of Industry and Commerce, Taiwan (CNAIC)	Mission under the Boom: Generative Artificial Intelligence and Responsible Innovation	3 hours																		

Evaluation Item		Implementation Status (Note 1)							Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
		Yes	No	Description					
				2023/07/26	Taiwan Corporate Governance Association	Board Performance Evaluation Practice Sharing Seminar	3 hours		
				2023/08/10	Taiwan Institute of Directors	Breaking out of Organizational Framework - Organizational Strategy and Critical Talent Development	3 hours		
V.	Has the Company established a communication channel with stakeholders (including but not limited to shareholders, employees, customers, and suppliers)? Has a stakeholders' area been established in the company's website? Are major Corporate Social Responsibility (CSR) topics that the stakeholders are concerned with addressed appropriately by the Company?	Yes		Aiming for enhanced corporate governance, WPG has announced on its website the establishment of a reporting platform managed by the third-party appointed as a direct and smooth channel of communication with "Stakeholders" of the Company such as employees, shareholders, corresponding banks, consumers, and suppliers in accordance with Measures for Receiving Advices and Handling Complaints from Stakeholders, with the Audit Committee acted as the supervisory unit for accepting suggestions from stakeholders and handling complaints. The website is: https://www.wpgholdings.com/csr_area/info/zhtw/2485					No deviation.
VI.	Has the Company appointed a professional shareholder service agency to deal with shareholder affairs?	Yes		The Company has appointed the Share Affair Agency Department of Capital Securities Corporation to handle the affairs of the Shareholders' Meetings.					No deviation.
VII. (I)	Information disclosure Does the Company establish a website to disclose information on financial operations and corporate governance?	Yes		(I)	WPG has a public website (www.wpgholdings.com) in place, regularly disclosing and updating the information regarding Company's finance, operation, and corporate governance for investors' reference.				No deviation.

Evaluation Item		Implementation Status (Note 1)			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
		Yes	No	Description	
(II)	Does the Company adopt other means of information disclosure (such as establishing an English language website, delegating a professional to collect and disclose Company information, implement a spokesperson system, and disclose the process of investor conferences on the company website)?	Yes		(II) WPG has a public website that contains an English webpage and the information thereof is gathered and disclosed by responsible persons. In addition, briefings of investor conference are also available on the website for investors' reference.	No deviation.
(III)	Does the Company publish and report its annual financial report within two months after the end of the fiscal year, and publish and report its financial reports for the first, second, and third quarters as well as its operating statements for each month before the specified deadlines?	Yes		(III) The Company publishes and reports its annual financial report within two months after the end of a fiscal year, and publishes and reports its financial reports for the first, second and third quarters as well as its operating status for each month	Published and reported before the specified deadline.
VIII.	Is there any other important information to facilitate a better understanding of the Company's corporate governance practices (including but not limited to employee rights, employee wellness, investor relations, supplier relations, stakeholder	Yes		(I) For employee rights and employee wellness, please refer to the "Labor Relation" section of the annual report (See page 134~144 for details). (II) WPG is a holding company, engaging neither manufacturing nor selling, hence causing no pollution to the environment; transactions with suppliers are primarily daily general business operations. (III) The Company's Directors have faithfully conducted corporate affairs and	No deviation. No deviation. No deviation.

Evaluation Item		Implementation Status (Note 1)			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
		Yes	No	Description	
	rights, Directors' and Supervisors' training records, implementation of risk management policies and risk evaluation measures, implementation of customer policies, and participation in liability insurance by Directors and Supervisors)?			perform the duty of care of a good administrator in exercising their powers. (IV) The Company purchases D&O liability insurance for its Directors and management team. (V) The Company has already formulated the Policy and Procedure for Risk Management for WPG Group on April 24, 2012 that specifies risk management policy and risk metrics, and amended it on January 26, 2016; please refer to the "Risk Management" section of this Report (See page 427~430 for details). (VI) Continuous education of Directors is governed by the "Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEX Listed Companies; please refer to page 48~49 for details.	No deviation. No deviation. No deviation.

Summary of Directors' Training:

Title	Name	Date of Taking Office	Training Date		Organizer	Course Title	Training Hours
			From	To			
Chairman	Simon Huang	2023/05/31	2023/01/14	2023/01/14	Taiwan Institute of Directors	Century Enterprise Strategy Turning Point Series -1 Focus on Core Diversified Applications	3 hours
			2023/05/11	2023/05/11	Taiwan Institute of Directors	ChatGPT Triggers AI Boom Industry Opportunities	3 hours
			2023/08/10	2023/08/10	Taiwan Institute of Directors	Breaking out of Organizational Framework - Organizational Strategy and Critical Talent Development	3 hours
			2023/08/30	2023/08/30	Taiwan Corporate Governance Association	ChatGPT's Impact on the Industry and Response Measures	1 hours
Vice Chairman	Frank Yeh	2023/05/31	2023/05/11	2023/05/11	Taiwan Institute of Directors	ChatGPT Triggers AI Boom Industry Opportunities	3 hours
			2023/08/10	2023/08/10	Taiwan Institute of Directors	Breaking out of Organizational Framework - Organizational Strategy and Critical Talent Development	3 hours
Director	K.D. Tseng	2023/05/31	2023/05/11	2023/05/11	Taiwan Institute of Directors	ChatGPT Triggers AI Boom Industry Opportunities	2 hours
			2023/08/10	2023/08/10	Taiwan Institute of Directors	Breaking out of Organizational Framework - Organizational Strategy and Critical Talent Development	3 hours
Director	Mike Chang	2023/05/31	2023/05/11	2023/05/11	Taiwan Institute of Directors	ChatGPT Triggers AI Boom Industry Opportunities	3 hours
			2023/08/10	2023/08/10	Taiwan Institute of Directors	Breaking out of Organizational Framework - Organizational Strategy and Critical Talent Development	3 hours
Director	T.L. Lin	2023/05/31	2023/05/11	2023/05/11	Taiwan Institute of Directors	ChatGPT Triggers AI Boom Industry Opportunities	3 hours
			2023/08/10	2023/08/10	Taiwan Institute of Directors	Breaking out of Organizational Framework - Organizational Strategy and Critical Talent Development	3 hours
Independent Director	Jack J.T. Huang	2023/05/31	2023/05/11	2023/05/11	Taiwan Institute of Directors	ChatGPT Triggers AI Boom Industry Opportunities	3 hours
			2023/08/10	2023/08/10	Taiwan Institute of Directors	Breaking out of Organizational Framework - Organizational Strategy and Critical Talent Development	3 hours

Title	Name	Date of Taking Office	Training Date		Organizer	Course Title	Training Hours
			From	To			
Independent Director	Charles Chen	2023/05/31	2023/05/11	2023/05/11	Taiwan Institute of Directors	ChatGPT Triggers AI Boom Industry Opportunities	3 hours
			2023/08/10	2023/08/10	Taiwan Institute of Directors	Breaking out of Organizational Framework - Organizational Strategy and Critical Talent Development	3 hours
Independent Director	Kathy Yang	2023/05/31	2023/01/12	2023/01/12	Taiwan Corporate Governance Association	International Forum on Business Ethics and ESG	6 hours
			2023/05/11	2023/05/11	Taiwan Institute of Directors	ChatGPT Triggers AI Boom Industry Opportunities	3 hours
			2023/08/10	2023/08/10	Taiwan Institute of Directors	Breaking out of Organizational Framework - Organizational Strategy and Critical Talent Development	3 hours
			2023/12/19	2023/12/19	Taiwan Corporate Governance Association	2023 Trend of ESG/CSR and Sustainable Governance	3 hours
Independent Director	Joseph Yu	2023/05/31	2023/08/10	2023/08/10	Taiwan Institute of Directors	Breaking out of Organizational Framework - Organizational Strategy and Critical Talent Development	3 hours
			2023/11/14	2023/11/14	Independent Director Association Taiwan	2023 Independent Director Elite Training Institute	3 hours
			2023/12/15	2023/12/15	Taiwan Corporate Governance Association	How to Strengthen Strategy Execution	3 hours

3.3.5 Promotion of Sustainable Development – Implementation Status and Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons Thereof

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Description	
I. Has the Company established a governance framework for promoting sustainable development, and established an exclusively(or concurrently) dedicated unit to be in charge of promoting sustainable development? Has the Board of Directors authorized senior management to handle related matters under the supervision of the Board?	Yes		I. The Company has established the WPG ESG and Sustainability Committee (hereinafter referred to as the Sustainability Committee), which is the supreme guiding organization for the corporate sustainable governance, with the Holding Chief Sustainability Officer as the convener of the Committee. All members are composed of directors, including the Chairman of the Holding company, the Chief Executive Officer of the Holding company and an independent director, to effectively drive the Group's overall sustainability goal setting and implementation of specific action plans, and to integrate the ESG concept into the business strategy to demonstrate the determination of sustainable business, as well as report to the Board of Directors on a regular basis (at least once a year), and present the ESG implementation plan and promotion results to the Board of Directors. The Corporate Sustainability Committee is divided into 5 function groups, including "Corporate Governance Group", "Environmental Sustainability Group", "Sustainable Talent Group", "Social Participation Group" and "Supply Chain Group". Top-level managers of relevant functional units are in charge of promoting various projects or measures for major issues and integrating into day-to-day business operations. In addition, WPG has set up a dedicated unit, the Sustainability Office, directly under the management of Chief Sustainability Officer, to be responsible for WPG's planning and promotion of the sustainable	No deviation.

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Description	
			development affairs, tracking the implementation results, establishing continuous improvement plans, and reporting to the Sustainability Committee on a quarterly basis. The Board of Directors conducts regular review of ESG-related reports, proposed by Chief Sustainability Officer and members of the ESG Office, of which contains annual ESG plans and goals. The Board of Directors evaluates the plans, monitors the progress and provides revised feedback. Chief Sustainability Officer and members of the ESG Office reported to the Board of Directors on behalf of WPG Corporate Sustainability Committee 4 times in 2023. The meeting agenda included the following: (1) Key takeaways from our ESG Progress Report; (2) WPG's Group GHG inventory plan and progress report; (3) Sustainable development and policies at home and abroad; (4) Setting annual work targets; Reformed sustainability-related policies are proposed by dedicated units.	
II. Does the Company conduct risk assessments of environmental, social and corporate governance (ESG) issues related to the Company's operations in accordance with the materiality principle, and formulate relevant	Yes		II. The Company regularly conducts material issue identification and risk analysis in accordance with the principle of materiality. The analysis scope covers the subsidiaries with a shareholding ratio of 50% (includes or above) or that is determined to have control ability compliant with international accounting criteria, and stipulates relevant risk management policies and strategies. Based on the assessed risks, the relevant risk management policies and strategies are stipulated as follows:	No deviation.

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Description	
risk management policies or strategies?			(I) Environment 1. Low Carbon Operation - Uphold the concepts of environmental protection, energy-saving, and carbon reduction to realize resource maintenance - Actively promote the construction of smart systems and energy-saving facilities to maximize the use of resources and achieve the goal of energy conservation and carbon reduction - Introduce the environmental management system (ISO 14001) into the warehousing to establish complete organization, policies, and related management actions to reduce the impact on the environment during operation (II) Society 1. Workplace Health and Safety - Accomplish safety and health work to abide by the occupational safety and health management measures of the Ministry of Labor - Arrange courses regarding promoting public security periodically to strengthen the employees' concept and knowledge of safety management - Provide employees with health check every two years; establish health consultation room; equip professional medical care, and offer daily health consultation and care to the employees 2. Talent Development	

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Description	
			Plan and develop training programs for the employees in various ranges and positions, as an important blueprint for talent development - Plan a variety of courses regarding education and training; introduce external resources to broaden employees' learning horizons to let the employees immediately grasp updated digital knowledge and global trends 3. Remuneration Benefits and Employee Care Provide competitive remuneration level through fair - appointment, performance management, talent development, and remuneration level survey and analysis	
			Create a friendly environment in the workplace; abide by various labor laws and regulations; provide full-time - employees with complete labor protection, and organize appropriate physical and mental care plans within the scope of available resources (III) Corporate Governance 1. Ethical Corporate Management and Compliance with Laws Establish "Ethical Corporate Management Best Practice Principles", "Code of Ethical Conduct" and "Management Procedures for Prevention of Insider Trading" to protect the rights and interests of investors and companies - Conduct education and publicity on ethical behavior regularly - Review regulation compliance regularly to establish internal management policies	

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Description	
			2. Information Security, Trade Secrets and Privacy Establish "WPG Holdings Information Security Management Principles", " Personal Data Protection Management Guidelines" and the rules and regulations of intellectual - property rights (including trade secrets); and passed the ISO 27001 information security certification to ensure the information security of the company and the customers 3. Product Trade Compliance Control product sales through an assigned trade compliance - unit to comply with relevant regulations regarding national, regional, and government export control Routinely hold trade compliance training every year to enhance - the employees' familiarity and professionalism with trade compliance, and update the latest regulatory changes in various countries/regions promptly	
III. Environmental Topic (I) Has the Company set an environmental management system designed to industry characteristics?	Yes		(I) The Company has established environmental/energy management system pursuant to relevant laws and regulations. Linkou warehouse, Hong Kong warehouse, and Singapore warehouse have all introduced ISO 14001 environmental management systems to effectively execute carbon reduction, energy-saving, water-saving, and industrial waste management, thus reducing the impact on the environment during the operation process. In addition, WPG conducts annual greenhouse gas inventory in accordance with the Greenhouse Gas Inventory Standard ISO 14064-1, which is verified by the third party British Standards	No deviation.

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Description	
(II) Does the Company endeavor to utilize all resources more efficiently and use renewable materials which have a low impact on the environment?	Yes		Institution (BSI) Taiwan Branch, and publicly discloses the relevant information in the Sustainability Report and WPG company website. (II) The Company is committed to promoting and improving the sustainable environment so as to reduce the impact on the environment in the process of operation;. For energy use management, the Company mainly conducts real-time energy consumption control with the construction of intelligent devices, and enhances the added value of various data through the system data digitization for effective analysis. In addition, the Company promotes environmental topics, expecting to improve the efficiency of resource reuse, and achieve the goal of reducing energy resources and waste, with the priority principle of local procurement and green procurement. Details are disclosed in WPG's Annual Sustainability Report.	No deviation.
(III) Has the Company evaluated the potential risks and opportunities posed by climate change for its business now and in the future and adopted relevant measures to address them?	Yes		(III) With reference to the Recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) issued by the Financial Stability Board (FSB) of the United Nations, the Company conducts current analysis of climate change related financial disclosure, identification of climate change risks and opportunities and scenario analysis, and develops management policies and response strategies. Details are disclosed in WPG's Annual Sustainability Report. In addition, on climate issues, the Company's Board of Directors serves as the highest supervision unit to coordinate the overall climate strategy direction and oversee the implementation of climate-related risk management by relevant units; Regularly (at least once a year), the convener of the Sustainability Committee will report to the Board on the	Continue to develop and follow up.

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Description	
			progress of the corporate sustainability promotion, including the implementation results and future planning of climate-related issues.	
(IV) Did the Company collect data for the past two years on greenhouse gas emissions, volume of water consumption, and the total weight of waste, and establish policies for greenhouse gas reduction, reduction of water consumption, or management of other wastes?	Yes		(IV) In the past two years, the Company has collected statistics on greenhouse gas emissions, water consumption, and total waste weight, and reviewed relevant data to plan various reduction action plans. Details are disclosed in WPG's Annual Sustainability Report. (I) In the past two years, the Company has conducted inventory in accordance with the Greenhouse Gas Inventory Standard ISO 14064-1, which is verified by the third party British Standards Institution (BSI) Taiwan Branch. (II) The water is mainly for people's livelihood. Offices in each region control the use of water and energy through real-time monitoring or regular data statistics, and make corresponding improvements to control measures. (III) The Company manages waste in two categories: office area and logistics warehouse. Since no hazardous waste is generated in the industry type of the Company, the waste generated in the operation process is not within the scope of the "Domestic Hazardous Business Waste Identification Standard". The Company actively promote the classification of resource recycling and various reduction measures.	No deviation.
IV. Social Topic				
(I) Does the Company formulate appropriate management policies	Yes		(I) The Company established and published human rights policies to comply with relevant local labor laws, the United Nations human rights	No deviation.

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Description	
and procedures according to relevant regulations and the International Bill of Human Rights?			conventions, the United Nations Global Compact and, United Nations Guiding Principles on Business and Human Rights, International Labour Convention and OECD's Guidelines for multinational enterprises. The internal regulations also include issues related to human rights protection, training, and promotion, such as Work Rules announcement, 100% employee acknowledgment of Code of Conduct, workplace sexual harassment prevention, etc., integrating the concept of human rights into the employees' daily work.	
(II) Has the Company established and implemented reasonable employee welfare measures (include salary/compensation, leave, and other benefits), and are business performance or results appropriately reflected in employee salary/compensation?	Yes		(II) The company creates a sustainable and friendly workplace, and provides full labor protection to full-time employees in compliance with the labor laws regulations, and provides appropriate physical and mental care programs within the range of available resources, such as employee birthday leave, employee health check-ups, various kinds of leisure activities, front-end personnel car loans and vehicle maintenance, fuel, depreciation, and other allowances, as well as various wedding and funeral subsidies. The company's compensation system includes "guaranteed compensation" and "variable compensation". Of which, the variable compensation is adjusted in accordance with performance evaluation to encourage working performance. The variable compensation also reflects the company's annual earnings performance to encourage employees. Pursuant to Article 31 of the Company's Articles of Incorporation, where the financial results for the fiscal year show a profit, the Company may, by a resolution adopted by the meeting of Board of Directors, allocate more than 0.01% and less than 5% as employees' remuneration and no	No deviation.

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Description	
			more than 3% for the Directors, and report to the shareholders meeting. Nevertheless, when the Company remains accumulated losses, it should reserve the amount in advance to compensate for it.	
(III) Does the Company provide a safe and healthy working environment for its employees and organize training on safety and health on a regular basis?	Yes		(III) The Company conducts office environment and equipment maintenance, as well as public security publicity and fire drills periodically. To promote employees' health, many measures are taken including giving employees' health checks every two years, establishing medical and nursing health consultation rooms in the office area, equipping professional medical nurses to offer health consulting services, tracking employees' health status through health questionnaires, and periodically arranging health seminars, four cancers on-site screening, physical fitness testing and blood donation activities. There were no occupational disasters in the whole group during the year 2023. The Company and each group have labour safety and health personnel in place. In 2023, four workplace safety education and training sessions were held, with a total of 5,578 participants participating in the training for 10 hours.	No deviation.
(IV) Does the Company provide its employees with career development and training sessions?	Yes		(IV) The Company and each group organize education and training courses (e.g. orientation training/senior manager training courses) for employees of different positions/levels and formulate competency required for each level according to company strategy to align human resource development with business objectives and thereby realizing win-win outcome.	No deviation.

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Description	
(V) Does the Company comply with the relevant laws and international standards with regards to customer health and safety, customer privacy, and marketing and labeling of products and services, and implement consumer protection and grievance policies?	Yes		(V) The Company's sale business sale and supply chain service are in compliance with internal and external regulations; a trade compliance unit for export control is established to ensure the circulation of goods obeys domestic and overseas laws and decrees, and the transactions with counterparties are legal and legitimate.	No deviation.
(VI) Has the Company formulated supplier management policies requiring suppliers to comply with relevant regulations on issues such as environmental protection, occupational safety and health, or labor rights, and what is the status of their implementation?	Yes		(VI) In order to encourage suppliers to recognize and follow the "WPG Supplier Code of Conduct," and to perform self-assessment through this Code of Conduct, the Company has distributed the "Announcement of WPG Supplier Code of Conduct" and "WPG Supplier Code of Conduct Self-Assessment" to all our general affairs suppliers in Taiwan, wishing to raise supplier's awareness of the following five aspects – labor, health and safety, environment, business ethics, and management system, thus making improvement and optimization.	No deviation.
V. Has the Company prepared and published reports such as its Corporate Social Responsibility report based on internationally recognized guidelines, to disclose its non-financial information? Has the Company	Yes		V. The Company's 2023 Sustainability Report published in 2024 was prepared in line with the Global Reporting Initiative Standards 2021 (GRI Standards 2021) issued by the Global Reporting Initiative (GRI), with reference to international standards such as the Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Corporate Social Responsibility Reports by TWSE Listed Companies, Industry disclosure standards issued by the Sustainability Accounting	No deviation.

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Description	
received assurance or certification of the aforesaid reports from a third-party accreditation institution?			Standard Board (SASB) and the Task Force on Climate-Related Financial Disclosures (TCFD) Framework, and entrusted Deloitte in Taiwan, in fulfillment of Limited Assurance for specific key indicators based on TWSAE 3000--Confirmation Cases of Non-historical Financial Information Verification or Review issued by the Accounting Research and Development Foundation of the Republic of China, regarding ISAE 3000 Revised International Assurance Standard. The CPA's Independent Assurance Statement is disclosed in the Company's Annual Sustainability Report.	
VI. If the Company has established corporate social responsibility principles based on Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, describe the implementation and any deviations from the Principles: According to Corporate Social Responsibility Best Practice Principles for TWSE/GTSM-Listed Companies (now called Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies), the Company has formulated corporate social responsibility best practice principles, and the Company and its subsidiary groups are actively moving in the direction set by the principles. There have been no differences in implementation to date.				
VII. Other important information to facilitate better understanding of promotion of sustainable development: Regarding the Company's sustainability operations and performance, please refer to the Annual Sustainability Report; Please download the report on website:https://www.wpg Holdings.com/csr_area/year_report/zhtw%20				

VIII. The Company's Corporate Social Responsibility Practices:

WPG Sustainability Report is prepared pursuant to the Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Corporate Social Responsibility Reports by TWSE Listed Companies and the GRI Standards 2021 issued by GRI. The report structure is constructed based on the Company's business development and core competence, thereby fully discloses information to various stakeholders. Through the annual report preparation process, the Company is internally reviewed, which is to be taken as the basis for improvement and planning of next year. Four major subjects "Sustainability Governance Structure, Diverse Talent Development, Promotion of Interaction with Industry, and Sustainable Social Engagement" are summarized below.

I. Sustainability Governance Structure

WPG is a pioneer in Taiwan's industrial holding business, with "industrial holdings" business model in line with the principles of competition and cooperation that contributes to the more flexible use of resources in business; the operating strategy, "divide in the front-end to fight; cooperate in the back-end to win" is adopted. With this business background, WPG pays additional attention to the organizational structure and related management regulations of corporate governance.

a. Optimized Corporate Governance Structure

At the general meeting of shareholders on May 31, 2023, WPG Holdings elected the seventh Board of Directors for a term of 3 years from May 31, 2023 to May 30, 2026. The seventh term of the Board of Directors consists of 9 members (including 4 Independent Directors). In addition to the electronic components industry, the professional background of the Board covers investment management, strategic management, financial accounting, law, and global market mindset. Among them, there are 4 Independent Directors: Jack J.T. Huang, Chairman of Taiwan Renaissance Platform Co. Ltd., Charles Chen, who previously served as Vice Director of PricewaterhouseCoopers Taiwan, Kathy Yang, who previously served as Executive Vice President of CDIB Capital Group, and Joseph Yu, Distinguished Professor of Chang Gung University.

The Board of Directors is responsible for supervising the Company's overall operations and affairs and making decisions on major investments, mergers and acquisitions, and other matters. The Board of Directors has two functional committees, namely the Audit Committee, the Remuneration Committee. The Board of Directors and its affiliated Committees shall notify the meeting date and agenda summary before each meeting. In 2023, the Board of Directors convened a total of 13 meetings, and the attendance rate of

Directors reached 96.85% (excluding attendance by proxy). During the meetings, the interests of directors were avoided in accordance with regulations.

WPG attaches great importance to corporate governance, and the highest responsible person for corporate governance is the Chairman of the Company. In addition to the establishment of Independent Directors, committees are also set up to be in charge of major operational issues of the Company. The responsibilities of the Chairman and the President are clearly defined, and the CEO is assumed by a professional manager, who implements the decision of the Board of Directors and takes responsibility for the business performance of the Company within the scope of authorization. In addition, the Board of Directors also supervises the management team and keeps abreast of changes in domestic and international laws and regulations.

b. Sustainability Organization Structure

Please see details for the sustainability organization structure and implementation status on pages 50 to 60.

II. Diverse Talent Development Blueprint

WPG and its subsidiary groups deeply believe that only with good human capital can we offer outstanding professional services. For the cultivation of human capital, we have been long devoting into that without hesitation. To nurture talent is like the rice cultivation; only by non-stop irrigation can it have a fruitful future.

a. Professional Skills Development

Thanks to the unique characteristics in business policies and organizational cultures, WPG and its subsidiary groups are provided with different manpower training and development resources, presenting the variety of learning features. The overall training structure is built on the basis of general and professional training programs that are designed to cultivate employees' competitiveness and uplift organizational performance. Management training programs for employees of all levels are carried out step by step in an attempt to construct leadership teams that are expected to lead our organization to face various challenges and achieve sustainable development and growth.

Course Type	Main Participants	Main Course Content	Course Objective
General Courses	New Recruits	Including a presentation of the Company, introduction to its "core values" and relevant introductory courses for basic skills. General training courses cover courses on information management,	To help new recruits understand the Company and integrate in the team to give play to their professional expertise; to help them get familiar with information tools to enhance work outputs and effectiveness.

Course Type	Main Participants	Main Course Content	Course Objective
		training of the use of corporate platform systems (e.g.ERP/WMS/WEBFLOW), and education on trade compliance.	
Professional Courses	Product Staff, Sales Staff, etc.	Plan and configure appropriate professional courses according to the needs of different positions/functions and conduct irregular education and training on the product technologies and business models used by the upstream and downstream supply chains.	Establish a professionally competitive front-end service team; in other functions, plan and implement corresponding training courses with the development of professional trends and the formulation of relevant laws and regulations, continuously improving employees' professional capabilities.
Managerial Skill Courses	Middle and Junior Supervisors	Planning and arrangement of courses for high, middle and basic-level management, trends and thinking.	Continuously develop the ability of senior, middle and junior supervisors based on organizational development, business competition, manpower layout, and other needs.

Training courses launched in 2023:

Courses	Number of courses	Person-time
General Courses	733	42,359
Managerial Skill Courses	232	12,415
Professional Courses	668	42,264
Subtotal	1,633	97,038
Number of trainees	3,585	
Per capita	27.07	

*The above data are all from internal training materials.

b. Organizational core competencies development

WPG Holdings promotes the core values of "Teamwork, Integrity, Professionalism, and Effectiveness " to agglomerate a team consensus and serve as a criterion for all WPG's members to follow. It also connects professionals from all aspects both internally and externally through virtual team projects to discuss major issues and implementations. We facilitate team growth through communication and trials, combining each other's practical experience with the theoretical framework, which enables mutual inspection and introspection, thereby achieving double-loop learning.

c. The succession plan of management

To meet the needs of the Company's sustainable operation, the succession plan of important management team is discussed by the talent evaluation committee from the perspective of business strategy and career development every year. In addition to increasing the depth and breadth of experience through cross-field and regional rotation, the successors' fulfillment of the Company's core values (teamwork, integrity, professionalism, effectiveness) is valued as well. The "Elite Class" of WPG Holdings is also hold, aiming at planning for senior managers to prepare for the transition and change their mentality and thinking in the face of the VUCA environment. Meanwhile, we cultivate a succession echelon, conduct training and development planning for key talents, handle management studies, strengthen competence advantages, and prepare for the perfect backup. In particular, in order to achieve corporate sustainability and train the next generation of leadership, the third Elite Development Plan from 2023 is planned to last for three years, with the first year mainly taking the form of curriculum and action learning. Different from the past learning methods, by solving the major strategic issues facing the company, action learning breaks down groups across the group, and under the observation and guidance of the action learning coach, the company is aware of the leadership of self-reflection and team, expecting to break through the past thinking and bring innovative ideas, which not only promotes the improvement of personal leadership, but also helps the growth of the organization.

d. Performance appraisal and remuneration policy

WPG's performance appraisal is a mechanism that connects organizational goals, personal goals, and personnel development. All performance records will be used as the basis for subsequent human capital development programs, thereby improving overall organizational effectiveness. Employees' professionalism and work performance are used as the benchmark for performance evaluations and promotions.

WPG strives to formulate a human capital development policy and remuneration policy under the premise of a win-win for the Company, employees, investors, and other stakeholders. These two policies are two important cornerstones for establishing a sustainable workplace which are listed in the company's Sustainable Goal (ESG). WPG's talent policy emphasizes both talent attraction and retention, as well as performance and growth. Therefore, in addition to emphasizing clear rewards and punishments, fairness, and openness, our remuneration policy follows three main principles: "Salary calculation based on position", "Salary adjustment based on capability", and "Performance appraisal award"

(1) Salary calculation based on position

The foundation of WPG's guaranteed compensation is based on the position, knowledge, and skills, to maintain a certain degree of attractiveness in the talent market.

■ Salary adjustment based on capability

WPG continuously strengthens employees' capability through training and technology empowerment to maintain their competitiveness in the changing era.

■ Performance appraisal award

"Teamwork" is among WPG's core value. Therefore, the foundation of WPG's variable compensation is firstly based on the company's overall profit and performance, then subteam's and individual's performance results.

III. Promotion of Interaction with Industry

In terms of the Company's core competencies, WPG Holdings and its semiconductor components distributor business continue to provide professional supply chain services, improve internal processes to meet customer needs and optimize operational processes to improve service efficiency. We apply knowledge of the organization's core competencies to the industry chain, public organizations, and even academic institutions. We hope to share the practical cases of supply chain management through a systematic framework, and through continuous knowledge exchange and refinement, we can establish a benchmark example in learning and achieve the sustainable goal of professional enterprise management and industrial value enhancement.

a. Sharing of Industrial Professional Knowledge

The multiple roles of B2B sales, technical services, and central logistics, played by WPG and its subsidiaries aim to provide excellent supply chain management services, and also strive to manage the brand image of WPG Holdings and its semiconductor components distributor business, whether in the industry chain, academic units or technical forums, which also includes all types of information channels, both physical and digital.

(1) Create promotion benefits through inbound marketing

In response to the trends of the online community, WPG created and continued to promote inbound marketing, introduced interactive mobile marketing services, continuously optimized the WPG program and the digitally transformed content marketing, and made good use of KOL's influence to engage a full-coverage community interactive marketing mechanism. At the same time, WPG established the "Inbound Marketing Value" which reflects the marketing promotion benefits with detailed figures. As of the end of 2023, the cumulative value of promotion benefits exceeded 0.72 billion RMB, through social media resources such as WeChat and Weibo accounts, WeChat Moments, forums, etc., and viral marketing activities to enhance the effectiveness of

self-media operations. Through the promotion of the following marketing activities, WPG offered valuable services that included joint marketing of both upstream and downstream and continued to strengthen customer loyalty

WPG Weibo account	The number of fans and the number of posts ranked top one of the industry; number of followers reached 637,932. Updates 3-5 tweets daily; content includes monthly popular solution, industry trends, technology news, workplace skills, and WPG updates.
WPG WeChat account	The first IC WeChat account, leading WeChat account management among peers in the industry with 220,758 accurate fans, updates the latest information weekly on a regular basis. Besides, the account raises public's understanding of trends in IC industry from profound articles on market trends by using simple language. In 2023, it accumulated more than 20,560 shares. Meanwhile, it manages the engineer community and demonstrates technical support capabilities continuously through subscription accounts "WPGDADATONG" launched by WPG WeChat account. The accounts are managed by the technical team to provide solutions for engineers with incisive and intuitive arguments; establish HR service account to provide timely recruitment news for those in need.
News exposure	The total number of exposures for WPG's annual news (IR News) is nearly 5,075, and the number of exposures of our solutions on the news reached more than 180 times annually, which ranked first in the industry and 2 times ahead of the second place.

Internal and External Marketing Activity	To continually increase WPG brand power and co-branding strategy, strengthen 1. To cultivate Taiwan women's golf and implement the ESG concept, WPG held the women's golf open championship (WPG Ladies Open) in 2020. Moreover, it maintains a friendly relationship with the original factories/customers by providing co-branded marketing services, then increases the cohesion between upstream and downstream, so as to strengthen its external brand power. The annual event came into the fourth time in 2023 with 53 original factories and customers participation. The former sponsored up to NT\$5.8 million. The event was disseminated through commercial films by using pictures and texts on online/offline streams, and the total number of touches for the overall event promotion exceeded 11 million times. 2. To establish communication platform covering cross-group and cross- production lines is the goal. Therefore, "Industry Communication Meeting 2.0" in 2021 is restarted with topics that colleagues are concerned about through consultation mechanism, then invited analysts to give briefings, and combine the promotion of cross-strait local market industry reports to increase the sources for colleagues to gain professional knowledge. In 2023, we collaborated with six resource centers on both sides of the Taiwan Strait (including DIGITIMES, MIC, Omdia, Gasgoo, Xinmou, CCID, eefocus and China Public Security (CPS), and conducted 10 rounds (21 sessions) with a total of 24,047 participants and gained up to 98.7% satisfaction rate. 3. With the 2026 goal of deepening WPG brand value and strengthening the internal brand power, we see CEO's 24-words motto as our principle and plan MyDay live-stream. In 2023, we kept optimizing the theme and deepening the content, conveyed the simultaneous resonance “ Leading group stories, seeking internal main axis.” Three sessions were held with over 12,000 views. Average employee participation rate reached more than 91.2%.

■ Public association support and participation

Through holding different kinds of events, we provide a platform with instant communication service to assist members to share resources of knowledge, increase members’ opportunities for external strategic alliances, with the expectation to raise the voice and status of the distributors in Taiwan among the industrial network communities. Based on the core expertise of the group, we actively assist in promoting copious supply chain management-related activities, to fulfill corporate social responsibilities.

b. Industry and Academic Collaboration

WPG continues to launch a series of industry and academic collaboration projects to ensure that the students acquire abilities needed by the industry aside from their studies, and combine our own business operations and supply chain management expertise with the commitment to sharing industry knowledge and contributing to the society.

■ "Supply Chain Management Course" Industry and Academic Collaboration Project
Since 2010, WPG Holdings Ltd. has collaborated with NCCU College of Commerce and sponsored the "Supply Chain Management Industry and Academic Collaboration Project." It has entered its thirteenth year in 2023. The project aims to integrate theory and practice and systematically organize the know-how of Taiwan's supply chain management; and secondly, to create a complete set of teaching materials and teaching plans for supply chain management, with the ultimate goal of adding supply chain management talents to the Taiwan Industry.

The reason that supply chain management talents are difficult to nurture in an academic setting is that it is a cross-disciplinary management science while relevant courses are scattered in various departments of the College of Commerce. Due to the positioning of the various departments, the individual departments cannot offer more complete, professional, and market-oriented training. Therefore, WPG participated in the NCCU College of Commerce's academic programs. Combining WPG's market experience, the rich teaching experience of NCCU College of Commerce, and existing curriculum resources of various departments, customized and innovative curriculum for supply chain "Supply Chain Management Credit Program" is created to nurture supply chain management talents for Taiwan Industry.

Phase	Project Period (Year)	Cooperation Content
Phase 1	2010~2012	WPG provides resources, and supports the establishment of supply chain management industry-academia cooperation courses
Phase 2	2013~2015	WPG shared the practical cases in the courses to let the students fully understand the strategic plan of the enterprise in the chain management
Phase 3	2016~2019	The students physically visited WPG warehouse in Linkou
Phase 4	2020~2022	Professors and WPG professionals jointly held the course to teach the supply chain practical application Establishing "WPG scholarship" to encourage students to participate in the internship plan.
Phase 5	2023~2025	Continue to carry out the supply chain internship program and implement the integration of industry and education

■ “WPG Scholarship for unprivileged students”

Since 2011, the "WPG Scholarship for unprivileged students" has been established in the Department of Electrical Engineering and Computer Science of Taipei University of Technology to help unprivileged and impoverished students through financial assistance. Thanks to the scholarship so that they will not drop out of school due to the poor or accidents of the family, and complete their studies with the aid of social care. To encourage the students with their professional abilities development, the scholarship application method will be updated of the 2020 academic year, and the study plan will be listed as the selection criteria. It is expected that the scholarship will not only help the recipients have economic relief, but also assist the recipients in their growth of learning. Five scholarship applications were accepted every semester.

■ “Information Technology Internship Project”

Since 2017, WPG has collaborated with the National Yunlin University of Science and Technology on IT internship project with the aim to cultivate professionals for the industry and enable students apply what they have learned from school at workplace. Through experience at workplace, students may explore different possibilities and experience diverse challenges. The process of experiencing corporate work assists students in determining the direction of career development. Since 2022, the number of industry-university cooperation targets has been expanded year by year, including the National Yunlin University of Science and Technology, National Taipei University of Technology, and Soochow University. In 2023, a total of 11 interns were recruited, of which 5 were directly transferred to full-time employees after the internship, achieving the goal of seamless transition from campus to workplace.

IV. Sustainable Social Engagement

Through "WPG Holdings Education Foundation", WPG invests resources to care for the society and fulfill social responsibility. By sharing information and linking resources, the organization's resources are effectively delivered to those who need assistance, such as the underprivileged community groups in the society.

	Meaning	Action	Public welfare performance in 2023
Environmental friendly	Advocate environmental protection, energy conservation and carbon reduction. Participate in a number of green actions, and drive employees to participate in it through	Adopted a community park green space	Adopted two park green spaces
		WPG took carbon reduction action by giving gifts	2,596 used things were collected and donated to social welfare organizations , with the carbon emissions reduced by a total of 2,132 kg

	Meaning	Action	Public welfare performance in 2023
	the strength of the organization and practice what we preach and experience		
Social Welfare	Focus on the disadvantaged care and theatrical performance education. Providing resources to assist disadvantaged groups or public welfare organizations, and apply them to charity, emergency and other public welfare activities	Supported the youth empowerment program by Puren Youth Care Foundation.	Total contribution amount: NT\$1.2 million
		Supported the Youth Center Dream Benchmark School – Academic Enhancement Project by Dream Home Education Foundation	Total contribution amount: NT\$200,000
		Supported the BOYO Social Welfare Foundation to maintain the guidance teaching of rural children in Puli Centre	Total contribution amount: NT\$500,000
		Supported the Visually Impaired Music Festival "EYE Music ETF" held by the Taipei City Visually Impaired Music Cultural and Educational Foundation	Total contribution amount: NT\$100,000
		Supported the visually impaired angel public benefit tour by Spread Wings Choir	Total contribution amount: NT\$150,000
		Launched a used computer fundraising campaign to donate the Puren Youth Care Foundation	A total of 3 second-hand laptops were raised
		Held annual year-end Christmas shoebox collection campaign for 7 consecutive years	195 Box of the Love Christmas gifts were collected
		Rural children love dream program	All employees adopted 62 votive gifts
Technical Nurturing	Focused on technical nurturing, paying attention to the development of technical careers and supported sports events	Held the WPG Ladies Open for 4 consecutive years	Invited 23 supply chain partners to participate in the competition
		Long-term sponsorship of the PGA Tech Cup Tour	Total contribution amount: NT\$300,000
		Supported the Young Female Golfer Development Program and backed professional and amateur players	Total contribution amount: NT\$2.6 million

IX. Climate-Related Information of TWSE/TPEX Listed Company

(I) Implementation of Climate-Related Information

(c)

Item		Implementation Status																																		
1.	Describe the board of directors' and management's oversight and governance of climate-related risks and opportunities.	On climate issues, the Company's Board of Directors serves as the highest supervision unit to coordinate the overall climate strategy direction and oversee the implementation of climate-related risk management by relevant units. There are five functional groups set up under the Sustainability Committee, chaired by the Chief Sustainability Officer, who is responsible for managing and monitoring the implementation of relevant climate risks and opportunities. Regularly (at least once a year), the convener of the Sustainability Committee will report to the Board on the progress of the corporate sustainability promotion, including the implementation results and future planning of climate-related issues.																																		
2.	Describe how the identified climate risks and opportunities affect the business, strategy, and finances of the business (short, medium, and long term).	The Company has identified five climate risks and five climate opportunities through internal discussion and assessment of climate-related issues, with reference to the Recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) issued by the Task Force on Climate-related Financial Disclosures Financial Stability Board (FSB) of the United Nations. The impact period is divided into short-term (1 to 3 years), medium-term (3 to 10 years), and long-term (more than 10 years), and the potential financial impact is described as follows: I. Climate Risks <table><tr><th>Risk Type</th><th>Item</th><th>Risk Factor</th><th>Potential Financial Impact</th><th>Impact Period</th></tr><tr><td rowspan="3">Transition Risk</td><td>Policy and Regulation</td><td>Carbon tax, carbon charge</td><td>The introduction of a carbon tax or carbon charge by the government will lead to an increase in operating costs and the transfer of logistics distribution costs</td><td>Medium term</td></tr><tr><td>Market</td><td>Energy transition leads to higher electricity prices</td><td>Increased operating costs</td><td>Medium term</td></tr><tr><td>Reputation</td><td>Reputation impairment due to poor environmental or ESG-related ratings</td><td>Failure to properly implement sustainability related actions resulting in international sustainability ratings lagging behind peers will result in impaired goodwill</td><td>Medium term</td></tr><tr><td rowspan="3">Physical Risk</td><td>Immediacy</td><td>Typhoons, floods, mudslides</td><td>Natural disasters will damage storage equipment, damp goods, interrupt information network system services or cause casualties, resulting in supply chain disruption and suspension of operations</td><td>Short term</td></tr><tr><td rowspan="2">Long term</td><td>Temperature rising</td><td>To maintain office temperature, the demand for air-conditioning operation has increased, resulting in an increase in related operating costs such as electricity charges</td><td>Medium term</td></tr><tr><td>Sea level rising</td><td>Inundation of the operating locations will results in financial losses</td><td>Long term</td></tr></table>					Risk Type	Item	Risk Factor	Potential Financial Impact	Impact Period	Transition Risk	Policy and Regulation	Carbon tax, carbon charge	The introduction of a carbon tax or carbon charge by the government will lead to an increase in operating costs and the transfer of logistics distribution costs	Medium term	Market	Energy transition leads to higher electricity prices	Increased operating costs	Medium term	Reputation	Reputation impairment due to poor environmental or ESG-related ratings	Failure to properly implement sustainability related actions resulting in international sustainability ratings lagging behind peers will result in impaired goodwill	Medium term	Physical Risk	Immediacy	Typhoons, floods, mudslides	Natural disasters will damage storage equipment, damp goods, interrupt information network system services or cause casualties, resulting in supply chain disruption and suspension of operations	Short term	Long term	Temperature rising	To maintain office temperature, the demand for air-conditioning operation has increased, resulting in an increase in related operating costs such as electricity charges	Medium term	Sea level rising	Inundation of the operating locations will results in financial losses	Long term
Risk Type	Item	Risk Factor	Potential Financial Impact	Impact Period																																
Transition Risk	Policy and Regulation	Carbon tax, carbon charge	The introduction of a carbon tax or carbon charge by the government will lead to an increase in operating costs and the transfer of logistics distribution costs	Medium term																																
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	Reputation	Reputation impairment due to poor environmental or ESG-related ratings	Failure to properly implement sustainability related actions resulting in international sustainability ratings lagging behind peers will result in impaired goodwill	Medium term																																
Physical Risk	Immediacy	Typhoons, floods, mudslides	Natural disasters will damage storage equipment, damp goods, interrupt information network system services or cause casualties, resulting in supply chain disruption and suspension of operations	Short term																																
	Long term	Temperature rising	To maintain office temperature, the demand for air-conditioning operation has increased, resulting in an increase in related operating costs such as electricity charges	Medium term																																
		Sea level rising	Inundation of the operating locations will results in financial losses	Long term																																

Item		Implementation Status			
		II. Climate Opportunities			
		Type	Opportunity Factor	Potential Financial Impact	Impact Period
		Resource Efficiency	Usage of more efficient buildings	Increase the value of fixed assets and reduce operating costs such as electricity and water bills	Short term
		Energy Source	Usage of low-carbon energy	Use low-carbon energy to reduce potential carbon costs	Medium term
		Products and Services	Develop and increase low-carbon goods and services	The demand for non-toxic and non-hazardous electronic components will continue to increase, and we will actively develop relevant solutions with customers through application engineers (FAE) to create business opportunities	Medium term
		Market	Enter new markets	Carbon reduction policies in various countries will drive the demand for electronic components and business opportunities continuously increase, stepping into low/green markets such as green electricity or vehicle electricity, creating business opportunities	Long term
		Resilience	Establish effective emergency response plans	Improve resilience in the face of risk	Short term
		To address the critical risks and opportunities arising from climate change, the Company has developed the following management plans for low-carbon operations and promoting green value chains:			
		I. Low Carbon Operation			
		1.Office area: In the short term, we will move to a new building with green building certification to reduce energy consumption and office operating costs; In the long run, we gradually purchase energy-saving equipment to reduce the use of energy in the office.			
2.Logistics warehousing: Build intelligent monitoring equipment and promote composite transportation mode.					
II. Green Value Chain					
1.Clean technology development: Develop clean technology related product solutions with customers to promote green energy-related semiconductor components business opportunities.					
3.	Describe the financial impact of extreme weather events and transformative actions.	I. The financial impact of extreme weather events (immediacy and long term) and transformative actions (policies and regulations, markets, reputation) on the Company is described in detail in Item 2 above.			
		II. In addition, the Company has developed specific response strategies to address the impact of two of such extreme weather events and one of the transformative actions, the details of which are disclosed in the Company's Annual Sustainability Report.			

Item		Implementation Status			
4.	Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system.	The Company's climate change risk management process has been integrated into the general risk management, and six major risks are defined through risk identification, including environmental risks (natural disasters resulting in suspension of operations, etc.), and emergency response procedures for disruption of operations are in place; The climate risk management process is divided into three major steps, namely "Identify and Assess", "Monitor and Respond" and "Report".			
5.	If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, □ analysis factors and major financial impacts used should be described.	To understand the risk impact caused by various possible future climate paths, the Company has used scenario analysis to assess two physical risks (flooding disaster, global average temperature rising) and one transition risk (commodity transportation carbon emission cost transfer), and developed appropriate response strategies to reduce the potential impact of climate risks. The use of risk scenarios, analysis factors and evaluation results are disclosed as the following table:			
		Risk Scenario	Analysis Factor	Climate Environment	Assessment Results
		Flooding disaster	Hazard, vulnerability, exposure	Flood Hazard Risk Map released by the National Science and Technology Center for Disaster Reduction (NCDR) Climate Change Disaster Risk Adaptation Platform (RCP 2.6, RCP 8.5)	In the RCP 8.5 scenario, personnel impact for one location had moderate climate sensitivity, while logistics distribution had low risk sensitivity in different scenarios
		Rising global average temperature	Air-conditioning energy cost	Warming trend of Networking for Greening the Financial System (NGFS) simulation (RCP 2.6, RCP 4.5, RCP 6.0, RCP 8.5)	The impact of financial shock amount in each scenario is low
		Commodity transportation carbon emissions cost transfer	Transportation cost	Analyze current policies, NDCs, and net-zero emissions scenarios by 2050 with the NGFS model	In the scenario of net-zero emissions scenarios by 2050, the total cost of passing on carbon emissions will exceed NT\$218 million
6.	If there is a transition plan for managing climate-related risks, describe the content of	In order to implement sustainable operations and achieve the Group's declared goal of net zero emissions, the Company conducts annual greenhouse gas inventory and verifies the credibility and consistency of emissions data through third-party verification, and will continue to expand the scope of greenhouse gas inventory and verification in the future, and publicly disclose the relevant content of climate-related financial disclosures. The Company has set short-term, medium-term and long-term targets as follows:			

Item		Implementation Status
	the plan, and the indicators and targets used to identify and manage physical risks and transition risks.	I. 2025: Increase inventory coverage to 100% and continue to build inventory methodologies for other indirect emissions to reduce transition risks. II. 2030: Achieve net zero emissions at all the Group's operating locations (offices and self-owned warehouses). III. 2050: The Group expects to achieve net zero emissions as a whole, during which time the relevant targets and indicators will be adjusted in a rolling manner in response to climate risks and opportunities.
7.	If internal carbon pricing is used as a planning tool, the basis for setting the price should be stated.	At present, the Company does not use internal carbon pricing, and will access and introduce it based on actual needs in the future, as one of the strategic tools for the Company to achieve net zero emissions targets, and in line with international carbon reduction trends.
8.	If climate-related targets have been set, the activities covered, the scope of greenhouse gas emissions, the planning horizon, and the progress achieved each year should be specified. If carbon credits or renewable energy certificates (RECs) are used to achieve relevant targets, the source and quantity of carbon credits or RECs to be offset should be specified.	I. The Company's climate-related targets are set out in detail in Item 6 above. II. To achieve the target of net zero emissions by 2050, the Company will take energy saving as a priority reduction method, analyze the power consumption state of major operating locations, strengthen the power management of each location, and gradually expand the use of renewable energy, and adopt "RECs", green electricity procurement and self-construction as its strategic tools to achieve the Group's phased target on renewable energy utilization rate.
9.	Greenhouse gas inventory and assurance status and reduction targets, strategy, and concrete action plan.	See Items 1-1 and 1-2 for details.

(1-1) Greenhouse Gas Inventory and Assurance Status for the Most Recent 2 Fiscal Years

1-1-1 Greenhouse Gas Inventory Information

Describe the emission volume (metric tons CO₂e), intensity (metric tons CO₂e/NT\$ million), and data coverage of greenhouse gases in the most recent 2 fiscal years

Year	Scope	Emission (metric tons CO ₂ e)	Intensity (metric tons CO ₂ e)	Data Coverage
2022	Scope 1 - Direct emission	990.66	0.001	● Taiwan region: All locations
	Scope 2 - Indirect energy emissions	6,129.74	0.008	● China (including Hong Kong) region: All locations ● Other overseas regions: Korea, Singapore, India
	Scope 3 - Upstream transport	11,031.69	0.014	● Taiwan region: All self-owned warehouses
	Scope 3 - Downstream transport	6,726.08	0.009	● China (including Hong Kong) region: all self-owned warehouses ● Other overseas regions: self-owned warehouses in Korea and Singapore
	Scope 3 - Business travel	435.81	0.001	● Taiwan region: All companies ● China (including Hong Kong) region: All companies ● Other overseas regions: All companies in Korea, Singapore and India
	Scope 4 - Fuel and energy-related activities	4,585.71	0.006	● Same as Scope 2 above
	Total	29,899.69		
2023	Scope 1 - Direct emission	1,113.79	0.002	● Taiwan region: All locations
	Scope 2 - Indirect energy emissions	6,035.18	0.009	● China (including Hong Kong) region: All locations ● Other overseas regions: South Korea, Singapore, Malaysia, Thailand, Philippines, Vietnam, India, USA and EMEA
	For inventory in terms of Scope 3 to Scope 6, please refer to the Company's 2023 Sustainability Report			

Note 1: The intensity of greenhouse gas emissions may be calculated per unit of product/service or revenue. Revenue in 2023 and 2022 was NT\$671,888 and NT \$775,232 million, respectively.

1-1-2 Greenhouse Gas Assurance Information

Describe the status of assurance for the most recent 2 fiscal years as of the printing date of the annual report, including the scope of assurance, assurance institutions,

Of the total greenhouse gas emissions disclosed by the Company in 2022, 28,820.48 metric tons of CO₂e (96% of total emissions) was assured by BSI Taiwan according to the ISO 14064-3:2006 standard. Scope 1 and Scope 2 are verified by "reasonable assurance"; Scope 3 and Scope 4 are verified by "limited assurance". Full assurance information for 2023 will be disclosed in the Sustainability Report.

(1-2) Greenhouse Gas Reduction Targets, Strategy, and Concrete Action Plan

Specify the greenhouse gas reduction base year and its data, the reduction targets, strategy and concrete action plan, and the status of achievement of the reduction

The Company proposes to take 2023 as the base year for reduction and the total emissions will be disclosed separately in the Sustainability Report. The greenhouse gas reduction strategy planning is as follows:

1. Set the annual target of saving electricity, water and waste by 1% in Taiwan office, and continue to implement it.
2. Purchase renewable energy/certificates, self-develop renewable energy;
3. Set the targets of RE40 by 2025 and RE100 by 2030;

3.3.6 Ethical Corporate Management – Implementation Status and Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX

Listed Companies and the Reasons Thereof

Evaluation Item	Implementation Status (Note 1)			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Description	
I. Establishment of ethical corporate management policies and programs				
(I) Does the Company have an ethical corporate management policy approved by its Board of Directors, and bylaws and publicly available documents addressing its corporate conduct and ethics policy and measures, and commitment regarding implementation of such policy from the Board of Directors and the top management team?	Yes		(I) On January 29, 2013, the Company established the " Ethical Corporate Management Best Practice Principles (Amended by the Board of Directors on October 26, 2021)" and the "Code of Ethical Conduct (Amended by the Board of Directors on October 26, 2021)" in accordance to the templates announced by the competent authority. In terms of the colleagues of the Company, WPG established the "Employee Code of Conduct", which stipulates explicitly the rules of practice, reporting mechanism, and disciplinary provisions, as an essential reference for the Company to implement honest management, thereof "Ethical Corporate Management Best Practice Principles" and "Code of Ethical Conduct" are published on the Company's website as a declaration of the commitment to the policy of honest management to the public.	No deviation.
(II) Whether the Company has established an assessment mechanism for the risk of unethical conduct; regularly analyzes and evaluates, within a business context, the business activities with a higher risk of unethical conduct; has	Yes		(II) The Company's Work Rules stipulate that employees employed by the Company shall abide by the code of ethical conduct and shall be punished for any violation of work discipline and integrity; employees who take advantage of their positions to ask for or accept kickbacks from vendors or interested parties, which affects the Company's goodwill, constitutes a material breach of the labor contract. The Company arranges a series of training courses on compliance with laws and regulations for all employees every year as a measure to prevent	No deviation.

Evaluation Item	Implementation Status (Note 1)			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Description	
formulated a program to prevent unethical conduct with a scope no less than the activities prescribed in Article 7, paragraph 2 of the Ethical Corporate Management Best Practice Principles for TWSE/TPE Listed Companies?			employees from engaging in dishonest behavior. In response to employees' dishonest behavior, the Company has set up a reporting platform entrusted to a third party in accordance with the " Measures for Receiving Advices and Handling Complaints from Stakeholders " to receive complaints from all internal and external stakeholders in order to supervise the implementation of the relevant control mechanism.	
(III) Has the Company established policies to prevent unethical conduct, with clear statements regarding relevant procedures, conduct guidelines, punishments for violation, and rules for appeal, and does the Company regular review such policies?	Yes		(III) The company has established "Employee Code of Conduct" and "Employee Service Consent Form" to promote ethical behavior guidelines. The content includes confidential information guideline, insider trading prohibition guidelines...etc. It is clearly stated in Work Rules that employee will be subject to relevant disciplinary actions if any violation of ethical behavior guidelines is found.	No deviation.
II. Implementation of Ethical Corporate Management (I) Does the Company evaluate business counterparty's ethical records and include ethics-related clauses in business contracts?	Yes		(I) To comply with the management requests of downstream customers, the Company signed the Code of Ethical Conduct and provided supervision to ensure compliance with the principle of ethics during business operations and that no illegal conducts or actions for private gains due to greed arise. For the management of service providers, the Company has formulated the "WPG Supplier Code of Conduct", which includes rules related to honest management, and has invited service providers to sign a response form and conduct a self-assessment every year.	No deviation.

Evaluation Item	Implementation Status (Note 1)			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Description	
(II) Has the Company set up a dedicated unit to promote ethical corporate management under the Board of Directors, and does it regularly (at least once a year) report to the Board of Directors on its ethical corporate management policy and program to prevent unethical conduct and monitor their implementation?	Yes		(II) In order to implement the principle of ethical corporate management, the Company established the "Ethics Committee", with the CEO of the Company and the CEOs of each group serving as members. The committee is held quarterly to discuss the issue of ethical conduct. Work progress is reported to the Board of Directors at least once a year. The reporting date to the Board of Directors in 2023 was on December 26.	No deviation.
(III) Has the Company formulated policies on preventing conflicts of interest, provided adequate channels of declaration, and implemented them?	Yes		(III) The "Ethical Corporate Management Best Practice Principles" and "Code of Ethics" formulated by the Company have provisions that expressly stipulate the avoidance of interest, whistleblowing, and punishment, which serve as the basis for implementation.	No deviation.
(IV) Has the Company established an effective accounting system, internal control system to put ethical corporate management into practice? The internal audit unit shall draw up the relevant audit plan to audit the compliance of the prevention programs for unethical conduct according to the risk valuation	Yes		(IV) Relevant management units of the Company conduct regular operation inspections, and accounting units conduct quarterly/annual field audits with external accounting firms to ensure that the Company's management complies with relevant laws and regulations, and the ideals of integrity management; the audit units, apart from periodic internal audit, also regularly conduct internal control self-assessment with relevant units.	No deviation.

Evaluation Item	Implementation Status (Note 1)			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Description	
results of the unethical conduct, or audited by CPAs?				
(V) Does the Company regularly hold internal and external educational training on ethical corporate management?	Yes		(V) The Company has established "Employee Code of Conduct". In addition to acquiring employee signatures towards Employee Code of Conduct, the Company continues to promote Employee Code of Conduct to new employees to strengthen awareness of ethical management. An internal platform that promotes the code of conduct has been established and online training covering ethical behavior guidelines was conducted. The themes comprised specific methods to implement the code of conduct. In 2023, five sessions of education and training were held on issues related to integrity management for all the employees. • Analysis of Legal Norms of Insider Trading from Practical Cases • Illustration of Legal Norms and Practical Cases on Dishonest Behaviors [North China Special Session] Keep compliance in mind, honest and upright Analyze Common Fraud Types and Compliance Management from Practical Cases [South China Special Session] Keep compliance in mind, honest and upright Analyze Common Fraud Types and Compliance Management from Practical Cases [Hong Kong Special Session] Take money wisely, be in good faith • Hong Kong Independent Commission Against Corruption Case Series	No deviation.

Evaluation Item	Implementation Status (Note 1)			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Description	
III. Operation of the Whistle-blowing System				
(I) Has the Company established specific whistle-blowing and reward procedures, set up conveniently accessible whistle-blowing channels, and appointed appropriate personnel specifically responsible for handling complaints received from whistle-blowers?	Yes		(I) In addition to an internal employee suggestion box, the Company has established a third-party reporting platform (hereinafter referred to as the "third-party reporting platform") to serve as a channel for internal and external stakeholders to report on the Company's activities. However, there is no incentive system for reporting.	No deviation.
(II) Has the Company established standard operation procedures for investigating the complaints received, follow-up measures taken after investigation, and mechanisms ensuring such complaints are handled in a confidential manner?	Yes		(II) After receiving the reports through the employee suggestion box, the special unit will handle the reports according to the contents of the cases. The reports on the third-party reporting platform can only be handled by the special unit through the third-party entrusted with the management of the platform under the condition that the whistleblower is protected, and the third-party reports the handling of the reports to the Audit Committee on a regular basis.	No deviation.
(III) Does the Company take measures to protect the whistle-blowers from improper infringement due to reporting?	Yes		(III) In accordance with the "stakeholder complaints and opinions handling procedures for Audit Committee", the Company appoints a third party to handle and respond to complaints, and accepts anonymous reports, with the third-party organization acting as the first line of receivers of the cases and then carrying out special division of the cases, in order to facilitate the protection of the relevant rights and interests of the	No deviation.

Evaluation Item	Implementation Status (Note 1)			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Description	
			complainants and to ensure that the identities of the complainants are not made known to the public.	
IV. Strengthening information disclosure (I) Does the company disclose its ethical corporate management policies and the results of their implementation on its website and the Market Observation Post System (MOPS)?	Yes		(I) "Ethical Corporate Management Practice Principle" and "Code of Ethical Conduct" are published on company's website. There is also a dedicated investor section on the website which discloses corporate governance organization and important internal regulations. Designated persons are responsible for collecting information and accepting inquiries on related matters.	No deviation.
V. Where the Company has formulated its own ethical corporate management best practices according to the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies, please state the variances between its implementation and the principles formulated: The Company has its own Ethical Corporate Management Best Practice Principles and drafts its Ethical Corporate Management Procedures and Code of Conduct in accordance with these Principles.				
VI. Other important information that facilitates the understanding of the implementation of ethical corporate management: (such as review and amendment of the Corporation's Ethical Corporate Management Best Practice Principles): None				

3.3.7 If the Company has formulated corporate governance best-practice principles or related bylaws, disclose how these are to be searched

The company has formulated its Corporate Governance Code of Conduct, for relevant information please refer to the Company's internal regulations

(http://www.wpg Holdings.com/investors/corporate_governance/zhtw/major-internal-policies).

For information on the implementation status of corporate governance, please refer to the description of "Corporate Governance" in this annual report on page 40~47.

3.3.8 Other information enabling better understanding of the Company's corporate governance

- I. The Company has formulated the Management Procedures for Material Information Processing and Prevent Insider Trading for the Company's material inside information, and informed all Directors, managers, and employees. These Procedures and relevant cautions are displayed on the top of the Company's website for all staff to follow and avoid violations or insider trading.
- II. The latest versions of the Directions Concerning Securities Market Regulatory Matters for TWSE Listed Companies and Their Directors, Supervisors, and Major Shareholders and Guide to Regulations Governing Independent Director prepared by TWSE are distributed to insiders such as Directors and managers of the Company when they take office to assist them to comply with the relevant requirements.
- III. MOPS Website: <https://mops.twse.com.tw/mops/web/index>
- IV. The Company's website: <http://www.wpg Holdings.com>

3.3.9 Execution Status of Internal Control System

I. Internal Control Statement

WPG Holdings Limited Statement on Internal Control System

Date: March 26, 2024

Based on the findings of self-assessment, WPG Holdings Limited states the following with regard to its internal control system during the year of 2023:

1. WPG is responsible for establishing, implementing, and maintaining an adequate internal control system. Our internal control is a process designed to provide reasonable assurance over the effectiveness and efficiency of our operations (including profitability, performance, and safeguarding of assets), reliability, timeliness, transparency of our reporting, and compliance with applicable rulings, laws and regulations.
2. An internal control system has inherent limitations. No matter how perfectly designed, an effective internal control system can provide only reasonable assurance of accomplishing its stated objectives. Moreover, the effectiveness of an internal control system may be subject to changes due to extenuating circumstances beyond our control. Nevertheless, our internal control system contains self-monitoring mechanisms, and WPG takes immediate remedial actions in response to any identified deficiencies.
3. WPG evaluates the design and operating effectiveness of its internal control system based on the criteria provided in the Regulations Governing the Establishment of Internal Control Systems by Public Companies (hereinbelow, the "Regulations"). The criteria adopted by the Regulations identify five key components of managerial internal control: (1) control environment, (2) risk assessment, (3) control activities, (4) information and communication, and (5) monitoring activities.
4. WPG has evaluated the design and operating effectiveness of its internal control system according to the aforesaid Regulations.
5. Based on the findings of such evaluation, WPG believes that, on December 31, 2023, it has maintained, in all material respects, an effective internal control system (that includes the supervision and management of subsidiaries), to provide reasonable assurance over our operational effectiveness and efficiency, reliability, timeliness, transparency of reporting, and compliance with applicable rulings, laws and regulations.
6. This Statement will be an integral part of WPG's Annual Report and Prospectus, and will be made public. Any falsehood, concealment, or other illegality in the content made public will entail legal liability under Articles 20, 32, 171, and 174 of the Securities and Exchange Act.
7. This Statement has been passed by the Board of Directors in their meeting held on March 26, 2024, with none of the nine attending directors expressing dissenting opinions, and the remainder all affirming the content of this Statement.

WPG Holdings Limited
Chairman: Simon Huang
President: Mike Chang

II. The CPA's Review Report shall be Disclosed if any CPA is Commissioned to Review the Internal Control System: Not applicable.

3.3.10 In the most recent fiscal year up to the publication date of this Annual Report, there has been punishment of the company or its internal personnel, or punishment of the company to its internal personnel for violating internal control system regulation, and its punishment results might have significant influence on shareholders' equity or securities' price, the punishment, main deficiencies and improvements shall be listed: None.

3.3.11 Major resolutions adopted by the Shareholders' Meeting and the Board of Directors in the most recent fiscal year up to the publication date of this annual report:

I. The 2023 annual Shareholders' Meeting of WPG Holdings Ltd. was held on May 31, 2023, in Taipei City, and the resolutions passed by attending shareholders are as follow:

i. To accept 2022 Business Report and Financial Statements.

Implementation status: Resolved as proposed.

ii. To approve 2022 profit distribution proposal.

Implementation status: July 31, 2023 was set as the ex-dividend record date and dividends were distributed on August 21, 2023. (Cash dividend per share: NT\$3.85; The allotted cash for each Preferred Share A is NT\$2).

iii. To approve the change of the Company's name and amendment of the Company's Articles of Incorporation.

Implementation status: Resolved as proposed, announced on the Company's website on May 31, 2023, where related matters were handled in accordance with the amended regulations. The registration was approved by the Ministry of Economic Affairs (MOEA) on June 14, 2023.

iv. Election of the 7th Directors.

Implementation status: The list of candidates elected is as follows, which has been approved and registered by MOEA on June 14, 2023.

Directors: Simon Huang, Frank Yeh, K.D. Tseng, Mike Chang, T.L. Lin.

Independent Directors: Charles Chen, Jack J.T. Huang, Kathy Yang, Joseph Yu.

v. To approve the release of the Company's Directors from the restrictions on non-competition.

Implementation status: Resolved as proposed.

II. The Company's Board of Directors held 16 meetings in total in 2023 and up to the publish date of this annual report, summaries of important resolutions are as follow:

i. Resolved to convene 2023 annual Shareholders' Meeting

ii. Approved 2022 annual Business Report and Financial Statements

iii. Approved 2022 profits distribution proposal

- iv. Approved 2022 employees' and directors' remuneration
- v. Approved donations to WPG Holdings Education Foundation and Taiwan Industry Holding Association;
- vi. Approved the change of the Company's name and amendment of the Company's Articles of Incorporation;
- vii. Resolved to adopt the Company's "Change of Name and Plan for Exchange of Securities" and the "Change of Name and Share Exchange Base Date";
- viii. Resolved to adopt the Company's Corporate Governance Best Practice Principles, Measures on Board Performance Evaluation, Information Security Policy and Inter-Company Dealings with Stakeholders, Specific Companies and Subsidiaries;
- ix. Resolved to adopt the Company's "Operation and Management of the Board of Directors" for the internal control system;
- x. Resolved to adopt the capital increase in WPG Americas Inc. through WPG's subsidiary WPG International (CI) Limited;
- xi. Resolved to adopt the capital increase in Yosun Singapore Pte Ltd. through WPG's subsidiary WPG South Asia Pte. Ltd.;
- xii. Resolved to adopt the appointment of WPG's next term of Performance Manager;
- xiii. Resolved to adopt the equity disposal of WT Microelectronics Co., Ltd.;
- xiv. Resolved to adopt the involvement to capital increase in WT Microelectronics Co., Ltd. in cash to issue new shares in 2023;
- xv. Resolved to convene 2024 annual Shareholders' Meeting;
- xvi. Approved 2023 annual Business Report and Financial Statements;
- xvii. Approved 2023 employees' and directors' remuneration;
- xviii. Approved the amendment of the Company's Articles of Incorporation, Procedures for Acquiring or Disposing of Assets, Procedures for Loaning Funds to Others and the Procedures for Endorsements and Guarantees.

3.3.12 Where, During the Most Recent Fiscal Year or During the Current Fiscal Year up to the Date of Publication of the Annual Report, A Director or Supervisor has Expressed A Dissenting Opinion with Respect to A Material Resolution Passed by the Board of Directors, and Said Dissenting Opinion Has Been Recorded or Prepared as A Written Declaration, the Principal Content Thereof: None.

3.3.13 Resignation and Dismissal of Personnel involved in the Financial Report including the Company's Chairman, President, Accounting Manager, Financial Manager, Internal Audit Manager, Head of Corporate Governance and R&D Manager in the Most Recent Fiscal Year up to the Date of this Annual Report:

Title	Name	Date of Appointment	Date of Dismissal	Reasons for Resignation or Dismissal
Chief Marketing and Sales Officer	I.J. Hsu	2021/01/01	2023/10/13	Passed away
Chief Information Security Officer	Jazz Chuang	2022/12/01	2024/01/01	Retired
Audit Supervisor	Beauty Chen	2005/11/09	2024/03/01	Retired

3.4 Information Regarding Certified Public Accountant Fees:

3.5.1 Audit Fees

Unit: NT\$ thousands

Name of Accounting Firm	Name of CPA		Audit Period	Audit Fee	Non-audit Fee	Total	Remarks
PricewaterhouseCoopers Taiwan	Lin Yifan	Chou Chien-Hung	2023/01/01 ~ 2023/12/31	49,271	24,453	73,724	The non-audit fees include tax compliance services, transfer pricing, tax consultation and declaration of organization.

Note: It includes service fees for domestic and overseas subsidiaries.

3.5.2 If the accounting firm is replaced and the audit fee paid in the replacement year is lower than the audit fee in the previous year, the amount of the audit fee before the replacement shall be disclosed and the reason thereof shall be disclosed: None.

3.5.3 When the Audit Fees Decrease 10% or More than the Last Fiscal Year, the Company must Disclose the Decreased Amount, Ratio, and Reason: None.

3.5 Information on CPA Replacement:

3.5.1 Former CPA

Date of Replacement	Adopted by the Board of Directors on March 28, 2023		
Reason for Replacement and Explanation	In 2023, the Company replaced its CPAs Lin,Chun-Yao and Chou Chien-Hung with Lin Yifan and Chou Chien-Hung as a result from the internal organizational adjustment of the accounting firm.		
Specify whether it was the certified public accountant that voluntarily ended the engagement or declined further engagement	Condition /Parties	CPA	Appointee
	Voluntarily ended the engagement	N/A	N/A
	Declined further engagement	N/A	N/A
Opinions and reasons for audit report issued during the most recent two fiscal years containing an opinion other than an unqualified opinion	No		
Any disagreements with the issuer	Yes		Accounting principles or practices
			Disclosure of financial reports
			Scope or procedure of audit
			Others
	No	V	
	Remarks		
Additional disclosures (items to be disclosed as prescribed by Article 10, Paragraph 6, Subparagraphs 1-4 to 1-7 in the Standards)	No		

3.5.2 Successor CPAs

Name of Accounting Firm	PricewaterhouseCoopers, Taiwan
Name of CPAs	CPAs Lin Yifan and Chou Chien-Hung
Date of Engagement	Adopted by the Board of Directors on March 28, 2023
Subjects discussed during consultations with the newly engaged accountant regarding the accounting treatment of or application of accounting principles to a specified transaction, or the type of audit opinion that might be rendered on the Company's financial report and the consultation results	No
Written views from the successor CPA regarding the matters on which the Company did not agree with the former CPA	No

3.5.3 The former CPA's respond to matters as described in subparagraph 1 and item 3 of subparagraph 2, paragraph 6 of Article 10 of these Regulations: None.

3.6 Where the Company's Chairman, President, or any Manager in Charge of Finance or Accounting Matters Has in the Most Recent Year Held a Position at the Accounting Firm of Its Certified Public Accountant or at an Affiliated Enterprise of Such Accounting Firm, the Names, Titles and Positions Held by such Person shall be Disclosed: None.

3.7 Stock Trade and/or Stock Pledge by the Company's Directors, Supervisors, Management, or Shareholders with 10% Shareholdings or More in the Most Recent Year or as of the Date of Publication of this Annual Report

Unit: Shares

Title	Name	2023				Current year as of March 26			
		Common shares		Preferred shares		Common shares		Preferred shares	
		Net change in shareholding	Net change in shares pledged	Net change in shareholding	Net change in shares pledged	Net change in shareholding	Net change in shares pledged	Net change in shareholding	Net change in shares pledged
Chairman	Simon Huang	—	—	—	—	—	—	—	—
Vice Chairman	Frank Yeh	—	—	—	—	—	—	—	—
Director	K. D. Tseng	—	—	—	—	—	—	—	—
Director/ Vice President	Mike Chang	(2,446,728)	(6,886,200)	—	—	(2,359,272)	—	—	—
Director	T. L. Lin	(2,120,000)	—	—	—	(1,100,000)	—	—	—
Director	K. Y. Chen	—	—	—	—	—	—	—	—
Director	Fullerton Technology Co., Ltd. Representative: Richard Wu	—	—	—	—	—	—	—	—
		—	—	—	—	—	—	—	—
Independent Director	Jack J. T. Huang	—	—	—	—	—	—	—	—
Independent Director	Charles Chen	—	—	—	—	—	—	—	—
Independent Director	Weiru Chen	—	—	—	—	—	—	—	—
Independent Director	Kathy Yang	—	—	—	—	—	—	—	—
Independent Director	Joseph Yu	—	—	—	—	—	—	—	—
Vice President	I. J. Hsu	—	—	—	—	—	—	—	—
Vice President	Cliff Yuan	—	—	—	—	—	—	—	—
Vice President	Scott Lin	(48,000)	(590,000)	—	—	—	—	—	—
Vice President	Jazz Chuang	—	—	—	—	—	—	—	—
Vice President	David Li	—	—	—	—	(23,000)	—	—	—
Vice President	Lucia Tai	—	—	—	—	—	—	—	—
Vice President	Tracy Cheng	—	—	—	—	—	—	—	—
Vice President	Jessica Lee	—	—	—	—	—	—	—	—
Vice President	Victor Lu	—	—	—	—	—	—	—	—

Note: Preferred shares A of the Company were issued on September 18, 2019.

3.7.1 Stock Trade with Related Party: None.

3.7.2 Stock Pledge with Related Party: None.

3.8 Top 10 Shareholders Who Are Related Parties, Spouses, or within Second Degree of Kinship to Each Other:

March 26, 2024 / Unit: Shares; %

Name	Current Shareholding		Shareholding by Spouse & Minor Children		Shareholding by Nominee Arrangement		Name and Relationship between top 10 shareholders with relationship specified under SFAS No. 6.		Remarks
	Shares	%	Shares	%	Shares	%	Name	Relationship	
Taishin International Commercial Bank Co., Ltd. is entrusted with the custody of Cathay MSCI Taiwan ESG Sustainability High Dividend Yield ETF Securities Investment Trust Fund	125,385,000	7.47	N/A		N/A		—	—	—
Taipei Fubon Commercial Bank Co., Ltd. is entrusted with the custody of the Fuh Hwa Taiwan Technology Dividend Highlight ETF Securities Investment Trust Fund	79,801,000	4.75	N/A		N/A		—	—	—
CTBC Bank Co., Ltd. is entrusted with the custody of the Yuanta/P-shares Taiwan Dividend Plus ETF Securities Investment Trust Fund	79,564,811	4.74	N/A		N/A		—	—	—
Simon Huang	41,411,507	2.47	10,523,167	0.63	—	—	—	—	—
Hua Nan Commercial Bank, Ltd. is entrusted with the custody of the UPAMC Taiwan High Dividend Momentum ETF	35,448,000	2.11	N/A		N/A		—	—	—

Name	Current Shareholding		Shareholding by Spouse & Minor Children		Shareholding by Nominee Arrangement		Name and Relationship between top 10 shareholders with relationship specified under SFAS No. 6.		Remarks
	Shares	%	Shares	%	Shares	%	Name	Relationship	
Securities Investment Trust Fund									
Taiwan Life Insurance Co., Ltd. Representative: Cheng, Tai-Ke	34,779,000	2.07	N/A		N/A		—	—	—
	Data unavailable								
Fullerton Technology Co., Ltd. Representative: Richard Wu	30,421,074	1.81	N/A		N/A		—	—	—
	35,166	0.00	—	—	—	—	—	—	—
Labor Pension Fund (The New Fund)	28,132,631	1.68	N/A		N/A		—	—	—
Chunghwa Post Co., Ltd. Representative: Wu, Hong-Mo	26,637,512	1.59	N/A		N/A		—	—	—
	Data unavailable								
Hong Kong Jingxing International Co., Ltd. Representative: Liu, Li-Cheng	22,351,057	1.33	N/A		N/A		—	—	—
	Data unavailable								

Note: The ones disclosed in this table are the top 10 shareholders in terms of the ratios of shareholdings of common shares.

3.9 Total Number of Shares and Total Equity Stake Held in Any Single Enterprise by the Company, Its Directors, Supervisors, Managerial Officers, and Any Companies Controlled Either Directly or Indirectly by the Company

December 31, 2023; / Unit: thousand shares; %

Investee (Note 1)	Investment by the Company		Investment by Directors, Supervisors, Managers, Direct or Indirect Control Groups		Total Investment	
	Number of Shares	Shareholding Ratio	Number of Shares	Shareholding Ratio	Number of Shares	Shareholding Ratio
World Peace Industrial Co., Ltd.	1,847,500	100	—	—	1,847,500	100
Silicon Application Corp.	677,090	100	—	—	677,090	100
Asian Information Technology Inc.	643,029	100	—	—	643,029	100
WPG Electronics Limited	33,000	100	—	—	33,000	100
WPG Korea Co., Ltd.	2,960	100	—	—	2,960	100
Trigold Holdings Limited	59,195	58.86	1,750	1.74	60,945	60.60
WPG International (CI) Limited	88,252	100	—	—	88,252	100
WPG EMEA B.V.	5,000	100	—	—	5,000	100
Yosun Industrial Corp.	402,310	100	—	—	402,310	100
WPG ELECTRONICS (HK) LIMITED	234,082	100	—	—	234,082	100
WPG South Asia Pte. Ltd.	64,036	100	—	—	64,036	100
WPG Investment Co., Ltd.	210,000	100	—	—	210,000	100
WT Microelectronics Co., Ltd. (Note 2)	137,110	15.44	—	—	137,110	15.44

Note 1: Long-term equity investments made by the Company using equity method.

Note 2: Preferred Shares not included.

4. Capital Overview

4.1 Capital and Shares

4.1.1 Capitalization

(I) Capitalization

March 26, 2024 / Unit: NT\$/ Shares

Year/ Month	Issued Price	Authorized Capital		Capital Stock		Remarks		
		Number of shares	Amount	Number of shares	Amount	Sources of Capital	Capital Increase by Assets Other than Cash	Others
94/11	10	2,000,000,000	20,000,000,000	693,202,022	6,932,020,220	Incorporation capital MOEA Jing-Shou-Shang No. 09401220210 dated November 9, 2005.	—	—
95/12	10	2,000,000,000	20,000,000,000	668,202,022	6,682,020,220	Cancellation of treasury stocks MOEA Jing-Shou-Shang No. 09501288500 dated December 26, 2006.	—	—
96/02	10	2,000,000,000	20,000,000,000	670,301,494	6,703,014,940	Exercising employee stock warrant MOEA Jing-Shou-Shang No. 09601035000 dated February 14, 2007.	—	—
96/04	10	2,000,000,000	20,000,000,000	670,950,744	6,709,507,440	Exercising employee stock warrant MOEA Jing-Shou-Shang No. 09601075500 dated April 14, 2007.	—	—
96/09	10	2,000,000,000	20,000,000,000	712,953,666	7,129,536,660	Recapitalization of retained earnings Capital increase by employee bonus Exercising employee stock warrant MOEA Jing-Shou-Shang No. 09601214570 dated September 3, 2007.	—	—
96/10	10	2,000,000,000	20,000,000,000	716,357,569	7,163,575,690	Exercising employee stock warrant MOEA Jing-Shou-Shang No. 09601263220 dated October 26, 2007.	—	—
97/01	10	2,000,000,000	20,000,000,000	718,640,319	7,186,403,190	Exercising employee stock warrant MOEA Jing-Shou-Shang No. 0970105780 dated January 21, 2008.	—	—
97/04	10	2,000,000,000	20,000,000,000	719,922,944	7,199,229,440	Exercising employee stock warrant MOEA Jing-Shou-Shang No. 09701089610 dated April 16, 2008.	—	—
97/09	10	2,000,000,000	20,000,000,000	743,086,784	7,430,867,840	Conversion of shares MOEA Jing-Shou-Shang No. 09701236790 dated September 16, 2008.	—	—
97/09	10	2,000,000,000	20,000,000,000	774,306,982	7,743,069,820	Recapitalization of retained earnings Capital increase by employee bonus Exercising employee stock warrant	—	—

Year/ Month	Issued Price	Authorized Capital		Capital Stock		Remarks		
		Number of shares	Amount	Number of shares	Amount	Sources of Capital	Capital Increase by Assets Other than Cash	Others
						MOEA Jing-Shou-Shang No. 09701240610 dated September 18, 2008.		
97/10	10	2,000,000,000	20,000,000,000	774,736,482	7,747,364,820	Exercising employee stock warrant MOEA Jing-Shou-Shang No. 09701263220 dated October 17, 2008.	—	—
98/01	10	2,000,000,000	20,000,000,000	774,993,607	7,749,936,070	Exercising employee stock warrant MOEA Jing-Shou-Shang No. 09801008180 dated January 15, 2009.	—	—
98/05	10	2,000,000,000	20,000,000,000	891,751,941	8,917,519,410	Conversion of shares MOEA Jing-Shou-Shang No. 09801095190 dated May 14, 2009.	—	—
98/06	10	2,000,000,000	20,000,000,000	892,629,941	8,926,299,410	Exercising employee stock warrant MOEA Jing-Shou-Shang No. 09801122940 dated June 17, 2009.	—	—
98/09	10	2,000,000,000	20,000,000,000	893,398,816	8,933,988,160	Exercising employee stock warrant MOEA Jing-Shou-Shang No. 09801200400 dated September 3, 2009.	—	—
98/10	10	2,000,000,000	20,000,000,000	893,772,566	8,937,725,660	Exercising employee stock warrant MOEA Jing-Shou-Shang No. 09801238420 dated October 15, 2009.	—	—
99/01	10	2,000,000,000	20,000,000,000	894,412,316	8,944,123,160	Exercising employee stock warrant MOEA Jing-Shou-Shang No. 09901007210 dated January 14, 2010.	—	—
99/04	10	2,000,000,000	20,000,000,000	894,625,566	8,946,255,660	Exercising employee stock warrant MOEA Jing-Shou-Shang No. 09901076640 dated April 21, 2010.	—	—
99/09	10	2,000,000,000	20,000,000,000	1,056,048,043	10,560,480,430	Recapitalization of retained earnings Exercising employee stock warrant MOEA Jing-Shou- Shang No. 09901198560 dated September 3, 2010.	—	—
100/03	10	2,000,000,000	20,000,000,000	1,453,073,506	14,530,735,060	Conversion of shares MOEA Jing-Shou- Shang No. 10001042020 dated March 7, 2011.	—	—
100/9	10	2,000,000,000	20,000,000,000	1,583,850,122	15,838,501,220	Surplus transferred to capital MOEA Jing-Shou- Shang No. 10001207100 dated September 15, 2011.	—	—

Year/ Month	Issued Price	Authorized Capital		Capital Stock		Remarks		
		Number of shares	Amount	Number of shares	Amount	Sources of Capital	Capital Increase by Assets Other than Cash	Others
101/4	10	2,000,000,000	20,000,000,000	1,655,709,212	16,557,092,120	Conversion of shares MOEA Jing-Shou- Shang No. 10101072410 dated April 24, 2012.	—	—
105/10	10	2,000,000,000	20,000,000,000	1,692,782,499	16,927,824,990	Shares converted from corporate bonds MOEA Jing-Shou- Shang No. 105011248620 dated October 25, 2016.	—	—
106/01	10	2,000,000,000	20,000,000,000	1,723,895,350	17,238,953,500	Shares converted from corporate bonds MOEA Jing-Shou- Shang No. 10601006760 dated January 27, 2017.	—	—
106/04	10	2,000,000,000	20,000,000,000	1,740,963,062	17,409,630,620	Shares converted from corporate bonds MOEA Jing-Shou- Shang No. 10601049450 dated April 20, 2017.	—	—
106/07	10	2,000,000,000	20,000,000,000	1,745,420,665	17,454,206,650	Shares converted from corporate bonds MOEA Jing-Shou- Shang No. 10601094540 dated July 10, 2017.	—	—
106/08	10	2,000,000,000	20,000,000,000	1,825,061,775	18,250,617,750	Shares converted from corporate bonds MOEA Jing-Shou- Shang No. 10601122870 dated August 25, 2017.	—	—
107/08	10	2,000,000,000	20,000,000,000	1,679,056,833	16,790,568,330	Cash capital reduction MOEA Jing-Shou- Shang No. 10701100870 dated August 1, 2018.	—	—
108/10	10	2,500,000,000	25,000,000,000	1,879,056,833	18,790,568,330	Issue preferred stocks via cash capital increase MOEA Jing-Shou- Shang No. 10801132530 dated October 3, 2019.	—	—

(II) Type of Stock:

March 26, 2024/ Unit: shares

March 26, 2024 - Unit Shares

Type of Stock	Authorized Capital					Stock Warrants, Preferred Shares with Warrants or Corporate Bonds with Warrants
	Outstanding shares (Note)			Unissued Shares	Total	
	Listed (OTC)	Not listed (OTC)	Total			
Common shares	1,679,056,833	—	1,679,056,833	620,943,167	2,500,000,000	50,000,000
Preferred shares A	200,000,000	—	200,000,000			

Note: Of the 2,500,000,000 authorized shares, 50,000,000 shares are reserved for the issuance of stock warrants, preferred shares with warrants or corporate bonds with warrants.

4.1.2 Structure of Shareholders

(I) Common Shares

March 26, 2024

Quantity \ Structure of Shareholders	Government Agencies	Financial Institutions	Other Juridical Persons	Individuals	Foreign Institutions & Natural Persons	Total
Number of Shareholders	8	28	447	78,996	856	80,335
Shareholding	47,920,926	109,546,845	499,547,344	441,265,297	580,776,421	1,679,056,833
Holding Percentage (%)	2.85	6.52	29.75	26.28	34.60	100.00

(II) Preferred Shares A

March 26, 2024

Quantity \ Structure of Shareholders	Government Agencies	Financial Institutions	Other Juridical Persons	Individuals	Foreign Institutions & Natural Persons	Total
Number of Shareholders	1	10	116	9,434	20	9,581
Shareholding	20,000,000	44,489,664	79,151,569	56,038,155	320,612	200,000,000
Holding Percentage (%)	10.00	22.24	39.58	28.02	0.16	100.00

4.1.3 Distribution Profile of Share Ownership

(I) Common Shares

March 26, 2024

Shareholding Ownership	Number of Shareholders	Ownership	Holding Percentage (%)
1 - 999	39,137	6,394,195	0.38
1,000 - 5,000	32,179	64,921,347	3.87
5,001 - 10,000	4,625	34,099,665	2.03
10,001 - 15,000	1,405	17,291,132	1.03
15,001 - 20,000	667	11,909,969	0.71
20,001 - 30,000	679	16,832,423	1.00
30,001 - 40,000	319	11,046,302	0.66
40,001 - 50,000	173	7,887,930	0.47
50,001 - 100,000	373	26,107,184	1.55
100,001 - 200,000	249	34,795,378	2.07
200,001 - 400,000	179	50,622,345	3.01
400,001 - 600,000	82	40,820,212	2.43
600,001 - 800,000	42	28,860,930	1.72
800,001 - 1,000,000	34	30,516,160	1.82

Shareholding Ownership	Number of Shareholders	Ownership	Holding Percentage (%)
1,000,001 or more	192	1,296,951,661	77.25
Total	80,335	1,679,056,833	100.00

(II) Preferred Shares A

March 26, 2024

Shareholding Ownership	Number of Shareholders	Ownership	Holding Percentage (%)
1 - 999	3,254	724,433	0.36
1,000 - 5,000	4,744	7,532,560	3.77
5,001 - 10,000	712	5,927,961	2.96
10,001 - 15,000	163	2,075,201	1.04
15,001 - 20,000	147	2,773,952	1.39
20,001 - 30,000	138	3,476,540	1.74
30,001 - 40,000	70	2,563,476	1.28
40,001 - 50,000	65	3,067,046	1.53
50,001 - 100,000	135	9,707,167	4.85
100,001 - 200,000	69	10,080,043	5.04
200,001 - 400,000	35	10,254,000	5.13
400,001 - 600,000	11	5,419,831	2.71
600,001 - 800,000	10	6,968,000	3.48
800,001 - 1,000,000	3	2,733,000	1.37
1,000,001 or more	25	126,696,790	63.35
Total	9,581	200,000,000	100.00

4.1.4 Major Shareholders

Name, number of shares held, and shareholding percentage of shareholders who hold more than 5% of the shares or the top 10 shareholders

March 26, 2024 / Unit: Shares

Shareholding \ Shareholders	Total Shares Owned	Ownership Percentage (%)
Taishin International Commercial Bank Co., Ltd. is entrusted with the custody of Cathay MSCI Taiwan ESG Sustainability High Dividend Yield ETF Securities Investment Trust Fund	125,385,000	7.47
Taipei Fubon Commercial Bank Co., Ltd. is entrusted with the custody of the Fuh Hwa Taiwan Technology Dividend Highlight ETF Securities Investment Trust Fund	79,801,000	4.75
CTBC Bank Co., Ltd. is entrusted with the custody of the Yuanta/P-shares Taiwan Dividend Plus ETF Securities Investment Trust Fund	79,564,811	4.74
Simon Huang	41,411,507	2.47
Hua Nan Commercial Bank, Ltd. is entrusted with the custody of the UPAMC Taiwan High Dividend Momentum ETF Securities Investment Trust Fund	35,448,000	2.11
Taiwan Life Insurance Co., Ltd.	34,779,000	2.07
Fullerton Technology Co., Ltd.	30,421,074	1.81
Labor Pension Fund (The New Fund)	28,132,631	1.68
Chunghwa Post Co., Ltd.	26,637,512	1.59
Hong Kong Jingxing International Co., Ltd.	22,351,057	1.33

Note: The ones disclosed in this table are the top 10 shareholders in terms of the ratios of shareholdings of common shares.

4.1.5 Market Price, Net Worth, Earnings, and Dividends Per Common Share For the Last Two Years

Item \ Year			2022	2023	Current year as of March 26 (Note 5)
Market Price per Share	Highest Market Value		58.50	86.50	101.50
	Lowest Market Value		43.80	47.05	79.20
	Average Market Value		51.84	57.73	89.91
Net Worth per Share	Before Distribution		43.14	44.51	—
	After Distribution (Note 1)		39.48	Note 1	—
Earnings per Share	Weighted Average Shares (thousand shares)		1,679,057	1,679,057	—
	Earnings per Share	Before Retrospective Adjustment	6.02	4.59	—
		After Retrospective Adjustment (Note 1)	6.02	Note 1	—
Dividends per Share	Cash Dividend (Note 1)		3.85	Note 1	—
	Stock Grants	Dividends from Retained Earnings	—	—	—
		Dividends from Capital Surplus	—	—	—
	Accumulated Undistributed Dividend		—	—	—
Return on Investment	Price/Earnings Ratio (Note 2)		8.61	12.58	—
	Price/Dividend Ratio (Notes 1 and 3)		13.46	Note 1	—
	Cash Dividend Yield (%) (Notes 1 and 4)		7.43	Note 1	—

Note 1: Filled in accordance with the situation of the distribution of the resolution of the Board of Directors meeting or the Annual Shareholders' Meeting next year; however, the surplus of the year of 2023 has not been distributed by resolution of the Board of Directors Meeting.

Note 2: Price/Earnings Ratio = Average Closing Price per Share of the Year/Earnings per Share.

Note 3: Price/Dividend Ratio = Average Closing Price per Share of the Year/Cash Dividend per Share.

Note 4: Cash Dividend Yield = Cash Dividend per Share/Average Closing Price per Share of the Year.

Note 5: The per share net asset value and per share earnings should be filled with the most recent quarter's data audited (reviewed) by the accountant as of the printing date of the annual report. The remaining columns should be filled with data from the current year as of the printing date of publication of the annual report.

4.1.6 Dividend Policy and Implementation Status

(I) Dividend policy stipulated in the Company's Articles of Incorporation:

In accordance with the provisions of the Company's Articles of Incorporation, where if the Company has surplus earnings at the end of the year, after tax payment and recovery of losses over the years, 10% of the amount shall be appropriated as legal capital reserve; if there is any balance after setting aside or reversion to special capital reserve in accordance with laws and regulations, the remaining balance (hereinafter referred to as “earnings for the current year”) is added to the undistributed surplus at the beginning of the period, as the surplus available for distribution, and the dividends for preferred shares shall be paid in priority, which is to be distributed as the dividends and bonuses to shareholders after the distribution plan shall be proposed by the Board of Directors and subject to the resolution

of the Shareholders' Meeting. When the company has no surplus, no dividends and bonuses will be distributed.

This Company's dividend policy and dividend distribution shall consider the Company's profitability, future operation funding needs, and changes in industry environment, as well as shareholders' rights and the Company's long-term financial plans. This Company's yearly total dividend distribution amount shall not be less than 40% of the year's earnings. The distributed cash dividend shall not be less than 20% of the total dividend distribution amount.

(II) Distribution of dividend proposed for approval at the Shareholders' Meeting:

As of the date of publication of the annual report, the Board of Directors of the Company has not approved the earnings distribution plan for the year 2023.

4.1.7 Effect on the Operating Performance and Earnings per Share of Distribution of Stock Dividends

Proposed or Adopted in the Most Recent Shareholders' Meeting: N/A.

4.1.8 Information regarding Employee Bonus and Remuneration paid to Directors and Supervisors

(I) Information regarding Compensation paid to Employees, Directors and Supervisors in the Articles of Incorporation:

Based on the Articles of Incorporation, if the financial results for the fiscal year show profit, the Company shall set aside, resolved by Board of Directors, not more than 5% and not less than 0.01% of its annual profit to employees as compensation and not more than 3% of the aforesaid profit distributable to Directors and Supervisors as remuneration. Reports of such distribution as employees' compensation and remuneration of Directors and Supervisors shall be submitted to the Shareholders' Meeting. Nevertheless, when the Company remains accumulated losses, it should reserve the amount in advance to compensate for it. The employees' compensation can be paid by stock or cash, and the target person may include the employees of the subordinate company that meet certain conditions.

(II) The estimation basis of the compensation amount to Employees, Directors, and Supervisors for the current period; the estimation basis of the number of shares distributed as compensation; and the accounting treatment of the discrepancy, if any, between the actual distributed amount and estimated figure, for the current period:

The compensation payable to Employees and the remuneration of Directors in 2023 are estimates based on past experiences. Action will be taken pursuant to relevant provisions once the proposal is resolved in the annual Shareholders' Meeting on May 24, 2024. If the actual amounts subsequently paid differ from the above estimated amounts, the difference will be recorded in the year resolved as a change in accounting estimate.

(III) Information on the proposed employees compensation approved by the Board of Directors:

The Employees' compensation and remuneration of Directors to be distributed in 2023 were approved by the Board of Directors on March 26, 2024. The remuneration of Directors in 2023 was NT\$48,608 thousand; the Employees' compensation in 2023 was NT\$23,001 thousand. All of the above are distributed in cash. The Employees' compensation and remuneration of Directors in 2023 was expensed, which had no impact on earnings per share.

(IV) The actual distribution of compensation for Employees, Directors, and Supervisors (including the number, sum, and price of shares distributed), and where there were discrepancies with the recognized compensation for Employees, Directors, and Supervisors in the prior year, the difference, cause, and treatment of the discrepancy be described:

The employees' compensation and remuneration of Directors in 2022 approved by the 2023 Shareholders' Meeting were NT\$48,110 thousand and NT\$52,000 thousand respectively, which have been distributed. The difference between the values recognized in the 2022 Financial Statements is only that employees' compensation and the Director's remuneration were reduced by NT\$28,990 thousand and NT\$1,000 thousand respectively, which have been adjusted into the gains and loss of the first quarter of 2023.

4.1.9 Repurchase of Shares by the Company: None.

4.2 Issuance of Corporate Bonds: None.

4.3 Status of Preferred Shares:

Item \ Date of Issuance		September 18, 2019 Preferred Shares A of WPG Holdings Ltd.
Par Value		NT\$10
Price of Issuance		NT\$50 per share
Number of Shares Issued		Total 200,000 thousand shares
Total Amount		NT\$10,000,000,000
Rights and Obligations	Distribution of Dividends and Bonuses	a. Dividends: The annual rate of Preferred Shares A is 4%(5-year IRS interest rate 0.605% + 3.395%), calculated at the issue price per share, the 5-year IRS interest rate will be reset on the next business day every five years after the issuing date. The record date for reset is two business days prior to the interest rate reset date. The IRS rate is the arithmetic mean of 5-year IRS rates appearing on Reuters pages "TAIFXIRS" and "COSMOS3" at 11:00 a.m. (Taipei time) on the record date for reset. If the offered price cannot be obtained on the record date for reset, the company will determine the rate based on reasonable market price with good faith. b. Distribution of Dividend: Distributed in cash in a lump sum and on an annual basis. The Company's annual earnings at the end of the accounting year shall be first subject to taxation, reimbursement of previous losses, the remainder shall be provided for legal reserve in accordance with the provisions of the Articles of Incorporation and special capital reserve by law or reversal. The remainder may be first made available for distribution of Preferred Shares A dividends. The Company has the right to decide dividend distribution on Preferred Shares A, if any, at its sole discretion. If there are no surplus

Item \ Date of Issuance			September 18, 2019 Preferred Shares A of WPG Holdings Ltd.
			earnings, the surplus earnings are not enough for distributing dividends of the Preferred Shares A in whole or in part after the final account or due to any other consideration, the Company may by the approval of the Shareholders' Meeting decide not to distribute dividend for Preferred Shares A. The former shall not constitute a breach of contract. The undistributed or insufficiently distributed dividend shall not be accumulated for make-up in the future. c. Excess Dividend Distribution: In addition to aforementioned dividend distribution, shareholders of Preferred Shares A are not entitled to the cash and capital allocation with regard to earnings and capital reserves as dividend distribution of Common Shares.
	Distribution of Remaining Assets		The order of claim for distribution of property of shareholders of Preferred Shares A is prior to those of Common Shares. The repayment shall be capped at the respective issue amount of Preferred Shares upon liquidation.
	Execute Rights of Voting		Shareholders of the Preferred Shares A shall have no right to vote or elect in the Company's Shareholders' Meeting, provided that they have right to vote or elect at the Preferred Shares A Shareholders' Meetings and any Shareholders' Meetings related to interest and right of the shareholders of Preferred Shares A.
	Other		For cash offering of new shares, shareholders of Preferred Shares A have the same preemptive rights as those of Common Shares.
Outstanding Preferred Shares	Amount of Preferred Shares Recovered or Converted		NT\$0
	Amount of Preferred Shares Not Recovered or Converted		NT\$10,000,000,000
	Recovery or Terms of Conversion		1. Conversion into Common Shares: Preferred Shares A may not be converted to Common Shares. Shareholders of Preferred Shares A have no right to request the Company to redeem the Preferred Shares they hold. 2. Preferred Shares A of the Company have no maturity; however, the Company may redeem all or partial Preferred Shares any time on the next day after five years of issuance with the original issuance price.
Market Price per Share	2022	Highest	50.40
		Lowest	46.20
		Average	48.93
	2023	Highest	49.75
		Lowest	45.45
		Average	47.76
	Current fiscal year up to March 26, 2024	Highest	47.10
		Lowest	46.60
		Average	46.96
Other Rights	Amount Converted into Common Shares or Stock Warrant as of the Date of Publication of the Annual Report		Shareholders of Preferred Shares A cannot convert the shares into Common Shares

Item \ Date of Issuance		September 18, 2019 Preferred Shares A of WPG Holdings Ltd.
	Issuance and Conversion or Subscription Methods	None
Impact of Conditions of Issuance on the Rights and Interests of Preferred Shares A Holders and Possible Dilution of Shareholders' Equity and Impact on Existing Shareholders' Equity		None

4.4 Issuance of Global Depositary Receipts: None.

4.5 Employee Share Subscription Warrants: None.

4.6 New Restricted Employee Shares: None.

4.7 Issuance of New Shares in Connection with Mergers or Acquisitions or with Acquisitions of Shares of Other Companies

4.7.1 Issue of New Shares in connection with any Acquisition of Shares of Another Company in the Most Recent Year and up to the Date of This Annual Report:

- (1) The Lead Securities Underwriters' opinion on the issuance of new shares for acquisition of shares of another company in the most recent quarter: None.
- (2) The status of implementation in the most recent quarter. If the implementation has not achieved the expected target, a statement on the impact on shareholders' equity and improvement plan shall be provided: None.

4.7.2 Any Issuance of New Shares in Connection with the Acquisition of Shares of Another Company Approved by the Board of Directors in the Most Recent Fiscal Year up to the Publication Date of the Annual Report:

- (1) Basic information of the company being acquired or transferred: None.
- (2) Implementation of undergoing merger or acquisition of other companies through the issuance of Common Shares shall be disclosed, so is the impact on shareholders' equity: None.

4.8 Financing Plans and Implementation: None.

5. Operating Highlights

5.1 Business Activities

5.1.1 Business Scope

(1) WPG Holdings Ltd.:

- I. Investment industry.
- II. International trade.
- III. All business activities that are not prohibited or restricted by law, except those that are subject to special approval.

(2) WPG Group

I. Main Business Activities

Headquartered in Taipei(TSE:3702), WPG Holdings owns World Peace Industrial Group, Silicon Application Corporation, Asian Information Technology and Yosun Industrial Group, with approximately 5,300 employees, more than 250 agent product suppliers, 75 distribution locations worldwide.

WPG is Taiwan's first investment holding company that is composed of semiconductor components distributors. WPG operates under the management team composed of executives from each subsidiary and builds an integrated logistics support platform to reduce operating costs. We have continuously improved our performance since incorporation to advance our leading position in the industry. We will continue to outperform competitors as a industrial holding company and become the pioneer of semiconductor components distribution industry.

II. Business Breakdown in 2023

Product Name	Sales Percentage
Core components	38.23%
Analog IC and mixed-signal IC	9.74%
Discrete logic IC	12.76%
Memory Component	21.09%
Optical components and sensors	9.97%
Passive components, electromagnetic components, and connectors	5.75%
Other components	2.46%
Total	100.00%

III. Current Products/Services

a. Franchised Semiconductor Brands

WPG Group is the authorized distributor of more than 250 semiconductor brands, including AMD, ams OSRAM, AOS, Robert Bosch, Broadcom, Cree LED, Elan,

EPSON, Everlight, Infineon, Intel, Kioxia, Kneron, MaxLinear, MediaTek, Microchip, Micron, Molex, MPS, MXIC, Nanya, Nexperia, Novatek, Nuvoton, NXP, OmniVision, onsemi, Phison, Pixart, Qualcomm, Realtek, Richtek, Rockchip, Samsung Electronics, SDI, SEMCO, Semtech, SGMicro, Silergy, SiTime, STMicro, Sunplus, Toshiba, Unisoc, Vishay, Willsemi, Winbond, Zilltek, etc.

b. Category/Name of Franchised Semiconductor Products

Main Product Category	Product Name
Core components	AI accelerator, chipset, graphics/audio/video controller, smartphone chip, network/modem chipset, MCU, GPU, CPU/MPU and RISC CPU, etc.
Analog IC and mixed-signal IC	Bipolar, CMOS operational amplifier, comparator, digital/analog converter, power supply controller, audio and video amplifier or controller, interface IC, high frequency devices, etc.
Discrete logic IC	Diode, rectifier, transistor, thyristor, insulated-gate bipolar transistor (IGBT), SiC, GaN, optical transistor, logic IC, etc.
Memory Component	DRAM, MRAM, SRAM, EPROM, EEPROM, Flash, MCP, etc.
Optical Components and Sensors	LCD panel module, panel driver IC, panel touch IC, CMOS Sensor, Inertial Sensor, LED, Micro LED, etc.
Passive components, electromagnetic components, and connectors	Resistor, capacitor, inductor, magnetic component, cable, connector, mechanics, electromechanics, circuit protection, material, battery, filter, oscillator, etc.
Other components	Non-electronic component

c. New Products/Services in the Planning

Category of Product Application	New Component Planned to Franchise
IoT	AIoT, smart home, smart city, wearable device, smart medical treatment, etc.
Automotive	IoV, vehicle entertainment system, vehicle electronics, vehicle safety, etc.
Power	New energy lighting, consumer, industry, automotive, communication, medical, etc.
More	Computers and peripheral products, industry, communication, consumer, development board evaluation, smart grid, energy storage equipment, etc.

5.1.2 Industry Overview

(1) Current State and Future Development of the Industry

The global economy has continued to impact the supply and demand of the semiconductor market since the second half of 2022. 2023 is a year of adjustment for semiconductor supply and demand, with a projected return to normalcy in the second half of 2024. The rapid growth of Generative AI in the first half of 2023 has created significant opportunities for high-performance computing (HPC) chips. The computing power of general-purpose servers is insufficient, leading to a substantial increase in demand for AI servers (including those equipped with AI GPUs, FPGAs, ASICs, etc.) in the data centers of large-scale cloud operators in North America. HPC and AI edge computing, etc., will be the main drivers of growth in 2024. According to the latest forecast from Gartner, Inc. (as shown in Figure 1), the global semiconductor market is expected to reach a total value of \$533 billion in 2023, representing an 11.1% decrease from \$599.6 billion in 2022. The global semiconductor market is projected to reach a total of \$629.9 billion in 2024, reflecting an 18.2% growth from 2023. Memory will account for 66.3% of the growth, while non-memory growth will be 7.1%. The compound annual growth rate (CAGR) from 2022 to 2027 is 5%.

Figure 1. Estimated Revenue of the Global Semiconductor Industry from 2022 to 2027 : CAGR of 5.0%

Year	2022	2023	2024(F)	2025(F)	2026(F)	2027(F)
Revenue (Unit: US\$ billion)	599.6	533.0	629.9	718.0	767.9	764.5
Year-on-year Increase/Decrease (%)	0.2%	-11.1%	18.2%	14.0%	6.9%	-0.4%

Source: Gartner March. 2024

(2) Main Application Markets and Development Trends

The estimation and analysis of the four main application markets of the notebook, the smartphone, the server, and the automotive/EV, are as follows: (Source: DigiTimes)

Notebook

According to DigiTimes' prediction, global notebook shipments are projected to reach 166 million units in 2023, representing a 12% decrease compared to 2022. This would mark the lowest shipment volume in nearly four years. In 2024, it is expected that global notebook shipments will hit bottom, as inflation eases and new product launches drive market growth of 5.8%, putting an end to a two-year decline. Specifically, the business market is anticipated to experience a significant rebound, driven by the low base number of commercial notebook shipments in 2023 and the favorable use of AI productivity

applications like Copilot, which encourage companies to upgrade their notebooks. The consumer market is expected to see a rebound in shipments of high-end models, fueled by upgraded specifications and other niche factors. Additionally, the education market will continue to have a demand for replacement purchases due to the large number of purchases made during the COVID-19 pandemic.

The proportion of notebook shipments using Arm architecture processors is expected to decrease in 2023 instead of increase. This decrease is primarily attributed to the significant decline in Apple's shipments in 2023, as they will be fully transitioning to their own processors. In 2024, Apple's adoption of TSMC's 3-nanometer process for their processors will result in higher performance. Furthermore, the market share is expected to be boosted by the introduction of Qualcomm's self-developed Oryon processor.

Server

According to DigiTimes' forecast, the emergence of ChatGPT has caused the demand for AI servers (including AI GPUs, FPGAs, ASICs, etc.) data centers of large-scale cloud operators in North America to be the main growth driver, with server shipments of 15.11 million units in 2023, a decline of 16.6% compared to the 18.12 million units in 2022. The main reason is that the general-purpose server budget has been crowded out by high-priced AI servers. Overall demand is forecast to grow in 2024, with shipments of 15.53 million units, a 4.9% increase from 2023. In 2023, AI server shipments were close to 563,000 units, an annual increase of 38.3%, accounting for 3.9% of overall server shipments, and in 2024, AI server shipments will be close to 781,000 units, an annual increase of 38.7%, accounting for 5.2% of overall server shipments. In the long run, DigiTimes Research expects the CAGR of global server shipments to be 6% from 2023 to 2028.

In terms of the performance of each processor platform, the upward trend in the share of AMD and Arm architecture CPUs in global server shipments will remain unchanged in the next five years. The combined share of the two industries will increase from 23% in 2023 to nearly 30% in 2028, while Intel's market share will drop to 70%.

- a. Demand Side : The growing demand for data processing and AI acceleration in various application fields is expected to drive the shipment of high-performance computing (HPC) servers. Two potential markets for edge servers in the future are enterprise customers' AIoT computing and storage applications, as well as the promotion of Open RAN open architecture by international alliances. This promotion will encourage telecom operators to expand their use of white-label servers as central units (CUs) and distributed units (DUs) for infrastructure.

b. Supply Side : Major chip manufacturers such as Intel, AMD, and Arm are actively introducing new CPU solutions for data centers. These chips are designed to enhance the performance of cloud and HPC server systems, which will encourage data centers and brand owners to replace or purchase new generation servers based on their specific needs, such as HPC or AI. This may accelerate the trend of server replacement among cloud service providers and enterprise customers. However, due to the limited capacity of advanced packaging technology CoWoS, it will not be able to fully meet the overall server shipment volume in 2023. It is expected that the Arm architecture will further erode the x86 server market in 2024, particularly in the cloud and HPC sectors, as major cloud service providers like Amazon and chip manufacturers like NVIDIA and Ampere actively expand their offerings with new generation CPUs.

Smart Phone

Due to high inflation worldwide and the rapid increase in interest rates by the Federal Reserve, the US dollar has significantly appreciated against other currencies, impacting the purchasing power of regions outside the United States. Additionally, the global economic environment and business confidence have been declining, reducing consumer purchasing power and affecting the willingness to buy new devices. According to Gartner's forecast, the demand for consumer electronics is expected to decline in 2023 due to the global economic slowdown, rising inflation, and factors such as the Russo-Ukrainian War. The global smartphone shipments in 2023 are projected to reach 1.14 billion units, representing a decrease of 7.9% compared to 2022.

The smartphone market is fueled by innovative generative AI technologies, such as 5G communication, more powerful processors, and advancements in camera technology. The increasing popularity of emerging markets is expected to drive the demand for generative AI-powered smartphones. According to Gartner, global smartphone shipments are projected to reach 1.19 billion units in 2024, reflecting a 4.4% growth compared to 2023.

Automotive/EV

The rapid development of automotive technology, including autonomous driving, Internet connectivity, and electric vehicle technology, has led to an increase in the demand for electronic components in cars. The improvement in energy efficiency, intelligent transportation, and automotive safety has also contributed to the increased demand for automotive electronics. As electric vehicles become more affordable, their market penetration is expected to significantly increase. According to Gartner's prediction, the global automotive shipment volume is projected to reach 90.93 million units in 2024, with

a year-on-year growth rate of 2.4% compared to the shipment volume of 88.8 million units in 2023. Among them, the sales volume of electric vehicles (EV/HEV) in 2023 is estimated to be around 26.78 million units, accounting for 30.2% of the overall automotive market, with a year-on-year growth rate of approximately 35.2%. It is projected that the sales volume of electric vehicles (EV/HEV) in 2024 will be around 33.73 million units, accounting for 37.1% of the overall automotive market, with a year-on-year growth rate of approximately 25.9%. The main driving force behind this growth comes from the three major markets: China, Europe, and the United States.

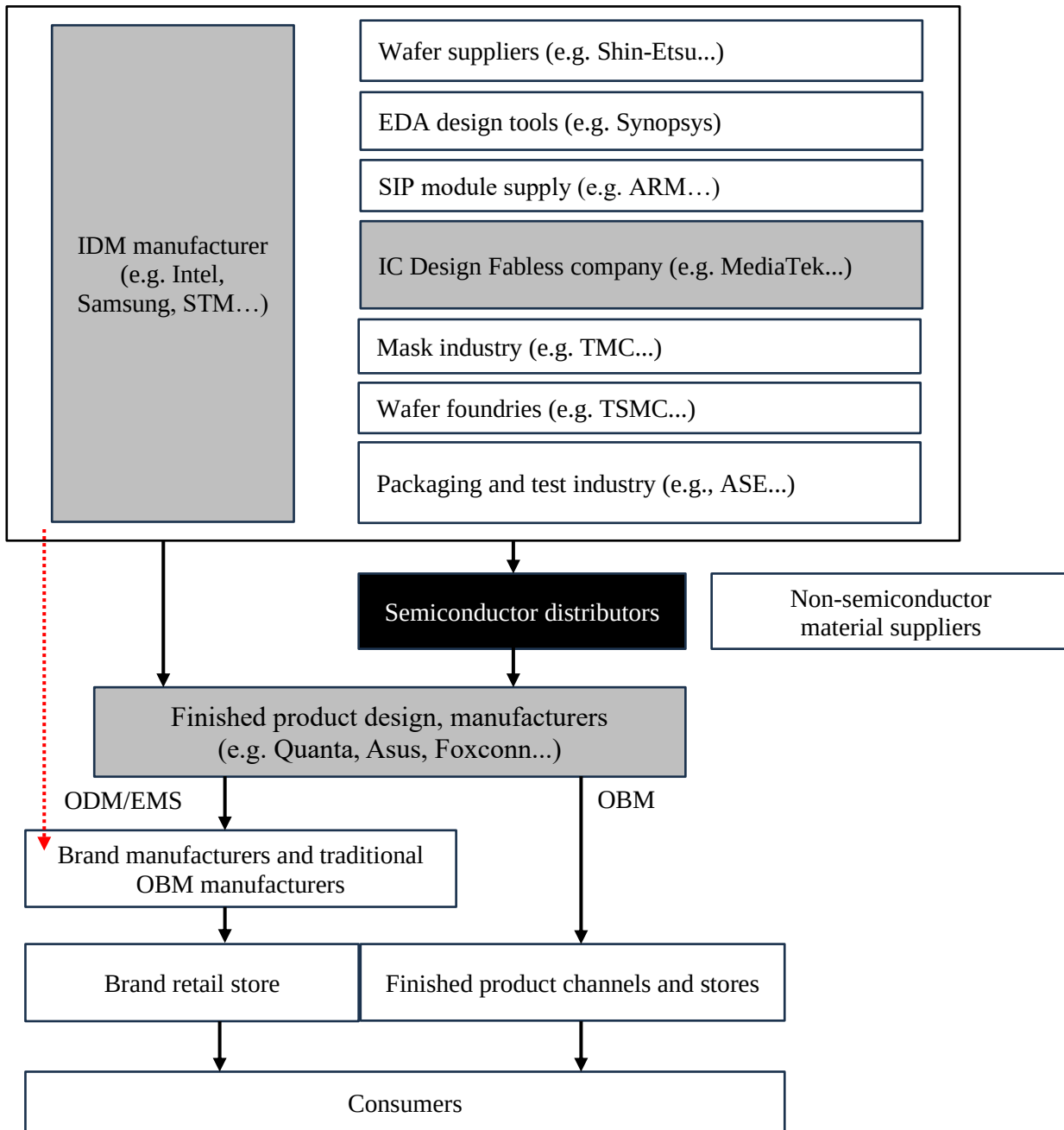
Conclusion

COVID-19 and the escalating tensions in the US-China trade have accelerated the rise of geopolitical and nationalist trends towards globalization. Today, semiconductors are considered a national security issue, prompting governments worldwide to strive for self-sufficiency in semiconductor and electronic supply chains. This has led to an increase in offshoring projects globally. The ongoing technology standoff between China and the US will continue to disrupt and introduce variables to the global semiconductor supply and demand in 2024, particularly with the US presidential election taking place also in 2024. The new U.S. President's policy towards China will also impact industry layouts. Overall, the demand for servers, smartphones, and automobiles is expected to maintain steady growth over the next 5 years. The main drivers of this growth will be AI servers, AI PC/NB, generative AI smartphones, electric vehicles, and Internet-connected vehicles. Additionally, there will be a greater number of smaller and more dispersed terminal markets, with growth coming from industries and the Internet of Things. Electric vehicles will become more affordable, leading to a significant increase in their penetration rate and a doubling of demand for automotive semiconductors. Enterprise applications such as low-earth orbit satellites, cloud servers, and smart manufacturing, as well as the electronicization and high-level functionality of terminal goods, will drive the demand for semiconductors such as high-performance computing (HPC), low-power system-on-chip (SoC), microelectromechanical systems (MEMS) sensors, non-optical sensors, and IoT modules. This will result in an increase in semiconductor content and average unit price. Semiconductor demand in 2024 is expected to rebound significantly.

(3) Relationships among Upstream, Midstream, and Downstream Entities in the Industry:

The figure below (Figure 2) is a simplified representation of the relationships among upstream, midstream, and downstream entities in the supply chain of the semiconductor industry. The correlation of these relationships are analyzed as follows:

Figure 2. Semiconductor Supply Chain Analysis



I Basic Structure of the Semiconductor Supply Chain

a. Upstream Semiconductor Component Suppliers

Upstream semiconductor components suppliers can be broadly divided into two categories. The first category is integrated design manufacture (IDM), which has the strong capability of vertical integration and has relatively complete portfolios. The barriers to entry for IDM are extremely high. Companies of this category include Intel, Samsung Semiconductor.

The second category is fabless IC design houses with no foundry. This category is classified as high industrial specialization. Although their portfolios are not as complete as IDM, the barriers to entry are lower. Fabless IC design houses focus on specific applications of semiconductor components. Companies of this category include Qualcomm and MediaTek.

These two categories of semiconductor component suppliers are the upstream suppliers in the semiconductor distribution industry. Semiconductor components distributors mostly secure the franchises through a distribution or agency model.

b. Semiconductor Distributors

Semiconductor distributors have no manufacturing plants themselves. They mainly distribute or act as agent for the semiconductor components of IDM or Fabless IC design houses. With their own value-added services, semiconductor distributors sell franchised semiconductor components to downstream electronics manufacturers including EMS, ODM and OBM. According to the scale and scope of business, semiconductor distributors can be divided into three categories.

The first category is international agents and distributors. Taking Arrow and Avnet from the United States for example, their franchised products and sales locations span the five continents. They have actively acquired the agents and distributors in Asia over the years to consolidate markets share.

The second category is regional agents and distributors such as WPG, WT Microelectronics, and Supreme Electronics in Asia. In recent years, agents and distributors in Asia have engaged in market expansion through independent operation, mergers and acquisitions, and organization of holding companies, as well as forming various strategic alliances.

The third category is territorial distributors and traders. Such distributors are concentrated in Mainland China, also known as the factory of the world. As they are familiar with local laws and customers, they are popular partners among the distributors of the first and second category.

c. Downstream Product Manufacturers

Downstream product manufacturers can be divided into three categories.

The first category is original equipment manufacturers (OEM) or electronics manufacturing services provider (EMS). Such manufacturers mainly focus on production and manufacturing, supported by the capabilities of global logistics management, information system transparency, and product diversification. Companies of this category include Flextronics and more.

The second category is original design manufacturer (ODM). In addition to manufacturing capability, such manufacturers also accept design orders. Compared with EMSs, ODMs pay more attention to R&D investments and have relatively higher degree of control over electronics specifications and components used. Companies of this category include Quanta, Compal, Wistron, Pegatron, etc.

The third category is own brand manufacturer (OBM). In addition to design and manufacturing capability, such manufacturers are able to market their own brands. Compared with the first two categories of manufacturers, OBMs pay more attention to the product marketing strategies and market segmentation. Companies of this category include Sony, Lenovo, etc.

These three categories of product manufacturers are the most important customers in the semiconductor distribution industry. In recent years, due to fierce competition in the industry and end customers' increased demand for Just In Time, Vendor Managed Inventory, and Build to Order, IDMs and Fabless IC design houses have been forced to zero in on their core competencies (e.g., formulation of industrial specifications, product design, and manufacturing) and gradually release direct orders of electronic components from the aforesaid three categories of product manufacturers to semiconductor components distributors. Such a move has created tremendous business opportunities for the semiconductor distribution industry, along with tremendous stress on working capital and management knowledge and has indirectly contributed to the business consolidation trend within semiconductor distribution industry in recent years.

d. Brand and Direct Sell Stores

The representatives of this category include global leading electronics brands such as Apple, Dell, HP, Acer, Asus, etc. The common ground of such vendors lies in most of them outsource product manufacturing and design operations to EMSs or ODMs, and focus on high value-added work such as brand management, product specifications design, marketing strategy planning, global logistics

management, and online/offline sales channel management. These brands are the top tier of the industry supply chain; they are the predators in the supply chain.

e. Product Distributors

In Asia, for example, the representatives of this category include Synnex Technology International and Trigold Holdings. In addition to acting as agents or distributors of internationally renowned brands such as Lenovo, Dell, Sony, and Toshiba, such companies also distribute products of emerging OBMs such as Asus, Acer, MSI, etc. In recent years, they have also partnered with ODMs to sell their own information products to various display channels, corporate users, or direct sell stores. In the overall supply chain, they are the closest to consumers.

II. The Role and Relevance of Semiconductor Distributors:



For upstream semiconductor suppliers, the role of semiconductor distributors is to support suppliers' sales of semiconductor components; for downstream product manufacturers, the main function of semiconductor distributors is to assist customers in purchasing semiconductor components that are indispensable to manufacturing. In addition to dealing with various semiconductor components with complex specifications that are irreplaceable, the supplementary value added services provided cover an even more extensive range that includes financial services, material management, logistics, and technical support, etc. The analysis of the seven major aspects is as follows:

a. Product Promotion

To deliver semiconductor components to a large number of customers in the shortest possible time, upstream suppliers must cooperate with professional regional distributors. As the transactions involve specialized semiconductor products and professional buyers, distributors often have to recruit sales representatives and technicians who are familiar with the suppliers' products in order to provide suitable products and technical support and respond to customer needs instantly.

b. Inventory Management

Due to requirement of semiconductor manufacturing, the standard delivery time for upstream semiconductor suppliers or manufacturers averages around 12 weeks. Yet, for most of the customers, it is difficult to predict the exact demand 12 weeks beforehand. In recent years, due to fierce competition in the electronic information industry, customers have predicted shorter and more varied demand. The reason lies in brands have been making greater changes in demand forecast for products manufacturers (EMSs and ODMs) as well. Usually, demand is only confirmed for one to two weeks. Amidst the 10-week demand gap, distributors play a pivot role in coordinating and preparing appropriate safety stock to narrow the huge difference, thus maintaining the normal operation of the overall supply chain.

As a result, the more intense the competition of information industry is and the more uncertain future demand is, the more important semiconductor distributors' roles play.

c. Order Management

Due to the limited resources, upstream suppliers usually only provide direct services to a few large customers. Orders from many other small and medium customers thus need to be handled through distributors for efficient and instant

services. After collecting the actual demand and demand forecast from many small and medium customers, distributors place orders collectively to suppliers for batch production. This greatly relieves the suppliers' stress on order management, and also helps suppliers maintain the stability and efficiency of their semiconductor manufacturers, ensuring that customers receive the agreed semiconductor components on the specified delivery dates in a predetermined quantity.

d. Sales Management

Except for few large-scale product manufacturers, most small and medium customers do not have enough orders to negotiate prices with semiconductor suppliers. This is where distributors weigh in. Through centralized orders, distributors can manage to lower the prices for small and medium scale customers; for suppliers, price is maintained through distributors, thus achieving the purpose of sales management.

e. Logistic Management

Suppliers only have to deliver products to distributors' designated warehouses in batches according to distributors' orders, which reduces the complexity of batch delivery operations, while distributors, are responsible to deliver the products in packaging (including labeling operations) requested, along with documents requested to locations specified by each small and medium scale customer in order to complete the logistic operation of semiconductor components. Distributors significantly save suppliers' time and costs on logistics management as well as downstream customers' human resources and space needs.

f. Financial Management

In order to purchase semiconductor components directly from semiconductor suppliers, besides meeting considerable purchase quantities, buyers must have a certain level of credit rating and collateral, and also the ability to bear shorter payment terms. However, not all customers have the ability or willingness to pay such a price to complete the purchase of semiconductor components.

As a result, distributors play the critical role of financiers. Distributors usually grant a certain line of credit to customers according to many objective conditions such as customers' history of bank transactions, credibility, business operations, person in charge's character, and usual transaction records, and payment terms better than those granted by suppliers to help customers obtain suppliers' products and services at a lower financing cost.

Through distributors, suppliers also familiarize themselves with the financing

operations in the local market, so as to avoid financial risks and secure market share and business opportunities at the same time. The role the distributors play in financial and risk management is especially important in Asia market.

g. Information Management

Semiconductor suppliers' core competencies lie in semiconductor component research and development, manufacturing, and industry standard specification. Professional sales representatives and technicians are required to help collect market information and integrate customer needs to assist them in maintaining the core competencies. In this regard, distributors play an indispensable role in consolidating suppliers' specialties with sufficient local professionals. For customers, they can voice their needs collectively through distributors so that suppliers can provide more suitable products to help customers design and manufacture electronics products.

The underlying role of semiconductor distributors is to serve as a bridge between suppliers and customers. In addition to standing on the front-line for suppliers, distributors serve as suppliers for customer to jointly tackle the challenges in the ever-changing markets. In addition to these two roles, distributors have to stay cautious with their own operations and profits, so as to maintain long-term viability in the ever-changing electronics industry.

III. Sales and Competition in the Global Semiconductor Industry:

There is a clear substitute relationship between electronic component manufacturers and electronic component distributors (distributors) in terms of sales of electronic components. When electronic component manufacturers think it is more advantageous to sell products through their own marketing department, they are likely to withdraw the franchises. If electronic component manufacturers think it is more advantageous to sell products through electronic component distributors, they will transfer the original territories or customers to the distributors. As a result, these two channels (direct sales and franchises) mutually substitute.

According to Gartner analysis, as shown in Table 4, it can be clearly seen that in the global semiconductor component sales structure, upstream semiconductor manufacturers (such as Intel, Samsung, MediaTek, etc.) directly sell to downstream finished product manufacturers or brand manufacturers (such as Foxconn, Quanta, etc.) accounted for as high as 64.2%; the remaining 35.8% was sold through distributors. The original factory's dominance is self-evident.

Figure 4. Structural Analysis of Sales of Global Semiconductor Components Distributors

No	W/W Semiconductor Distributor (W/W Semiconductor Distributor)	2023 Revenue (US\$ million)	W/W Distributor Share (%)	W/W Semiconductor Industry Share (%)
1	Arrow Electronics	21,733	11.4 %	4.1 %
2	Avnet	19,948	10.4 %	3.7 %
3	WPG Holdings	19,207	10.1 %	3.6 %
4	WT Microelectronics	18,908	9.9 %	3.5 %
5	Macnica Fuji Electronics Holdings	6,719	3.5 %	1.3 %
6	Toyota Tsusho	4,595	2.4 %	0.9 %
7	Supreme Electronics	4,511	2.4 %	0.8 %
8	CECport	4,501	2.4 %	0.8 %
9	Future Electronics	4,298	2.3 %	0.8 %
10	Digi-key	3,445	1.8 %	0.6 %
	Others Distributors/Traders	83,123	43.4 %	15.6 %
W/W Semiconductor Industry - Distributors - Total Revenue		190,988		35.8%
W/W Semiconductor Industry - Non-Distributors - Total Revenue		342,037		64.2%
W/W Semiconductor Industry - Total Revenue		533,025		100%

Source: Gartner (compiled by WPG)

We can learn from the table that whether it is the reality of the market regarding the sales of electronic components, or from the outlook of the IDM/fabless and customers, the two channels (direct sales and distributor/agency sales) have a close interchanging relationship. Over and above that, the long-term competition remains in the international, regional, and local distributors in the semiconductor sales market. Based on the judgment of consistency, WPG Holdings in the supply chain of electronic components provides sustenance for 1. Assistance in administration on behalf of the warehouse; 2. Assistance in design; 3. Response to the needs of the customer; 4. Instantaneous supply; 5. Satisfaction of dissimilar supply modes; 6. Assistance in supply chain management, certainly plays an extended role in sales contribution, to enhance the added value of the products, rather than seen on the surface only functions as a marketing channel. In fact, in the future, the relation between professional distributors, IDM/fabless and manufacturers must operate under such development to strengthen the interconnection between the distributor, IDM/fabless and manufactures and thus emphasize the contribution of distributors.

As reported by the figures from Gartner above, WPG Holdings accounted for 3.6% of the global semiconductor sales market, and there remains a long but marvelous and promising journey for the Company to be a major industry player in the future.

5.1.3 Technology and R&D Overview

(1) WPG Holdings Ltd.:

The Company is a holding company. Technology and R&D is conducted by each Group under WPG Holdings.

(2) WPG Group:

- I. As a semiconductor components distributor, WPG supports product design and provides value-added services for customers. The R&D expenses in the most recent two years and as of the most recent quarter of the date of publication of this annual report are shown in the following table.

Unit: NT\$ thousands; %

Item \ Year	2022	2023	Current year as of March 26
R&D Expenses	24,235	23,821	4,348
Percentage of R&D Expenses to Revenue (%)	0.003	0.004	0.002

II. Proportion of Expected Future R&D Expenses to Revenue (%):

WPG will continue to support product design and provide value-added services for customers in 2024. The proportion of expected future R&D expenses to revenue is estimated to be maintained at 0.001~0.01%.

III. R&D Accomplishments in the Most Recent Year and as of the Date of this Annual Report:

WPG continues to provide solutions for different applications. An online digital platform, WPG Solutions Online, was launched in February 2009, which was replaced by WPG WPGDADATONG in December 2019 to provide solutions for different applications in the following fields: consumer electronics, mobile phone and communication, computer & peripheral (including tablets), automotive electronics, and industrial electronics. The solutions are updated from time to time, with the latest hotspot solutions demonstrated online. The solutions proposed in 2023 are summarized below:

Category	Application	Solutions
IoT	AIOT, smart home, smart city, wearable device, smart medical treatment	Smart Kanban, image analysis, security monitoring, cold chain transport, neck hanging Bluetooth hearing aid
Automotive	Automotive communication, central control entertainment, automotive lighting, electric vehicle power supply	OBC monitoring, ADAS advanced assistance system, LED lighting driver, vehicle fast charge, BMS battery power system, ISD intelligent interactive light design, BCM body control
Power	New energy power supply, lighting power supply, industrial power supply, automotive power supply	Three-phase Totem PFC, high-power density bidirectional full bridge phase shift solution, bridgeless CCM-PFC pre-regulator power supply, dimmable high-power reverse BUCK 500W LED solution, electric vehicle charging and energy storage solution
More	Computers and peripheral products, industry, communication, consumer	E-sports vision, wireless charging mouse pad, miniaturized photovoltaic energy management, electric skateboard, low-latency wireless microphone, human-machine interface, Wi-Fi 7 router

IV. Technologies or Products Planned to Develop in the Future

Category	Application
IoT	AIoT, smart home, smart city, wearable device, smart medical treatment, etc.
Automotive	IoV, vehicle entertainment system, vehicle electronics, vehicle safety, etc.
Power	New energy lighting, consumer, industry, automotive, communication, medical, etc.
More	Computers and peripheral products, industry, communication, consumer, development board evaluation, smart grid, energy storage equipment, etc.

5.1.4 Long-Term and Short-Term Business Development Plans

(1) WPG Holdings Ltd.

I. Short and Mid-Term Plans

In the face of challenging and turbulent economic environment nowadays, WPG continues to reinforce its global strategy and investments. In view of the trend of customers establishing regional production bases around the world, we must grasp the migration dynamics of customers' production bases, understand customers' local service needs, set up a global supply chain and logistics network to provide customers with local and regional services, and meet customers' global service needs. Our strategy is to focus on Southeast Asia, Europe, and the Americas and expand our operation scope to provide clients with globalized services. At the same time, we will strengthen the teamwork between the parent company and the subsidiaries and take

initiative in obtaining more clients to expand our global market share and our impacts. Under the uncertain global economic environment, we have been shifting from globalized supply chain to a regional and localized supply chain. To ensure the sustainability of company operation, WPG endeavors to improve the supply chain resilience. In addition, we will reinforce internal management and procedure optimization to improve operational efficiency and effectiveness.

II. Long-Term Plans

Based on the industrial holding model, the long-term plans aim to achieve a strategic global presence, expand the investment scope of the holding, build up the production control ecosystem, obtain more clients, offer globalized services to the clients, expand WPG's global market share and impacts, and create a new business model for our original profession as an electronic component agent. In addition, we will focus on capital management and optimizing resource allocation, expand efforts on internal growth and external investment simultaneously, and establish the performance and good reputation of production control investment to increase the profitability of the Company.

- a. On the basis of strategic global presence, we will obtain more clients by making contacts with Global EMS and other European or US brand owners. We will establish corresponding service growth strategy and objectives for different client requirements to increase market impact.
- b. We will provide innovative value-added services, including the establishment of digital transformation platforms and supply chain service modules, customer-centric customized subscription services, and data-driven and ecological synergies to build value chains and multi-service ecosystems..
- c. We will achieve digital transformation and put the database to the cloud to ensure rapid utilization cross nation and cross region. We will establish smart procedures and deconstruct and modularize such procedures to improve the cost-efficiency of international logistic and minimize the completion time.
- d. We will create a new business module and expand customer base regarding our electronic components distribution business.

In response to the growth trend of semiconductor application markets such as 5G, AI PC, AI mobile phone, cloud server, large data center, automotive electronics and Internet of Things, we continue to look for distribution of new product lines, strengthen product portfolio and expand market share to make WGP become the pioneer and leader of the semiconductor component distribution in the Asia-Pacific region, moving forward to the "the First Choice of Industry • the Benchmark of Distribution"

(2) WPG Group

I. Short-term Plans

a. Expand all Components Product Lines and Enhance Portfolio Management

In the era of the post-pandemic, the increasing demands for the artificial intelligence in manufacturing, 5G application, smart network, low earth orbit satellite, the Cloud servers, Big Data Centers, automotive electronics, stimulate the perpetual growth of global semiconductors. According to 2023 Top 25 Semiconductor Supplier Report published by Gartner in 2024, WPG franchises more than 50% of the brands, including AMD, Broadcom, Infineon, Intel, Kioxia, MediaTek, Microchip, Micron, Novatek, NXP, onsemi, Qualcomm, Realtek, Samsung, STMicro, Western Digital, etc. While we grow our market share, we continue to develop new product lines integrating new products and accelerating the increase of revenue share from information, communication, consumer, automotive electronics, industrial electronics, and IoT businesses.

b. Develop Sales Footprint

Managing sales footprint is key to our distribution strategy. In the midst of semiconductor components distribution transformation, WPG is gradually expanding our sales footprints to Japan, South Korea, India, Vietnam, and North America in addition to existing footprints in Taiwan, Singapore, Hong Kong, and Mainland China, Japan, Korea, India, Vietnam, North America, and Europe so as to meet customer needs for expanding overseas presence, hence building a global distribution network of semiconductor components. In the future, we will continue to set up more points of sales following the steps of our clients expanding their business overseas. Also, we optimize our product portfolios and long-term viability through merging and acquiring other companies, establishing subsidiaries, and forging an alliance with local suppliers.

c. Seek to Expand Licensed Distribution Areas

By utilizing our managing results and experience in the Greater China Region, we seek to expand licensed distribution areas from the Greater China Region to Japan, Korea, India, Southeast Asia, North America, and Europe, etc.

d. Expand the agency and sales of new product lines to expand market share

For mainstream market application products, WPG is actively looking to be the agent of new product lines. We will continue to focus on the application of compound semiconductors and new technologies on newly emerged markets and search for competitive product lines in the area to ensure future growth.

e. Enhance FAE and Design-in Service

Currently, our application engineers provide the following services:

- Support customers' R&D project design
- Present technical briefings and demonstrate design results to customers from time to time.

Based on our professionalism and technical capabilities built on long-term customer services, WPG also continues to cooperate with system design houses to provide product solutions to clients, assist those with limited R&D resources, and even obtain patents, reinforcing close partnership with our clients.

- f. Enhance Customer Relationship Management (CRM) and Supply Chain Management (SCM); Strengthen Horizontal Communication within Organization through Enterprise Resource Planning (ERP) to Accelerate Response Time

In addition to amplifying the sales and marketing engineers' knowledge of all production lines and new products, we build the tight cooperation between sales representatives and technical application professionals to offer value-added products with strong technical support, which is expected to create a better corporate image and increase the overall sales.

- g. Improve Financial Structure and Soundness

Strengthen financial physique to improve the financial structure; diversify ways to raise funds; and reduce operating costs and business risks.

II. Long-Term Plans

- a. Expand Distribution Foundation

Focusing its business on the distribution of semiconductor components, WPG has maintained good relationships with both suppliers and clients over the past four decades. With our logistics centers set up in Taiwan, Hong Kong, Shenzhen, Shanghai, Singapore, and America, we expect to tap into the business opportunities created by a wider range of electronic applications, as well as grasp market trends and key franchises, in hopes of becoming a one-stop distributor of semiconductor components.

- b. Implement Knowledge Management

To develop shared corporate cultures and values and continuously strengthen our management team for future growth. Build shared corporate cultures and values for domestic/overseas employees and systems to create lasting competitiveness and strong management team.

c. Raise International Capital and Reduce Operating Costs

To raise funds from the international capital market, stabilize the capital sources, and strengthen strategic alliances to share risks. Obtain funds at a lower cost through the diversification of capital markets and wealth management tools to expand the scale of operation and maximize shareholders' value.

d. Expand the investment scope of the holding company and establish the production control ecosystem together

Based on the layout of ESG social responsibility and impact investment, we will gradually expand our business scope of production control through mergers and acquisitions, reinvestment and strategic alliances, and improve the comprehensive efficiency.

5.2 Market and Sales Overview

5.2.1WPG Holdings Ltd.: N/A

5.2.2WPG Group:

(1) Market Analysis

I. Sales Region of Main Products (Services)

Unit: NT\$ thousands; %

Region /Year	2022		2023	
	Net Sales	Percentage	Net Sales	Percentage
Taiwan	106,998,393	13.80	98,239,449	14.62
Mainland China	608,698,934	78.52	508,445,730	75.67
Others	59,535,095	7.68	65,202,952	9.71
Total	775,232,422	100.00	671,888,131	100.00

II. Market Share

According to Gartner statistics in 2023, WPG accounts for 3.6% of the global semiconductor market sales.

III. Future Market Supply/Demand and Growth

a. Supply

In the era of COVID-19, life, work, learning and other patterns has been changed, resulting in a serious imbalance in the global semiconductor supply chain, short supply, upstream suppliers actively expanding capital expenditures, advanced and mature process production being introduced, increasing capacity.

The global economy develops towards the same direction as that in the second half of 2022, with change of the supply and demand of the semiconductor market, continuous Russia-Ukraine war, significant rising energy prices, inflation and interest rate hikes, the rise of geopolitics, coupled with the Israel-Kazakhstan war

in 2023, resulting in an oversupply of the global semiconductor chip market, 2023 will be a year of semiconductor supply and demand adjustment.

In 2023, ChatGPT generative AI servers and related applications such as AI PC and generative AI mobile phones will become a booster for weak end-market demand for electronic products. Related semiconductors, such as AI GPU, HBM, and high-speed netcom interface chips, are expected to gradually ease in 2025 as a result from the serious shortage of TSMC advanced wafer manufacturing process and CoWoS packaging capacity.

b. Demand

Global shipments of major technology products declined significantly in 2023, dragging down the demand for related chips. It is expected that global smartphone shipments is going to fall 3% to 1.13 billion units, NB shipments fall 12% to 166 million units, server shipments fall 18% to 14.8 million units. In 2023, smartphone shipments are subject to consumers buying new machines instead of second phones, and a replacement wave is expected in 2024. Microsoft will update the NB/PC Windows operating system in 2024, which is expected to drive the demand for replacement. Server shipments are expected to increase due to the strong demand for AI servers and the procurement of general-purpose servers.

c. Growth

Geopolitics, Sino-US technology war will not stop in the short term. Out of China (OoC) and China+1 promote Taiwan and mainland companies to accelerate the transfer of production bases to Vietnam, India, Thailand and Mexico in addition to the local market demand in China. WPG has been deeply engaged in the South Asian and Indian markets for many years with a wide presence, and actively cooperate with and assist Taiwan and mainland companies to achieve seamless integration of global layout production goals. In recent years, each group of WPG has actively laid out the Edge AI and Device AI accelerators for automotive electronic electrification, networking, self-driving, and generative AI-related applications to cope with the future growth.

IV. Competitive Niche

a. Professional Image

WPG has managed the distribution of semiconductor components for over three decades, with its professional image highly recognized in the industry. In 2023, the Company was in the top 5% of the listed companies in the corporate governance evaluation; and was selected as a constituent stock of the "100 Index"; and won Taiwan Top 100 Sustainability Model Company Award (Service Industry)

and a gold medal in the Corporate Sustainability Report-Service Category.

which shows that our value-added services have been well recognized in the semiconductor supply chain.

The results of these evaluations indicate that the technology industry is moving toward a new era of software and applied services. The value-added services WPG provides in the semiconductor supply chain are not only recognized by our customers and suppliers, the reflected business performance is also highly recognized by professional investors.

b. Complete Product Lines

WPG has evolved into a professional semiconductor components distributor with years of marketing experience and accumulated acute judgement on market trends. Our franchised products include central processing unit (CPU), chipset, logic IC, linear IC, memory, distributed-element circuit, and application-specific IC, covering all segments of semiconductor components. The Company also add PEMCO to our portfolio in order to offer the convenience of one-stop-shopping to our customers.

(i) Expansion of Application Scope

Besides distributing product lines that cover the well-known 3C (Computer & Peripheral, Communications, and Consumer) applications, the Smart Living, Artificial Intelligence in Manufacturing, 5G Infrastructure and the Construction for the Enterprise Network, Low-Orbit Satellite communication, Metaverse Virtual Reality Hardware, Edge Computing Intelligence, Industrial Internet of Things, Electric Vehicles, ADAS self-driving Vehicles, and Energy Storage Equipment, etc. are also WPG's focus.

(ii) Asia-wide Operating Locations

WPG has approximately 75 operating locations around the world (69 in Asia-Pacific, 5 in Northern American and 1 in EMEA). The advantages of expanding operating locations lie in the ability to meet customers' component needs in response to downstream clients moving overseas and the flexibility in inventory managing. Having various operating locations also gives us more bargaining power when securing new product line franchises with overseas suppliers.

(iii) Competent Management Team

Our management team consists of a group of people with shared ambition to achieve success in business. They share the same business philosophy and their minds are in sync. Along with years of industry knowledge, our

management team consistently deliberate business strategies for semiconductor components distributors and sought to create market value through teamwork. The significant increase in revenue and profit in recent years has proved the competency of the management team.

(iv) Complete Information Management Systems

WPG actively develops and uses information technology such as ERP, EDI, and Internet Services to improve the sales and management efficiency. Coupled with the advantages of our franchised products and various footprints, we have also introduced digital processes, automated equipment, and application programming interfaces (API) to support third-party warehousing management, to create a highly efficient smart warehouse. With the highly efficient logistics management system, we are able to transact in the most rapid and accurate way. Our clients can place orders in any Asia-Pacific footprint and have products delivered to any location they designate to save time and transportation costs. This has laid a solid foundation for e-commerce of semiconductor components distributors in the future.

(v) Value-Added Services

We provide the following value-added services for our customers as a supplier, consultant, and business partner:

(a) Special Delivery

- Provide special delivery per customers' special requirements
- Provide prompt delivery, cross-border transactions, and other international services for overseas customers

(b) Market Information

- Analyze and exchange industrial information.
- Issue "WPG E-paper" biweekly to provide the latest market information, trends, and suggestions
- Establish website to satisfy purchase needs of small and medium scale businesses and limited quantity purchase
- Provide the latest product specifications in a timely manner

(c) Technical Support

- Field application engineers (FAE) support customers in product testing and design

(d) Technology Tools

- Establish online portal to enable the exchange of information globally
- Establish EDI system that connects with upstream and downstream partners and Rosetta Net that connects with suppliers to transmit sales data instantly and accurately

(e) Financial Support

- Allow cross-border transactions and payment, and support customer migration
- Provide credit lines for customers to promote mutual prosperity
- Enable the BTO model

(f) Distributor Value Well Recognized by Suppliers

WPG has gained an excellent reputation with 30 years of experience in the semiconductor components distribution industry. While some suppliers approach WPG proactively for franchise, WPG selects suitable products to franchise among suppliers as well. Being highly recognized by suppliers, WPG owns certain level of bargaining power for favorable deals while continues to increase number of franchised products by offering professional marketing and well-established footprints. This has shown that WPG is competent in franchising and has successfully created semiconductor components distributors' value.

V. Advantages and Disadvantages of the Development Prospects and Countermeasures

a. Advantages

(i) Complete Franchised Brands and Components

Our suppliers, including AMD, Broadcom, Infineon, Intel, Kioxia, Mediatek, Microchips, Micron, Novatek, NXP, onsemi, Qualcomm, Realtek, Samsung, ST Micro, Toshiba and Western Digital, are continuously developing new products to create new demand and stay competitive. WPG is positioned as a one-stop- shopping distributor with franchised products ranging over distributed-element circuit, linear IC, logic IC, basic memory, central processing unit/microprocessor, application-specific IC, and application-specific controller.

(ii) Enhanced Portfolio Management

Our portfolio centers on manufacturers of various types of popular consumer products such as Apple and Amazon, and traditional 3C products. Other key potential markets include industrial applications such as smart

manufacturing, smart Healthcare, smart home, smart car, and smart transportation derived from big data and IoT, as well as IoT-related applications, renewable energy-based vehicle applications, video surveillance, machine tools, industrial control and instruments, etc. Besides coping with customer strategy development and enhance our technical support capabilities among new applications to expand demand creation business, we aim to optimize self-management ability, such as inventory control, accounts receivable, etc., to increase overall output value.

In addition, WPG Overseas Business Group continues to develop overseas operations. Facing the possibility of customer supply chain migration, we believe we are capable of responding quickly and provide satisfying services based on our solid foundations.

(iii) Industry Profession-oriented Marketing Department

WPG's marketing department specializes in specific industry or area, including NB, communications/network, and consumer electronics, etc., provides professional service, and develop long-term customer relationships. Our operating footprints span across Asia-Pacific including Taiwan, Hong Kong, Singapore, Mainland China, South Korea, Japan, and Southeast Asia.

(iv) Wide Range of Technological Applications and Design Services

Currently, WPG has hundreds of technology related engineers who assist clients complete design faster in order to grasp business opportunities early and secure higher profits and market share.

(v) High Value-Added Supply Chain Management

We serve high-tech product manufacturers in Asia-Pacific using the connected purchase, sales, and inventory system built on the ERP system and e-commerce, coupled with the existing support, logistics and warehouse systems.

Aiming to become a data-driven enterprise, WPG adopts a customer-oriented (C2B) approach to meet customers' needs in a flexible and efficient way, address customers' pain points, and provide fast and accurate services. With instant, transparent information, we build a reliable collaborative ecosystem together with our customers. Launched in 2018, WPGDADAWANT currently consists of five sub-platforms that operate under an online-to-offline (O2O) model, strengthening WPG New Distribution philosophy through internal and external promotion, as well as optimization of Inbound Marketing platform.

b. Disadvantages and Countermeasures

(i) Local Competitors Expanding Market Share and Acquiring Foreign Competitors/Countermeasures:

- (a) Strengthen and develop better relationship with suppliers and customers through emphasizing local partner's flexible services and long term partnership
- (b) Enhance employee training to increase familiarity of franchise products to provide customers the convenience of one-stop shopping, fully showing value of semiconductor components distributors
- (c) Strengthen employees' sales management digital skills to improve personal output; introduce incentive policy to motivate sales and to increase competitiveness
- (d) Establish resource sharing platform to integrate local companies

(ii) Short Product Life Cycle/Countermeasures:

- (a) Hold sales meetings weekly/monthly to review the purchases/sales of components clients use for production and product development; enhance computer data management system to access accurate inventory aging analysis and develop countermeasures
- (b) Strengthen product/market development; closely observe new trends in products and markets to set directions for WPG and to introduce new franchises and new clients accordingly
- (c) Provide integrated product design based on the needs of the market and clients to assist clients complete design in a timely manner and thus grasping market opportunities
- (d) Continue investing and expanding franchised product region to provide better services and grasp potential business opportunities of those who migrate for a lower production cost or longer product life cycle.

(2) Important Applications and Manufacturing Process of Main Products

I. Applications of Main Products

Main Product Category	Product Name and Applications
Core components	AI accelerator, chipset, graphics/audio/video controller, smartphone chip, network/modem chipset, MCU, GPU, CPU/MPU and RISC CPU, etc.
Analog IC and mixed-signal IC	Bipolar, CMOS operational amplifier, comparator, digital/analog converter, power supply controller, audio and video amplifier or controller, interface IC, high frequency devices, etc.
Discrete logic IC	Diode, rectifier, transistor, thyristor, insulated-gate bipolar transistor (IGBT), SiC, GaN, optical transistor, logic IC, etc.
Memory Component	DRAM, MRAM, SRAM, EPROM, EEPROM, Flash, MCP, etc.
Optical Components and Sensors	LCD panel module, panel driver IC, panel touch IC, CMOS Sensor, Inertial Sensor, LED, Micro LED, etc.
Passive components, electromagnetic components, and connectors	Resistor, capacitor, inductor, magnetic component, cable, connector, mechanics, electromechanics, circuit protection, material, battery, filter, oscillator, etc.
Other components	Non-electronic component

II. Manufacturing Process of Main Products: N/A. (WPG Group is not a manufacturing company.)

(3) Supply of Raw Materials: N/A. (WPG Group is not a manufacturing company.)

(4) A List of Top Ten Customers in the Most Recent Two Fiscal Years

I. Suppliers that Accounted for at Least 10% of Annual Consolidated Net Purchases in Either of the Most Recent Two Years

Unit: NT\$ thousands; %

Item	2022				2023			
	Name	Amount	As % of 2022 Total Net Purchases	Relationship with WPG	Name	Amount	As % of 2022 Total Net Purchases	Relationship with WPG
1	MICRON	134,024,507	17.38	None	MICRON	70,508,624	11.05	None
2	INTEL	96,377,133	12.50	None	INTEL	99,761,183	15.63	None
3	Others	540,764,766	70.12	–	Others	468,034,190	73.32	–
	Net Purchases	771,166,406	100.00	–	Net Purchases	638,303,997	100.00	–

Reason for Increase or Decrease: WPG maintains long-term partnership with main suppliers; the source of purchase is stable. Due to a 13.33% decrease in revenue for the fiscal year of 2023, the amount of purchases from suppliers decreased compared to the fiscal year of 2022.

II. Customers that Accounted for at Least 10% of Annual Consolidated Net Revenue in Either of the Most Recent Two Years

WPG has a wide range of product lines and various customers. No customer was accounted for more than 10% of the net revenue in either of the most recent two years.

(5) Production in the Most Recent Two Years: N/A. (WPG Group is not a manufacturing company.)

(6) Sales in the Most Recent Two Years

Unit: NT\$ thousands; %

Product Category / Year	2022		2023	
	Net Sales	Percentage	Net Sales	Percentage
Core components	279,342,947	36.03 %	256,862,106	38.23 %
Analog IC and mixed-signal IC	73,035,947	9.42 %	65,471,006	9.74 %
Discrete logic IC	93,442,973	12.05 %	85,711,472	12.76 %
Memory Component	214,267,553	27.64 %	141,715,123	21.09 %
Optical components and sensors	63,621,903	8.21 %	66,998,345	9.97 %
Passive components, electromagnetic components, and connectors	35,004,053	4.52 %	38,651,883	5.75 %
Other components	16,517,046	2.13 %	16,478,196	2.46 %
Total	775,232,422	100.00 %	671,888,131	100.00 %

Note: WPG has a wide range of product lines in different unit that cannot be calculated by the same unit; therefore, only the sales value is displayed by product category.

5.3 Employees

5.3.1 WPG Holdings

Year		2022	2023	Current year as of March 26
Number of employees	Sales and marketing	—	—	—
	Administration	365	384	432
	Total	365	384	432
Average age		37.7	37.9	37.1
Average year of services		8.6	8.8	8.5
Educational background	Ph.D.	0.3 %	0.3 %	0.2%
	Master's degree	19.8 %	18.8 %	17.0%
	Bachelor's degree	77.9 %	79.7 %	81.7%
	(Vocational) Senior high school	1.5 %	1.0 %	0.9%
	Below senior high school	0.5 %	0.2 %	0.2%

5.3.2WPG Group

Year		2022	2023	Current year as of March 26
Number of employees	Product sales technology	3,922	3,849	3,796
	Administration support	1,487	1,457	1,455
	Total	5,409	5,306	5,251
Average age		39.7	40.7	40.8
Average year of services		9.1	9.7	9.8
Educational background	Ph.D.	0.04%	0.06%	0.06%
	Master's degree	7.75%	7.63%	7.66%
	Bachelor's degree	83.73%	84.73%	84.94%
	Senior high school	4.49%	3.83%	3.73%
	Below senior high school	3.99%	3.75%	3.61%

5.3.3The Personnel related to Financial Transparency Who Obtain Related License Required by the Competent Authorities:

Three employees of the Auditing Office hold an international internal audit certificate.

5.4 Environmental Protection Expenses

Any Losses Suffered by the Company in the Most Recent Fiscal Year and up to the Annual Report Publication Date due to Environmental Pollution Incidents (Including Any Compensation Paid and Any Violations of Environmental Protection Laws or Regulations Found in Environmental Inspection, Specifying the Disposition Dates, Disposition Reference Numbers, the Articles of Law Violated, and the Content of the Dispositions), and Disclosing an Estimate of Possible Expenses that Could be Incurred Currently and in the Future and Measures Being or to be Taken. If a Reasonable Estimate Cannot be Made, an Explanation of the Facts of Why It Cannot be Made Shall be Provided: None.

5.5 Labor Relations

5.5.1Employee Benefit Plans, Continuing Education, Training, Retirement Systems and the Status of Their Implementation, and the Status of Labor-management Agreements and Measures for Preserving Employees' Rights and Interests

Employees are our most valuable asset. When employees devote wholeheartedly to work and create profits for the Company, the Company has the responsibility to take care of them in return. WPG Holdings and WPG Group offer generous employee benefits, including wedding, birth, and funeral subsidies, emergency relief, and club activities. WPG Holdings and WPG Group establish different units to plan recreational activities for employees such as family days,

domestic incentive tours, dining events, as well as artistic and cultural activities, in accordance with the employee welfare regulations, so as to build cohesion among employees and increase employees' identification with the organization.

(1) In Accordance with the Corporate Culture of Each Member, WPG Holdings and WPG Group Offer Generous Employee Benefits as follows:

I. Generous Employee Benefits:

Employee benefits include the Moon Festival bonus, Dragon Boat Festival bonus, year-end bonus, defined contribution pension plan, domestic incentive tours, interest-free auto loans and maintenance allowances, parking allowances, mobile phone bill allowances, and computer subsidies, as well as various club activities such as the bicycle club, study group, golf club, and wine tasting.

II. Comprehensive Insurance and Protection:

By government regulations, we provide employees with labor insurance, national health insurance for employees, their families, and retirees, and also provide employees with free group insurance and family group insurance discounts, including term life insurance, critical illness insurance, accidental injury insurance, accidental medical limit insurance, and hospitalization medical insurance, cancer health insurance, etc.

III. Additional Leaves:

Employees' leaves and days-off are offered in line with the Labor Standards Act, coupled with one-day birthday leave.

IV. Wedding and Funeral Subsidies and Emergency Relief:

Wedding and funeral subsidies, and emergency relief for employees cover wedding, childbirth, retirement, and death of employees or their dependents.

V. Childcare-friendly workplace environment

Promoting a child-raising friendly workplace atmosphere, stipulating childcare leave in accordance with relevant laws and regulations, and setting up nursing rooms for childcare employees. The affiliated kindergarten of WPI Group, the subsidiary of WPG, provides professional and trustworthy childcare environment for WPG employees.

VI. Regular health check-ups for employees:

WPG provides regular employee health check-ups once every two years for office employees and once every year for warehouse and logistics employees. On-site health consultation services by professional medical personnel is also available in office building.

(2) Continuing Education and Training:

We attach great importance to employees' learning and development. Our employee training is divided into internal training, external training, and knowledge management.

I. Internal Training

Internal training in 2023:

Number of Trainees	Number of Training Hours	Training Expenses
102,735 person-times	97,038 hours	NT\$21,174 thousand

Internal training includes orientation, management training, professional training, and other general knowledge type of training activities:

a. Orientation:

Orientation covers WPG company overview, business philosophy, HR rules and systems, corporate website, instructions on common system operations, occupational health and safety, and legal affairs.

b. Management Training:

The Company holds executive meetings every month and organize supervisor trainings from time to time to discuss business strategies and directions. The trainings are meant to help participants to develop strategic management competence.

c. Professional Training:

Each department conducts professional training from time to time according to job requirements and specialties. For example, offering training for trade compliance to intensify employees' knowledge of international trade norms, etc. At the same time, internal professional practices are passed down through the lessons learned courses developed by key business units.

d. Other General Knowledge Type of Trainings:

The Company regularly organizes soft-power lectures within the company and promotes proactive learning by providing employees with the access to the Common Wealth Leader Campus learning platform to watch online learning courses according to their own needs.

II. External Training

Employees may apply for external training according to the job requirements and personal development plans or per supervisors' requests. External training in 2023:

Number of Trainees	Number of Training Hours	Training Expenses
84 person-times	1,704 hours	NT\$574 thousand

The details of external professional training courses in 2023:

Course Title
Microsoft IT Management Academy in December
Policy on "Preparation of Financial Report" and "Sustainability Report"
2023 Labour Act Issues for Remote Work Series
2023 Taiwan Artificial Intelligence Annual Conference
AMA Group Coaching Experience
AMA Learning Day - New Outlook for Talent Development in the Post-epidemic Era
Azure Open AI - Chat with your Enterprise Data
CSM(Certified Scrum Master) Agile Development Professional Certification Course
EAP Professional Training Planning and Execution Course
ESG Sustainability + Preparation of Financial Report • New Law News!
ESG International Leadership Class
ISO 14064-1:2018 Greenhouse Gas Organization Level Greenhouse Gas Construction and Certification Officer Course
ISO 27001:2022 Information Security Management System Audit
Process of Integrating KPI and Financial Performance
PIMS Professional Certification Course
Scrum Master(CSM) Certification Course
TIPS (Level A) & Corporate Governance - Smart Property Compliance Training Course
Training Course for Climate Action Managers of Listed Companies
How to master ChatGPT skills that internal audit must learn
Examine skills for internal audit and security - Cloud and ransomware
Digital transformation of internal audit and application of emerging technologies
Introduction and case analysis of short-term insider trading of the Company
Practice operations and case analysis of corporate governance
Reporting human rights courses using the GRI Guidelines 2021
Sustainable net zero: corporate practical course series
Sustainability Report ESG Report - GRI training course
Challenges and opportunities of sustainable development path and greenhouse gases
Special seminar on corporate sustainable development and management
Corporate sustainability elite training course (basic)
Sharing of corporate merger and acquisition practices - focusing on hostile merger and acquisition
All-round financial cashier operations and ability improvement skills
Preparation of various tax reconciliation statements
Fire prevention manager training refresher course

Course Title
Shareholders' meetings, management rights and equity strategies
Analysis of unconventional transaction practice cases
Bonded warehouses, duty-free shops, duty-free shopping on outlying islands
The new look of talent development in the post-epidemic era
On-the-job safety and health education and training for first aiders
Business judgment rules and case analysis
Trademark search and analysis class
The latest trends in international intellectual property and responses
Observing the core of organizational performance improvement after the epidemic from ISPI
From the model of enterprise investment attraction to the battle for management rights
Discussing the new positioning of internal auditing from cases - ethics and morality
From the perspective of management rights and shareholder activism
Operators of forklifts with loads over one metric ton
Implement containerization service department construction through Azure DevOps
The latest related to "ESG sustainability" and "Preparation of financial reports"
Discussion on the latest corporate governance development blueprint and evaluation
Quantitative Trading: Theory and Application of Taiwan Index Monthly Example Program
Cloud service information security management system leads audit
Team coach coaching experience
District perspective • General review of internal control deficiencies
Website reliability engineering (SRE) basic practice
Business secret protection and management class
On-the-job education and training for occupational safety and health business managers

Managers participated in corporate governance-related further education and training in 2023:

List of trained managers	Course Title	Hours of Courses
Mike Chang (CEO)	ChatGPT triggers AI boom industry opportunities	3 hours
	Breaking out of organizational framework - organizational strategy and critical talent development	3 hours
Cliff Yuan (Financial	Practice operations and case analysis of corporate governance	6 hours

List of trained managers	Course Title	Hours of Courses
Supervisor, Accounting Supervisor)	All-round financial cashier operations and ability improvement skills	6 hours
	Analysis of unconventional transaction practice cases	3 hours
Beauty Chen (Internal Audit Supervisor)	Policy on "Preparation of Financial Report" and "Sustainability Report"	6 hours
	Digital transformation of internal audit and application of emerging technologies	6 hours

III. Knowledge Management

The Company established a knowledge management platform in which learning resources and standard operating procedures of every department are properly categorized, managed, and shared for employees to use at work.

(3) Retirement System:

I. Monthly Contribution to Pension:

The Company applies the pension provisions of the Labor Standards Act. The Company and its domestic subsidiaries stipulate employee retirement measures in accordance with the Labor Standards Act, that are defined benefit plans. The monthly labor pensions are based on the old system of seniority, where 2% of the total salary of seniority employees is allocated to the retirement reserve. This reserve is supervised by the Labor Pension Preparation Supervisory Committee and the fund is deposited in its name in a special account at the Bank of Taiwan. The committee is responsible for receiving, disbursing, keeping, and using the fund.

II. Qualifications and payment standards for applying for retirement

a. Self-applied retirement:

Workers can apply for retirement under one of the following circumstances: (for those who choose to apply the Labor Pension Regulations, they shall be handled in accordance with the provisions of the same regulations)

- (i) Those who have worked for more than 15 years and have reached the age of 55.
- (ii) Those who have worked for more than 25 years.
- (iii) Those who have worked for more than 10 years and have reached the age of 60.

b. Mandatory retirement:

The company shall not force employees to retire if they are not in one of the following circumstances:

- (i) Those who are 65 years old or older.

- (ii) Loss of mind or physical disability is incapable of being a qualified worker.

For the age specified in the first paragraph of the preceding paragraph, the company may report to the central competent authority for approval and adjustment for workers with special characteristics such as dangerous and strong physical strength. But the employee may not be less than 55 years old.

- c. The standard for giving employee pensions is as follows:

Employees who choose to continue to apply the old system and the retained service years before applying the new system, their pension payment standards are as follows:

- (i) Two bases will be given for each full year according to their years of service, but one base will be given every full year after 15 years of service is 30 bases, and the maximum total is limited to 45 bases. Those who are less than half a year will be counted as half a year; those who have been half a year will be counted as one year.
- (ii) For employees who are forced to retire in accordance with the second paragraph of Paragraph 1, Article 6 of these Measures, if their loss of mind or physical disability is caused by the performance of their duties, 20% shall be added in accordance with the provisions of the preceding paragraph.
- (iii) The standard of pension base refers to the average monthly salary at the time of retirement approval.
- (iv) The calculation of average monthly salary is calculated by dividing the total salary of the six months prior to the effective date of retirement by the total number of days in that period.

III. Personal Labor Pension Account

The company applies the Labor Pension Act pension system. According to the regulations, the company shall bear a labor pension contribution rate of not less than 6% per month in accordance with the Labor Pension Act. The company and its domestic subsidiaries stipulate employee retirement measures in accordance with the regulations, which are defined contribution plans, and withdraw 6% according to the monthly salary grading table approved by the Executive Yuan and deposited in the employee's pension accounts at the Labor Insurance Bureau.

IV. Appropriation Situation

Until December 31, 2023, the Group's defined benefit plans are expected to allocate NT\$19,610 thousand in the next year, and the weighted average duration of the retirement plan is 6 to 11 years.

(4) Employee Stock Ownership Trust

In order to make up for the lack of social insurance-related labor retirement protection for Taiwanese employees and encourage employees to plan for retirement as soon as possible, in 2020, the Taiwanese employee stock ownership association was established and delivered to the trust. Employees who have worked for more than one year can freely apply to enter the trust. A fixed amount is deducted each month to purchase company shares, and company relatively allocates incentives to serve as additional benefit. This ESOT is aimed to not only assists employees in creating better retirement plans, but also provides a diversified profit-sharing mechanism to attract and retain talents. The company aims to encourage employees to work together with the company for a win-win situation. In 2023, the coverage rate increased to 92.4%, its net assets were NT\$1,039,980 thousand, and the cumulative rate of return was 71.05%.

(5) The Company does not have a Union. The rights and benefits of the employees follow Labor Standards Act.

(6) Protective Measures for the Work Environment and Employees' Personal Safety

WPG Holdings and WPG Group establish dedicated safety and health management units to continuously improve safety and health measures in order to build a quality workplace. We also organize safety awareness training and healthy promotion activities to effectively strengthen our employees' ability to protect their safety and health at work.

To fulfill corporate social responsibility and protect employees' safety, we view building a safe, healthy, and comfortable work environment as our top priority and promote health and safety management to develop accurate health concepts and mindsets. We take the following health and safety measures:

- I. Maintain and clean central air-conditioning in the office twice a year and disinfect the office from time to time.
- II. Inspect office environment such as water quality on a regular basis.
- III. Sanitize meeting entrance/exits daily and provide hand sanitizers at sinks to prevent epidemic diseases and maintain employee healthiness.
- IV. Require new recruits to participate orientation to familiarize work environment and work safety.
- V. Organize health education from time to time to reduce the occurrence of accidents.
- VI. Conduct regular health examinations for employees and follow up their health conditions.
- VII. Organize health promotion activities such as mountain climbing, ball games, and hiking to encourage exercise habits.
- VIII. Prohibit smoking in the office to ensure a non-smoking work environment.

- IX. Promote energy saving and environmental protection initiatives in the office.
- X. Purchase liability insurance for employees on their way to work/home to ensure safe work environment.
- XI. Install and regularly maintain firefighting facilities and equipment in line with firefighting regulations.
- XII. Implement the Act of Gender Equality in Employment and regulations regarding prevention of sexual harassment in the office.

(7) Evaluation on Employee Code of Conduct:

The Company places great importance on the Employee Code of Conduct. We appointed four independent directors and established the Audit Committee, composed of all independent directors, to supervise our management team and executives to set good examples with their own conduct. We also take the following measures:

I. Promote and Carry Out the Core Values of WPG:

Our vision is "the First Choice of Industry • the Benchmark of Distribution". Upholding the shared values of teamwork, integrity, professionalism and effectiveness, we have the Employee Code of Conduct in place to guide employees' conduct in business activities and build cohesion among employees. Annual activities are also organized to promote the shared values of WPG, allowing employees to experience their true meanings in daily life and work. WPG's shared values are described as follows:

a. Teamwork:

The interests of WPG are always the first to consider. Should there be a conflict of interests, groups' benefits take priority over personal bias, prejudice and motivation. We accelerate integration of same function teams among companies and regions. No prejudices in nationalities or regions but balanced interests and fairness shall prevail.

b. Integrity:

We take an attitude toward upright and law-abiding operation, along with enthusiastic services. We make no light promises and always walk the talk. Our employees are committed to transparent operation and have the courage to admit mistakes and make corrections in time.

c. Professionalism:

We aim to become the first choice of stakeholders, including clients, vendors and shareholders, to construct a learning environment where individuals and groups continually enhance skill, and to focus on core operation and implement the assigned tasks strictly.

d. Effectiveness:

Our highlights are output, the quantity of capacity, and balance of both. Our employees set quantifiable objectives, are strict on details, and accurately execute and fulfill key tasks. We also set standard operating procedures to avoid the same mistakes.

In order to allow employees to understand and feel the core values of the company, the WPG Holdings and its affiliated groups have arranged for the company to post core value posters on the walls of executive offices, meeting rooms, and other important junctures to demonstrate the shared values to employees; to deepen the employees' impression and experience of the core values, expect to observe it together.

The work rules for the employees of WPG Holdings and WPG Group also specify the regulations regarding attendance, performance evaluation, rewards and punishments, and promotion that are handled in line with WPG's shared values.

II. Strictly Implement the Audit System:

Auditing Office is set up under the Board of Directors to conduct comprehensive audits on every department and every group member and region according to our policies and regulations. By doing this, we are able to keep track of how every department follows and implements the policies and regulations while preventing and curbing potential malpractice.

III. Implement the promotion of "Employee Code of Conduct":

Based on the Company's core value and human rights policy, WPG stipulates the "Employee Code of Conduct" to practice the creed of integrity: "Self-discipline and others to seek the public welfare" from top to bottom, promote the principles of honest behavior, establish standards in employees' daily life in the office, and create a diverse and inclusive environment in the workplace.

5.5.2 Any Losses Suffered by the Company in the Most Recent Fiscal Year and up to the Annual Report Publication Date due to Labor Disputes (Including Any Violations of the Labor Standards Act Found In Labor Inspection, Specifying the Disposition Dates, Disposition Reference Numbers, the Articles of Law Violated, the Substance of the Legal Violations, and the Content of the Dispositions), and Disclosing an Estimate of Possible Expenses that could be Incurred Currently and in the Future and Measures Being or to be Taken. If a Reasonable Estimate Cannot be Made, an Explanation of the Facts of Why It Cannot be Made Shall be Provided:

- (1) There was neither dispute nor agreement between the employees and the employers in the most recent year and up to the date of this annual report.
- (2) Current and future countermeasures for strengthening the labor-management relations:

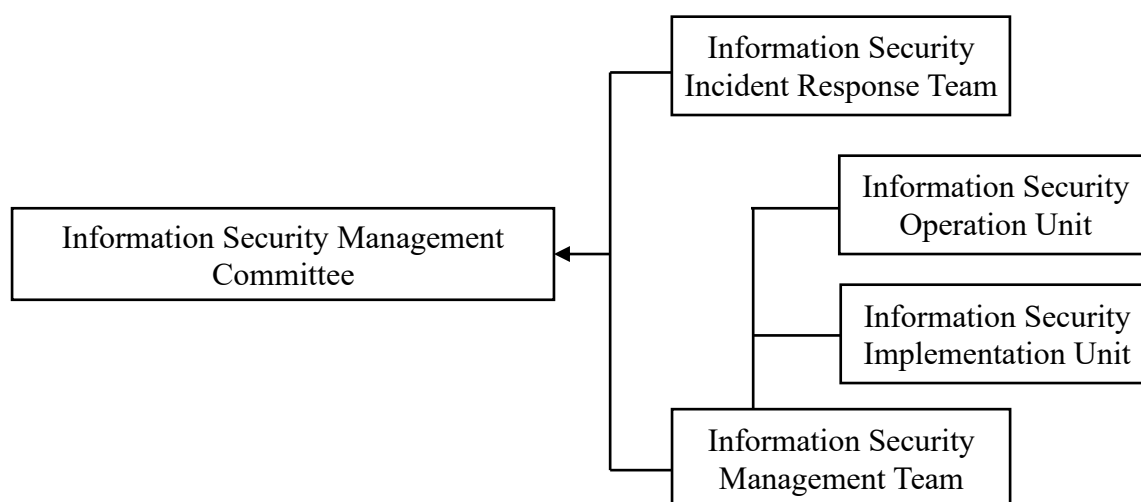
- I. Reinforce the corporate philosophy of treating every WPG employee as a family member to enable mutual growth and success.
 - II. Build interactive communication and complaint channels for supervisors to take care of employees more proactively.
 - III. Fully comply with the labor laws and make supervisors and employees understand their respective rights and obligations.
 - IV. Increase employee benefits where the Company's operations permit.
- (3) Possible losses at present and in the future: None.

5.6 Cyber Security Management

- (1) Cyber security risk management framework, cyber security policies, concrete management programs, and investments in resources cyber security management

- I. Cyber Security Management Framework

The Company has established an Information Security Management Committee, led by the Chief Executive Officer who concurrently serves as the Chief Information Officer. The Information Security Management Team (including an Information Security Implementation Unit and an Information Security Operation Unit) and an information security incident response team being responsible for planning and auditing the Company's information security and physical security, as well as facilitating the operation of this committee. Through annual management review meetings, the committee reviews the results of information security risk analysis and the corresponding protective measures and strategies implemented by the Company, ensuring the confidentiality, integrity, and availability of the information security management system.



II. Cyber Security Policy

The Information Security Policy of the Company aims to ensure compliance and provide guidance to all employees in order to safeguard the security of all information assets, thereby achieving the information security objectives of the Company. Appropriate protective and preventive measures are implemented to safeguard the storage, processing, and transmission of information, preventing unauthorized access, use, control, disclosure, destruction, alteration, or other infringements of information systems and their associated information. This policy ensures the proper protection of information assets and reduces risks. All matters related to information security management within the Company are subject to this policy, and all personnel, including employees on a permanent, contractual, or temporary basis, as well as external visitors and vendors, must comply with this policy. Violations of this policy will result in disciplinary action in accordance with the Company's relevant regulations. Individuals who violate applicable laws, including but not limited to the Trade Secrets Act, Copyright Act, Personal Data Protection Act, may be subject to legal consequences based on the circumstances.

III. Specific Management Plan

In order to achieve the objectives and policies of information security, comprehensive information security protection measures and specific management plans are established as follows:

- a. Enhancing information security defense capability: Conduct regular system vulnerability scans annually to identify and address vulnerabilities, thereby reducing information security risks. Perform annual risk assessments and implement reinforcement and improvement measures based on the risk level. Additionally, conduct annual information security incident response drills.
- b. Enhancement of Information Security Management Procedures: In addition to continuously strengthening information security defense capabilities, equal emphasis must be placed on management procedures and awareness. Employees are required to comply with information security regulations and adhere to standard operating procedures (SOP), while continuously engaging in the PDCA cycle for continuous improvement.
- c. Enhancing Security of Networks, Endpoints, and Application Systems: Implementing Security

Information and Event Management system to consolidate and filter security events and logs from network protection systems (such as firewalls and intrusion detection systems) and critical systems. This enables the detection and

identification of network security threats and attacks, with real-time notification based on predefined rules. Additionally, optimizing the overall information system network security segregation is conducted. Furthermore, apart from requiring multi-factor authentication for remote logins by employees, separate authorization is necessary for privileged account logins to important hosts. The abnormal detection and protection capability of endpoint devices is also enhanced.

d. Compliance with Laws and Adoption of International Information Security Certification Standards:

In order to enhance the information security management and personal data protection mechanisms of our company, as well as to ensure compliance with relevant legal requirements, our company obtained the UKAS (United Kingdom Accreditation Service) ISO/IEC 27001:2013 information security certification in 2021. We have continued to enhance our internal information security governance capabilities. In addition to engaging professional external consultants to strengthen our internal information security governance and technical testing capabilities, we remain committed to continuous improvement. We obtained ISO 27017 international certification by 2023 to enhance the security controls of our cloud services. Our company will continue to strengthen the security protection of information infrastructure and application systems and implement mechanisms for data security and personal data protection.

e. Risk Management: Our company employs a systematic risk management approach, as provided by ISO 27001, to identify, assess, and manage information security and personal data protection risks faced by the organization. These standards emphasize comprehensive risk assessment of information assets and personal data, and the formulation of corresponding risk management measures based on the assessment results. Additionally, our company collaborates with international consulting firms to conduct comprehensive security assessments, utilizing their professional services to obtain objective results from independent third-party verification. Our company is also a member of TWCERT (Taiwan Computer Emergency Response Team Coordination Center) and regularly collects information on cybersecurity threats to implement appropriate preventive measures and mitigate potential risks to our organization.

f. Strengthening Employee Information Security Awareness: In order to enhance the information security awareness of employees, in addition to conducting annual information security awareness training for global staff, our company also conducts phishing email drills and promotes phishing email recognition among

employees. Furthermore, the results of the drills are analyzed to continuously improve the effectiveness of the exercises.

IV. Allocation of Resources for Cyber Security Management

Information Security has become an important operational concern for the company. The following are the corresponding resource allocation and management measures for information security:

- a. **Dedicated Personnel:** Establish a dedicated information security management team (including an information security implementation unit and an information security operations unit) and an information security incident response team responsible for the planning of information security, operation of security systems, implementation of technical measures, and related audit matters. Regular meetings are held to maintain and continually strengthen information security.
- b. **Education and Training:** All new employees are required to complete information security education and training courses upon joining the company and sign an information security declaration. Additionally, all employees worldwide are required to complete annual information security education and training, and pass the corresponding assessments. In the year 2023, a total of 4,163 employees completed the annual information security education and training. To enhance awareness of phishing emails among employees, an annual social engineering exercise is conducted for global staff.

- (2) The losses suffered as a result of major information security incidents in the most recent fiscal year up to the publication date of this Annual Report, possible impacts and the corresponding countermeasures. If it cannot be reasonably estimated, facts of which estimation cannot be made shall be explained: No major incidents regarding cyber security occurred in this year.

5.7 Material Contracts

Nature of Contract	Counterparty	Commencement and Expiration Date	Major Content	Restriction
Insurance contract	AIG Asia Pacific Insurance Pte. Ltd., Taiwan Branch	Period: 2023.01.01 ~ 2024.01.01	Corporate Liability Insurance for Directors, supervisors and managers	The cumulative liability for all indemnifications within the coverage is limited to US\$15,000,000

6. Financial Highlights

6.1 Condensed Balance Sheets and Comprehensive Income Statements in the Most Recent Five Years

6.1.1 Condensed Consolidated Balance Sheets

Unit: NT\$ thousands

Item / Year (Note 1)		Financial Information in the Most Recent Five Fiscal Years				
		2019	2020	2021	2022	2023
Current assets		205,966,261	198,011,363	246,449,061	276,008,765	273,029,161
Property, plant and equipment (Note 3)		7,924,611	13,764,966	15,035,948	16,224,155	15,940,486
Intangible assets		5,568,851	5,661,833	5,220,647	5,180,570	5,481,907
Other assets		10,887,097	16,538,951	21,032,968	18,806,150	19,919,053
Total assets		230,346,820	233,977,113	287,738,624	316,219,640	314,370,607
Current liabilities	Before distribution	156,959,067	146,656,318	182,224,039	197,055,821	205,283,594
	After distribution (Note 2)	161,103,871	152,261,394	188,500,738	203,920,190	Note 2
Non-current liabilities		9,420,658	21,317,777	34,289,239	37,250,516	24,443,049
Total liabilities	Before distribution	166,379,725	167,974,095	216,513,278	234,306,337	229,726,643
	After distribution (Note 2)	170,524,529	173,579,171	222,789,977	241,170,706	Note 2
Equity attributable to owners of the parent company		63,472,157	65,469,922	70,399,929	81,056,250	83,644,540
Share capital		18,790,568	18,790,568	18,790,568	18,790,568	18,790,568
Capital surplus		27,456,298	28,848,733	28,724,498	28,633,916	28,449,804
Retained earnings	Before distribution	22,645,985	26,663,415	32,810,967	37,109,651	38,686,884
	After distribution (Note 2)	18,501,181	21,058,339	26,534,268	30,245,282	Note 2
Other equity		(5,420,694)	(8,832,794)	(9,926,104)	(3,477,885)	(2,282,716)
Treasury stock		—	—	—	—	—
Non-controlling interests		494,938	533,096	825,417	857,053	999,424
Total equities	Before distribution	63,967,095	66,003,018	71,225,346	81,913,303	84,643,964
	After distribution (Note 2)	59,822,291	60,397,942	64,948,647	75,048,934	Note 2

Note 1: The consolidated financial statements for each year listed above have been duly audited by independent auditor.

Note 2: The figures after distribution listed above are filled out per resolution of the annual Shareholders' Meeting, but the distribution of profits for 2023 has not been approved by the Board of Directors.

Note 3: Including right-of-use assets and investment properties.

6.1.2 Condensed Consolidated Statements of Comprehensive Income

Unit: NT\$ thousands

Item / Year (Note 1)	Financial Information in the Most Recent Five Fiscal Years				
	2019	2020	2021	2022	2023
Operating revenue	527,601,353	609,885,871	778,572,715	775,232,422	671,888,131
Gross profit	22,428,096	23,050,129	29,700,763	29,588,401	25,385,680
Operating profit and loss	9,712,564	10,049,868	13,803,556	14,700,133	10,394,708
Non-operating income and expenses	(1,524,962)	(162,315)	371,544	(1,989,801)	(112,500)
Income before income tax	8,187,602	9,887,553	14,175,100	12,710,332	10,282,208
Net income	6,505,959	8,200,504	11,647,710	10,577,434	8,197,737
Other comprehensive income for the period (net after tax)	(2,808,822)	(3,410,972)	(1,017,015)	6,469,006	1,891,529
Total comprehensive income	3,697,137	4,789,532	10,630,695	17,046,440	10,089,266
Net income attributable to owners of parent	6,453,401	8,123,355	11,496,933	10,512,466	8,109,407
Net income attributable to non-controlling interests	52,558	77,149	150,777	64,968	88,330
Total comprehensive income attributable to owners of parent	3,645,425	4,719,952	10,464,758	16,951,405	10,009,282
Total comprehensive income attributable to non-controlling interests	51,712	69,580	165,937	95,035	79,984
Basic earnings per share (Note 2)	3.84	4.77	6.61	6.02	4.59

Note 1: The consolidated financial statements for each year listed above have been duly audited by independent auditor.

Note 2: Based on weighted average outstanding shares in each year.

6.1.3 Condensed Balance Sheets - Parent Company Only

Unit: NT\$ thousands

Item / Year (Note 1)		Financial Information in the Most Recent Five Fiscal Years				
		2019	2020	2021	2022	2023
Current assets		2,915,590	609,567	615,205	907,431	3,193,546
Investments accounted for using equity method		58,854,405	70,484,850	75,513,753	89,688,324	86,177,073
Property, plant and equipment (Note 3)		2,153,158	7,658,943	8,495,296	8,388,164	8,214,620
Intangible assets		15,419	109,573	72,121	79,090	154,395
Other assets		8,731,735	2,242,377	3,458,232	3,327,985	3,421,579
Total assets		72,670,307	81,105,310	88,154,607	102,390,994	101,161,213
Current liabilities	Before distribution	9,065,088	6,531,188	8,004,127	10,357,989	6,738,530
	After distribution (Note 2)	13,209,892	12,136,264	14,280,826	17,222,358	Note 2
Non-current liabilities		133,062	9,104,200	9,750,551	10,976,755	10,778,143
Total liabilities	Before distribution	9,198,150	15,635,388	17,754,678	21,334,744	17,516,673
	After distribution (Note 2)	13,342,954	21,240,464	24,031,377	28,199,113	Note 2
Equity attributable to owners of the parent company		63,472,157	65,469,922	70,399,929	81,056,250	83,644,540
Share capital		18,790,568	18,790,568	18,790,568	18,790,568	18,790,568
Capital surplus		27,456,298	28,848,733	28,724,498	28,633,916	28,449,804
Retained earnings	Before distribution	22,645,985	26,663,415	32,810,967	37,109,651	38,686,884
	After distribution (Note 2)	18,501,181	21,058,339	26,534,268	30,245,282	Note 2
Other equity		(5,420,694)	(8,832,794)	(9,926,104)	(3,477,885)	(2,282,716)
Treasury stock		—	—	—	—	—
Non-controlling interests		—	—	—	—	—
Total equity	Before distribution	63,472,157	65,469,922	70,399,929	81,056,250	83,644,540
	After distribution (Note 2)	59,327,353	59,864,846	64,123,230	74,191,881	Note 2

Note 1: The financial statements for each year listed above have been duly audited by independent auditor.

Note 2: The figures after distribution listed above are filled out per resolution of the annual Shareholders' Meeting, but the distribution of profits for 2023 has not been approved by the Board of Directors.

Note 3: Including right-of-use assets and investment properties.

6.1.4 Condensed Statements of Comprehensive Income - Parent Company Only

Unit: NT\$ thousands

Item / Year	Financial Information in the Most Recent Five Fiscal Years				
	2019	2020	2021	2022	2023
Operating revenue	7,384,531	9,072,831	13,000,495	12,149,084	7,654,341
Gross profit	6,652,117	8,167,068	11,637,984	10,612,123	6,071,379
Operating profit and loss	6,652,117	8,167,068	11,637,984	10,612,123	6,071,379
Non-operating income and expenses	2,845	(85,450)	(158,915)	64,680	2,412,171
Income before income tax	6,654,962	8,081,618	11,479,069	10,676,803	8,483,550
Net income	6,453,401	8,123,355	11,496,933	10,512,466	8,109,407
Other comprehensive income for the period (net after tax)	(2,807,976)	(3,403,403)	(1,032,175)	6,438,939	1,899,875
Total comprehensive income	3,645,425	4,719,952	10,464,758	16,951,405	10,009,282
Net income attributable to owners of parent	6,453,401	8,123,355	11,496,933	10,512,466	8,109,407
Total comprehensive income attributable to owners of parent	3,645,425	4,719,952	10,464,758	16,951,405	10,009,282
Basic earnings per share (Note)	3.84	4.77	6.61	6.02	4.59

Note: Based on weighted average outstanding shares in each year.

6.1.5 The Names of CPAs and Their Opinions in the Most Recent Five Years

Year	Name of Accounting Firm	Name of CPA	Audit Opinions
2019	PricewaterhouseCoopers, Taiwan	Lin Chun-yao and Chou Chien-Hung	Unqualified opinion
2020	PricewaterhouseCoopers, Taiwan	Lin Chun-yao and Chou Chien-Hung	Unqualified opinion
2021	PricewaterhouseCoopers, Taiwan	Lin Chun-yao and Chou Chien-Hung	Unqualified opinion
2022	PricewaterhouseCoopers, Taiwan	Lin Chun-yao and Chou Chien-Hung	Unqualified opinion
2023	PricewaterhouseCoopers, Taiwan	Lin Yifan and Chou Chien-Hung	Unqualified opinion

6.2 Financial Analysis in the Most Recent Five Fiscal Years

6.2.1WPG Group Consolidated Financial Analysis

Item / Year (Note 1)		Financial Analysis for the Most Recent Five Fiscal Years				
		2019	2020	2021	2022	2023
Financial structure(%)	Debt-to-assets ratio	72.23	71.79	75.25	74.10	73.08
	Ratio of long-term capital to property, plant and equipment	919.83	630.50	696.26	729.20	678.07
Solvency	Current ratio (%)	131.22	135.02	135.25	140.07	133.00
	Quick ratio (%)	86.65	94.30	86.57	82.00	81.27
	Interest coverage ratio	4.80	6.85	9.66	4.12	2.68
Operating ability	Accounts receivable turnover (times)	4.95	5.40	6.29	6.05	5.31
	Average collection days	74	68	58	60	69
	Inventory turnover (times)	7.51	9.22	10.25	7.39	5.87
	Accounts payable turnover (times)	8.65	9.27	10.78	9.48	7.73
	Average Days of Sales	49	40	36	49	62
	Property, plant, and equipment turnover (times)	71.62	56.24	54.07	49.60	41.78
	Total assets turnover (times)	2.47	2.63	2.98	2.57	2.13
Profitability	Return on total assets (%)	3.84	4.08	4.91	4.56	4.12
	Return on equity (%)	10.95	12.60	16.92	13.88	9.85
	Ratio of income before tax to paid-in capital (%)	43.57	52.62	75.44	67.64	54.72
	Net profit margin (%)	1.22	1.33	1.48	1.36	1.21
	Basic earnings per share (NT\$) (Note 2)	3.84	4.77	6.61	6.02	4.59
	Diluted earnings per share (NT\$) (Note 2)	3.84	4.77	6.60	6.02	4.59
Cash flow(%)	Cash flow ratio	(0.90)	12.15	(10.45)	(3.09)	7.89
	Cash flow adequacy ratio	5.72	51.48	5.24	(9.84)	8.61
	Cash reinvestment ratio	(7.87)	15.05	(23.03)	(10.08)	8.25
Leverage	Operating leverage	1.38	1.39	1.37	1.34	1.48
	Financial leverage	1.29	1.20	1.13	1.38	2.42
Industry specific key performance indicator	Return on working capital (%) (ROWC)	8.31	9.50	9.54	9.73	7.00
	Ratio of net working capital to sales (NWC/Sales)	0.22	0.17	0.19	0.19	0.22
Reasons for significant changes in the most recent two years: Please refer to Note 3. (not required if the difference does not exceed 20%)						

Note 1: The consolidated financial statements for each year listed above have been duly audited by independent auditor.

Note 2: Based on weighted average outstanding shares in each year.

Note 3: Reasons for changes in financial ratios for the most recent two years:

1. Times interest earned: The times interest earned decreased in 2023 was mainly due to an increase in bank loan interests.
2. Inventory turnover rate, average days in sales: Inventory turnover rate decreased in 2023 was mainly due to the slowed down market demand and slowly destocking inventory.
3. Return on equity: The decrease in the ratio for the year 2023 was mainly due to the decrease in profit and loss after tax.
4. Basic earnings per share, diluted earnings per share: The decrease in the ratio for the year 2023 was mainly due to the decrease in profit and loss after tax.
5. Cash flow ratio, cash reinvestment ratio: The ratio increased mainly due to an increase in net cash inflows generated from operating activities in 2023
6. Cash flow adequacy ratio: The increase in ratio in 2023 was mainly due to the annual increase in net cash flows generated from operating activities resulting into the increase in the total of net cash inflow from operating activities in the past five years.
7. Financial leverage: The increase in leverage was mainly due to an increase in interest expense in 2023.
8. Return on working capital (ROWC): The decrease in 2023 was mainly due to the decrease in operating profit.

Note 4: Formulas used for calculating the financial ratios are as follows:

1. Financial structure

- (1) Debt to assets ratio = total liabilities / total assets.
- (2) Ratio of long-term capital to property, plant and equipment = (total equity + non-current liabilities) / net property, plant and equipment.

2. Solvency

- (1) Current ratio = current assets / current liabilities.
- (2) Quick ratio = (current assets - inventory - prepaid expenses) / current liabilities.
- (3) Times interest earned = Earnings before tax and interest expenses / current interest expenses.

3. Operating ability

- (1) Accounts receivable (including accounts receivable and notes receivable arising from business activities) turnover = Net sales / Average accounts receivable balance (including accounts receivable and notes receivable arising from business activities).
- (2) Average collection days = 365 / accounts receivable turnover.
- (3) Inventory turnover = cost of goods sold / average inventory.
- (4) Accounts payable (including accounts payable and notes payable arising from business activities) turnover = cost of goods sold / average accounts payable balance (including accounts payable and notes payable arising from business activities).
- (5) Average days in sales = 365 / inventory turnover.
- (6) Property, plant and equipment turnover = net sales / average net property, plant and equipment.
- (7) Total asset turnover = net sales / average total assets.

4. Profitability

- (1) Return on total assets = $(\text{net income} + \text{interest expenses} * (1 - \text{effective tax rate})) / \text{average total assets}$.
- (2) Return on equity = $\text{net income after tax} / \text{average total equity}$.
- (3) Net profit margin = $\text{net income after tax} / \text{net sales}$.
- (4) Earnings per share = $(\text{income attributable to owners of parent} - \text{preferred stock dividends}) / \text{weighted average number of shares outstanding}$.

5. Cash flow

- (1) Cash flow ratio = $\text{net cash flows from operating activities} / \text{current liabilities}$.
- (2) Net cash flow adequacy ratio = $5\text{-year sum of net cash flow from operating activities} / 5\text{-year sum of (capital expenditures} + \text{increases in inventory} + \text{cash dividends})$.
- (3) Cash reinvestment ratio = $(\text{cash from operating activities} - \text{cash dividends}) / (\text{gross property, plant and equipment} + \text{long-term investments} + \text{other non-current assets} + \text{working capital})$.

6. Leverage

- (1) Operating leverage = $(\text{net operating income} - \text{changes in operating costs and expenses}) / \text{operating income}$.
- (2) Financial leverage = $\text{operating income} / (\text{operating income} - \text{interest expenses})$.

7. Industry specific key performance indicator

- (1) ROWC = $\text{Operating income} / (\text{Accounts receivable, end of period} + \text{Inventory, end of period} - \text{Accounts payable, end of period})$.
- (2) NWC/Sales = $(\text{Accounts receivable, end of period} + \text{Inventory, end of period} - \text{Accounts payable, end of period}) / \text{Net sales}$.

6.2.2WPG Holdings Financial Analysis

Item / Year (Note 1)		Financial Analysis for the Most Recent Five Fiscal Years				
		2019	2020	2021	2022	2023
Financial structure(%)	Debt-to-assets ratio	12.66	19.28	20.14	20.84	17.32
	Ratio of long-term capital to property, plant and equipment	2,954.04	973.69	943.47	1,097.18	1149.45
Solvency	Current ratio (%)	32.16	9.33	7.69	8.76	47.39
	Quick ratio (%)	31.91	8.65	6.83	8.30	46.53
	Interest coverage ratio	204.64	59.93	69.23	46.29	27.66
Operating ability	Accounts receivable turnover (times) (Note 2)	8.62	8.97	10.26	9.65	10.48
	Average collection days	42	41	36	38	35
	Inventory turnover (times)	—	—	—	—	—
	Accounts payable turnover	—	—	—	—	—
	Average days of sales	—	—	—	—	—
	Property, plant and equipment Turnover (times) (Note 2)	3.65	1.85	1.61	1.44	0.92
	Total assets turnover (times) (Note 2)	0.11	0.12	0.15	0.13	0.08
Profitability	Return on total assets (%)	9.90	10.71	13.74	11.23	8.22
	Return on equity (%)	10.95	12.60	16.92	13.88	9.85
	Ratio of income before tax to paid-in capital (%)	35.42	43.01	61.09	56.82	45.15
	Net profit margin (%) (Note 2)	87.39	89.53	88.43	86.53	105.95
	Basic earnings per share (NT\$) (Note 3)	3.84	4.77	6.61	6.02	4.59
	Diluted earnings per share (NT\$) (Note 3)	3.84	4.77	6.60	6.02	4.59
Cash flow(%)	Cash flow ratio	51.88	69.18	67.91	59.84	104.43
	Cash flow adequacy ratio	62.01	52.67	49.52	50.80	52.49
	Cash reinvestment ratio	0.27	0.50	(0.21)	(0.09)	0.18
Leverage	Operating leverage (Note 2)	1.01	1.01	1.02	1.02	1.05
	Financial leverage	1.00	1.02	1.01	1.02	1.06
Reasons for significant changes in the most recent two years: Please refer to Note 4. (not required if the difference does not exceed 20%)						

Note 1: The above financial statements have been duly audited by independent auditors.

Note 2: WPG Holdings is a holding company; operating revenue includes investment revenue and service revenue.

Note 3: Based on weighted average outstanding shares in each year.

Note 4: Reasons for changes in financial ratios for the most recent two years:

1. Current ratio, quick ratio: The increase in ratio was mainly due to the increase in current assets in 2023.
2. Times interest earned: The times interest earned decreased in 2023 was mainly due to an increase in bank loan interests.
3. Property, plant and equipment turnover, total assets turnover: The decrease in turnover in 2023 was mainly due to the decrease in operating revenue.
4. Return on assets, return on Return on equity: The decrease in the ratio for the year 2023 was mainly due to the decrease in profit and loss after tax.
5. Ratio of pretax income to paid-up capital: : The decrease in ratio in 2023 was mainly due to the decrease in pre-tax profit and loss.
6. Net profit margin: The increase in ratio was mainly due to the decrease in operating revenue in 2023.
7. Basic earnings per share, diluted earnings per share: The decrease in the ratio for the year 2023 was mainly due to the decrease in profit and loss after tax.
8. Cash flow ratio: The increase in ratio in 2023 was due to an increase in net cash inflow from operating activities and a decrease in current liabilities.
9. Cash reinvestment ratio: The ratio increased mainly due to an increase in net cash inflows generated from operating activities in 2023.

Note 5: For formulas used for calculating the financial ratios, please refer to Note 4 on Pages 153 to 154.

6.3 Audit Committee's Review Report for the Most Recent Year's Financial Reports

AUDIT COMMITTEE'S REVIEW REPORT

The Company's annual report and financial statements for the year 2023 prepared by the Board of Directors have been reviewed by the Audit Committee and found to be in conformity. It is hereby reported in accordance with Article 14-4, 14-5 of the Securities and Exchange Act and Article 219 of the Company Act as above. Please review.

AUDIT COMMITTEE OF WPG HOLDINGS LIMITED

Independent Director Charles Chen

Independent Director Jack J.T. Huang

Independent Director Kathy Yang

Independent Director Joseph Yu

February 29, 2024

6.4 Consolidated Financial Statements and Independent Auditors' Report in the Most Recent Year

For "WPG Holdings Limited and Subsidiaries Consolidated Financial Statements for the Years Ended 2023 and 2022 and Independent Auditors' Report" please refer to Pages 159~310.

6.5 Parent Company Only Financial Statements and Independent Auditors' Report in the Most Recent Year

For "WPG Holdings Limited Parent Company Only Financial Statements for the Years Ended 2023 and 2022 and Independent Auditors' Report" please refer to Pages 311~419.

6.6 If the Company or its Affiliates have Experienced Financial Difficulties in the Most Recent Fiscal Year or During the Current Fiscal Year up to the Date of Publication of the Annual Report, the Annual Report shall Explain how Said Difficulties will Affect the Company's Financial Situation: None.

WPG HOLDINGS LIMITED AND SUBSIDIARIES
CONSOLIDATED FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS' REPORT
DECEMBER 31, 2023 AND 2022

For the convenience of readers and for information purpose only, the auditors' report and the accompanying financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. In the event of any discrepancy between the English version and the original Chinese version or any differences in the interpretation of the two versions, the Chinese-language auditors' report and financial statements shall prevail.

INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Stockholders of WPG Holdings Limited

Opinion

We have audited the accompanying consolidated balance sheets of WPG Holdings Limited and its subsidiaries (the “Group”) as at December 31, 2023 and 2022, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of material accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2023 and 2022, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission.

Basis for opinion

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

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Group's 2023 consolidated financial statements. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and, in forming our opinion

thereon, we do not provide a separate opinion on these matters.

Key audit matters for the Group's 2023 consolidated financial statements are stated as follows:

Impairment assessment of goodwill

Description

Refer to Note 4(19) for accounting policy on goodwill impairment, Note 5(2) for uncertainty of accounting estimates and assumptions in relation to goodwill impairment, and Note 6(13) for details of intangible assets.

The Group acquired shares of stock of target companies by cash or through exchange of shares of stock. The difference between the acquisition price and the carrying amount of the net identifiable assets is allocated in accordance with the accounting policies on business combinations. The Group uses the estimated future cash flows of each cash-generating unit and proper discount rate to determine recoverable amount of goodwill, and assesses whether goodwill may be impaired. Given that the assumptions used in the calculation of recoverable amount requires significant management judgement with respect to the discount rate and the underlying cash flows, we considered impairment assessment of goodwill a key audit matter.

How our audit addressed the matter

Our audit procedures in relation to the above key audit matter included:

1. Assessing the process in which management evaluates the estimated future cash flows of each cash generating unit, and reconciling the input data used in the valuation model to the approved operational plan by management.
2. Evaluating the reasonableness of the estimated growth rate, gross rate, discount rate and other significant assumptions used in the valuation model, by:
 - (1) Comparing estimated growth rate and gross rate with historical data and our knowledge of the business and industry;
 - (2) Comparing discount rate assumptions with respect to cash generating units' capital cost and similar return on assets; and
 - (3) Checking the setting of valuation model's calculation formula.
3. Comparing the recoverable value and book value of each cash-generating unit.

Valuation of allowance for uncollectible accounts receivable

Description

Refer to Note 4(10) for accounting policy on accounts receivable, Note 5(2) for uncertainty of accounting estimates and assumptions in relation to provision for uncollectible accounts receivable, and Notes 6(5)(14) for details of accounts receivable and overdue receivables.

The Group assesses the collectability of accounts receivable based on historical experience with its customers. As the estimation of allowance for uncollectible accounts is subject to management's judgment in estimating future recovery, such as management's assessment of customer's credit risk, we considered the valuation of allowance for uncollectible accounts receivable a key audit matter.

How our audit addressed the matter

Our audit procedures in relation to the above key audit matter included:

1. Obtaining an understanding of, and evaluating the formal approval process for the customer's credit limit application.
2. Checking the provision policy on allowance for uncollectible accounts, and assessing the reasonableness of provision policy.
3. Checking the adequacy of the loss rate calculation by sampling the historical accounts receivable aging data and verifying the formula for the calculation of expected credit loss rate.
4. Comparing the classification of accounts receivable aging with current year and prior year, and checking subsequent collections after the balance sheet date to confirm recovery of outstanding receivables.
5. For those accounts receivable specifically identified by management to have been impaired, evaluating propriety of impairment assessment against related supporting documents.

Recognition of purchase discounts and allowances

Description

Refer to Note 4(13) for accounting policy on recognition of purchase discounts and allowances.

The Group is engaged in operating sales channel for various electronic components. In line with industry practice, the Group has entered into purchase discounts and allowances agreements with suppliers for various kinds and quantities of inventories. The Group calculates and recognizes the amount of purchase discounts and allowances in accordance with the agreement. The Group negotiates

the amount with the supplier, and after receiving credit note from supplier, the Group pays the net amount.

The discounts and allowances from the supplier are calculated either automatically by the system or manually. The Group has to gather a lot of information to input in the system, such as the items subject to discount and corresponding discount rate, etc. Given that the Group has a large volume of purchases, and has entered into various purchase discounts and allowances agreements with terms and conditions that vary with each argument, we considered the recognition of purchase discounts and allowances a key audit matter.

How our audit addressed the matter

Our audit procedures in relation to the above key audit matter included:

1. Understanding the process in recognizing purchase discounts and allowances, evaluating related internal control procedures and testing its effectiveness, checking the basic information set up in the computer system with respect to discount and allowance calculation randomly, and selecting samples to determine whether purchase discounts and allowances recognized were reviewed by an authorized supervisor.
2. Selecting samples of purchase discounts and allowances, obtaining confirmed documents and approved credit note from supplier for selected commodity's part number, and checking whether the part number and discount and allowance amount in obtained vouchers were consistent with the amounts recognized.
3. Performing confirmation of selected material accounts payable, checking whether there is a difference between the amount of purchase discounts and allowances recognized based on credit note from supplier with the amount confirmed by the supplier, and investigating differences, if any. Selecting samples of outstanding accounts payable and checking whether subsequent payments were made after the balance sheet date.

Other matter – Parent company only financial reports

We have audited and expressed an unqualified opinion on the parent company only financial statements of WPG Holdings Limited as at and for the years ended December 31, 2023 and 2022.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditors' responsibilities for the audit of the consolidated financial statements

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

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

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

Lin, Yi-fan

Chou, Chien-hung

For and on behalf of PricewaterhouseCoopers, Taiwan

February 29, 2024

The accompanying consolidated financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the review such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying consolidated financial statements and independent auditors' report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

As the consolidated financial statements are the responsibility of the management, PricewaterhouseCoopers cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

WPG HOLDINGS LIMITED AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2023 AND 2022
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

			December 31, 2023		December 31, 2022		January 1, 2022	
					(Adjusted)		(Adjusted)	
Assets		Notes	Amount	%	Amount	%	Amount	%
Current assets								
1100	Cash and cash equivalents	6(1)	\$ 21,796,345	7	\$ 17,949,659	6	\$ 15,626,831	5
1110	Financial assets at fair value	6(2)						
	through profit or loss - current		1,856	-	5,875	-	8,396	-
1136	Financial assets at amortized cost	6(4) and 8						
	- current		555,567	-	522,496	-	439,541	-
1150	Notes receivable, net	6(5)	2,273,589	1	2,427,415	1	2,741,202	1
1170	Accounts receivable, net	6(5)(6) and 8	128,323,979	41	118,037,849	37	131,368,328	46
1180	Accounts receivable - related	7(3)						
	parties, net		317,399	-	202,091	-	282,617	-
1200	Other receivables	6(7)	11,794,314	4	19,967,189	6	7,174,281	2
1210	Other receivables - related parties	7(3)	31,095	-	42,788	-	3,691	-
1220	Current income tax assets		81,989	-	34,375	-	14,366	-
130X	Inventories	6(8)	103,538,637	33	111,737,091	35	86,214,706	30
1410	Prepayments		2,648,220	1	2,687,011	1	2,477,747	1
1470	Other current assets		<u>1,666,171</u>	<u>-</u>	<u>2,394,926</u>	<u>1</u>	<u>1,535,588</u>	<u>-</u>
11XX	Total current assets		<u>273,029,161</u>	<u>87</u>	<u>276,008,765</u>	<u>87</u>	<u>247,887,294</u>	<u>85</u>
Non-current assets								
1510	Financial assets at fair value	6(2) and 8						
	through profit or loss -							
	non-current		3,343,573	1	1,724,617	1	1,920,100	1
1517	Financial assets at fair value	6(3)						
	through other comprehensive							
	income - non-current		3,434,477	1	3,341,083	1	3,321,562	1
1550	Investments accounted for using	6(9)						
	equity method		11,923,531	4	12,617,898	4	13,453,324	5
1600	Property, plant and equipment	6(10) and 8	11,978,731	4	11,970,875	4	11,911,715	4
1755	Right-of-use assets	6(11)	2,446,912	1	2,686,605	1	1,544,289	1
1760	Investment property, net	6(12) and 8	1,514,843	-	1,566,675	-	1,579,944	1
1780	Intangible assets	6(13)	5,481,907	2	5,180,570	2	5,220,647	2
1840	Deferred income tax assets	6(31)	876,842	-	741,592	-	631,086	-
1960	Prepayments for investments		-	-	25,043	-	-	-
1990	Other non-current assets	6(14)	<u>340,630</u>	<u>-</u>	<u>355,917</u>	<u>-</u>	<u>268,663</u>	<u>-</u>
15XX	Total non-current assets		<u>41,341,446</u>	<u>13</u>	<u>40,210,875</u>	<u>13</u>	<u>39,851,330</u>	<u>15</u>
1XXX	Total assets		<u>\$314,370,607</u>	<u>100</u>	<u>\$316,219,640</u>	<u>100</u>	<u>\$287,738,624</u>	<u>100</u>

(Continued)

WPG HOLDINGS LIMITED AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2023 AND 2022
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

			December 31, 2023		December 31, 2022		January 1, 2022	
					(Adjusted)		(Adjusted)	
Liabilities and Equity		Notes	Amount	%	Amount	%	Amount	%
Current liabilities								
2100	Short-term borrowings	6(6)(15)	\$ 82,601,125	27	\$ 80,518,991	25	\$ 82,334,562	29
2110	Short-term notes and bills payable	6(16)	8,224,982	3	5,342,259	2	7,444,815	3
2120	Financial liabilities at fair value through profit or loss - current	6(2)	5,289	-	4,148	-	7,068	-
2150	Notes payable		18,520	-	15,456	-	21,484	-
2170	Accounts payable		85,867,016	28	81,177,435	26	75,552,919	26
2180	Accounts payable - related parties	7(3)	126,114	-	159,704	-	362,228	-
2200	Other payables		10,366,261	3	12,961,435	4	10,598,704	4
2230	Current income tax liabilities		1,343,635	-	1,317,492	-	1,227,511	-
2280	Current lease liabilities		360,295	-	371,320	-	282,588	-
2300	Other current liabilities	6(17)(18)	16,370,357	5	15,187,581	5	4,392,160	2
21XX	Total current liabilities		205,283,594	66	197,055,821	62	182,224,039	64
Non-current liabilities								
2540	Long-term borrowings	6(17)	20,369,472	6	33,532,103	11	31,478,246	11
2570	Deferred income tax liabilities	6(31)	1,128,233	-	621,462	-	628,638	-
2580	Non-current lease liabilities		2,148,857	1	2,315,509	1	1,216,340	-
2600	Other non-current liabilities	6(19)(33)	796,487	-	781,442	-	966,015	-
25XX	Total non-current liabilities		24,443,049	7	37,250,516	12	34,289,239	11
2XXX	Total liabilities		229,726,643	73	234,306,337	74	216,513,278	75
Equity								
Capital		1 and 6(20)						
3110	Common stock		16,790,568	6	16,790,568	5	16,790,568	6
3120	Preference stock		2,000,000	1	2,000,000	1	2,000,000	1
Capital reserve		6(21)						
3200	Capital reserve		28,449,804	9	28,633,916	9	28,724,498	10
Retained earnings		6(22)						
3310	Legal reserve		9,716,441	3	8,658,903	3	7,483,640	3
3320	Special reserve		3,477,886	1	9,926,105	3	8,832,794	3
3350	Unappropriated earnings		25,492,557	8	18,524,643	6	16,494,533	6
Other equity interest								
3400	Other equity interest	6(23)	(2,282,716)	(1)	(3,477,885)	(1)	(9,926,104)	(4)
31XX	Equity attributable to owners of the parent		83,644,540	27	81,056,250	26	70,399,929	25
36XX	Non-controlling interest	4	999,424	-	857,053	-	825,417	-
3XXX	Total equity		84,643,964	27	81,913,303	26	71,225,346	25
Significant contingent liabilities and unrecognized contract commitments		7(3) and 9						
3X2X	Total liabilities and equity		\$314,370,607	100	\$316,219,640	100	\$287,738,624	100

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

WPG HOLDINGS LIMITED AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2023 AND 2022
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS, EXCEPT EARNINGS PER SHARE DATA)

Items	Notes	Years ended December 31,			
		2023		2022	
		Amount	%	Amount	%
4000 Operating revenues	6(24) and 7(3)	\$ 671,888,131	100	\$ 775,232,422	100
5000 Operating costs	6(8) and 7(3)	(646,502,451)	(96)	(745,644,021)	(96)
5950 Gross profit		<u>25,385,680</u>	<u>4</u>	<u>29,588,401</u>	<u>4</u>
Operating expenses	6(29)(30) and 7(3)				
6100 Selling and marketing expenses		(10,025,323)	(1)	(9,941,007)	(1)
6200 General and administrative expenses		(4,611,271)	(1)	(4,815,649)	(1)
6450 Expected credit impairment loss		(354,378)	-	(131,612)	-
6000 Total operating expenses		(14,990,972)	(2)	(14,888,268)	(2)
6900 Operating profit		<u>10,394,708</u>	<u>2</u>	<u>14,700,133</u>	<u>2</u>
Non-operating income and expenses					
7100 Interest income	6(25)	368,597	-	104,814	-
7010 Other income	6(26)	775,262	-	691,427	-
7020 Other gains or losses	6(27)	4,667,442	1	292,590	-
7050 Financial costs	6(28)	(6,680,457)	(1)	(4,736,235)	(1)
7060 Share of profit of associates and joint ventures accounted for using the equity method		<u>756,656</u>	<u>-</u>	<u>1,657,603</u>	<u>-</u>
7000 Total non-operating income and expenses		(112,500)	-	(1,989,801)	(1)
7900 Income before income tax		10,282,208	2	12,710,332	1
7950 Income tax expense	6(31)	(2,084,471)	-	(2,132,898)	-
8200 Consolidated net income		<u>\$ 8,197,737</u>	<u>2</u>	<u>\$ 10,577,434</u>	<u>1</u>

(Continued)

WPG HOLDINGS LIMITED AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2023 AND 2022
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS, EXCEPT EARNINGS PER SHARE DATA)

			Years ended December 31,			
			2023		2022	
	Items	Notes	Amount	%	Amount	%
	Other comprehensive income / (loss), net					
	Components of other comprehensive income (loss) that will not be reclassified to profit or loss					
8311	Loss on remeasurement of defined benefit plan	6(19)	\$ 120,344	-	(\$ 11,912)	-
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	6(3)(23)	70,093	-	(998,984)	-
8320	Share of other comprehensive income (loss) of subsidiaries, associates and joint ventures accounted for using equity method		2,014,052	-	(2,507,198)	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(31)	(24,069)	-	2,382	-
8310	Other comprehensive income (loss) that will not be reclassified to profit or loss		<u>2,180,420</u>	<u>-</u>	<u>(3,515,712)</u>	<u>-</u>
	Components of other comprehensive income (loss) that will be reclassified to profit or loss					
8361	Exchange differences on translation of foreign financial statements		(360,152)	-	9,034,481	1
8370	Share of other comprehensive income of associates and joint ventures accounted for using equity method	6(23)(31)	63,441	-	962,077	-
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	6(31)	<u>7,820</u>	<u>-</u>	<u>(11,840)</u>	<u>-</u>
8360	Other comprehensive income (loss) that will be reclassified to profit or loss		<u>(288,891)</u>	<u>-</u>	<u>9,984,718</u>	<u>1</u>
8300	Other comprehensive income, net		<u>\$ 1,891,529</u>	<u>-</u>	<u>\$ 6,469,006</u>	<u>1</u>
8500	Total comprehensive income		<u>\$ 10,089,266</u>	<u>2</u>	<u>\$ 17,046,440</u>	<u>2</u>
	Consolidated net income attributable to:					
8610	Owners of the parent		\$ 8,109,407	1	\$ 10,512,466	1
8620	Non-controlling interest		<u>88,330</u>	<u>-</u>	<u>64,968</u>	<u>-</u>
			<u>\$ 8,197,737</u>	<u>1</u>	<u>\$ 10,577,434</u>	<u>1</u>
	Comprehensive income attributable to:					
8710	Owners of the parent		\$ 10,009,282	1	\$ 16,951,405	2
8720	Non-controlling interest		<u>79,984</u>	<u>-</u>	<u>95,035</u>	<u>-</u>
			<u>\$ 10,089,266</u>	<u>1</u>	<u>\$ 17,046,440</u>	<u>2</u>
	Earnings per share (in dollars)	6(32)				
9750	Basic earnings per share		<u>\$ 4.59</u>	<u>6.02</u>	<u>\$ 6.02</u>	<u>6.02</u>
9850	Diluted earnings per share		<u>\$ 4.59</u>	<u>6.02</u>	<u>\$ 6.02</u>	<u>6.02</u>

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

WPG HOLDINGS LIMITED AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2023 AND 2022
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

		Equity attributable to owners of the parent											Non-controlling interest	Total equity
		Share Capital		Retained Earnings					Other Equity Interest					
		Notes	Common stock	Preference stock	Capital surplus	Legal reserve	Special reserve	Unappropriated earnings	Exchange differences of foreign financial statements	Unrealized gains (losses) on financial assets at fair value through other comprehensive income	Others	Total		
Year ended December 31, 2022														
			\$ 16,790,568	\$ 2,000,000	\$ 28,724,498	\$ 7,483,640	\$ 8,832,794	\$ 16,494,533	(\$ 13,385,541)	\$ 3,459,437	\$ -	\$ 70,399,929	\$ 825,417	\$ 71,225,346
			-	-	-	-	-	10,512,466	-	-	-	10,512,466	64,968	10,577,434
	6(23)		-	-	-	-	-	(9,280)	9,954,653	(3,506,434)	-	6,438,939	30,067	6,469,006
			-	-	-	-	-	10,503,186	9,954,653	(3,506,434)	-	16,951,405	95,035	17,046,440
Appropriations of 2021 retained earnings 6(22)														
			-	-	-	1,175,263	-	(1,175,263)	-	-	-	-	-	-
			-	-	-	-	1,093,311	(1,093,311)	-	-	-	-	-	-
			-	-	-	-	-	(5,876,699)	-	-	-	(5,876,699)	-	(5,876,699)
			-	-	-	-	-	(400,000)	-	-	-	(400,000)	-	(400,000)
Changes in equity of associates and joint ventures accounted for using the equity method 6(21)														
			-	-	(91,345)	-	-	72,197	-	-	-	(19,148)	-	(19,148)
Changes in ownership interests in subsidiaries 6(21)														
			-	-	763	-	-	-	-	-	-	763	-	763
Changes in non-controlling interests														
			-	-	-	-	-	-	-	-	-	-	(63,399)	(63,399)
Balance at December 31, 2022														
			\$ 16,790,568	\$ 2,000,000	\$ 28,633,916	\$ 8,658,903	\$ 9,926,105	\$ 18,524,643	(\$ 3,430,888)	(\$ 46,997)	\$ -	\$ 81,056,250	\$ 857,053	\$ 81,913,303
Year ended December 31, 2023														
			\$ 16,790,568	\$ 2,000,000	\$ 28,633,916	\$ 8,658,903	\$ 9,926,105	\$ 18,524,643	(\$ 3,430,888)	(\$ 46,997)	\$ -	\$ 81,056,250	\$ 857,053	\$ 81,913,303
			-	-	-	-	-	8,109,407	-	-	-	8,109,407	88,330	8,197,737
	6(23)		-	-	-	-	-	96,658	(280,748)	2,083,965	-	1,899,875	(8,346)	1,891,529
			-	-	-	-	-	8,206,065	(280,748)	2,083,965	-	10,009,282	79,984	10,089,266
Appropriations of 2022 retained earnings 6(22)														
			-	-	-	1,057,538	-	(1,057,538)	-	-	-	-	-	-
			-	-	-	-	(6,448,219)	6,448,219	-	-	-	-	-	-
			-	-	-	-	-	(6,464,369)	-	-	-	(6,464,369)	-	(6,464,369)
			-	-	-	-	-	(400,000)	-	-	-	(400,000)	-	(400,000)
Disposal of investments in equity instruments designated at fair value through other comprehensive income by associates and subsidiaries 6(3)														
			-	-	-	-	-	11,427	-	(11,427)	-	-	-	-
Changes in equity of associates and joint ventures accounted for using the equity method 6(21)														
			-	-	83,083	-	-	3,350	-	-	-	86,433	-	86,433
Proceeds from disposal of investments accounted for using equity method 6(9)														
			-	-	(265,624)	-	-	220,760	(219,378)	(220,760)	-	(485,002)	-	(485,002)
Changes in ownership interests in subsidiaries 6(21)														
			-	-	(1,571)	-	-	-	-	-	-	(1,571)	-	(1,571)
Effect from recognition of put option of non-controlling interests due to acquisition of subsidiaries 6(23)(33)														
			-	-	-	-	-	-	-	-	(156,483)	(156,483)	-	(156,483)
Changes in non-controlling interests														
			-	-	-	-	-	-	-	-	-	-	62,387	62,387
Balance at December 31, 2023														
			\$ 16,790,568	\$ 2,000,000	\$ 28,449,804	\$ 9,716,441	\$ 3,477,886	\$ 25,492,557	(\$ 3,931,014)	\$ 1,804,781	(\$ 156,483)	\$ 83,644,540	\$ 999,424	\$ 84,643,964

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

WPG HOLDINGS LIMITED AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

		Years ended December 31,	
		2023	2022
	Notes		(Adjusted)
Cash flows from operating activities			
Profit before income tax		\$ 10,282,208	\$ 12,710,332
Adjustments			
Income and expenses			
Depreciation	6(29)	1,008,493	933,236
Amortization	6(13)(29)	116,674	89,646
Expected credit impairment loss		354,378	131,612
Interest expense	6(28)	6,680,457	4,736,235
Net gain on financial assets or liabilities at fair value	6(27)		
through profit or loss		(1,882,074)	(3,299)
Interest income	6(25)	(368,597)	(104,814)
Dividend income	6(26)	(341,817)	(368,210)
Share of profit of associates and joint ventures			
accounted for using the equity method		(756,656)	(1,657,603)
Loss on disposal of property, plant and equipment	6(27)	5,872	2,051
Gain on lease modification	6(27)	(1,801)	(9,055)
Gain on disposal of investment	6(27)	(2,435,730)	(1,054)
Impairment loss	6(27)	773	54,263
Changes in assets/liabilities relating to operating activities			
Changes in assets relating to operating activities			
Financial assets (liabilities) at fair value through			
profit or loss - current		175,696	171,129
Notes receivable		154,472	313,791
Accounts receivable		(9,903,777)	13,150,134
Accounts receivable - related parties, net		(115,308)	80,526
Other receivables		8,179,809	(12,784,205)
Other receivables - related parties		(1,290)	29
Inventories		8,841,667	(25,527,889)
Prepayments		59,842	(209,264)
Other current assets		700,048	96,407
Changes in liabilities relating to operating activities			
Notes payable		(13,691)	(6,028)
Accounts payable		4,340,245	5,624,516
Accounts payable - related parties		(33,590)	(202,524)
Other payables		(3,282,033)	1,477,244
Other current liabilities		917,962	(19,531)
Other non-current liabilities		(91,047)	(94,670)
Cash inflow (outflow) generated from operations		22,591,185	(1,416,995)
Interest paid		(6,195,181)	(3,815,624)
Income tax paid		(1,704,541)	(2,224,135)
Interest received		362,413	99,470
Dividends received		1,149,678	1,268,930
Net cash used in operating activities		16,203,554	(6,088,354)

(Continued)

WPG HOLDINGS LIMITED AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

		Years ended December 31,	
	Notes	2023	2022 (Adjusted)
Cash flows from investing activities			
Acquisition of financial assets at fair value through other comprehensive income		(\$ 3,681)	(\$ 1,018,505)
Proceeds from disposal of financial assets at fair value through other comprehensive income		5,422	-
Increase in financial assets at amortized cost		(331,074)	(86,595)
Decrease in financial assets at amortized cost		297,457	15,365
Acquisition of financial assets at fair value through profit or loss		-	(44,285)
Proceeds from disposal of financial assets at fair value through profit or loss		20,458	5,824
Proceeds from capital reduction of financial assets at fair value through profit or loss		27,790	83,418
Acquisition of investments accounted for using the equity method		-	(11,609)
Proceeds from disposal of investments accounted for using equity method		5,052,400	-
Decrease in cash from disposal of subsidiary		(163,542)	-
Net cash flow from acquisition of subsidiaries		(282,181)	-
Prepayments for investments		-	(25,043)
Acquisition of property, plant and equipment and intangible assets	6(34)	(645,774)	(568,371)
Proceeds from disposal of property, plant and equipment and intangible assets		2,928	4,621
Increase in guarantee deposits paid		(19,662)	(84,485)
Decrease in guarantee deposits paid		26,556	28,368
Increase in other financial assets - current		-	(955,736)
Decrease in other financial assets - current		39,449	-
Decrease in other non-current assets		216	27,402
Net cash used in investing activities		<u>4,026,762</u>	<u>(2,629,631)</u>
Cash flows from financing activities			
Principal repayment of lease liability	6(35)	(419,288)	(435,552)
Increase in short-term borrowings	6(35)	784,731,694	778,151,113
Decrease in short-term borrowings	6(35)	(783,270,896)	(779,966,684)
Increase in long-term borrowings (including current portion of long-term liabilities)	6(35)	50,263,670	39,147,256
Decrease in long-term borrowings (including current portion of long-term liabilities)	6(35)	(61,983,222)	(26,278,449)
Increase in short-term notes and bills payable	6(35)	67,197,779	50,556,144
Decrease in short-term notes and bills payable	6(35)	(65,678,879)	(52,658,700)
Increase in guarantee deposits received		70,225	34,911
Decrease in guarantee deposits received		(25,945)	(158,989)
Distribution of cash dividends	6(22)	(6,864,369)	(6,276,699)
Changes in non-controlling interests		(51,624)	(63,399)
Issuance of common stock to non-controlling interest		54,000	-
Net cash (used in) provided by financing activities		<u>(15,976,855)</u>	<u>2,050,952</u>
Effect of exchange rate changes on cash and cash equivalents		<u>(406,775)</u>	<u>8,989,861</u>
Net increase in cash and cash equivalents		3,846,686	2,322,828
Cash and cash equivalents at beginning of year		17,949,659	15,626,831
Cash and cash equivalents at end of year		<u>\$ 21,796,345</u>	<u>\$ 17,949,659</u>

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

WPG HOLDINGS LIMITED AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS,
EXCEPT AS OTHERWISE INDICATED)

1. HISTORY AND ORGANIZATION

- (1) WPG Holdings Limited (the Company) was incorporated as a company limited by shares under the provisions of the Company Law of the Republic of China, and as a holding company of World Peace Industrial Co., Ltd. and Silicon Application Corporation by exchanging shares of common stock on November 9, 2005. The Company's shares were listed on the Taiwan Stock Exchange (TSE) and approved by the Financial Supervisory Commission, Executive Yuan, Securities and Futures Bureau on the same date. After restructuring, Richpower Electronic Devices Co., Ltd. became the Company's subsidiary on January 1, 2008. The Company acquired Pernas Electronics Co., Ltd., Asian Information Technology Inc., Yosun Industrial Corp. and AECO Technology Co., Ltd. by exchanging shares of common stock on July 16, 2008, February 6, 2009, November 15, 2010 and March 1, 2012, respectively. After the Company's organization restructuring on January 1, 2014, World Peace Industrial Co., Ltd., Silicon Application Corp. and Yosun Industrial Corp. acquired 100% shares in AECO Technology Co., Ltd., Pernas Electronics Co., Ltd. and Richpower Electronic Devices Co., Ltd. through share exchange, and consequently, AECO Technology Co., Ltd., Pernas Electronics Co., Ltd. and Richpower Electronic Devices Co., Ltd. became indirectly owned subsidiaries. The Company originally evaluated Genuine C&C, Inc. using the equity method. The Company acquired partial stocks of Genuine C&C, Inc. on April 8, 2015 and completed the purchase on April 15, 2015. After the purchase, the Company held 60.5% shares of Genuine C&C, Inc. which became the Company's directly owned subsidiary. On September 1, 2017, the stock swap between Trigold Holdings Limited (Trigold) and the shareholders who previously owned Genuine C&C, Inc. was conducted at a stock swap ratio of 1:1. On the same day, Trigold was established and began OTC trading whereas Genuine C&C, Inc. was unlisted at OTC. The Company and subsidiaries owned a total of 60.51% equity of Trigold after the stock swap. The Company and the subsidiaries included in these consolidated financial statements are collectively referred as the "Group".
- (2) The Company was organized to create the management mechanism of the group, supervise the subsidiaries, integrate the whole group and improve operational efficiency. The Company's subsidiaries are mainly engaged in the distribution and sales of electronic / electrical components, sales of computer software and electrical products and sales of electronic / electrical components.

(3) As of December 31, 2023, the Company's authorized capital was \$25,000,000 (certain shares can be issued as preference shares, and \$500,000 is reserved for employee stock option certificates, restricted stocks to employees, convertible preferred stock and convertible bonds), and the paid-in capital was \$18,790,568 with a par value of \$10 (in dollars) per share.

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

These consolidated financial statements were authorized for issuance by the Board of Directors on February 29, 2024.

3. APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS

(1) Effect of the adoption of new issuances of or amendments to International Financial Reporting Standards ("IFRS®") Accounting Standards that came into effect as endorsed by the Financial Supervisory Commission ("FSC")

New standards, interpretations and amendments endorsed by the FSC and became effective from 2023 are as follows:

<u>New Standards, Interpretations and Amendments</u>	<u>Effective date by International Accounting Standards Board</u>
Amendments to IAS 1, 'Disclosure of accounting policies'	January 1, 2023
Amendments to IAS 8, 'Definition of accounting estimates'	January 1, 2023
Amendments to IAS 12, 'Deferred tax related to assets and liabilities arising from a single transaction'	January 1, 2023
Amendments to IAS 12, 'International tax reform - pillar two model rules'	May 23, 2023

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

Amendments to IAS 12, 'International tax reform - pillar two model rules'

The amendments give companies temporary relief from accounting for deferred income taxes arising from tax law enacted or substantively enacted to implement the Pillar Two model rules published by the Organisation for Economic Co-operation and Development (OECD). An entity shall neither recognize nor disclose information about deferred tax assets and liabilities related to Pillar Two income taxes.

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

New standards, interpretations and amendments endorsed by the FSC and will become effective from 2024 are as follows:

<u>New Standards, Interpretations and Amendments</u>	<u>Effective date by International Accounting Standards Board</u>
Amendments to IFRS 16, 'Lease liability in a sale and leaseback'	January 1, 2024
Amendments to IAS 1, 'Classification of liabilities as current or non-current'	January 1, 2024
Amendments to IAS 1, 'Non-current liabilities with covenants'	January 1, 2024
Amendments to IAS 7 and IFRS 7, 'Supplier finance arrangements'	January 1, 2024
The above standards and interpretations have no significant impact to the Group's financial condition and financial performance based on the Group's assessment.	

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

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

<u>New Standards, Interpretations and Amendments</u>	<u>Effective date by International Accounting Standards Board</u>
Amendments to IFRS 10 and IAS 28, 'Sale or contribution of assets between an investor and its associate or joint venture'	To be determined by International Accounting Standards Board
IFRS 17, 'Insurance contracts'	January 1, 2023
Amendments to IFRS 17, 'Insurance contracts'	January 1, 2023
Amendment to IFRS 17, 'Initial application of IFRS 17 and IFRS 9 - comparative information'	January 1, 2023
Amendments to IAS 21, 'Lack of exchangeability'	January 1, 2025

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

4. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(1) Compliance statement

The consolidated financial statements of the Group have been prepared in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers", International Financial Reporting Standards, International Accounting Standards, IFRIC[®] Interpretations, and SIC[®] Interpretations that came into effect as endorsed by the FSC (collectively referred herein as the "IFRSs").

(2) Basis of preparation

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

- (a) Financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.
 - (b) Financial assets at fair value through other comprehensive income measured at fair value.
 - (c) Defined benefit liabilities recognized based on the net amount of pension fund assets less present value of defined benefit obligation.
- B. The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5.

(3) Basis of consolidation

A. Basis for preparation of consolidated financial statements:

- (a) All subsidiaries are included in the Group's consolidated financial statements. Subsidiaries are all entities (including structured entities) controlled by the Group. The Group controls an entity when the Group is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Consolidation of subsidiaries begins from the date the Group obtains control of the subsidiaries and ceases when the Group loses control of the subsidiaries.
- (b) Inter-company transactions, balances and unrealized gains or losses on transactions between companies within the Group are eliminated. Accounting policies of subsidiaries have been adjusted where necessary to ensure consistency with the policies adopted by the Group.
- (c) Profit or loss and each component of other comprehensive income are attributed to the owners of the parent and to the non-controlling interests. Total comprehensive income is attributed to the owners of the parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.
- (d) Changes in a parent's ownership interest in a subsidiary that do not result in the parent losing control of the subsidiary (transactions with non-controlling interests) are accounted for as equity transactions, i.e. transactions with owners in their capacity as owners. 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.
- (e) When the Group loses control of a subsidiary, the Group remeasures any investment retained in the former subsidiary at its fair value. That fair value is regarded as the fair value on initial recognition of a financial asset or the cost on initial recognition of the associate or joint venture. Any difference between fair value and carrying amount is

recognized in profit or loss. All amounts previously recognized in other comprehensive income in relation to the subsidiary are reclassified to profit or loss on the same basis as would be required if the related assets or liabilities were disposed of. That is, when the Group loses control of a subsidiary, all gains or losses previously recognized in other comprehensive income in relation to the subsidiary should be reclassified from equity to profit or loss, if such gains or losses would be reclassified to profit or loss when the related assets or liabilities are disposed of.

B. Subsidiaries included in the consolidated financial statements:

Name of investor	Name of subsidiary	Main business activities	Ownership (%)		Description
			December 31, 2023	December 31, 2022	
WPG Holdings Limited	World Peace Industrial Co., Ltd.	Agent and sales of electronic / electrical components	100.00	100.00	
WPG Holdings Limited	Silicon Application Corporation	Sales of computer software, hardware and electronic products	100.00	100.00	
WPG Holdings Limited	WPG Korea Co., Ltd.	Agent and sales of electronic / electrical components	100.00	100.00	
WPG Holdings Limited	WPG Electronics Limited	Warehousing services	100.00	100.00	
WPG Holdings Limited	WPG International (CI) Limited	Holding company	100.00	100.00	
WPG Holdings Limited	Asian Information Technology Inc.	Sales of electronic / electrical components	100.00	100.00	
WPG Holdings Limited	Yosun Industrial Corp.	"	100.00	100.00	
WPG Holdings Limited	WPG Investment Co., Ltd.	Investment company	100.00	100.00	
WPG Holdings Limited	Trigold Holdings Limited	Holding company	58.86	58.86	
WPG Holdings Limited	WPG EMEA B.V.	Sales of electronic / electrical components	100.00	100.00	
WPG Holdings Limited	WPG Electronics (Hong Kong) Limited	Agent and sales of electronic / electrical components	100.00	100.00	Note 13
WPG Holdings Limited	WPG South Asia Pte. Ltd.	Sales of electronic / electrical components	100.00	100.00	Note 14
WPG Investment Co., Ltd.	Trigold Holdings Limited	Holding company	1.74	1.74	
WPG Investment Co., Ltd.	LaaS Holdings (Samoa) Limited	"	100.00	100.00	

Name of investor	Name of subsidiary	Main business activities	Ownership (%)		Description
			December 31, 2023	December 31, 2022	
LaaS Holdings (Samoa) Limited	LaaS Holdings (HK) Limited	Holding company	100.00	100.00	
LaaS Holdings (HK) Limited	LaaS (Dongguan) Supply Chain Management Limited	Intelligent warehousing enhanced services	100.00	100.00	
World Peace Industrial Co., Ltd.	WPI International (South Asia) Pte. Ltd.	Agent and sales of electronic / electrical components	100.00	100.00	
World Peace Industrial Co., Ltd.	WPI Technology Pte. Ltd.	"	100.00	100.00	Notes 9 and 10
World Peace Industrial Co., Ltd.	Longview Technology Inc.	"	100.00	100.00	
World Peace Industrial Co., Ltd.	AECO Technology Co., Ltd.	"	100.00	100.00	
AECO Technology Co., Ltd.	Teco Enterprise Holding (BVI) Co., Ltd.	Investment company	100.00	100.00	
Teco Enterprise Holding (BVI) Co., Ltd.	AECO Electronic Co., Ltd.	Trading of electronic / electrical products	100.00	100.00	
WPI International (South Asia) Pte. Ltd.	World Peace International Pte. Ltd.	Holding company	0.00	0.00	Note 7
WPI International (South Asia) Pte. Ltd.	Genuine C&C (Indo China) Pte. Ltd.	Agent and sales of electronic / electrical components	80.00	80.00	Note 7
WPI International (South Asia) Pte. Ltd.	WPG Americas Inc.	"	4.31	4.31	Notes 2 and 7
WPI International (South Asia) Pte. Ltd.	World Peace International (South Asia) Pte. Ltd.	"	100.00	100.00	Note 7
World Peace International Pte. Ltd.	Genuine C&C (Indo China) Pte. Ltd.	"	0.00	0.00	Note 7
World Peace International Pte. Ltd.	WPG Americas Inc.	"	0.00	0.00	Notes 2 and 7
World Peace International Pte. Ltd.	World Peace International (South Asia) Pte Ltd.	"	0.00	0.00	Note 7
World Peace International (South Asia) Pte Ltd.	World Peace International (India) Pvt., Ltd.	"	100.00	100.00	

Name of investor	Name of subsidiary	Main business activities	Ownership (%)		Description
			December 31, 2023	December 31, 2022	
World Peace International (South Asia) Pte Ltd.	WPG C&C (Malaysia) Sdn. Bhd	Agent and sales of electronic / electrical components	100.00	100.00	
World Peace International (South Asia) Pte Ltd.	WPG C&C (Thailand) Co., Ltd.	Agent and sales of information products	100.00	100.00	Note 3
World Peace International (South Asia) Pte Ltd.	WPG C&C Computers And Peripheral (India) Private Limited	Agent and sales of electronic / electrical components	100.00	100.00	
WPI Technology Pte. Ltd.	WPI International (Hong Kong) Limited	"	100.00	100.00	Notes 9 and 10
WPI International (Hong Kong) Limited	WPG C&C Limited	Agent and sales of information products	100.00	100.00	
Longview Technology Inc.	Longview Technology GC Limited	Holding company	100.00	100.00	
Longview Technology Inc.	Long-Think International Co., Ltd.	Agent and sales of electronic / electrical components	0.00	100.00	Note 11
Longview Technology GC Limited	Long-Think International (Hong Kong) Limited	"	100.00	100.00	
Silicon Application Corporation	Silicon Application (BVI) Corp.	Holding company	100.00	100.00	
Silicon Application Corporation	Win-Win Systems Ltd.	"	100.00	100.00	
Silicon Application Corporation	SAC Components (South Asia) Pte. Ltd.	Sales of computer software, hardware and electronic products	100.00	100.00	
Silicon Application Corporation	Pernas Electronic Co., Ltd.	Agent and sales of electronic / electrical components	100.00	100.00	
Silicon Application Corporation	Vsell Enterprise Co., Ltd.	"	70.00	0.00	Note 16
Silicon Application Corporation	Vsell Enterprise Co., Ltd. (Shanghai)	"	100.00	0.00	Note 17
Silicon Application Corporation	Maojie Trading (Shenzhen) Co., Ltd.	"	100.00	0.00	Note 18
Pernas Electronics Co., Ltd.	Everwiner Enterprise Co., Ltd.	"	100.00	100.00	

Name of investor	Name of subsidiary	Main business activities	Ownership (%)		Description
			December 31, 2023	December 31, 2022	
Silicon Application (BVI) Corp.	Silicon Application Company Limited	Sales of computer software, hardware and electronic products	100.00	100.00	
WPG Korea Co., Ltd.	Apache Communication Inc. (B.V.I.)	Investment company	100.00	100.00	
Apache Communication Inc. (B.V.I.)	Apache Korea Corp.	Sales of electronic / electrical components	100.00	100.00	
WPG International (CI) Limited	WPG International (Hong Kong) Limited	Holding company	100.00	100.00	
WPG International (CI) Limited	WPG Americas Inc.	Agent and sales of electronic / electrical components	95.69	95.69	Note 2
WPG International (CI) Limited	WPG South Asia Pte. Ltd.	Sales of electronic / electrical components	0.00	0.00	Note 14
WPG International (CI) Limited	WPG Cloud Service Limited	General trading	100.00	100.00	
WPG International (CI) Limited	WPG Gain Tune Ltd.	Agent and sales of electronic / electrical components	100.00	100.00	
WPG International (Hong Kong) Limited	WPG Electronics (Hong Kong) Limited	"	0.00	0.00	Note 13
WPG International (Hong Kong) Limited	WPG China Inc.	"	100.00	100.00	
WPG International (Hong Kong) Limited	WPG China (SZ) Inc.	Sales of computer software, hardware and electronic products	100.00	100.00	
WPG South Asia Pte. Ltd.	WPG Malaysia Sdn. Bhd	Agent and sales of electronic / electrical components	100.00	100.00	
WPG South Asia Pte. Ltd.	WPG (Thailand) Co., Ltd.	"	100.00	100.00	Note 5
WPG South Asia Pte. Ltd.	WPG India Electronics Pvt. Ltd.	"	99.99	99.99	Note 6
WPG South Asia Pte. Ltd.	WPG Electronics (Philippines) Inc.	"	100.00	100.00	Note 4
WPG South Asia Pte. Ltd.	WPG SCM Limited	"	100.00	100.00	
WPG South Asia Pte. Ltd.	WPG Vietnam Co., Ltd.	"	100.00	100.00	

Name of investor	Name of subsidiary	Main business activities	Ownership (%)		Description
			December 31, 2023	December 31, 2022	
WPG South Asia Pte. Ltd.	Yosun Singapore Pte. Ltd.	Sales of electronic / electrical components	100.00	100.00	Note 15
WPG Malaysia Sdn. Bhd	WPG India Electronics Pvt Ltd.	Agent and sales of electronic / electrical components	0.01	0.01	Note 6
Asian Information Technology Inc.	Apache Communication Inc.	Sales of electronic / electrical products	100.00	100.00	
Asian Information Technology Inc.	Henshen Electric Trading Co., Ltd.	"	100.00	100.00	
Asian Information Technology Inc.	Frontek Technology Corporation	"	100.00	100.00	
Asian Information Technology Inc.	Fame Hall International Co., Ltd.	Investment company	100.00	100.00	
Frontek Technology Corporation	Frontek International Limited	"	100.00	100.00	
Fame Hall International Co., Ltd.	AIT Japan Inc.	Sales of electronic / electrical products	48.98	100.00	Note 20
Frontek International Limited	Gather Technology Incorporation Limited	Sales of electronic electrical components	100.00	100.00	
Yosun Industrial Corp.	Sertek Incorporated	"	100.00	100.00	
Yosun Industrial Corp.	Suntop Investments Limited	Investment company	100.00	100.00	
Yosun Industrial Corp.	Richpower Electronic Devices Co., Ltd.	Sales of electronic / electrical components	100.00	100.00	
Richpower Electronic Devices Co., Ltd.	Richpower Electronic Devices Co., Limited	Sales of electronic / electrical products	100.00	100.00	
Richpower Electronic Devices Co., Ltd.	Richpower Electronic Devices Pte. Ltd.	"	100.00	100.00	
Sertek Incorporated	Sertek Limited	Sales of electronic / electrical components	100.00	100.00	
Suntop Investments Limited	Yosun Hong Kong Corp. Ltd.	"	100.00	100.00	
Suntop Investments Limited	Yosun Singapore Pte. Ltd.	"	0.00	0.00	Note 15
Yosun Hong Kong Corp. Ltd.	Yosun South China Corp. Ltd.	"	100.00	100.00	

Name of investor	Name of subsidiary	Main business activities	Ownership (%)		Description
			December 31, 2023	December 31, 2022	
Yosun Hong Kong Corp. Ltd.	Yosun Shanghai Corp. Ltd.	Warehouse business and sales of electronic components	100.00	100.00	
Trigold Holdings Limited	Genuine C&C Inc.	Sales of computer and its peripherals	100.00	100.00	
Trigold Holdings Limited	Trigold (Hong Kong) Company Limited	Holding company	100.00	100.00	
Trigold Holdings Limited	Peng Yu Trigold Limited	Sales of electronic / electrical products	100.00	100.00	Note 8
Trigold (Hong Kong) Company Limited	Peng Yu (Shanghai) Digital Technology Co., Ltd.	"	100.00	100.00	
Trigold (Hong Kong) Company Limited	WPG C&C Shanghai Co., Ltd.	"	100.00	100.00	
Triglod (Hong Kong) Company Limited	Trigolduo (Shanghai) Industrial Development Ltd.	Children's indoor amusement park	70.00	70.00	
Trigold (Hong Kong) Company Limited	Peng Yu Trigold Limited	Sales of electronic/ electrical products	0.00	0.00	Note 8
Trigolduo (Shanghai) Industrial Development Ltd.	Trigold Tongle (Shanghai) Industrial Development Ltd.	Children's indoor amusement park	100.00	100.00	
Genuine C&C, Inc.	Hoban Inc.	An E-commerce company which operates B2C and O2O businesses	100.00	100.00	
Genuine C&C, Inc.	Genuine C&C Holding Inc. (Seychelles)	Holding company	0.00	100.00	Note 19
Peng Yu (Shanghai) Digital Technology Co., Ltd.	Peng Yu International Limited	Sales of electronic/electrical products	100.00	100.00	
WPG EMEA B.V.	WPG EMEA UK LIMITED	Sales of electronic / electrical components	100.00	100.00	Note 12

Note 1: The combined ownership percentage of common shares held by the Company and its subsidiaries is more than 50% or has control power.

Note 2: World Peace Industrial Co., Ltd. totally held 4.31% of shares of WPG Americas Inc. through World Peace International (South Asia) Pte Ltd. and WPI International (Hong Kong) Limited. Along with shares of WPG Americas Inc. held by WPG International (CI) Limited, the total shareholding ratio is 100%.

Note 3: Due to restriction of local regulations, the Company holds 51% ownership

which is under the name of other individuals. The substantial ownership held by the Company is 100%.

- Note 4: Due to restriction of local regulations, the Company holds 62% ownership which is under the name of other individuals. The substantial ownership held by the Company is 100%.
- Note 5: Due to restriction of local regulations, the Company holds 61% ownership which is under the name of other individuals. The substantial ownership held by the Company is 100%.
- Note 6: WPG South Asia Pte. Ltd. and WPG Malaysia Sdn. Bhd. separately hold 99.99% and 0.01% of shares of the subsidiary, respectively, and both companies together hold 100% of shares of the subsidiary.
- Note 7: WPI International (South Asia) Pte. Ltd. merged with World Peace International Pte. Ltd., and the effective date for the merger was set on January 1, 2022. Under the merger, WPI International (South Asia) Pte. Ltd. was the surviving company while World Peace International Pte. Ltd. was the dissolved company. The equity interests held by World Peace International Pte. Ltd. was transferred to WPI International (South Asia) Pte. Ltd.
- Note 8: The Board of Directors of Trigold Holdings Limited resolved to acquire a 100% equity interest in Peng Yu Trigold Limited from Trigold (Hong Kong) Company Limited, and the effective date for the transaction was set on January 1, 2022.
- Note 9: The subsidiary, WPI Investment Holding (BVI) Company Ltd., was renamed to WPI Investment Holding Company Pte. Ltd. in March 2022.
- Note 10: The subsidiary, WPI Investment Holding Company Pte. Ltd., was renamed to WPI Technology Pte. Ltd. in August 2022.
- Note 11: In December 2022, the subsidiary, Long-Think International Co., Ltd., was dissolved and liquidated, and the liquidation completion date was set on January 30, 2024.
- Note 12: The subsidiary was established in November 2022.
- Note 13: In October 2022, WPG International (CI) Limited acquired a 100% equity interest in WPG Electronics (Hong Kong) Limited from WPG International (Hong Kong) Limited, and the effective date for the transaction was set on October 1, 2022. Additionally, in December 2022, the Company acquired a 100% equity interest in WPG Electronics (Hong Kong) Limited from WPG International (CI) Limited, and the effective date for the transaction was set on December 1, 2022.
- Note 14: The Board of Directors of the Group resolved to acquire a 100% equity interest in WPG South Asia Pte. Ltd. from WPG International (CI) Limited, and the

effective date for the transaction was set on December 1, 2022.

Note 15: In December 2022, WPG South Asia Pte. Ltd. acquired a 100% equity interest in Yosun Singapore Pte. Ltd. from Suntop Investments Limited, and the effective date for the transaction was set on December 31, 2022.

Note 16: The Board of Directors of the subsidiary, Silicon Application Corporation, resolved to acquire a 70% equity interest in Vsell Enterprise Co., Ltd., and the effective date for the transaction was set on May 1, 2023.

Note 17: The Board of Directors of the subsidiary, Silicon Application Corporation, resolved to acquire a 100% equity interest in Vsell Enterprise Co., Ltd. (Shanghai), and the effective date for the transaction was set on May 1, 2023.

Note 18: The Board of Directors of the subsidiary, Silicon Application Corporation, resolved to acquire a 100% equity interest in Maojie Trading (Shenzhen) Co., Ltd., and the effective date for the transaction was set on May 1, 2023.

Note 19: The subsidiary, Genuine C&C Holding Inc. (Seychelles), has completed liquidation process on March 29, 2023.

Note 20: The subsidiary, AIT Japan Inc., increased its capital by issuing new shares in July 2023. As the subsidiary, Asian Information Technology Inc., did not subscribe to the capital increase proportionately to its equity interest, then the shareholding ratio of AIT Japan Inc. decreased to 48.98%, and lost control of AIT Japan Inc. Therefore, AIT Japan Inc. was not included in the consolidated financial statements as of and for the year ended December 31, 2023.

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

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

E. Significant restrictions: None.

F. Subsidiaries that have non-controlling interests that are material to the Group:

As of December 31, 2023 and 2022, the non-controlling interest amounted to \$999,424 and \$857,053, respectively. The information on non-controlling interest and respective subsidiaries is as follows:

<u>Name of subsidiary</u>	<u>Principal place of business</u>	<u>Non-controlling interest</u>			
		<u>December 31, 2023</u>		<u>December 31, 2022</u>	
		<u>Amount</u>	<u>Ownership</u>	<u>Amount</u>	<u>Ownership</u>
Trigold Holdings Limited and its subsidiaries (Note)	Taiwan	\$ 820,747	39.40%	\$ 815,604	39.40%

Note: Details of equity interest in Trigold Holdings Limited held by the Company are provided in Note 1(1).

Summarized financial information of the subsidiaries:

(a) Balance sheets

	<u>Trigold Holdings Limited and its subsidiaries</u>	
	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Current assets	\$ 7,363,538	\$ 7,572,748
Non-current assets	340,196	402,516
Current liabilities	(5,421,715)	(5,722,719)
Non-current liabilities	(215,143)	(185,964)
Total net assets	2,066,876	2,066,581
Less: Non-controlling interest	(16,242)	(3,484)
Equity attributable to owners of the parent company	<u>\$ 2,083,118</u>	<u>\$ 2,070,065</u>

(b) Statements of comprehensive income

	<u>Trigold Holdings Limited and its subsidiaries</u>	
	<u>Years ended December 31,</u>	
	<u>2023</u>	<u>2022</u>
Revenue	\$ 21,293,483	\$ 20,382,375
Profit before tax	194,952	241,981
Income tax expense	(73,184)	(67,178)
Profit for the year	121,768	174,803
Other comprehensive (loss) income, net of tax	(21,589)	65,439
Total comprehensive income	<u>\$ 100,179</u>	<u>\$ 240,242</u>
Total comprehensive loss attributable to non-controlling interest	(12,758)	(9,281)
Dividends paid to non-controlling interests	<u>\$ 39,624</u>	<u>\$ 63,399</u>

(c) Statements of cash flows

	<u>Trigold Holdings Limited and its subsidiaries</u>	
	<u>Years ended December 31,</u>	
	<u>2023</u>	<u>2022</u>
Net cash provided by (used in) operating activities	\$ 710,153	(\$ 2,064,160)
Net cash used in investing activities	(834,493)	(207,429)
Net cash (used in) provided by financing activities	(343,392)	2,122,311
Effect of exchange rates on cash and cash equivalents	3,474	105,475
Decrease in cash and cash equivalents	(464,258)	(43,803)
Cash and cash equivalents, beginning of year	<u>1,556,798</u>	<u>1,600,601</u>
Cash and cash equivalents, end of year	<u>\$ 1,092,540</u>	<u>\$ 1,556,798</u>

(4) Foreign currency translation

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in New Taiwan Dollars, which is the Company's functional and presentation currency.

A. Foreign currency transactions and balances

- (a) Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions are recognized in profit or loss in the period in which they arise.
- (b) Monetary assets and liabilities denominated in foreign currencies at the period end are re-translated at the exchange rates prevailing at the balance sheet date. Exchange differences arising upon re-translation at the balance sheet date are recognized in profit or loss.
- (c) Non-monetary assets and liabilities denominated in foreign currencies held at fair value through profit or loss are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognized in profit or loss. Non-monetary assets and liabilities denominated in foreign currencies held at fair value through other comprehensive income are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognized in other comprehensive income. However, non-monetary assets and liabilities denominated in foreign currencies that are not measured at fair value are translated using the historical exchange rates at the dates of the initial transactions.
- (d) All foreign exchange gains and losses are presented in the statement of comprehensive income within 'other gains and losses'.

B. Translation of foreign operations

- (a) The operating results and financial position of all the group entities and associates that have a functional currency different from the presentation currency are translated into the presentation currency as follows:
 - i. Assets and liabilities presented in each balance sheet are translated at the closing exchange rate at the date of that balance sheet;
 - ii. Income and expense presented in each comprehensive income statement are translated at average exchange rates of that period.
 - iii. All resulting exchange differences are recognized in other comprehensive income.
- (b) The operating results and financial position of foreign branches that have a functional currency different from the presentation currency are translated into the presentation currency as follows:
 - i. Assets and liabilities for each balance sheet presented are translated at the closing exchange rate at the date of that balance sheet;

- ii. Income and expenses for each statement of comprehensive income are translated at average exchange rates of that period; and
 - iii. Accounts with head office and operating capital are translated at historical exchange rate; and
 - iv. Differences arising from translation of overseas branches' financial statements are shown as 'other equity–exchange differences on translation of foreign financial statements' under shareholders' equity.
- (c) When the foreign operation partially disposed of or sold is an associate, exchange differences that were recorded in other comprehensive income are proportionately reclassified to profit or loss as part of the gain or loss on sale. In addition, even when the Group retains partial interest in the former foreign associate after losing significant influence over the former foreign associate, such transactions should be accounted for as disposal of all interest in these foreign operations.
 - (d) When the foreign operation partially disposed of or sold is a subsidiary, cumulative exchange differences that were recorded in other comprehensive income are proportionately transferred to the non-controlling interest in this foreign operation. In addition, even when the Group retains partial interest in the former foreign subsidiary after losing control of the former foreign subsidiary, such transactions should be accounted for as disposal of all interest in the foreign operation.
 - (e) Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing exchange rates at the balance sheet date.
- (5) Classification of current and non-current items
- A. Assets that meet one of the following criteria are classified as current assets; otherwise they are classified as non-current assets:
 - (a) Assets arising from operating activities that are expected to be realized, or are intended to be sold or consumed within the normal operating cycle;
 - (b) Assets held mainly for trading purposes;
 - (c) Assets that are expected to be realized within twelve months from the balance sheet date;
 - (d) Cash and cash equivalents, excluding restricted cash and cash equivalents and those that are to be exchanged or used to settle liabilities more than twelve months after the balance sheet date.
 - B. Liabilities that meet one of the following criteria are classified as current liabilities; otherwise they are classified as non-current liabilities:
 - (a) Liabilities that are expected to be settled within the normal operating cycle;
 - (b) Liabilities arising mainly from trading activities;
 - (c) Liabilities that are to be settled within twelve months from the balance sheet date;

- (d) Liabilities for which the repayment date cannot be deferred unconditionally for at least twelve months after the balance sheet date.
- (6) Cash equivalents
Cash equivalents refer to short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Time deposits that meet the definition above and are held for the purpose of meeting short-term cash commitments in operations are classified as cash equivalents.
- (7) Financial assets at fair value through profit or loss
A. Financial assets at fair value through profit or loss are financial assets that are not measured at amortized cost or fair value through other comprehensive income. Derivatives are also categorized as financial assets held for trading unless they are designated as hedges.
B. On a regular way purchase or sale basis, financial assets at fair value through profit or loss are recognized and derecognized using trade date accounting.
C. At initial recognition, the Group measures the financial assets at fair value and recognizes the transaction costs in profit or loss. The Group subsequently measures the financial assets at fair value, and recognizes the gain or loss in profit or loss.
D. The Group recognizes the dividend income when the right to receive payment is established, future economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.
- (8) Financial assets at fair value through other comprehensive income
A. Financial assets at fair value through other comprehensive income comprise equity securities which are not held for trading, and for which the Group has made an irrevocable election at initial recognition to recognize changes in fair value in other comprehensive income.
B. On a regular way purchase or sale basis, financial assets at fair value through other comprehensive income are recognized and derecognized using trade date accounting.
C. Financial assets are initially recognized at fair value plus transaction costs. These financial assets are subsequently remeasured and stated at fair value. The changes in fair value of equity investments that were recognized in other comprehensive income are reclassified to retained earnings and are not reclassified to profit or loss following the derecognition of the investment. Dividends are recognized as revenue when the right to receive payment is established, future economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.
- (9) Financial assets at amortized cost
The Group's time deposits which do not fall under cash equivalents are those with a short maturity period and are measured at initial investment amount as the effect of discounting is immaterial.

(10) Accounts and notes receivable

- A. Accounts and notes receivable entitle the Group a legal right to receive consideration in exchange for transferred goods or rendered services.
- B. The short-term accounts and notes receivable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.

(11) Impairment of financial assets

For financial assets at amortized cost including accounts and notes receivable, at each reporting date, the Group recognizes the impairment provision for 12 months expected credit losses if there has not been a significant increase in credit risk since initial recognition or recognizes the impairment provision for the lifetime expected credit losses (ECLs) if such credit risk has increased since initial recognition after taking into consideration all reasonable and verifiable information that includes forecasts. On the other hand, for accounts receivable that do not contain a significant financing component, the Group recognizes the impairment provision for lifetime ECLs.

(12) Derecognition of financial assets

The Group derecognizes a financial asset when one of the following conditions is met:

- A. The contractual rights to receive the cash flows from the financial asset expire.
- B. The contractual rights to receive cash flows of the financial asset have been transferred and the Group has transferred substantially all risks and rewards of ownership of the financial asset.
- C. The contractual rights to receive cash flows of the financial asset have been transferred; however, the Group has not retained control of the financial asset.

(13) Inventories

- A. The cost of inventories includes the purchase price, import duties and other costs directly attributable to the acquisition of goods. The discount, allowance and others alike should be deducted from the cost.
- B. Inventories are stated at the lower of cost and net realizable value. Cost is determined using the weighted-average method. The item by item approach is used in applying the lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

(14) Investments accounted for using equity method / associates

- A. Associates are all entities over which the Group has significant influence but not control. In general, it is presumed that the investor has significant influence, if an investor holds, directly or indirectly 20 percent or more of the voting power of the investee. Investments in associates are accounted for using the equity method and are initially recognized at cost.
- B. The Group's share of its associates' post-acquisition profits or losses is recognized in profit or loss, and its share of post-acquisition movements in other comprehensive income

is recognized in other comprehensive income. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognize further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

- C. When changes in an associate's equity do not arise from profit or loss or other comprehensive income and such changes do not affect the Group's ownership percentage of the associate, the Group recognizes change in ownership interests of the associate in 'capital reserve' in proportion to its ownership.
- D. Significant unrealized gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been adjusted where necessary to ensure consistency with the policies adopted by the Group.
- E. In the case that an associate issues new shares and the Group does not subscribe or acquire new shares proportionately, which results in a change in the Group's ownership percentage of the associate but maintains significant influence on the associate, then 'capital reserve' and 'investments accounted for using equity method' shall be adjusted for the increase or decrease of its share of equity interest. If the above condition causes a decrease in the Company's ownership percentage of the associate, in addition to the above adjustment, the amounts previously recognized in other comprehensive income in relation to the associate are reclassified to profit or loss proportionately on the same basis as would be required if the relevant assets or liabilities were disposed of.
- F. Upon loss of significant influence over an associate, the Group remeasures any investment retained in the former associate at its fair value. Any difference between fair value and carrying amount is recognized in profit or loss.
- G. When the Group disposes its investment in an associate and loses significant influence over this associate, the amounts previously recognized in other comprehensive income in relation to the associate, are reclassified to profit or loss, on the same basis as would be required if the relevant assets or liabilities were disposed of. If it retains significant influence over this associate, the amounts previously recognized in other comprehensive income in relation to the associate are reclassified to profit or loss proportionately in accordance with the aforementioned approach.
- H. When the Group disposes its investment in an associate and loses significant influence over this associate, the amounts previously recognized as capital reserve in relation to the associate are transferred to profit or loss. If it retains significant influence over this associate, the amounts previously recognized as capital reserve in relation to the associate are transferred to profit or loss proportionately.

(15) Property, plant and equipment

- A. Property, plant and equipment are initially recorded at cost. Borrowing costs incurred

- during the construction period are capitalized.
- B. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.
 - C. Property, plant and equipment are measured at cost model subsequently. Land is not depreciated. Other property, plant and equipment are depreciated using the straight-line method over their estimated useful lives. Each part of an item of property, plant, and equipment with a cost that is significant in relation to the total cost of the item must be depreciated separately.
 - D. The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each financial year-end. If expectations for the assets' residual values and useful lives differ from previous estimates or the patterns of consumption of the assets' future economic benefits embodied in the assets have changed significantly, any change is accounted for as a change in estimate under IAS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors', from the date of the change. The estimated useful lives of property, plant and equipment are as follows:

Buildings and structures	3 ~55 years
Transportation equipment	3~10 years
Office equipment	3~13 years
Leasehold improvements	1~17 years
Others	3~11 years

(16) Leasing arrangements (lessee) — right-of-use assets/lease liabilities

- A. Leases are recognized as a right-of-use asset and a corresponding lease liability at the date at which the leased asset is available for use by the Group. For short-term leases or leases of low-value assets, lease payments are recognized as an expense on a straight-line basis over the lease term.
- B. Lease liabilities include the net present value of the remaining lease payments at the commencement date, discounted using the incremental borrowing interest rate. Lease payments are comprised of the following:
 - (a) Fixed payments, less any lease incentives receivable;
 - (b) Amounts expected to be payable by the lessee under residual value guarantees;
 - (c) The exercise price of a purchase option, if the lessee is reasonably certain to exercise that option; and
 - (d) Payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option. The Group subsequently measures the lease liability at amortized cost using the interest method and recognizes interest expense over the lease term. The lease liability is remeasured and the amount of remeasurement is

recognized as an adjustment to the right-of-use asset when there are changes in the lease term or lease payments and such changes do not arise from contract modifications.

- C. At the commencement date, the right-of-use asset is stated at cost comprising the following:
- (a) The amount of the initial measurement of lease liability;
 - (b) Any lease payments made at or before the commencement date;
 - (c) Any initial direct costs incurred by the lessee; and
 - (d) An estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

The right-of-use asset is measured subsequently using the cost model and is depreciated from the commencement date to the earlier of the end of the asset's useful life or the end of the lease term. When the lease liability is remeasured, the amount of remeasurement is recognized as an adjustment to the right-of-use asset.

(17) Investment property

An investment property is stated initially at its cost and measured subsequently using the cost model. Except for land, investment property is depreciated on a straight-line basis over its estimated useful life of 5 ~ 50 years.

(18) Intangible assets

A. Goodwill

Goodwill arises in a business combination accounted for by applying the acquisition method.

- B. Except for goodwill, intangible assets, mainly computer software and operating right, are stated at cost and amortized on a straight-line basis over their estimated useful lives of 1 ~ 5 years.

(19) Impairment of non-financial assets

- A. The Group assesses at each balance sheet date the recoverable amounts of those assets where there is an indication that they are impaired. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell or value in use. Except for goodwill, when the circumstances or reasons for recognizing impairment loss for an asset in prior years no longer exist or diminish, the impairment loss is reversed. The increased carrying amount due to reversal should not be more than what the depreciated or amortized historical cost would have been if the impairment had not been recognized.
- B. The recoverable amounts of goodwill shall be evaluated periodically. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. Impairment loss of goodwill previously recognized in profit or loss shall not be reversed in the following years.

- C. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash-generating units, or groups of cash-generating units, that is/are expected to benefit from the synergies of the business combination.

(20) Borrowings

- A. Borrowings comprise long-term and short-term bank borrowings. Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in profit or loss over the period of the borrowings using the effective interest method.
- B. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a pre-payment for liquidity services and amortized over the period of the facility to which it relates.

(21) Accounts and notes payable

- A. Accounts payable are liabilities for purchases of raw materials, goods or services and notes payable are those resulting from operating and non-operating activities.
- B. The short-term accounts and notes payable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.

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

- A. Financial liabilities are classified in this category of held for trading if acquired principally for the purpose of repurchasing in the short-term. Derivatives are also categorised as financial liabilities held for trading unless they are designated as hedges.
- B. At initial recognition, the Group measures the financial liabilities at fair value. All related transaction costs are recognized in profit or loss. The Group subsequently measures these financial liabilities at fair value with any gain or loss recognized in profit or loss.

(23) Derecognition of financial liabilities

A financial liability is derecognized when the obligation under the liability specified the Group the contract is discharged or cancelled or expires.

(24) Offsetting financial instruments

Financial assets and liabilities are offset and reported in the net amount in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

(25) Non-hedging derivatives

Non-hedging derivatives are initially recognized at fair value on the date a derivative contract is entered into and recorded as financial assets or financial liabilities at fair value through profit or loss. They are subsequently remeasured at fair value and the gains or losses are

recognized in profit or loss.

(26) Employee benefits

A. Short-term employee benefits

Short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in respect of service rendered by employees in a period and should be recognized as expenses in that period when the employees render service.

B. Pensions

(a) Defined contribution plans

For defined contribution plans, the contributions are recognized as pension expenses when they are due on an accrual basis. Prepaid contributions are recognized as an asset to the extent of a cash refund or a reduction in the future payments.

(b) Defined benefit plans

i. Net obligation under a defined benefit plan is defined as the present value of an amount of pension benefits that employees will receive on retirement for their services with the Group in current period or prior periods. The liability recognized in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets. The net defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The rate used to discount is determined by using interest rates of government bonds (at the balance sheet date) of a currency and term consistent with the currency and term of the employment benefit obligations.

ii. Remeasurements arising on defined benefit plans are recognized in other comprehensive income in the period in which they arise and are recorded as retained earnings.

C. Employees' compensation and directors' remuneration

Employees' compensation and directors' remuneration are recognized as expenses and liabilities, provided that such recognition is required under legal or constructive obligation and those amounts can be reliably estimated. Any difference between the resolved amounts and the subsequently actual distributed amounts is accounted for as changes in estimates. If employee compensation is distributed by shares, the Group calculates the number of shares based on the closing price at the previous day of the board meeting resolution.

(27) Income tax

A. The tax expense for the period comprises current and deferred tax. Tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or items recognized directly in equity, in which cases the tax is recognized in other comprehensive income or equity.

- B. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in accordance with applicable tax regulations. It establishes provisions where appropriate based on the amounts expected to be paid to the tax authorities. An additional tax is levied on the unappropriated retained earnings and is recorded as income tax expense in the year the stockholders resolve to retain the earnings.
- C. Deferred tax is recognized, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated balance sheet. However, the deferred tax is not accounted for if it arises from initial recognition of goodwill or of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences. Deferred tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax is determined using tax rates and laws that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realized or the deferred tax liability is settled.
- D. Deferred tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized. At each balance sheet date, unrecognized and recognized deferred tax assets are reassessed.
- E. Current income tax assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. Deferred income tax assets and liabilities are offset on the balance sheet when the entity has the legally enforceable right to offset current tax assets against current tax liabilities and they are levied by the same taxation authority on either the same entity or different entities that intend to settle on a net basis or realize the asset and settle the liability simultaneously.

(28) Share capital

Ordinary shares are classified as equity. The classification of preference shares is determined by assessing the particular rights attached to the preference shares based on the substance of the contract and the definition of financial liabilities and equity instruments. Preference shares are classified as liabilities when they have the fundamental characteristic of financial liabilities; otherwise, they are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

(29) Dividends

Dividends are recorded in the Company's financial statements in the period in which they are approved by the Company's shareholders. Cash dividends are recorded as liabilities stock dividends are recorded as stock dividends to be distributed and are reclassified to ordinary shares on the effective date of new shares issuance.

(30) Revenue recognition

- A. The Group sells electrical components and related products. Sales are recognized when control of the products has transferred, being when the products are delivered to the customer, and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract, or the Group has objective evidence that all criteria for acceptance have been satisfied.
- B. Sales revenue was recognized based on the contract price net of volume discounts or sales discount. Accumulated experience is used to estimate and provide for the volume discounts or sales discounts, and revenue is only recognized to the extent that it is highly probable that a significant reversal will not occur. The estimation is subject to an assessment at each reporting date. A refund liability is recognized for expected volume discounts or sales discounts payable to customers in relation to sales made until the end of the reporting period.
- C. A receivable is recognized when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

(31) Business combinations

- A. The Group uses the acquisition method to account for business combinations. The consideration transferred for an acquisition is measured at the fair value of the assets transferred, liabilities incurred or assumed and equity instruments issued at the acquisition date, plus the fair value of any assets and liabilities resulting from a contingent consideration arrangement. All acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. For each business combination, the Group measures at the acquisition date components of non-controlling interests in the acquiree that are present ownership interests and entitle their holders to the proportionate share of the entity's net assets in the event of liquidation at either fair value or the present ownership instruments' proportionate share in the recognized amounts of the acquiree's identifiable net assets. All other non-controlling interests should be measured at the acquisition-date fair value.
- B. The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of any previous equity interest in the acquiree over the fair

value of the identifiable assets acquired and the liabilities assumed is recorded as goodwill at the acquisition date. If the total of consideration transferred, non-controlling interest in the acquiree recognized and the fair value of previously held equity interest in the acquiree is less than the fair value of the identifiable assets acquired and the liabilities assumed, the difference is recognized directly in profit or loss on the acquisition date.

(32) Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Group's chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments.

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

The preparation of these consolidated financial statements requires management to make critical judgements in applying the Group's accounting policies and make critical assumptions and estimates concerning future events. Assumptions and estimates may differ from the actual results and are continually evaluated and adjusted based on historical experience and other factors. Such assumptions and estimates have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year; and the related information is addressed below:

(1) Critical judgements in applying the Group's accounting policies

Revenue recognition on a net/gross basis

The Group determines whether the nature of its performance obligation is to provide the specified goods or services itself (i.e. the Group is a principal) or to arrange for the other party to provide those goods or services (i.e. the Group is an agent) based on the transaction model and its economic substance. The Group is a principal if it controls a promised good or service before it transfers the good or service to a customer. The Group recognizes revenue at gross amount of consideration to which it expects to be entitled in exchange for those goods or services transferred. The Group is an agent if its performance obligation is to arrange for the provision of goods or services by another party. The Group recognizes revenue at the amount of any fee or commission to which it expects to be entitled in exchange for arranging for the other party to provide its goods or services.

Indicators that the Group controls the good or service before it is provided to a customer include the following:

- A. The Group is primarily responsible for the provision of goods or services.
- B. The Group assumes the inventory risk before transferring the specified goods or services to the customer or after transferring control of the goods or services to the customer.
- C. The Group has discretion in establishing prices for the goods or services.

(2) Critical accounting estimates and assumptions

A. Impairment assessment of goodwill

The impairment assessment of goodwill relies on the Group's subjective judgement,

including identifying cash-generating units, allocating assets and liabilities as well as goodwill to related cash-generating units, and determining the recoverable amounts of related cash-generating units. Refer to Note 6(13) for the information on goodwill impairment.

B. Valuation of provision for allowance for accounts receivable

In the process of assessing uncollectible accounts, the Group must use judgements and assumptions to determine the collectability of accounts receivable. The collectability is affected by various factors: customers' financial conditions, the Company's internal credit ratings, historical experience, current economic conditions, etc. When sales are not expected to be collected, the Group recognizes a specific allowance for doubtful receivables after the assessment. The assumptions and estimates of allowance for uncollectible accounts are based on concerning future events as that on the balance sheet date. Assumptions and estimates may differ from the actual results which may result in a material adjustment. Refer to Note 12(2) for the information on assessing uncollectible accounts for doubtful receivables.

6. DETAILS OF SIGNIFICANT ACCOUNTS

(1) Cash and cash equivalents

	<u>December 31, 2023</u>	<u>December 31, 2022</u> <u>(Adjusted)</u>	<u>January 1, 2022</u> <u>(Adjusted)</u>
Petty cash and cash on hand	\$ 9,620	\$ 9,245	\$ 7,147
Checking accounts deposits	3,596,932	3,269,467	2,969,222
Demand deposits	17,157,508	13,080,158	11,668,888
Time deposits	<u>1,032,285</u>	<u>1,590,789</u>	<u>981,574</u>
	<u>\$ 21,796,345</u>	<u>\$ 17,949,659</u>	<u>\$ 15,626,831</u>

A. The Group transacts with a variety of financial institutions all with high credit quality to disperse credit risk, so it expects that the probability of counterparty default is remote.

B. There were no cash and cash equivalents pledged to others.

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

<u>Items</u>	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Current items:		
Financial assets mandatorily measured at fair value through profit or loss		
Derivatives	\$ 333	\$ 4,652
Valuation adjustment	<u>1,523</u>	<u>1,223</u>
	<u>\$ 1,856</u>	<u>\$ 5,875</u>
Financial liabilities held for trading		
Derivatives	<u>\$ 5,289</u>	<u>\$ 4,148</u>

Items	December 31, 2023	December 31, 2022
Non-current items:		
Financial assets mandatorily measured at fair value through profit or loss		
Listed stocks	\$ 638,324	\$ 177,849
Unlisted stocks	913,373	1,495,281
Preference stocks of non-public companies	34,200	34,200
	1,585,897	1,707,330
Valuation adjustment	1,757,676	17,287
	<u>\$ 3,343,573</u>	<u>\$ 1,724,617</u>

A. Amounts recognized in profit (loss) in relation to financial assets/liabilities at fair value through profit or loss are listed below:

	Years ended December 31,	
	2023	2022
Financial assets / liabilities mandatorily measured at fair value through profit or loss		
Equity instruments	\$ 1,711,841	(\$ 173,878)
Derivatives	170,233	177,177
	<u>\$ 1,882,074</u>	<u>\$ 3,299</u>

B. The Group entered into contracts relating to derivative financial assets/liabilities which were not accounted for under hedge accounting. The information is listed below:

	December 31, 2023		
	Contract amount (notional principal)		
Derivative financial instruments	(Note)		Contract period
Current items:			
Forward foreign exchange contracts			
- Sell	RMB	51,000	2023.11.27~2024.02.20
- Buy	USD	23,150	2023.12.01~2024.02.15
Futures	\$	3,575	2023.12.28~2024.01.17
	December 31, 2022		
	Contract amount (notional principal)		
Derivative financial instruments	(Note)		Contract period
Current items:			
Forward foreign exchange contracts			
- Sell	USD	3,700	2022.12.06~2023.02.28
	EUR	800	2022.11.08~2023.02.06
	RMB	65,000	2022.12.23~2023.03.23

<u>Derivative financial instruments</u>	<u>December 31, 2022</u>		
	<u>Contract amount (notional principal) (Note)</u>	<u>Contract period</u>	
- Sell-SWAP	USD 3,000	2022.12.23~2023.01.13	
- Buy	USD 22,936	2022.09.29~2023.01.30	
Futures	\$ 2,828	2022.12.30~2023.01.30	

Note: Amounts are expressed in thousands.

(a) Forward foreign exchange contracts

The Group entered into forward exchange contracts to manage exposures to foreign exchange rate fluctuations of import or export sales. However, the forward exchange contracts did not meet the criteria for hedge accounting. Therefore, the Group did not apply hedge accounting.

(b) Futures

The futures which are owned by the Group are stock index futures aiming to earn the spread. As of December 31, 2023 and 2022, the balance of margin in the account were \$3,910 and \$3,372, and the amount of excess margin were \$3,576 and \$3,188, respectively.

C. Details of the Group's financial assets at fair value through profit or loss pledged to others as collateral are provided in Note 8.

D. Information relating to fair value of financial assets / liabilities at fair value through profit or loss is provided in Note 12(3).

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

<u>Items</u>	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Non-current items:		
Equity instruments		
Listed stocks	\$ 2,903,855	\$ 2,903,556
Unlisted stocks	253,050	228,006
	3,156,905	3,131,562
Valuation adjustment	277,572	209,521
	<u>\$ 3,434,477</u>	<u>\$ 3,341,083</u>

A. The Group has elected to classify equity investments that are considered to be strategic investments as financial assets at fair value through other comprehensive income. The fair value of such investments amounted to \$3,434,477 and \$3,341,083 as at December 31, 2023 and 2022, respectively.

B. Amounts recognized in profit or loss and other comprehensive income in relation to the financial assets at fair value through other comprehensive income are listed below:

	Years ended December 31,	
	2023	2022
<u>Financial assets at fair value through other comprehensive income</u>		
Fair value change recognized in other comprehensive income (loss)	\$ <u>70,093</u>	(\$ <u>998,984</u>)
Cumulative gains reclassified to retained earnings due to derecognition	\$ <u>2,042</u>	\$ <u>-</u>

- C. As at December 31, 2023 and 2022, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the financial assets at fair value through other comprehensive income held by the Group amounted to \$3,156,905 and \$3,131,562, respectively.
- D. The Group has no financial assets at fair value through other comprehensive income pledged to others as collateral.
- E. Information relating to fair value of financial assets at fair value through other comprehensive income is provided in Note 12(3).

(4) Financial assets at amortized cost

<u>Items</u>	<u>December 31, 2023</u>	<u>December 31, 2022</u> <u>(Adjusted)</u>	<u>January 1, 2022</u> <u>(Adjusted)</u>
Current items:			
Pledged time deposits	\$ 2,801	\$ 2,672	\$ -
Time deposits	<u>552,766</u>	<u>519,824</u>	<u>439,541</u>
	\$ <u>555,567</u>	\$ <u>522,496</u>	\$ <u>439,541</u>

- A. Amounts recognized in profit or loss in relation to financial assets at amortized cost are listed below:

	Years ended December 31,	
	2023	2022
Interest income	\$ <u>28,395</u>	\$ <u>6,088</u>

- B. The Group's certain offshore funds are restricted under the Management, Utilization, and Taxation of Repatriated Offshore Funds Act, and were reclassified as "financial assets at amortized cost-non-current" as the offshore funds cannot be used arbitrarily. However, according to IFRS Q&A amended by the competent authority on January 5, 2024, the Group reclassified the undrawn balance of deposits account for offshore funds of \$1,595,410 which applied "The Management, Utilization, and Taxation of Repatriated Offshore Funds Act" from financial assets at amortized cost-non-current to cash and cash equivalents and financial assets at amortized cost-current amounting to \$1,352,098 and \$243,312, respectively, which was retrospectively adjusted to January 1, 2022. Accordingly, the 'beginning balance of cash and cash equivalents' in the statement of cash

flows for the year ended December 31, 2022 was changed from \$14,407,940 to \$15,626,831; while the 'ending balance of cash and cash equivalents' in the statement of cash flows for the year ended December 31, 2022 was changed from \$16,597,342 to \$17,949,659.

- C. Details of the Group's financial assets at amortized cost pledged to others as collateral are provided in Note 8.
- D. Information relating to credit risk of financial assets at amortized cost is provided in Note 12(2).

(5) Notes and accounts receivable

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Notes receivable	\$ 2,273,594	\$ 2,427,415
Less: Allowance for uncollectible accounts	(5)	-
	<u>\$ 2,273,589</u>	<u>\$ 2,427,415</u>
Accounts receivable	\$ 129,319,438	\$ 118,681,279
Less: Allowance for uncollectible accounts	(995,459)	(643,430)
	<u>\$ 128,323,979</u>	<u>\$ 118,037,849</u>

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

	<u>December 31, 2023</u>		<u>December 31, 2022</u>	
	<u>Accounts receivable</u>	<u>Notes receivable</u>	<u>Accounts receivable</u>	<u>Notes receivable</u>
Not past due	\$114,505,547	\$ 2,273,594	\$109,565,300	\$ 2,421,010
One month	13,025,933	-	7,863,041	6,405
Two months	998,517	-	603,621	-
Three months	42,661	-	178,671	-
Four months	106,115	-	42,819	-
Over four months	640,665	-	427,827	-
	<u>\$129,319,438</u>	<u>\$ 2,273,594</u>	<u>\$118,681,279</u>	<u>\$ 2,427,415</u>

The above ageing analysis was based on the number of months past due.

- B. As of December 31, 2023, December 31, 2022 and January 1, 2022, the Group's receivables (including notes receivable) arising from contracts with customers amounted to \$131,593,032, \$121,108,694 and \$134,781,458, respectively.
- C. The Group has no notes and accounts receivable pledged to others as collateral. Further, information on accounts receivable that were pledged to others as collateral is provided in Note 8.
- D. As at December 31, 2023 and 2022, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the Group's notes receivable was \$2,273,589 and \$2,427,415, and accounts receivable was \$128,323,979 and \$118,037,849, respectively.
- E. Information relating to credit risk of accounts receivable and notes receivable is provided

in Note 12(2).

(6) Transfer of financial assets

A. Transferred financial assets that are derecognized in their entirety

The Group entered into factoring of accounts receivable with banks. In accordance with the contract requirements, the Group shall only be liable for the losses incurred on any commercial dispute and did not assume the risk of uncollectible accounts receivable. The Group does not have any continuing involvement in the transferred accounts receivable. The derecognized amounts had already deducted the estimated commercial disputes. The commercial papers and time deposits pledged to the banks are for losses incurred only on commercial disputes or for the banks' practice of accounts receivable factoring. The pledged commercial papers and time deposits do not cover losses other than those arising from commercial disputes. As of December 31, 2023 and 2022, outstanding accounts receivable were as follows:

December 31, 2023							
Purchaser of accounts receivable	Accounts receivable transferred	Amount derecognized	Facilities (In thousands)	Amount advanced	Interest rate of amount advanced	Pledged assets	
Cathay United Bank	\$ 396,223	\$ 396,223	USD 27,000	\$ 396,223	5.89%~6.31%	None	
Mega International Commercial Bank	810,412	810,412	USD 129,500	433,892	6.45%~6.76%	Note 1	
CTBC Bank	4,735,982	4,735,982	\$ 690,000				
E. SUN Commercial Bank	2,425,971	2,425,971	USD 441,200	1,104,558	5.78%~6.6%	Note 2	
Taipei Fubon Commercial Bank	1,264,141	1,264,141	USD 245,700	1,614,755	6.25%~6.66%	Note 3	
Yuanta Commercial Bank	114,293	114,293	USD 120,000	1,256,936	5.86~6.41%	Note 4	
The Hong Kong and Shanghai Banking Corporation Limited	22,919	22,919	USD 24,000	-	-	Note 5	
Standard Chartered Bank	5,542,043	5,542,043	USD 382,900	4,112,370	6.18%~6.19%	Note 6	
Taishin International Bank	3,461,680	3,461,680	USD 3,000	-	-	None	
Bank SinoPac	2,331,909	2,331,909	USD 15,000	1,807,012	1.73%~6.68%	Note 7	
Far Eastern International Bank	304,867	304,867	\$ 11,580,000				
Chang Hwa Bank	652,980	652,980	USD 140,000	1,708,153	1.7%~6.52%	Note 8	
DBS Bank	7,982,409	7,982,409	USD 19,000	227,929	6.37%~6.55%	Note 9	
Taiwan Cooperative Bank	19,174	19,174	\$ 400,000				
Hang Seng Bank	6,653,743	6,653,743	USD 85,000	426,982	6.35%~6.78%	Note 10	
KGI Bank	646,961	646,961	USD 602,500	7,197,469	6%~6.42%	Note 11	
Bank of Taiwan	18,880	18,880	USD 2,500	-	-	Note 12	
			\$ 10,000				
			USD 301,280	6,561,249	6.21%~6.56%	None	
			USD 53,000	256,310	6.01%~6.4%	Note 13	
			\$ 800,000				
			USD 13,000	18,880	6.61%	Note 14	

December 31, 2023

Purchaser of accounts receivable	Accounts receivable transferred	Amount derecognized	Facilities (In thousands)	Amount advanced	Interest rate of amount advanced	Pledged assets
Mizuho Bank	\$ -	\$ -	USD 80,000	\$ -	-	Note 15
United Overseas Bank	308,285	308,285	USD 20,000	308,285	6.49%~6.54%	None

Note 1: The Group has signed commercial papers amounting to USD 129,500 thousand and \$690,000 that were pledged to others as collateral.

Note 2: The Group has signed commercial papers amounting to USD 44,420 thousand that were pledged to others as collateral.

Note 3: The Group has signed commercial papers amounting to USD 247,800 thousand that were pledged to others as collateral.

Note 4: The Group has signed commercial papers amounting to USD 500 thousand that were pledged to others as collateral.

Note 5: The Group has signed commercial papers amounting to USD 29,000 thousand that were pledged to others as collateral.

Note 6: The Group has signed commercial papers amounting to USD 371,410 thousand that were pledged to others as collateral.

Note 7: The Group has signed commercial papers amounting to USD 1,500 thousand and \$11,553,000 that were pledged to others as collateral.

Note 8: The Group has signed commercial papers amounting to USD 97,000 thousand that were pledged to others as collateral.

Note 9: The Group has signed commercial papers amounting to USD 19,000 thousand and \$400,000 that were pledged to others as collateral.

Note 10: The Group has signed commercial papers amounting to USD 85,000 thousand that were pledged to others as collateral.

Note 11: The Group has signed commercial papers amounting to USD 388,100 thousand that were pledged to others as collateral.

Note 12: The Group has signed commercial papers amounting to USD 2,500 thousand and \$10,000 that were pledged to others as collateral.

Note 13: The Group has signed commercial papers amounting to USD 4,600 thousand and \$800,000 that were pledged to others as collateral.

Note 14: The Group has signed commercial papers amounting to USD 13,000 thousand that were pledged to others as collateral.

Note 15: The Group has signed commercial papers amounting to USD 80,000 thousand that were pledged to others as collateral.

December 31, 2022

Purchaser of accounts receivable	Accounts receivable transferred	Amount derecognized	Facilities (In thousands)	Amount advanced	Interest rate of amount advanced	Pledged assets
Cathay United Bank	\$ 373,179	\$ 373,179	USD 27,000	\$ 373,179	2.91%~5.07%	None
Mega International Commercial Bank	1,677,607	1,677,607	USD 125,500 \$ 690,000	1,366,154	4.36%~6.22%	Note 1
CTBC Bank	5,184,203	5,184,203	USD 429,200	2,515,265	2.28%~5.22%	Note 2
E. SUN Commercial Bank	2,859,109	2,859,109	USD 275,000 \$ 20,000	1,911,492	3.03%~6.19%	Note 3
Taipei Fubon Commercial Bank	1,364,525	1,364,525	USD 112,500	988,277	3.07%~5.35%	Note 4
Yuanta Commercial Bank	296,629	296,629	USD 29,000	59,337	5.84%~5.92%	Note 5
The Hong Kong and Shanghai Banking Corporation Limited	7,380,004	7,380,004	USD 362,900	5,393,161	4.67%~5.17%	Note 6
Standard Chartered Bank	43,737	43,737	USD 3,000	-	-	None
Taishin International Bank	3,696,211	3,696,211	USD 21,000 \$ 11,510,000	2,906,118	4.2%~5.49%	Note 7
Bank SinoPac	1,727,485	1,727,485	USD 140,000	609,567	1.53%~5.87%	Note 8
Far Eastern International Bank	333,992	333,992	USD 19,000 \$ 400,000	122,681	4.9%~6.2%	Note 9
Chang Hwa Bank	1,084,361	1,084,361	USD 85,000	965,772	3.17%~5.71%	Note 10
DBS Bank	8,024,964	8,024,964	USD 618,000	5,182,014	2.13%~5.73%	Note 11
Taiwan Cooperative Bank	54,827	54,827	USD 2,500 \$ 10,000	-	-	Note 12
Hang Seng Bank	11,942,053	11,942,053	USD 476,280	11,756,996	3.32%~4.94%	None
KGI Bank	690,530	690,530	USD 76,000 \$ 750,000	113	4.25%	Note 13
Bank of Taiwan	108,525	108,525	USD 20,000	108,525	4.65%~6.08%	Note 14
Mizuho Bank	1,916,481	1,916,481	USD 135,000	1,916,481	4.18%~5.43%	Note 15

Note 1: The Group has signed commercial papers amounting to USD 125,500 thousand and \$690,000 that were pledged to others as collateral.

Note 2: The Group has signed commercial papers amounting to USD 49,370 thousand that were pledged to others as collateral.

Note 3: The Group has signed commercial papers amounting to USD 275,000 thousand and \$20,000 that were pledged to others as collateral.

Note 4: The Group has signed commercial papers amounting to USD 3,000 thousand that were pledged to others as collateral.

Note 5: The Group has signed commercial papers amounting to USD 29,000 thousand that were pledged to others as collateral.

Note 6: The Group has signed commercial papers amounting to USD 349,610 thousand that were pledged to others as collateral.

Note 7: The Group has signed commercial papers amounting to USD 2,100 thousand and

\$11,330,000 that were pledged to others as collateral.

Note 8: The Group has signed commercial papers amounting to USD 110,000 thousand that were pledged to others as collateral.

Note 9: The Group has signed commercial papers amounting to USD 19,000 thousand and \$400,000 that were pledged to others as collateral.

Note 10: The Group has signed commercial papers amounting to USD 85,000 thousand that were pledged to others as collateral.

Note 11: The Group has signed commercial papers amounting to USD 402,600 thousand that were pledged to others as collateral.

Note 12: The Group has signed commercial papers amounting to USD 2,500 thousand and \$10,000 that were pledged to others as collateral.

Note 13: The Group has signed commercial papers amounting to USD 7,600 thousand and \$750,000 that were pledged to others as collateral.

Note 14: The Group has signed commercial papers amounting to USD 20,000 thousand that were pledged to others as collateral.

Note 15: The Group has signed commercial papers amounting to USD 135,000 thousand that were pledged to others as collateral.

B. Transferred financial assets that are not derecognized in their entirety

- a. The Group entered into factoring agreements with financial institutions to sell its accounts receivable. Under the agreement, the Group can transfer non-L/C accounts receivable financing to financial institutions, and the banks have the right of recourse to the transferred accounts receivable. For accounts receivable that will not be recovered in the specific period, the Group will retain risk and returns of such accounts receivable. Accordingly, the Group did not derecognize the accounts receivable where the banks have the right of recourse, and related advance payments were listed in 'short-term borrowings'.
- b. As of December 31, 2023, the information on the total carrying amount of the original assets before the transfer (same as carrying amount of the assets that the entity continue to recognize) and associated liabilities of transferred accounts receivable that continued to be recognized is as follows. There was no such transaction as of December 31, 2022.

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Fair value of accounts receivable		
factoring	\$ 363,860	\$ -
Fair value of advanced payments	(284,641)	-
Net position	<u>\$ 79,219</u>	<u>\$ -</u>

(7) Other receivables

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Retention amount of factoring accounts receivable	\$ 10,261,869	\$ 12,583,290
VAT refund	368,576	567,282
Others	<u>1,163,869</u>	<u>6,816,617</u>
	<u>\$ 11,794,314</u>	<u>\$ 19,967,189</u>

(8) Inventories

	<u>December 31, 2023</u>		
	<u>Cost</u>	<u>Allowance for valuation</u>	<u>Book value</u>
Inventories	\$ 95,738,980	(\$ 2,846,550)	\$ 92,892,430
Inventories in transit	<u>10,646,207</u>	<u>-</u>	<u>10,646,207</u>
	<u>\$ 106,385,187</u>	<u>(\$ 2,846,550)</u>	<u>\$ 103,538,637</u>

	<u>December 31, 2022</u>		
	<u>Cost</u>	<u>Allowance for valuation</u>	<u>Book value</u>
Inventories	\$ 108,191,637	(\$ 2,304,180)	\$ 105,887,457
Inventories in transit	<u>5,849,634</u>	<u>-</u>	<u>5,849,634</u>
	<u>\$ 114,041,271</u>	<u>(\$ 2,304,180)</u>	<u>\$ 111,737,091</u>

The cost of inventories recognized as expense for the year:

	<u>Years ended December 31,</u>	
	<u>2023</u>	<u>2022</u>
Cost of goods sold	\$ 645,500,227	\$ 744,627,103
Loss on price decline of inventory	1,003,287	1,012,993
(Gain) loss on physical inventory	(1,063)	3,925
Cost of goods sold	<u>\$ 646,502,451</u>	<u>\$ 745,644,021</u>

(9) Investments accounted for using equity method

A. Details of investments accounted for using the equity method:

<u>Investee company</u>	<u>December 31, 2023</u>	<u>December 31, 2022</u>
WT Microelectronics Co., Ltd. (WT)	\$ 11,016,733	\$ 11,952,982
AIT Japan Inc.	244,340	-
ChainPower Technology Corp. (ChainPower)	210,677	199,293
Sunrise Technology Co., Ltd.	49,109	46,009
Eesource Corp. (Eesource)	68,966	68,770
Suzhou Xinning Bonded Warehouse Co., Ltd.	58,519	69,957
Adivic Technology Co., Ltd.	18,110	17,640

<u>Investee company</u>	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Suzhou Xinning Logistics Co., Ltd.	\$ 44,593	\$ 48,473
Gain Tune Logistics (Shanghai) Co., Ltd.	29,867	36,500
VITEC WPG Limited	91,769	86,180
AutoSys Co., Ltd.	62,007	64,902
Beauteek Global Wellness Corporation Limited	23,003	18,031
Supply Consultants Limited	5,838	9,161
	<u>\$ 11,923,531</u>	<u>\$ 12,617,898</u>

B. The basic information on the associate that is material to the Group is as follows:

<u>Company name</u>	<u>Principal place of business</u>	<u>Shareholding ratio</u>		<u>Nature of relationship</u>	<u>Method of measurement</u>
		<u>December 31, 2023</u>	<u>December 31, 2022</u>		
WT	Taiwan	15.44%	20.05%	Significant influence	Equity method

The summarized financial information of the associate that is material to the Group is as follows:

Balance sheet

	<u>WT</u>	
	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Current assets	\$ 238,746,945	\$ 183,649,584
Non-current assets	25,687,740	15,994,600
Current liabilities	(177,888,805)	(124,816,197)
Non-current liabilities	(15,350,515)	(20,411,652)
Total net assets	<u>\$ 71,195,365</u>	<u>\$ 54,416,335</u>
Adjustments on fair value of other intangible and tangible assets	160,171	125,590
Total net assets after adjustments	<u>\$ 71,355,536</u>	<u>\$ 54,541,925</u>
Share in associate's net assets	\$ 10,175,098	\$ 10,865,811
Goodwill (Note)	841,635	1,087,171
Carrying amount of the associate	<u>\$ 11,016,733</u>	<u>\$ 11,952,982</u>

Note: In February 2020, the Group held 29.9% equity interest in WT through public tender offer. However, WT increased its capital by issuing new shares in order to exchange shares with ASMedia Technology Inc., and the effective date for this share exchange was set on April 21, 2020. The Group did not subscribe the shares proportionately to its equity interest.

In addition, the Board of Directors of the Group resolved to dispose certain equity interest in WT in the amount of 40,000 thousand shares in November 2023, and the proceeds from disposal amounted to \$5,052,400. For the year ended December 31, 2023, the Group recognized gain on disposal of investments amounting to

\$2,437,325, and derecognized exchange differences on translation of foreign financial statements, capital surplus and unrealised gains or losses on financial assets at fair value through other comprehensive income proportionately to its equity interest amounting to \$219,378, \$265,624 and \$220,760, respectively.

The convertible bonds WT issued were converted to common stock, and WT issued employees' stock option certificate and purchased treasury shares, however, the Group did not subscribe the shares proportionately to its equity interest.

As stated above, the Group's shareholding ratio in WT decreased to 15.44%, and its capital surplus increased by \$70,684 as the Group did not subscribe to the capital increase proportionately to its equity interest. The Group obtained purchase price allocation report issued by independent appraisal firm for goodwill which arose from acquiring the Company's equity interest.

Statement of comprehensive income

	WT	
	Years ended December 31,	
	2023	2022
Revenue	\$ 594,518,813	\$ 571,197,118
Profit for the year from continuing operations	\$ 3,786,534	\$ 7,408,064
Other comprehensive income (loss), net of tax	10,914,983	(7,069,962)
Total comprehensive income for the year	\$ 14,701,517	\$ 338,102
Dividends received from associates	\$ 761,196	\$ 888,183

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

As of December 31, 2023 and 2022, the carrying amount of the Group's individually immaterial associates amounted to \$906,798 and \$664,916, respectively.

	Years ended December 31,	
	2023	2022
Profit for the year from continuing operations	\$ 16,605	\$ 73,701
Other comprehensive (loss) income - net of tax	(31,854)	35,670
Total comprehensive (loss) income	(\$ 15,249)	\$ 109,371

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

	December 31, 2023	December 31, 2022
WT Microelectronics Co., Ltd.	\$ 15,424,875	\$ 10,821,421

- E. There was no impairment on investments accounted for using equity method as of

December 31, 2023 and 2022.

- F. The Group is the single largest shareholder of ChainPower with a 39% equity interest. Given that a 40.49% equity interest in ChainPower is concentrated on other investors and a group vote of minority voting rights hold more shares than the Group, which indicate that the Group has no current ability to direct the relevant activities of ChainPower, the Group has no control, but only has significant influence, over the investee.
- G. The Group is the single largest shareholder of Eesource with a 40% equity interest. Given that a 43% equity interest in Eesource is concentrated on other investors and a group vote of minority voting rights hold more shares than the Group, which indicate that the Group has no current ability to direct the relevant activities of Eesource, the Group has no control, but only has significant influence, over the investee.

(10) Property, plant and equipment

	<u>Land</u>	<u>Buildings and structures</u>	<u>Transportation equipment</u>	<u>Office equipment</u>	<u>Leasehold improvements</u>	<u>Others</u>	<u>Total</u>
<u>Cost</u>							
At January 1, 2023	\$ 6,920,630	\$ 4,149,898	\$ 16,774	\$ 610,192	\$ 842,819	\$ 1,713,666	\$14,253,979
Additions	-	46,772	5,186	90,632	115,216	269,268	527,074
Acquired from business combinations	69,793	31,535	7,370	3,253	-	-	111,951
Disposals	-	(61,303)	(6,300)	(19,455)	(8,238)	(22,816)	(118,112)
Effect on decrease in business entities	(55,792)	(70,275)	-	(1,755)	(12,706)	-	(140,528)
Transfers (Note)	-	20,991	-	1,290	-	-	22,281
Effect due to changes in exchange rates	(3,819)	(18,544)	(1,123)	(2,517)	(8,305)	(23,449)	(57,757)
At December 31, 2023	<u>\$ 6,930,812</u>	<u>\$ 4,099,074</u>	<u>\$ 21,907</u>	<u>\$ 681,640</u>	<u>\$ 928,786</u>	<u>\$ 1,936,669</u>	<u>\$14,598,888</u>
<u>Accumulated depreciation and impairment</u>							
At January 1, 2023	\$ 1,582	\$ 781,386	\$ 12,753	\$ 431,302	\$ 623,578	\$ 432,503	\$ 2,283,104
Acquired from business combinations	-	1,642	6,792	2,504	-	-	10,938
Depreciation charge	-	176,356	3,224	70,343	53,136	182,465	485,524
Disposals	-	(61,303)	(6,300)	(19,053)	(5,749)	(16,907)	(109,312)
Effect on decrease in business entities	-	(27,827)	-	(1,413)	(7,150)	-	(36,390)
Transfer (Note)	-	4,566	-	-	-	-	4,566
Effect due to changes in exchange rates	-	(5,647)	(1,066)	(1,250)	(4,795)	(5,515)	(18,273)
At December 31, 2023	<u>\$ 1,582</u>	<u>\$ 869,173</u>	<u>\$ 15,403</u>	<u>\$ 482,433</u>	<u>\$ 659,020</u>	<u>\$ 592,546</u>	<u>\$ 2,620,157</u>
Closing net book amount as at December 31, 2023	<u>\$ 6,929,230</u>	<u>\$ 3,229,901</u>	<u>\$ 6,504</u>	<u>\$ 199,207</u>	<u>\$ 269,766</u>	<u>\$ 1,344,123</u>	<u>\$11,978,731</u>

Note: Inventories amounting to \$1,290 and investment property amounting to \$16,425 were transferred to property, plant and equipment.

	<u>Land</u>	<u>Buildings and structures</u>	<u>Transportation equipment</u>	<u>Office equipment</u>	<u>Leasehold improvements</u>	<u>Others</u>	<u>Construction in progress and equipment to be tested</u>	<u>Total</u>
<u>Cost</u>								
At January 1, 2022	\$ 6,886,813	\$4,015,647	\$ 14,997	\$ 576,415	\$ 748,915	\$ 731,604	\$ 770,274	\$13,744,665
Additions	33,545	41,021	2,667	34,454	63,678	104,188	158,626	438,179
Disposals	-	-	(1,542)	(19,828)	(9,655)	(9,739)	-	(40,764)
Transfers (Note)	-	76,838	-	6,399	6,942	857,343	(942,018)	5,504
Effect due to changes in exchange rates	<u>272</u>	<u>16,392</u>	<u>652</u>	<u>12,752</u>	<u>32,939</u>	<u>30,270</u>	<u>13,118</u>	<u>106,395</u>
At December 31, 2022	<u>\$ 6,920,630</u>	<u>\$4,149,898</u>	<u>\$ 16,774</u>	<u>\$ 610,192</u>	<u>\$ 842,819</u>	<u>\$ 1,713,666</u>	<u>\$ -</u>	<u>\$14,253,979</u>
<u>Accumulated depreciation and impairment</u>								
At January 1, 2022	\$ 1,582	\$ 614,642	\$ 12,516	\$ 372,188	\$ 548,644	\$ 283,378	\$ -	\$ 1,832,950
Depreciation charge	-	159,247	1,054	68,407	49,005	145,328	-	423,041
Disposals	-	-	(1,465)	(19,693)	(4,551)	(8,383)	-	(34,092)
Effect due to changes in exchange rates	<u>-</u>	<u>7,497</u>	<u>648</u>	<u>10,400</u>	<u>30,480</u>	<u>12,180</u>	<u>-</u>	<u>61,205</u>
At December 31, 2022	<u>\$ 1,582</u>	<u>\$ 781,386</u>	<u>\$ 12,753</u>	<u>\$ 431,302</u>	<u>\$ 623,578</u>	<u>\$ 432,503</u>	<u>\$ -</u>	<u>\$ 2,283,104</u>
Closing net book amount as at December 31, 2022	<u>\$ 6,919,048</u>	<u>\$3,368,512</u>	<u>\$ 4,021</u>	<u>\$ 178,890</u>	<u>\$ 219,241</u>	<u>\$ 1,281,163</u>	<u>\$ -</u>	<u>\$11,970,875</u>

Note: Inventories amounting to \$5,504 were transferred to property, plant and equipment.

- A. Amount of borrowing costs capitalized as part of property, plant and equipment and the range of the interest rates for such capitalization are as follows:

	Years ended December 31,	
	2023	2022
Amount capitalized	\$ -	\$ 439
Range of the interest rates for capitalization	-	0.94%~1.05%

- B. Information on property, plant and equipment that were pledged to others as collateral is provided in Note 8.

(11) Leasing arrangements-lessee

- A. The Group leases various assets including buildings, business vehicles and multifunction printers. Rental contracts are made for periods of 1 to 25 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose covenants, but leased assets may not be used as security for borrowing purposes.

- B. The carrying amounts of right-of-use assets are as follows:

	Buildings and structures	Transportation equipment (Business vehicles)	Office equipment (Photocopiers)	Other equipment	Total
<u>Cost</u>					
At January 1, 2023	\$ 3,115,039	\$ 116,942	\$ 80,665	\$ 153,667	\$3,466,313
Additions	342,954	21,734	3,794	18,446	386,928
Acquired from business combinations	546	8,109	-	-	8,655
Arising from lease modifications	-	-	(287)	-	(287)
Disposals	(356,283)	(20,102)	(4,146)	(16,369)	(396,900)
Effect due to changes in exchange rates	(23,068)	(358)	(27)	(2,253)	(25,706)
At December 31, 2023	<u>\$ 3,079,188</u>	<u>\$ 126,325</u>	<u>\$ 79,999</u>	<u>\$ 153,491</u>	<u>\$3,439,003</u>
<u>Accumulated depreciation</u>					
At January 1, 2023	\$ 680,661	\$ 47,379	\$ 10,809	\$ 40,859	\$ 779,708
Depreciation charge	406,156	47,409	9,464	28,567	491,596
Acquired from business combinations	542	3,637	-	-	4,179
Disposals	(237,266)	(18,548)	(3,979)	(15,734)	(275,527)
Effect due to changes in exchange rates	(6,705)	(419)	(18)	(723)	(7,865)
At December 31, 2023	<u>\$ 843,388</u>	<u>\$ 79,458</u>	<u>\$ 16,276</u>	<u>\$ 52,969</u>	<u>\$ 992,091</u>
Closing net book amount as at December 31, 2023	<u>\$ 2,235,800</u>	<u>\$ 46,867</u>	<u>\$ 63,723</u>	<u>\$ 100,522</u>	<u>\$2,446,912</u>

	Buildings and structures	Transportation equipment (Business vehicles)	Office equipment (Photocopiers)	Other equipment	Total
<u>Cost</u>					
At January 1, 2022	\$ 2,087,839	\$ 111,396	\$ 86,928	\$ 160,810	\$2,446,973
Additions	1,547,405	56,073	18,415	9,320	1,631,213
Disposals	(635,215)	(60,002)	(25,758)	(18,773)	(739,748)
Effect due to changes in exchange rates	115,010	9,475	1,080	2,310	127,875
At December 31, 2022	<u>\$ 3,115,039</u>	<u>\$ 116,942</u>	<u>\$ 80,665</u>	<u>\$ 153,667</u>	<u>\$3,466,313</u>
<u>Accumulated depreciation</u>					
At January 1, 2022	\$ 800,888	\$ 54,474	\$ 26,322	\$ 21,000	\$ 902,684
Depreciation charge	396,040	46,675	9,224	25,971	477,910
Disposals	(562,191)	(57,286)	(25,457)	(6,393)	(651,327)
Effect due to changes in exchange rates	45,924	3,516	720	281	50,441
At December 31, 2022	<u>\$ 680,661</u>	<u>\$ 47,379</u>	<u>\$ 10,809</u>	<u>\$ 40,859</u>	<u>\$ 779,708</u>
Closing net book amount as at December 31, 2022	<u>\$ 2,434,378</u>	<u>\$ 69,563</u>	<u>\$ 69,856</u>	<u>\$ 112,808</u>	<u>\$2,686,605</u>

C. For the years ended December 31, 2023 and 2022, the additions to right-of-use assets were \$386,928 and \$1,631,213, respectively.

D. Information on profit or loss in relation to lease contracts is as follows:

	<u>Years ended December 31,</u>	
	<u>2023</u>	<u>2022</u>
<u>Items affecting profit or loss</u>		
Interest expense on lease liabilities	\$ 65,698	\$ 61,841
Expense on short-term lease contracts	41,159	16,061
Expense on leases of low-value assets	15,498	12,380
Loss on lease modification	1,801	9,055

E. For the years ended December 31, 2023 and 2022, the Group's total cash outflow for leases were \$541,643 and \$525,834, respectively.

(12) Investment property

	<u>Land</u>	<u>Buildings and structures</u>	<u>Total</u>
<u>Cost</u>			
At January 1, 2023	\$ 609,427	\$ 1,448,059	\$ 2,057,486
Additions	-	7,776	7,776
Transfers (Note)	-	(20,991)	(20,991)
Effect due to changes in exchange rates	-	(16,440)	(16,440)
At December 31, 2023	<u>\$ 609,427</u>	<u>\$ 1,418,404</u>	<u>\$ 2,027,831</u>
<u>Accumulated depreciation</u>			
At January 1, 2023	\$ -	\$ 490,811	\$ 490,811
Depreciation charge	-	31,373	31,373
Transfers (Note)	-	(4,566)	(4,566)
Effect due to changes in exchange rates	-	(4,630)	(4,630)
At December 31, 2023	<u>\$ -</u>	<u>\$ 512,988</u>	<u>\$ 512,988</u>
Closing net book amount as at December 31, 2023	<u>\$ 609,427</u>	<u>\$ 905,416</u>	<u>\$ 1,514,843</u>

	<u>Land</u>	<u>Buildings and structures</u>	<u>Total</u>
<u>Cost</u>			
At January 1, 2022	\$ 609,427	\$ 1,425,918	\$ 2,035,345
Additions	-	8,898	8,898
Effect due to changes in exchange rates	-	13,243	13,243
At December 31, 2022	<u>\$ 609,427</u>	<u>\$ 1,448,059</u>	<u>\$ 2,057,486</u>
<u>Accumulated depreciation</u>			
At January 1, 2022	\$ -	\$ 455,401	\$ 455,401
Depreciation charge	-	32,285	32,285
Effect due to changes in exchange rates	-	3,125	3,125
At December 31, 2022	<u>\$ -</u>	<u>\$ 490,811</u>	<u>\$ 490,811</u>
Closing net book amount as at December 31, 2022	<u>\$ 609,427</u>	<u>\$ 957,248</u>	<u>\$ 1,566,675</u>

Note: Investment property amounting to \$16,425 were transferred to property, plant and equipment.

- A. Rental income from investment property and direct operating expenses arising from the investment property are shown below:

	Years ended December 31,	
	2023	2022
Rental revenue from investment property	\$ 89,631	\$ 75,556
Direct operating expenses arising from the investment property that generated rental income during the year	\$ 26,620	\$ 25,635
Direct operating expenses arising from the investment property that did not generate rental income during the year	\$ 9,370	\$ 9,999

- B. The fair value of the investment property held by the Group as of December 31, 2023 and 2022 was \$3,520,339 and \$3,354,387, respectively. The fair value as of December 31, 2023 and 2022 was based on independent appraisers' valuation, which was made using comparative method, weighted income approach and cost method. Comparison method is to compare the valuation target with similar property which is traded around the valuation period. Comparison method is categorized within Level 3 in the fair value hierarchy. Cost method is to calculate the fair value based on the price standard of Bulletin No. 4 issued by the National Federation of Real Estate Appraisers of the Republic of China. Valuations were made using the income approach with key assumptions as follows:

	December 31, 2023	December 31, 2022
Discount rate	2.28%~7.5%	2.28%~7.5%
Growth rate	0%~5.2%	0%~5%
Gross margin	1.84%~2.59%	1.84%~2.59%

- C. There is no impairment loss on investment property.
- D. For investment property pledged for guarantee, refer to Note 8.

(13) Intangible assets

	<u>Operating right</u>	<u>Software</u>	<u>Goodwill</u>	<u>Others</u>	<u>Total</u>
<u>Cost</u>					
At January 1, 2023	\$ 278,474	\$ 498,195	\$ 5,576,209	\$ 26,271	\$6,379,149
Acquired separately	-	183,204	-	-	183,204
Acquired from business combinations	-	606	150,839	89,641	241,086
Disposals	-	(22,601)	(92,790)	-	(115,391)
Effect due to changes in exchange rates	(46)	(2,048)	(1,985)	(1,305)	(5,384)
At December 31, 2023	<u>\$ 278,428</u>	<u>\$ 657,356</u>	<u>\$ 5,632,273</u>	<u>\$ 114,607</u>	<u>\$6,682,664</u>
<u>Accumulated amortization and impairment</u>					
At January 1, 2023	\$ 278,474	\$ 398,172	\$ 517,423	\$ 4,510	\$1,198,579
Acquired from business combinations	-	606	-	-	606
Amortization charge	-	106,370	-	10,304	116,674
Disposals	-	(22,601)	(92,017)	-	(114,618)
Effect due to changes in exchange rates	(46)	(1,809)	1,371	-	(484)
At December 31, 2023	<u>\$ 278,428</u>	<u>\$ 480,738</u>	<u>\$ 426,777</u>	<u>\$ 14,814</u>	<u>\$1,200,757</u>
Closing net book amount as at December 31, 2023	<u>\$ -</u>	<u>\$ 176,618</u>	<u>\$ 5,205,496</u>	<u>\$ 99,793</u>	<u>\$5,481,907</u>
	<u>Operating right</u>	<u>Software</u>	<u>Goodwill</u>	<u>Others</u>	<u>Total</u>
<u>Cost</u>					
At January 1, 2022	\$ 266,560	\$ 433,754	\$ 5,552,585	\$ 59,810	\$6,312,709
Acquired separately	-	89,755	-	-	89,755
Disposals	(15,714)	(28,401)	-	(36,167)	(80,282)
Effect due to changes in exchange rates	27,628	3,087	23,624	2,628	56,967
At December 31, 2022	<u>\$ 278,474</u>	<u>\$ 498,195</u>	<u>\$ 5,576,209</u>	<u>\$ 26,271</u>	<u>\$6,379,149</u>
<u>Accumulated amortization and impairment</u>					
At January 1, 2022	\$ 266,560	\$ 334,594	\$ 452,859	\$ 38,049	\$1,092,062
Amortization charge	-	89,646	-	-	89,646
Impairment loss	-	-	54,263	-	54,263
Disposals	(15,714)	(28,401)	-	(36,167)	(80,282)
Effect due to changes in exchange rates	27,628	2,333	10,301	2,628	42,890
At December 31, 2022	<u>\$ 278,474</u>	<u>\$ 398,172</u>	<u>\$ 517,423</u>	<u>\$ 4,510</u>	<u>\$1,198,579</u>
Closing net book amount as at December 31, 2022	<u>\$ -</u>	<u>\$ 100,023</u>	<u>\$ 5,058,786</u>	<u>\$ 21,761</u>	<u>\$5,180,570</u>

The details of amortization charge are as follows:

	Years ended December 31,	
	2023	2022
Selling and marketing expenses	\$ 2,982	\$ 5,276
General and administrative expenses	113,692	84,370
	<u>\$ 116,674</u>	<u>\$ 89,646</u>

- A. Goodwill is allocated as follows to the Group's cash-generating units identified according to operating segment:

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Yosun subgroup	\$ 3,592,944	\$ 3,683,601
World Peace subgroup	1,647,546	1,648,325
Others	391,783	244,283
	<u>5,632,273</u>	<u>5,576,509</u>
Accumulated impairment	(<u>426,777</u>)	(<u>517,423</u>)
	<u>\$ 5,205,496</u>	<u>\$ 5,058,786</u>

- B. Goodwill is allocated to the Group's cash-generating units identified according to operating segment. The recoverable amount of all cash-generating units has been determined based on value-in-use calculations. These calculations use pre-tax cash flow projections based on financial budgets approved by the management.

Management determined budgeted gross margin based on past performance and its expectations of market development. The assumptions used for weighted average growth rates are based on past historical experience and expectations of the industry; the assumption used for discount rate is the weighted average capital cost of the Group. The assumption used for discount rate is the weighted average capital cost of each cash-generating unit. As of December 31, 2023 and 2022, the adopted pre-tax discount rates were 6.48%~8.79% and 6.42%~7.77%, respectively.

- C. For the years ended December 31, 2023 and 2022, the Group recognized impairment loss of goodwill as shown below:

	Year ended December 31,			
	2023		2022	
	<u>Recognized in profit or loss</u>	<u>Recognized in other comprehensive income</u>	<u>Recognized in profit or loss</u>	<u>Recognized in other comprehensive income</u>
Impairment loss - Yosun subgroup	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 54,263</u>	<u>\$ -</u>

- D. Goodwill allocated to the operating segment of Yosun Industrial Corp. subgroup was impaired because the recoverable amount was lower than its carrying amount. The recoverable amount was determined based on value-in-use calculations. The value-in-use was determined using the pre-tax cash flow projections based on financial budgets approved by the management covering a five-year period. The main assumptions used in

calculating recoverable amount are set out below.

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Growth rate	2.00%	2.00%
Discount rate	6.48%~7.73%	6.42%~6.89%
Gross margin	2.81%~4.20%	3.00%~6.02%

(14) Overdue receivables (shown as 'other non-current assets')

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Overdue receivables	\$ 776,656	\$ 779,582
Less: Allowance for doubtful accounts	(770,244)	(771,744)
	<u>\$ 6,412</u>	<u>\$ 7,838</u>

Movement analysis of financial assets that were impaired is as follows:

	<u>Individual provision</u>	
	<u>2023</u>	<u>2022</u>
At January 1	\$ 771,744	\$ 751,720
Reversal of impairment	(219)	(40,948)
Write-off of bad debts	(2,866)	(238,285)
Transferred from accounts receivable	1,939	232,346
Effect due to changes in exchange rates	(354)	66,911
At December 31	<u>\$ 770,244</u>	<u>\$ 771,744</u>

(15) Short-term borrowings

<u>Type of borrowings</u>	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Loans for overseas purchases	\$ 24,696,216	\$ 18,125,975
Short-term loans	57,904,909	62,393,016
	<u>\$ 82,601,125</u>	<u>\$ 80,518,991</u>
Annual interest rates	<u>1.67%~9.65%</u>	<u>0.95%~8.9%</u>

For information on pledged assets, refer to Note 8.

(16) Short-term notes and bills payable

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Commercial papers payable	\$ 8,229,400	\$ 5,350,000
Less: Unamortized discount	(4,418)	(7,741)
	<u>\$ 8,224,982</u>	<u>\$ 5,342,259</u>
Annual interest rates	<u>1.34%~2.54%</u>	<u>1%~2.39%</u>

The abovementioned short-term notes and bills payable are guaranteed by financial institutions.

(17) Long-term borrowings

<u>Type of borrowings</u>	<u>Borrowing period / repayment term</u>	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Secured bank borrowings (Notes 1, 5, 11 and 17)	2018.07.10~ 2041.08.26	\$ 6,279,627	\$ 6,280,465
Unsecured bank borrowings (Notes 2~4, 6~9, 12~16 and 18~19)	2020.06.24~ 2026.12.30	13,817,550	22,978,493
Commercial paper payable (Notes 7~10, 12 and 14)	2020.06.24~ 2025.02.18	<u>11,350,000</u> 31,447,177	<u>15,250,000</u> 44,508,958
Less: Discount on long-term borrowings		(25,026)	(42,813)
Current portion of long-term borrowings (shown as 'other current liabilities')		(<u>11,052,679</u>)	(<u>10,934,042</u>)
		<u>\$ 20,369,472</u>	<u>\$ 33,532,103</u>
Interest rate range		<u>1.44%~6.61%</u>	<u>1.17%~5.95%</u>

For information on pledged assets, refer to Note 8.

Note 1: (a) The Company had entered into a long-term agreement for twenty years with a financial institution. The pledged assets are the Nangang new buildings with a grace period of three years. The principal is payable in equal monthly installments starting from April 2023.

(b) The interest rate is the index interest rate plus 0.34% from the borrowing day to March 31, 2022, and from March 31, 2022 onwards, the interest rate shall be the index rate plus 0.45%.

Note 2: The Company had entered into a long-term loan agreement for three years with a financial institution. The borrowing is payable in full at maturity in March 2023. The fixed interest rate is 1.43% from the borrowing day to March 10, 2022, and subsequently, the interest rate shall be the index interest rate plus 0.68% every three months from March 10, 2022. The Company terminated the agreement before the maturity and renewed the agreement on March 7, 2022. Details are provided in Note 3.

Note 3: The Company had entered into a long-term loan agreement for three years with a financial institution. The borrowing is payable in full at maturity in March 2025. The fixed interest rate is 1.48% from the borrowing day to March 11, 2024, and subsequently, the interest rate shall be the index interest rate plus 0.68% every three months from March 11, 2024.

Note 4: The Company had entered into a mid-term agreement for five years with a financial institution. The interest rate shall be the index interest rate plus 0.45% from the borrowing day. The principal is payable in equal monthly installments starting from

October 2020.

- Note 5: (a) The Company had entered into a long-term agreement for twenty years with a financial institution. The pledged assets are the Taoyuan plants with a grace period of three years. The principal is payable in equal monthly installments starting from September 2024.
- (b) The interest rate is the index interest rate plus 0.34% from the borrowing day to August 26, 2023, and from August 26, 2023 onwards, the interest rate shall be the index rate plus 0.45%.
- Note 6: The Company had entered into a long-term loan agreement for three years with a financial institution. The borrowing is payable in full at maturity in July 2025. The fixed interest rate is 1.99% from the borrowing day to July 12, 2024, and subsequently, the interest rate shall be the index interest rate plus 0.68% every three months from July 12, 2024.
- Note 7: Asian Information Technology Inc. and indirect subsidiaries, Frontek Technology Corporation and Apache Communication Inc., had entered into a syndicated credit agreement with Chang Hwa Bank, First Commercial Bank and Mega International Commercial Bank and other financial institutions on January 18, 2022. Under the agreement, they may re-utilize the loan and roll over commercial papers with the maximum maturity period of 6 months for each drawdown and issuance during the contract term. Therefore, the above borrowings were classified as long-term borrowings. The terms and conditions of the contract are as follows:
- (a) Contract term: Within three years from the first drawdown.
- (b) Facility and drawdown: The total drawdown facility must be less than USD150 million.
- i. Each drawdown amount must not be less than \$50,000 or USD 1.5 million, and the amount more than \$50,000 or USD 1.5 million shall be an integral multiple of \$10,000 or USD 300 thousand or shall be all the remaining undrawn facility, but not applicable to the amount approved by the lead bank. Each drawdown period shall be at least one month up to a maximum of six months. Each maturity date shall be within the contract term.
- ii. During the contract term, commercial paper can be rolled over within the total revolving credit facility of \$3,000,000 at 30, 60, 90 days maturity or the days agreed by both the lead bank and the Company with a limit of 180 days and each maturity date shall be within the contract term. Each issuance is limited to a maximum of two different maturities.
- (c) Repayment:
- i. For each drawdown, the matured principal must be repaid in full or directly repaid by a new drawdown of such tranche of credit facility on the repayment date, which is the maturity date stipulated on the application of

each drawdown. If the amount of drawdown is the same, the borrower, lead bank and each credit bank would not make an additional procedure for the remittance and loan. However, the principal, interest and related expenses of each drawdown must be repaid in full by the borrower at the end of the contract term.

- ii. When the commercial papers mature, the issuer shall settle each commercial paper at face value. However, the commercial papers can be rolled over prior to the end of the contract term, and the proceeds can be used to repay the existing commercial papers which are due. If the amount of issuance is the same, the issuer and the underwriting institution would not make an additional procedure for the remittance and loan. However, the guarantees advanced by the credit bank and other payables must be repaid in full by the issuer at the end of the contract term.
- (d) Loan covenant: The Company is required to maintain certain financial ratios based on annual consolidated financial statements during the contract period as follows: liquidity ratio should not be less than 100%, debt ratio should not be higher than 300%, time interest earned ratio should not be less than 3 and net value (net assets less intangible assets) should not be less than \$3,000,000. If the covenants are not met, one or all of the following actions will be taken directly by the lead bank or based on the resolution made by majority of the syndicated banks:
- i. Terminate any, part of or all the borrower's applications to draw down all or part of credit facilities.
 - ii. Cancel all or part of the undrawn facility under this agreement.
 - iii. Declare that any, part of or all the borrower's outstanding principal, interest, expenses and other payables under this agreement are, in whole or in part, expired immediately.
 - iv. The lead bank has the right to request the issuer to immediately deposit an amount in NTD, based on the balance of commercial papers with undischarged guaranteed obligations, as ready-to-use funds into the account designated by the lead bank, in case the holder of commercial paper requests to fulfill the guarantee obligations. Any remaining balance after deducting all the debts and expenses that the issuer should bear will be refunded without interest; or the issuer shall, by any other ways, make the holder of issued commercial paper agree to change the guarantor of the commercial papers and discharge the guarantee responsibility of each credit bank. If the issuer fails to comply with the aforementioned requirements, it shall immediately repay all the guarantees paid by each credit bank and pay delayed interest, penalty and related expenses in accordance with the

agreement.

- v. Request for payment using the commercial papers.
- vi. Exercise its rights such as the right to the pledge or contract transfer.
- vii. Exercise other rights of the lead bank and each credit bank conferred by the law, this contract or its related contract documents.
- viii. Other handling approaches approved in writing by a majority of the credit bank syndicate.

Asian Information Technology Inc. and indirect subsidiaries, Frontek Technology Corporation and Apache Communication Inc., met all the financial commitments stated in the contract.

Note 8: Silicon Application Corporation had entered into a syndicated borrowing agreement with Chang Hwa Commercial Bank and other financial institutions on June 9, 2020. The terms and conditions of the contract were as follows:

- (a) Contract term: Within three years from the first drawdown.
- (b) Facility and drawdown: The facility is \$2,600,000, could be multiple drawdowns or revolving, however, the total amount at any time cannot exceed the facility amount.
- (c) Repayment: For each drawdown, the principal and the interest payable must be repaid in full at the end of that specific drawdown's term. At the end of the contract term, the principal, interest payable and any related expense of each drawdown must be repaid in full.
- (d) Loan covenant: During the contract term, Silicon Application Corporation is required to maintain financial ratios as follows: the liquidity ratio should not be less than 100%, debt ratio should not be higher than 260%, time interest earned ratio should not be less than 2.5 and net value (net assets less intangible assets) should be maintained at or above \$3,000,000.

Silicon Application Corporation met all the financial commitments stated in the contract.

Note 9: Silicon Application Corporation had entered into a syndicated borrowing agreement with Taiwan Cooperative Bank and other financial institutions on January 14, 2022. The terms and conditions of the contract were as follows:

- (a) Contract term: Within three years from the first drawdown.
- (b) Facility and drawdown: The facility is \$3,600,000, could be multiple drawdowns or revolving; however, the total amount at any time cannot exceed the facility amount.
- (c) Repayment: For each drawdown, the principal and the interest payable must be repaid in full at the end of that specific drawdown's term. At the end of the contract term, the principal, interest payable and any related expense of each drawdown must be repaid in full.

- (d) Loan covenant: During the contract term, Silicon Application Corporation is required to maintain financial ratios as follows: the liquidity ratio should not be less than 100%, debt ratio should not be higher than 280%, time interest earned ratio should not be less than 3 and net value (net assets less intangible assets) should be maintained at or above \$3,000,000. If the above conditions are violated on the inspection day of the current year, the bank will give one year for improvements. If Silicon Application Corporation could not make improvement on the inspection day of the next year, it is considered to have violated the contract.

For the year ended December 31, 2023, certain financial ratios did not meet the above loan covenants. However, according to the credit facility agreement, it is still in the improvement period, and thus it would not be considered as a violation of the contract.

Note 10: Silicon Application Corporation had entered into a syndicated borrowing agreement with Hua Nan Bank and other financial institutions on May 15, 2023. The terms and conditions of the contract were as follows:

- (a) Contract term: Within three years from the first drawdown.
- (b) Facility and drawdown: The facility is \$3,900,000, could be multiple drawdowns or revolving; however, the total amount at any time cannot exceed the facility amount.
- (c) Repayment: For each drawdown, the principal and the interest payable must be repaid in full at the end of that specific drawdown's term. At the end of the contract term, the principal, interest payable and any related expense of each drawdown must be repaid in full.
- (d) Loan covenant: During the contract term, Silicon Application Corporation is required to maintain financial ratios as follows: the liquidity ratio should not be less than 100%, debt ratio should not be higher than 280%, time interest earned ratio should not be less than 2.5 and net value (net assets less intangible assets) should be maintained at or above \$3,000,000.

Certain financial ratios of Silicon Application Corporation did not meet the loan covenants specified in the contract. The credit line of the facility was \$3,900,000. Silicon Application Corporation had drawn down \$1,363,824. As the contract terms were not met, the bank has the right to ask Silicon Application Corporation to repay early the outstanding loan amounting to \$1,363,824. Therefore, this amount had been reclassified to 'short-term notes and bills payable'. However, Silicon Application Corporation had actively negotiated with the bank on matters related to applying for forgiveness for failure to meet the required covenants.

Note 11: Vsell Enterprise Co., Ltd., subsidiary of Silicon Application Corporation, had entered into a long-term secured agreement for twenty years with E. SUN Commercial Bank

on July 3, 2018. The facility is \$50,000 with property pledged. The contract term is one year, and the principal is payable in equal monthly installments. The floating rate is the fixed saving deposit index plus 0.43.

Vsell Enterprise Co., Ltd. have settled all payments on November 23, 2023.

Note 12: World Peace Industrial Co., Ltd. (WPI), the Company's subsidiary, had entered into a long-term loan agreement with Taiwan Cooperative Bank on August 18, 2020. The terms and conditions of the contract were as follows:

- (a) Contract term: Within three years from the first drawdown.
- (b) Facility and drawdown: The consolidated drawdown rate of the WPI's facility of \$10,000,000 and the facility of WPI International (Hong Kong) Limited of US\$200 million, and the loan can be re-utilized based on the credit term in the contract.
 - i. Each drawdown amount must not be less than \$50,000 or USD 1.5 million, and the amount more than \$50,000 or USD 1.5 million shall be an integral multiple of \$10,000 or USD 1 million or shall be the available facility during the credit period, but not available for the amount approved by the lead bank. The repayment period can be one, two, three, four, five or six month(s). However, each maturity date shall be within the contract term.
 - ii. The facility of commercial papers is \$7,500,000. Each drawdown amount must not be less than \$50,000, and the amount more than \$50,000 shall be an integral multiple of \$10,000 or shall be the available facility during the credit period, but not available for the amount approved by the lead bank. The issuance period for each drawdown can be 30, 60 and 90 days maturity or the days agreed by the lead bank and WPI with a limit of 180 days. However, each maturity date shall be within the contract term.
- (c) Repayment:
 - i. For each drawdown, the principal and interest must be repaid in full at the end of each drawdown's term. For re-utilization of the revolving loan after maturity date, application should be submitted to the lead bank five days before the maturity date. Based on the credit term in the contract, all or part of the loan will be re-utilized. If the amount of drawdown is the same as the last time, the syndicate of banks would not make an additional procedure of remittance and loan, as if the borrower has actually received the loan, and uses the loan contract as proof of receipt.
 - ii. When the commercial papers mature, the borrower shall settle the commercial papers at face value.
- (d) Loan covenant: WPI is required to maintain certain financial ratios based on annual consolidated financial statements during the contract period as follows: liquidity ratio should not be less than 100%, debt ratio should not be higher than

250%, time interest earned ratio should not be less than 2.5 and net value (net assets less intangible assets) should not be less than \$10,000,000. If the covenants are not met, right to drawdown is immediately terminated, and the following actions will be taken based on the resolution made by majority syndicated banks:

- i. Rescind part or all of the undrawn facility;
- ii. Request WPI to immediately repay all drawn principals, interest payable and other related payables as specified in the contract;
- iii. Demand the borrower to deposit the amounts that are equivalent to undischarged guaranteed obligations for drawdown facility of issued commercial papers under the agreement and (or) outstanding guarantees as reserve into the account designated by the bank consortium immediately;
- iv. Demand all rights of the promissory note obtained from signing of the contract.

This loan agreement has been extended on June 6, 2023, please referred to Note 15.

Note 13: World Peace Industrial Co., Ltd. (WPI), the Company's subsidiary, had entered into a financing agreement with DBS Bank on July 24, 2020. The terms and conditions of the contract were as follows:

- (a) Contract term: Within three years from the first drawdown.
- (b) Facility and drawdown: The facility must be less than USD 100 million.
- (c) Repayment: For each drawdown, the principal and interest must be repaid in full at the end of each drawdown's term.

World Peace Industrial Co., Ltd. have settled all payments on November 4, 2022.

Note 14: World Peace Industrial Co., Ltd. (WPI), the Company's subsidiary, had entered into a long-term loan agreement with Chang Hwa Bank and Taipei Fubon Bank on September 9, 2021. The terms and conditions of the contract were as follows:

- (a) Contract term: Within three years from the first drawdown.
- (b) Facility and drawdown: The consolidated drawdown rate of the WPI's facility is \$14,000,000 and the facility of WPI International (Hong Kong) Limited is US\$240 million. The loan can be re-utilized based on the credit term in the contract.
 - i. Each drawdown amount must not be less than \$50,000 or USD 1.5 million, and the amount more than \$50,000 or USD 1.5 million shall be an integral multiple of \$10,000 or USD 1 million or shall be the available facility during the credit period, but not available for the amount approved by the lead bank. The repayment period can be one, two, three, four, five or six month(s). However, each maturity date shall be within the contract term.
 - ii. The facility of commercial papers is \$8,400,000. Each drawdown amount

must not be less than \$50,000, and the amount more than \$50,000 shall be an integral multiple of \$10,000 or shall be the available facility during the credit period, but not available for the amount approved by the lead bank. The issuance period for each drawdown can be 30, 60 and 90 days maturity or the days agreed by the lead bank and WPI with a limit of 180 days. However, each maturity date shall be within the contract term.

(c) Repayment:

- i. Repayment: For each drawdown, the maturity date is the time when the borrowing is due, the principal must be repaid in full on the maturity date. If one of any maturity dates is not a bank working day, the maturity date will be delayed to the next bank working day, however, if the next bank working day will fall in the following month, the maturity date will be shifted to the earlier bank working day. However, the last maturity date can not exceed the credit term. For re-utilization of the revolving loan after maturity date, application should be submitted to the lead bank five days before the maturity date or other shorter term agreed by the lead bank. Based on the credit term in the contract, all or part of the loan will be re-utilized. If the amount of drawdown is the same, the syndicate of banks would not make an additional procedure of remittance and loan and uses the loan contract as proof of receipt. The re-utilization amount shall be repaid according to the contract.
- ii. When the commercial papers mature, the borrower shall settle the commercial papers at face value. However, the commercial papers can be re-utilized at the maturity date and used to directly repay the commercial papers which are due.

(d) Loan covenant: World Peace Industrial Co., Ltd. is required to maintain certain financial ratios based on annual consolidated financial statements during the contract period as follows: liquidity ratio should not be less than 100%, debt ratio should not be higher than 250%, time interest earned ratio should not be less than 2.5 and net value (net intangible assets) should not be less than \$10,000,000. If the covenants are not met, right to drawdown is immediately terminated, and one or all of the following actions will be taken directly by the lead bank or based on the resolution made by majority of the syndicated banks:

- i. Terminate part or all of the undrawn facility;
- ii. Request WPI to immediately repay all drawn principals, interest payable and other related payables as specified in the contract to the lead bank, related credit obligations of the syndicated banks based on the contract shall be immediately terminated;
- iii. Demand the borrower to deposit the amounts that are equivalent to

undischarged guaranteed obligations for drawdown facility of issued commercial papers under the agreement and (or) outstanding guarantees as reserve into the account designated by the bank consortium immediately;

- iv. Demand all rights of the promissory note obtained from signing of the contract.
- v. To the extent permitted by law, lead bank can exercise its rights based on law and contract according to the contract, security documents and related documents. The lead bank can exercise the right without any prompt, notice, summon exhortation, protest of bill or performing other legal requirements.

As of December 31, 2023, certain financial ratios of WPI in the consolidated financial statements did not meet the above restrictions. However, WPI had actively negotiated with the creditor bank for the related matters. In addition, as the balance of the loan matured in January 2024, it had been transferred to 'long-term liabilities, current portion' in current liabilities.

Note 15: World Peace Industrial Co., Ltd. (WPI), the Company's subsidiary, had entered into a first syndicated borrowing supplementary agreement with Taiwan Cooperative Bank on June 6, 2023. The terms and conditions of the contract were as follows:

- (a) Contract term: Within five years from the first drawdown.
- (b) Facility and drawdown: The consolidated drawdown rate of the WPI's facility is \$9,400,000 and the facility of WPI International (Hong Kong) Limited is US\$200 million, and the loan can be re-utilized based on the credit term in the contract.
 - i. Each drawdown amount must not be less than \$50,000 or USD 1.5 million, and the amount more than \$50,000 or USD 1.5 million shall be an integral multiple of \$10,000 or USD 1 million or shall be the available facility during the credit period, but not available for the amount approved by the lead bank. The repayment period can be one, two, three, four, five or six month(s). However, each maturity date shall be within the contract term.
 - ii. The facility of commercial papers is \$7,050,000. Each drawdown amount must not be less than \$50,000, and the amount more than \$50,000 shall be an integral multiple of \$10,000 or shall be the available facility during the credit period, but not available for the amount approved by the lead bank. The issuance period for each drawdown can be 30, 60 and 90 days maturity or the days agreed by the lead bank and WPI with a limit of 180 days. However, each maturity date shall be within the contract term.
- (c) Repayment:
 - i. For each drawdown, the principal and interest must be repaid in full at the end of each drawdown's term. For re-utilization of the revolving loan after maturity date, application should be submitted to the lead bank five days

before the maturity date. Based on the credit term in the contract, all or part of the loan will be re-utilized. If the amount of drawdown is the same as the last time, the syndicate of banks would not make an additional procedure of remittance and loan, as if the borrower has actually received the loan, and uses the loan contract as proof of receipt.

- ii. When the commercial papers mature, the borrower shall settle the commercial papers at face value.
- (d) Loan covenant: WPI is required to maintain certain financial ratios based on annual consolidated financial statements during the contract period as follows: liquidity ratio should not be less than 100%, debt ratio should not be higher than 250%, time interest earned ratio should not be less than 2.5 and net value (net assets less intangible assets) should not be less than \$10,000,000. If the covenants are not met, right to drawdown is immediately terminated, and the following actions will be taken based on the resolution made by majority syndicated banks:
- i. Rescind part or all of the undrawn facility;
 - ii. Request WPI to immediately repay all drawn principals, interest payable and other related payables as specified in the contract;
 - iii. Demand the borrower to deposit the amounts that are equivalent to undischarged guaranteed obligations for drawdown facility of issued commercial papers under the agreement and (or) outstanding guarantees as reserve into the account designated by the bank consortium immediately;
 - iv. Demand all rights of the promissory note obtained from signing of the contract.

As of December 31, 2023, certain financial ratios of WPI in the consolidated financial statements did not meet the above restrictions. However, WPI had actively negotiated with the creditor bank for the related matters and obtained a preliminary notice of forgiveness for failure to meet the required covenants on February 20, 2024, and thus there was no need to transfer the balance of the loan to 'long-term liabilities, current portion' in current liabilities.

Note 16: On July 10, 2019, WPG Korea Co., Ltd. entered into a long-term loan agreement with Kookmin Bank for a loan of KRW 3 billion until June 15, 2022. The principal is payable in 10 quarterly installments of KRW 300 million each starting from March 15, 2020. The interest is payable quarterly. WPG Korea Co., Ltd. have settled all payments on June 15, 2022.

Note 17: On June 29, 2022, WPG Korea Co., Ltd. entered into a long-term loan agreement with Kookmin Bank for a loan of KRW 2 billion until June 29, 2024. The interest is payable monthly. The principal shall be repaid in full at maturity, and the pledged asset is the office in Korea, which amount to \$30,469.

Note 18: Yosun Industrial Corp. and indirect subsidiaries, Yosun Hong Kong Corp. Ltd. had entered into a syndicated credit agreement with Mega International Commercial Bank and other financial institutions on December 9, 2021. Under the agreement, they may re-utilize the loan and roll over commercial papers during the contract term. The terms and conditions of the contract are as follows:

- (a) Contract term: Within three years from the first drawdown.
- (b) Facility and drawdown: The total drawdown facility is \$3,600,000.
 - i. Each drawdown amount must not be less than \$15,000 or USD 500 thousand, and the amount more than \$15,000 or USD 500 thousand shall be an integral multiple of \$3,000 or USD 100 thousand. Each drawdown period shall be at least one month up to a maximum of six months. Each maturity date shall be within the contract term.
 - ii. During the contract term, commercial paper can be rolled over within the total revolving credit facility of \$2,160,000 at 30 days maturity or the days agreed by both the lead bank and the Company with a limit of 180 days and each maturity date shall be within the contract term.
- (c) Repayment:
 - i. For each drawdown, the matured principal must be repaid in full or directly repaid by a new drawdown of such tranche of credit facility on the repayment date, which is the maturity date stipulated on the application of each drawdown.
 - ii. When the commercial papers mature, the issuer shall settle each commercial paper at face value. However, the commercial papers can be rolled over prior to the end of the contract term, and the proceeds can be used to repay the existing commercial papers which are due.
- (d) Loan covenant: The Company is required to maintain certain financial ratios based on annual consolidated financial statements during the contract period as follows: liquidity ratio should not be less than 100%, debt ratio should not be higher than 300%, time interest earned ratio should not be less than 2.5 and net value (net assets less intangible assets) should not be less than \$6,000,000.

For the year ended December 31, 2023, certain financial ratios did not meet the above loan covenants. However, according to the credit facility agreement, it is still in the improvement period, and thus it would not be considered as a violation of the contract.

Note 19: Richpower Electronic Devices Co., Ltd. and subsidiary, Richpower Electronic Devices Co., Limited, had entered into a syndicated credit agreement with Taiwan Cooperative Bank and other financial institutions on September 30, 2022. Under the agreement, they may re-utilize the loan and roll over commercial papers during the contract term. The terms and conditions of the contract are as follows:

- (a) Contract term: Within three years from the first drawdown.
- (b) Facility and drawdown: The total drawdown facility is \$2,000,000.
 - i. Each drawdown amount must not be less than \$15,000 or USD 500 thousand, and the amount more than \$15,000 or USD 500 thousand shall be an integral multiple of \$3,000 or USD 100 thousand. Each drawdown period shall be at least one month up to a maximum of six months. Each maturity date shall be within the contract term.
 - ii. During the contract term, commercial paper can be rolled over within the total revolving credit facility of \$1,400,000 at 30 days maturity or the days agreed by both the lead bank and the Company with a limit of 180 days and each maturity date shall be within the contract term.
- (c) Repayment:
 - i. For each drawdown, the matured principal must be repaid in full or repaid directly by a new drawdown of credit facility on the maturity date stipulated on the application of each drawdown. However, in any case, the outstanding principal, interest and other expenses payable must be repaid in full at the end of the contract term.
 - ii. The issuer shall settle the commercial papers at face value on the maturity date. However, the commercial papers can be re-utilized prior to the end of the contract term and the proceeds obtained can be used to directly repay the existing commercial papers which are due. However, in any case, the outstanding payment must be repaid in full by the issuer at the end of the contract term.
- (d) Loan covenant: The Company is required to maintain certain financial ratios based on annual consolidated financial statements during the contract period as follows: liquidity ratio should not be less than 100%, debt ratio should not be higher than 300%, time interest earned ratio should not be less than 2.5 and net value (net assets less intangible assets) should not be less than \$1,600,000.

For the year ended December 31, 2023, certain financial ratios did not meet the above loan covenants. However, according to the credit facility agreement, it is still in the improvement period, and thus it would not be considered as a violation of the contract.

(18) Other current liabilities

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Long-term borrowings-current portion	\$ 11,052,679	\$ 10,934,042
Refund liabilities	3,800,451	3,502,479
Contract liabilities	956,427	177,637
Others	560,800	573,423
	<u>\$ 16,370,357</u>	<u>\$ 15,187,581</u>

- A. Refund liabilities were generated from sales discounts which is shown as ‘other current liabilities’.
- B. Contract liabilities were generated from advance sales receipts which is shown as ‘other current liabilities’.

(19) Pensions

A. Defined benefit plans

- (a) The Company and its domestic subsidiaries have a defined benefit pension plan in accordance with the Labor Standards Law, covering all regular employees’ service years prior to the enforcement of the Labor Pension Act on July 1, 2005 and service years thereafter of employees who chose to continue to be subject to the pension mechanism under the Law. Under the defined benefit pension plan, two units are accrued for each year of service for the first 15 years and one unit for each additional year thereafter, subject to a maximum of 45 units. Pension benefits are based on the number of units accrued and the average monthly salaries and wages of the last 6 months prior to retirement. The Company and its domestic subsidiaries contribute monthly an amount equal to 2% of the employees’ monthly salaries and wages to the retirement fund deposited with Bank of Taiwan, the trustee, under the name of the independent retirement fund committee. Also, the Company and its domestic subsidiaries would assess the balance in the aforementioned labor pension reserve account by December 31, every year. If the account balance is not enough to pay the pension calculated by the aforementioned method to the employees expected to qualify for retirement in the following year, the Company and its domestic subsidiaries will make contribution for the deficit by next March.

Effective January 1, 2010, the Company and certain subsidiaries have funded defined benefit pension plans in accordance with the “Regulations on pensions of managers”, covering all managers appointed by the Company. Under the defined benefit pension plan, one unit is accrued for each year of service, subject to a maximum of 45 units. Pension benefits are based on the number of units accrued and the remuneration per unit ratified during the appointed period.

- (b) The amounts recognized in the balance sheet are as follows:

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Present value of defined benefit obligations	\$ 1,027,587	\$ 1,184,280
Fair value of plan assets	(699,714)	(624,464)
Net defined benefit liability (shown as “other non-current liabilities”)	<u>\$ 327,873</u>	<u>\$ 559,816</u>

(c) Movements in net defined benefit liabilities are as follows:

	2023		
	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit liability
At January 1	\$ 1,184,280	(\$ 624,464)	\$ 559,816
Current service cost	8,795	(101)	8,694
Interest expense (income)	<u>11,859</u>	<u>(6,608)</u>	<u>5,251</u>
	<u>1,204,934</u>	<u>(631,173)</u>	<u>573,761</u>
Remeasurements:			
Returns on plan assets	-	(1,935)	(1,935)
Change in financial assumptions	4,731	-	4,731
Experience adjustments	<u>(123,582)</u>	<u>(396)</u>	<u>(123,978)</u>
	<u>(118,851)</u>	<u>(2,331)</u>	<u>(121,182)</u>
Paid pension	(56,705)	56,705	-
Direct payments charged to company's account	(7,079)	-	(7,709)
Effect of business combination	-	(118,510)	(118,510)
Pension fund contribution	<u>5,288</u>	<u>(4,405)</u>	<u>883</u>
At December 31	<u>\$ 1,027,587</u>	<u>(\$ 699,714)</u>	<u>\$ 327,873</u>
	2022		
	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit liability
At January 1	\$ 1,159,809	(\$ 519,251)	\$ 640,558
Current service cost	12,059	(3,607)	8,452
Interest expense (income)	<u>7,337</u>	<u>(3,308)</u>	<u>4,029</u>
	<u>1,179,205</u>	<u>(526,166)</u>	<u>653,039</u>
Remeasurements:			
Returns on plan assets	-	(33,656)	(33,656)
Change in financial assumptions	(52,486)	-	(52,486)
Experience adjustments	<u>103,152</u>	<u>(5,098)</u>	<u>98,054</u>
	<u>50,666</u>	<u>(38,754)</u>	<u>11,912</u>
Paid pension	(39,929)	39,929	-
Direct payments charged to company's account	(5,662)	-	(5,662)
Pension fund contribution	<u>-</u>	<u>(99,473)</u>	<u>(99,473)</u>
At December 31	<u>\$ 1,184,280</u>	<u>(\$ 624,464)</u>	<u>\$ 559,816</u>

- (d) The Bank of Taiwan was commissioned to manage the fund of the Company's and domestic subsidiaries' defined benefit pension plan assets in accordance with the Fund's annual investment and utilisation plan and the "Regulations for Revenues, Expenditures, Safeguard and Utilisation of the Labor Retirement Fund" (Article 6: The scope of utilisation for the Fund includes deposit in domestic or foreign financial institutions, investment in domestic or foreign listed, over-the-counter, or private placement equity securities, investment in domestic or foreign real estate securitisation products, etc.). With regard to the utilisation of the Fund, its minimum earnings in the annual distributions on the final financial statements shall be no less than the earnings attainable from the amounts accrued from two-year time deposits with the interest rates offered by local banks. If the earnings is less than aforementioned rates, government shall make payment for the deficit after being authorised by the Regulator. The Company and domestic subsidiaries have no right to participate in managing and operating that Fund and therefore, the Company and domestic subsidiaries are unable to disclose the classification of plan assets fair value in accordance with IAS 19 paragraph 142. The composition of fair value of plan assets as of December 31, 2023 and 2022 is given in the Annual Labor Retirement Fund Utilisation Report announced by the government.
- (e) The principal actuarial assumptions used were as follows:

	<u>Years ended December 31,</u>	
	<u>2023</u>	<u>2022</u>
Discount rate	<u>1.2%</u>	<u>1.2%~1.3%</u>
Future salary increases	<u>2.50%~4.00%</u>	<u>2.50%~4.00%</u>

Assumptions regarding future mortality experience are set based on future mortality rate was estimated based on the 6th Taiwan Standard Ordinary Experience Mortality Table and experience.

Sensitivity analysis of the effect on present value of defined benefit obligation due from the changes of main actuarial assumptions was as follows:

	<u>Discount rate</u>		<u>Future salary increases</u>	
	<u>Increase 1%</u>	<u>Decrease 1%</u>	<u>Increase 1%</u>	<u>Decrease 1%</u>
December 31, 2023				
Effect on present value of				
defined benefit obligation	(\$ <u>63,987</u>)	\$ <u>65,811</u>	\$ <u>49,885</u>	(\$ <u>48,801</u>)
December 31, 2022				
Effect on present value of				
defined benefit obligation	(\$ <u>42,785</u>)	\$ <u>44,082</u>	\$ <u>36,510</u>	(\$ <u>35,673</u>)

The sensitivity analysis above is based on one assumption which changed while the other conditions remain unchanged. In practice, more than one assumption may

change all at once. The method utilised in sensitivity analysis is the same as the method utilised in calculating net pension liability on the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis were consistent with previous period.

- (f) Expected contributions to the defined benefit pension plans of the Group for the year ending December 31, 2024 are \$19,610.
- (g) As of December 31, 2023, the weighted average duration of the retirement plan is 6~11 years.

B. Defined contribution plans

- (a) Effective July 1, 2005, the Company and its domestic subsidiaries have established a defined contribution pension plan (the “New Plan”) under the Labor Pension Act (the “Act”), covering all regular employees with R.O.C. nationality. Under the New Plan, the Company and its domestic subsidiaries contribute monthly an amount based on not less than 6% of the employees’ monthly salaries and wages to the employees’ individual pension accounts at the Bureau of Labor Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment.
- (b) Other overseas companies have defined contribution plans. Contributions for pensions and retirement allowance to independent fund administered by the government in accordance with the local pension regulations are based on a certain percentage of employees’ monthly salaries and wages. Other than the monthly contributions, the companies have no further obligations.
- (c) The pension costs of the Group under the defined contribution pension plans for the years ended December 31, 2023 and 2022 were \$470,529 and \$423,021, respectively.

(20) Share capital

- A. The Company’s authorized capital was \$25,000,000, of which certain shares can be issued as preference shares. The above authorized capital includes \$500,000 reserved for employee stock option certificates, restricted stocks to employees, convertible preferred stock and convertible bonds. As of December 31, 2023, the paid-in capital was \$18,790,568 with a par value of \$10 (in dollars) per share. All proceeds from shares issued have been collected.
- B. Movements in the number of the Company’s ordinary shares outstanding (in thousands of shares) for the years ended December 31, 2023 and 2022 are as follows:

	2023	2022
At January 1 and December 31	<u>1,679,057</u>	<u>1,679,057</u>

- C. On June 28, 2019, the Board of Directors resolved to increase its capital by issuing 200 million shares of Class A preferred stocks at the price of \$50 (in dollars) per share with the effective date set on September 18, 2019 for repayment of borrowings to financial institutions and strengthening the Company’s working capital. The registration of issuance

has been completed on October 3, 2019. The rights and obligations of the issuance are as follows:

- (a) Expiration date: The Company's Class A preferred stocks are perpetual but all or certain parts are callable at any time from the next day of five years after issuance at the actual issue price.
- (b) Dividends: Dividends are calculated at 4% (five-year IRS rate: 0.605%+3.395%) per annum based on the issue price per share. The five-year IRS rate will be reset on the next business day of five years since issuance and every subsequent five years and the pricing effective date for rate reset is two Taipei financial industry business days prior to the IRS rate reset date. The rate index, five-year IRS rate, is the arithmetic mean of five-year IRS rates appearing on Reuters pages "TAIFXIRS" and "COSMOS3" at 11:00 a.m. (Taipei time) on the relevant pricing effective date of rate reset. If such rate cannot be obtained, the Company will determine the rate based on the reasonable market price with good faith.
- (c) Dividend distribution: Dividends are distributed once per year in the form of cash. The current year's earnings, if any, shall first be used to pay all taxes and offset prior years' operating losses and then shall be set aside as legal reserve in accordance with the Articles of Incorporation and set aside or reverse as special reserve in accordance with the Articles of Incorporation or regulations of regulatory authority. The remaining amount, if any, shall be preferentially distributed as dividends of Class A preferred stocks.

The Company has discretion in dividend distribution of Class A preferred stocks. The Company could choose not to distribute dividends of preferred stocks when resolved by the stockholders, which would not be able to lead to default if the Company has no or has insufficient current year's earnings for distribution or has other necessary considerations. In addition, the amounts of undistributed dividends or insufficient distributed dividends will not become deferred payments in future years when the Company has earnings.

- (d) Excess dividend distribution: Besides the aforementioned dividends, the stockholders of Class A preferred stocks could not participate in the distribution of cash and capitalized assets for common stocks derived from earnings and capital surplus.
- (e) Residual property distribution: The stockholders of Class A preferred stocks have priority over stockholders of common stocks in distributing the Company's residual property but the limit is the amount calculated by shares of outstanding preferred stocks issued and the issue price when distributing.
- (f) Right to vote and be elected: The stockholders of Class A preferred stocks have no right to vote and be elected in the stockholders' meeting of the Company but have right to vote in the stockholders' meeting for stockholders of Class A preferred stocks only and stockholders' meeting regarding unfavourable matters to rights and

obligations of stockholders of Class A preferred stocks.

- (g) Conversion to common stocks: Class A preferred stocks could not be converted to common stocks and the stockholders of Class A preferred stocks could not request the Company to retire the preferred stocks they held.
 - (h) The preemptive rights for stockholders of Class A preferred stocks are the same as that common stocks when the Company increases its capital by issuing new shares.
- D. On September 18, 2020, the Board of Directors of the Company resolved to increase its capital by issuing series B preference shares, and the issuance price is tentatively set at NT\$50 per share, and the expected total issuance amounted to \$5,000,000. The capital increase was approved by the FSC on October 21, 2020. However, in consideration of preference shares' capital market and the Company's overall maximum benefits, the Board of Directors of WPG Holdings Limited resolved to revoke and cancel the proposed capital increase of series B preference shares on March 30, 2021. The cancellation was approved by the FSC on April 6, 2021.

(21) Capital surplus

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

- B. Details of capital reserve - stock options are as follows:

	2023					
	Common stock share premium	Preferred stock share premium	Treasury share transaction	Recognized changes in subsidiaries' equity	Changes in associates' net equity	Total
January 1	\$19,387,285	\$ 7,994,638	\$ 45,177	\$ 14,619	\$ 1,192,197	\$ 28,633,916
Changes in equity of associates and joint ventures accounted for using the equity method	-	-	-	-	83,083	83,083
Proceeds from disposal of investments accounted for using equity method	-	-	-	-	(265,624)	(265,624)
Changes in ownership interests in subsidiaries	-	-	-	(1,571)	-	(1,571)
December 31	<u>\$19,387,285</u>	<u>\$ 7,994,638</u>	<u>\$ 45,177</u>	<u>\$ 13,048</u>	<u>\$ 1,009,656</u>	<u>\$ 28,449,804</u>

	2022					
	Common stock share premium	Preferred stock share premium	Treasury share transaction	Recognized changes in subsidiaries' equity	Changes in associates' net equity	Total
January 1	\$19,387,285	\$ 7,994,638	\$ 45,177	\$ 13,856	\$ 1,283,542	\$ 28,724,498
Changes in equity of associates and joint ventures accounted for using the equity method	-	-	-	-	(91,345)	(91,345)
Changes in ownership interests in subsidiaries	-	-	-	763	-	763
December 31	<u>\$19,387,285</u>	<u>\$ 7,994,638</u>	<u>\$ 45,177</u>	<u>\$ 14,619</u>	<u>\$ 1,192,197</u>	<u>\$ 28,633,916</u>

(22) Retained earnings

- A. Under the Company's Articles of Incorporation, the current year's earnings, if any, shall be used to set aside as legal reserve, and set aside as special reserve in accordance with Article 41 of Securities and Exchange Act. The remainder, if any, to be appropriated shall be proposed by the Board of Directors. If cash dividends are distributed, they shall account for at least 20% of the total dividends distributed.
- Employees of the Company's subsidiaries are entitled to receive the distribution of earnings. The terms shall be defined by the Board of Directors.
- B. Legal reserve can only be used to cover accumulated losses or issue new shares or cash to shareholders in proportion to their share ownership, provided that the balance of the reserve exceeds 25% of the Company's paid-in capital.
- C. In accordance with the regulations, the Company shall set aside special reserve from the debit balance on other equity items at the balance sheet date before distributing earnings. When debit balance on other equity items is reversed subsequently, the reversed amount could be included in the distributable earnings.
- D. The appropriations of 2022 and 2021 earnings had been resolved at the shareholders' meeting on May 31, 2023 and May 26, 2022. Details are summarised below:

	Years ended December 31,			
	2022		2021	
	Amount	Dividend per share (in dollars)	Amount	Dividend per share (in dollars)
Legal reserve	\$ 1,057,538	\$ -	\$ 1,175,263	\$ -
(Reversal of)				
provision for				
special reserve	(6,448,219)	-	1,093,311	-
Cash dividends	6,464,369	3.85	5,876,699	3.50
Cash dividends of				
preference stock	400,000	2.00	400,000	2.00
	<u>\$ 1,473,688</u>		<u>\$ 8,545,273</u>	

The appropriations of 2022 earnings which had been resolved by the shareholders and the appropriations of 2021 earnings which had been resolved after meeting the statutory voting threshold via the electronic voting platform during the shareholder's meeting and by the shareholders at their meeting were in line with the appropriations resolved by the Board of Directors.

- E. As of February 29, 2024, the Board of Directors has not proposed and the stockholders have not resolved the distribution of earnings for 2023.
- F. For the information relating to employees' compensation and directors' remuneration, refer to Note 6(30).

(23) Other equity items

	2023			
	Investments at fair value through comprehensive income	Currency translation	Other	Total
At January 1	(\$ 46,997)	(\$ 3,430,888)	\$ -	(\$ 3,477,885)
Revaluation-gross	70,092	-	-	70,092
Revaluation transferred to retained earnings	(2,042)	-	-	(2,042)
Revaluation-associates	2,017,798	-	-	2,017,798
Revaluation transferred to retained earnings - associates	(234,070)	-	-	(234,070)
Cumulative translation differences:				
- Group	-	(351,748)	-	(351,748)
- Tax on Group	-	7,820	-	7,820
- Associates	-	(156,198)	-	(156,198)
Other (Note)	-	-	(156,483)	(156,483)
At December 31	<u>\$ 1,804,781</u>	<u>(\$ 3,931,014)</u>	<u>(\$ 156,483)</u>	<u>(\$ 2,282,716)</u>

	2022		
	Investments at fair value through other comprehensive income		
		Currency translation	Total
At January 1	\$ 3,459,437	(\$ 13,385,541)	(\$ 9,926,104)
Revaluation-gross	(998,984)	-	(998,984)
Revaluation-associates	(2,445,659)	-	(2,445,659)
Revaluation transferred to retained earnings - associates	(61,791)	-	(61,791)
Cumulative translation differences:			
- Group	-	9,004,320	9,004,320
- Tax on Group	-	(11,840)	(11,840)
- Associates	-	962,173	962,173
At December 31	(\$ 46,997)	(\$ 3,430,888)	(\$ 3,477,885)

Note: The Group made an agreement with the original shareholders of Vsell Enterprise Co., Ltd. to acquire the remaining 30% equity interest in Vsell Enterprise Co., Ltd. in March 2025 and June 2025, respectively. Therefore, the Group recognized put options of non-controlling interests amounting to \$156,483.

(24) Operating revenue

	Years ended December 31,	
	2023	2022
Revenue from contracts with customers	\$ 671,888,131	\$ 775,232,422

Disaggregation of revenue from contracts with customers

The Group derives revenue from the transfer of goods and services at a point in time in the following major product lines:

	Years ended December 31,	
	2023	2022
Core components	\$ 256,862,106	\$ 279,342,947
Analog IC and mixed signal components	65,471,006	73,035,947
Discrete IC, logic IC	85,711,472	93,442,973
Memory	141,715,123	214,267,553
Optical components	66,998,345	63,621,903
Passive connector and magnetic components	38,651,883	35,004,053
Others	16,478,196	16,517,046
	\$ 671,888,131	\$ 775,232,422

(25) Interest income

	Years ended December 31,	
	2023	2022 (Adjusted)
Interest income from bank deposits	\$ 340,202	\$ 98,726
Interest income from financial assets measured at amortized cost	28,395	6,088
	<u>\$ 368,597</u>	<u>\$ 104,814</u>

(26) Other income

	Years ended December 31,	
	2023	2022
Rental revenue	\$ 98,437	\$ 85,606
Dividend income	341,817	368,210
Other income	335,008	237,611
	<u>\$ 775,262</u>	<u>\$ 691,427</u>

(27) Other gains and losses

	Years ended December 31,	
	2023	2022
Loss on disposal of property, plant and equipment	(\$ 5,872)	(\$ 2,051)
Gain on disposal of investments	2,435,730	1,054
Currency exchange gain	477,384	404,950
Gain on financial assets and liabilities at fair value through profit or loss	1,882,074	3,299
Gain arising from lease modifications	1,801	9,055
Depreciation on investment property	(31,373)	(32,285)
Impairment losses	(773)	(54,263)
Other losses	(91,529)	(37,169)
	<u>\$ 4,667,442</u>	<u>\$ 292,590</u>

(28) Finance costs

	Years ended December 31,	
	2023	2022
Interest expense:		
Bank borrowings	\$ 6,103,806	\$ 4,073,146
Less: Capitalization of qualifying assets	-	(439)
Redemption liabilities	3,857	-
Lease liabilities	65,698	61,841
Others	507,096	601,687
	<u>\$ 6,680,457</u>	<u>\$ 4,736,235</u>

(29) Additional information of expenses by nature

	Years ended December 31,	
	2023	2022
Employee benefit expense	<u>\$ 8,293,555</u>	<u>\$ 9,169,973</u>
Depreciation charges		
Depreciation on property, plant and equipment	\$ 485,524	\$ 423,041
Depreciation on investment property	31,373	32,285
Depreciation on right-of-use assets	<u>491,596</u>	<u>477,910</u>
	<u>\$ 1,008,493</u>	<u>\$ 933,236</u>
Amortization charges on intangible assets	<u>\$ 116,674</u>	<u>\$ 89,646</u>

(30) Employee benefit expense

	Years ended December 31,	
	2023	2022
Wages and salaries	\$ 6,903,923	\$ 7,886,806
Directors' remuneration	50,608	53,256
Labor and health insurance fees	471,090	431,959
Pension costs	484,474	435,502
Other personnel expenses	<u>383,460</u>	<u>362,450</u>
	<u>\$ 8,293,555</u>	<u>\$ 9,169,973</u>

- A. According to the Articles of Incorporation of the Company, a ratio of profit of the current year distributable, after covering accumulated losses, shall be distributed as employees' compensation and directors' remuneration. The ratio shall be between 0.01%~5% for employees' compensation and shall not be higher than 3% for directors' remuneration.
- B. The Company has established the audit committee, therefore, there was no remuneration paid to supervisors for the years ended December 31, 2023 and 2022.
- C. For the years ended December 31, 2023 and 2022, employees' compensation was accrued at \$28,483 and \$77,100, respectively; while directors' remuneration was accrued at \$48,608 and \$53,000, respectively. The aforementioned amounts were recognized in salary expenses.

The employees' compensation and directors' remuneration were estimated and accrued based on the profit of current year distributable for the year ended December 31, 2023, and the percentage as prescribed by the Company's Articles of Incorporation. As of February 29, 2024, this amount has not been resolved by the Board of Directors. Abovementioned employees' compensation will be distributed in the form of cash.

For 2022, the employees' compensation and directors' remuneration resolved by the Board of Directors during its meeting on March 28, 2023 amounted to \$48,110 and \$52,000, respectively, and the employees' compensation and directors' remuneration recognized in the 2022 financial statements amounted to \$77,100 and \$53,000, respectively. The

difference of \$28,990 and \$1,000 between the amounts resolved by the Board of Directors and the amounts recognized in the 2022 financial statements, mainly resulting from the decrease in employees' compensation and directors' remuneration, had been adjusted in profit or loss in the first quarter of 2023. The employees' compensation was distributed in the form of cash.

- D. Information about employees' compensation and directors' remuneration of the Company as resolved by the Board of Directors and shareholders will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

(31) Income tax

A. Income tax expense

(a) Components of income tax expense:

	Years ended December 31,	
	2023	2022
Current tax		
Current tax on profits for the year	\$ 1,145,382	\$ 2,144,850
Prior year income tax under (over) estimation	136,555 (	67,008)
Tax on undistributed surplus earnings	462,220	169,291
Total current tax	1,744,157	2,247,133
Deferred tax		
Origination and reversal of temporary differences	340,314 (	114,235)
Income tax expense	<u>\$ 2,084,471</u>	<u>\$ 2,132,898</u>

- (b) The income tax (charge)/credit relating to components of other comprehensive loss (income) is as follows:

	Years ended December 31,	
	2023	2022
Currency translation differences	(\$ 7,820)	\$ 11,840
Remeasurement of defined benefit obligations	24,069 (	2,382)
	<u>\$ 16,249</u>	<u>\$ 9,458</u>

B. Reconciliation between income tax expense and accounting profit

	Years ended December 31,	
	2023	2022
Income tax calculated by applying statutory rate to the profit before tax (Note)	\$ 3,874,870	\$ 5,119,521
Effects from items disallowed by tax regulation	(2,400,323)	(3,056,256)
Prior year income tax under (over) estimation	136,555	(67,008)
Tax on undistributed earnings	462,220	169,291
Others	11,149	(32,650)
Income tax expense	<u>\$ 2,084,471</u>	<u>\$ 2,132,898</u>

Note: The basis for computing the applicable tax rate are the rates applicable in the respective countries where the Group entities operate.

C. Amounts of deferred tax assets or liabilities as a result of temporary differences and tax losses are as follows:

	2023					
	At January 1	Recognized in profit or loss	Recognized in other comprehensive income	Effect of exchange rate changes	Business combination	At December 31
Temporary differences:						
— Deferred tax assets:						
Unrealized inventory valuation loss	\$ 96,236	\$ 24,498	\$ -	(\$ 728)	\$ 3,162	\$ 123,168
Unrealized sales discounts and allowances	126,582	9,152	-	(545)	-	135,189
Unrealized exchange loss	47,121	9,576	-	(1)	-	56,696
Amount of allowance for loss in excess of the limit for tax purpose	40,318	(8,450)	-	(161)	-	31,707
Unrealized expenses	99,330	3,340	-	(548)	296	102,418
Investment losses	47,374	60,934	-	-	-	108,308
Pensions	106,077	(21,723)	(23,799)	-	-	60,555
Cumulative translation adjustment	15,120	-	6,560	-	-	21,680
Others	33,317	53,151	-	(485)	-	85,983
Tax losses	<u>130,117</u>	<u>21,349</u>	<u>-</u>	<u>(328)</u>	<u>-</u>	<u>151,138</u>
	<u>741,592</u>	<u>151,827</u>	<u>(17,239)</u>	<u>(2,796)</u>	<u>3,458</u>	<u>876,842</u>

2023						
	At January 1	Recognized in profit or loss	Recognized in other comprehensive income	Effect of exchange rate changes	Business combination	At December 31
Temporary differences:						
— Deferred tax liabilities:						
Investment income	(\$ 532,966)	(\$ 458,643)	\$ -	\$ 7,841	\$ -	(\$ 983,768)
Provision for building valuation increment	(23,905)	-	-	-	-	(23,905)
Land value increment tax	(30,156)	-	-	-	-	(30,156)
Pensions	(3,031)	1,467	(270)	-	-	(1,834)
Others	(31,404)	(34,965)	1,260	587	(24,048)	(88,570)
	(621,462)	(492,141)	990	8,428	(24,048)	(1,128,233)
Total	<u>\$ 120,130</u>	<u>(\$ 340,314)</u>	<u>(\$ 16,249)</u>	<u>\$ 5,632</u>	<u>(\$ 20,590)</u>	<u>(\$ 251,391)</u>
2022						
	At January 1	Recognized in profit or loss	Recognized in other comprehensive income	Effect of exchange rate changes		At December 31
Temporary differences:						
— Deferred tax assets:						
Unrealized inventory valuation loss	\$ 61,282	\$ 34,993	\$ -	(\$ 39)	\$ -	\$ 96,236
Unrealized sales discounts and allowances	97,878	28,694	-	10	-	126,582
Unrealized exchange loss	7,316	39,805	-	-	-	47,121
Amount of allowance for loss in excess of the limit for tax purpose	37,018	2,917	-	383	-	40,318
Unrealized expenses	111,798	(12,917)	-	449	-	99,330
Investment losses	25,027	22,347	-	-	-	47,374
Pensions	119,595	(16,396)	2,878	-	-	106,077
Cumulative translation adjustment	25,700	-	(10,580)	-	-	15,120
Others	21,152	10,922	-	1,243	-	33,317
Tax losses	<u>124,320</u>	<u>(7,459)</u>	<u>-</u>	<u>13,256</u>	<u>-</u>	<u>130,117</u>
	<u>631,086</u>	<u>102,906</u>	<u>(7,702)</u>	<u>15,302</u>	<u>-</u>	<u>741,592</u>
Temporary differences:						
— Deferred tax liabilities:						
Investment income	(553,134)	22,058	-	(1,890)	(532,966)	
Provision for building valuation increment	(23,905)	-	-	-	(23,905)	
Land value increment tax	(30,156)	-	-	-	(30,156)	
Pensions	(2,519)	(17)	(495)	-	(3,031)	
Others	(18,924)	(10,712)	(1,261)	(507)	(31,404)	
	(628,638)	11,329	(1,756)	(2,397)	(621,462)	
Total	<u>\$ 2,448</u>	<u>\$ 114,235</u>	<u>(\$ 9,458)</u>	<u>\$ 12,905</u>	<u>\$ 120,130</u>	

- D. The amounts of deductible temporary differences and tax losses that were not recognized as deferred tax assets are as follows:

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Deductible temporary differences	\$ 64,130	\$ 45,760
Tax losses	\$ 566,023	\$ 727,094

The deductible temporary differences belong to subsidiaries that cannot be realized as deferred tax assets in the near future.

- E. As of February 29, 2024, the Company's income tax returns through 2018 have been assessed and approved by the Tax Authority.
- F. The Group has applied the exception to recognizing and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes.
- G. The Group's exposure to Pillar Two income taxes arising from the Pillar Two legislation is as follows:

The Group is within the scope of the Pillar Two model rules published by the Organisation for Economic Co-operation and Development (OECD). Since Pillar Two legislation was enacted in several countries, including South Korea, the UK, the Netherlands and Vietnam, the jurisdictions in which certain subsidiaries are incorporated, and will come into effect from January 1, 2024, the Group has no related current tax exposure as of December 31, 2023.

Under the Pillar Two legislation, the Group is liable to pay a top-up tax for the difference between its GloBE effective tax rate per jurisdiction and the 15% minimum rate.

For 2023, the average effective tax rate calculated in accordance with IAS 12 of those companies operating in jurisdictions, such as South Korea, the UK, the Netherlands and Vietnam, is 0%~3.06%, accounting for 2% of the Group's accounting profit.

The Group is in the process of assessing its exposure to the Pillar Two legislation for when it comes into effect. This assessment indicates for the above jurisdictions, such as South Korea, the UK, the Netherlands and Vietnam, that the average effective tax rate based on accounting profit is lower than 15% for the year ended December 31, 2023. However, due to the complexities in applying the legislation and calculating GloBE income as well as the impact of specific adjustments envisaged in the Pillar Two legislation which give rise to different effective tax rates compared to those calculated in accordance with IAS 12, the quantitative impact of the enacted or substantively enacted legislation is not yet reasonably estimable. The Group is currently engaged with tax specialists to assist it with applying the legislation.

(32) Earnings per share

Year ended December 31, 2023			
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 8,109,407		
Less: Dividends of preference stock	(400,000)		
Profit used to calculate basic earnings per share/weighted-average number of shares	<u>\$ 7,709,407</u>	<u>1,679,057</u>	<u>\$ 4.59</u>
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 8,109,407		
Less: Dividends of preference stock	(400,000)		
Profit used to calculate basic earnings per share/weighted-average number of shares	7,709,407	1,679,057	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	585	
Profit used to calculate diluted earnings per share/weighted-average number of shares	<u>\$ 7,709,407</u>	<u>1,679,642</u>	<u>\$ 4.59</u>
Year ended December 31, 2022			
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 10,512,466		
Less: Dividends of preference stock	(400,000)		
Profit used to calculate basic earnings per share/weighted-average number of shares	<u>\$ 10,112,466</u>	<u>1,679,057</u>	<u>\$ 6.02</u>
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 10,512,466		
Less: Dividends of preference stock	(400,000)		
Profit used to calculate basic earnings per share/weighted-average number of shares	10,112,466	1,679,057	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	1,902	
Profit used to calculate diluted earnings per share/weighted-average number of shares	<u>\$ 10,112,466</u>	<u>1,680,959</u>	<u>\$ 6.02</u>

(33) Business combinations

- A. On May 1, 2023, the Group acquired 70%, 100% and 100% of the share capital of Vsell Enterprise Co., Ltd. (referred herein as “Vsell Enterprise”) , Vsell Enterprise Co., Ltd (Shanghai) (referred herein as “Vsell Enterprise (Shanghai)”) and Maojie Trading (Shenzhen) Co., Ltd. (referred herein as “Maojie Trading (Shenzhen)”) for \$151,128, \$263,246 and \$22,452, respectively, and obtained the control over the companies. In accordance with the contract, the Group shall acquire the remaining 30% of the shares in Vsell Enterprise Co., Ltd. in March 2025 and June 2025, respectively. The Group estimated the expected acquisition price based on the calculation method of acquisition price as agreed in the contract and recognized redemption liabilities amounting to \$156,483 (shown as ‘other non-current liabilities’) at the present value. The aforementioned companies have long been committed to operating the distribution market of passive component products and are proficient in the development of Design-in. As a result of the acquisition, the Group is expected to expand the market scale of the passive component product lines.
- B. The following table summarizes the consideration paid for Vsell Enterprise Co., Ltd., Vsell Enterprise Co., Ltd. (Shanghai) and Maojie Trading (Shenzhen) Co., Ltd. and the fair values of the assets acquired and liabilities assumed at the acquisition date, as well as the non-controlling interest’s proportionate share of the recognized amounts of acquiree’s identifiable net assets at the acquisition date:

	May 1, 2023			
Purchase consideration				
Cash paid			\$	436,826
Non-controlling interest's proportionate share of the recognized amount of acquiree's identifiable net assets				<u>60,011</u>
				<u>496,837</u>
	<u>Vsell Enterprise</u>	<u>Vsell Enterprise (Shanghai)</u>	<u>Maojie Trading (Shenzhen)</u>	
Fair value of the identifiable assets acquired and liabilities assumed				
Cash and cash equivalents	\$ 93,808	\$ 45,605	\$ 15,232	154,645
Notes receivable, net	651	-	-	651
Accounts receivable, net	723,820	122,384	28,280	874,484
Other receivables	-	2,848	-	2,848
Inventory	585,468	77,319	7,854	670,641
Prepayments	15,738	5,358	1,538	22,634
Other current assets	6	-	-	6
Property, plant and equipment	100,768	245	-	101,013
Right-of-use assets	3,873	-	603	4,476
Intangible assets	8,300	-	-	8,300
Customer relationships	21,414	59,163	764	81,341
Deferred income tax assets	3,458	-	-	3,458
Other non-current assets	8,050	153	123	8,326
Short-term borrowings	(621,336)	-	-	(621,336)
Notes payable	(16,755)	-	-	(16,755)
Accounts payable	(404,878)	(120,057)	(17,937)	(542,872)
Other payables	(113,732)	(57,244)	(3,336)	(174,312)
Current income tax liabilities	(3,478)	(1,070)	(63)	(4,611)
Current lease liabilities	(2,311)	-	(614)	(2,925)
Other current liabilities	(152,789)	(1,437)	(4,768)	(158,994)
Long-term borrowings	(39,381)	-	-	(39,381)
Deferred income tax liabilities	(9,066)	(14,791)	(191)	(24,048)
Non-current lease liabilities	(1,591)	-	-	(1,591)
Total identifiable net assets	<u>200,037</u>	<u>118,476</u>	<u>27,485</u>	<u>345,998</u>
Goodwill				<u>\$ 150,839</u>

- C. As of December 31, 2023, the allocations of acquisition price for acquiring 70% equity interest in Vsell Enterprise Co., Ltd., 100% equity interest in Vsell Enterprise Co., Ltd. (Shanghai) and 100% equity interest in Maojie Trading (Shenzhen) Co., Ltd. had been completed. The fair values of the acquired identifiable intangible assets and goodwill amounted to \$89,641 and \$150,839, respectively.
- D. The operating revenue included in the consolidated statement of comprehensive income since May 1, 2023 contributed by Vsell Enterprise Co., Ltd., Vsell Enterprise Co., Ltd. (Shanghai) and Maojie Trading (Shenzhen) Co., Ltd. was \$3,841,995 also contributed profit before income tax of \$196,301 over the same period. Had Vsell Enterprise Co., Ltd.,

Vsell Enterprise Co., Ltd. (Shanghai) and Maojie Trading (Shenzhen) Co., Ltd. been consolidated from January 1, 2023, the consolidated statement of comprehensive income would show operating revenue of \$672,837,060 and profit before income tax of \$10,286,126.

(34) Supplemental cash flow information

In addition to Note 6(33), other supplemental cash flow information were as follows:

Partial payment of cash from investing activities

	Years ended December 31,	
	2023	2022
Acquisition of property, plant and equipment, investment property and intangible assets	\$ 718,054	\$ 536,832
Add: Accounts payable at the beginning of the year	18,312	46,632
Prepayments for business facilities at the end of the year	3,000	4,846
Less: Accounts payable at the end of year	(88,746)	(18,312)
Prepayments for business facilities at the beginning of the year	(4,846)	(1,627)
Cash paid during the year	<u>\$ 645,774</u>	<u>\$ 568,371</u>

(35) Changes in liabilities from financing activities

	Short-term borrowings	Short-term notes and bills payable	Long-term borrowings (Note)	Lease liabilities	Liabilities from financing activities-gross
At January 1, 2023	\$80,518,991	\$5,342,259	\$44,466,145	\$2,686,829	\$133,014,224
Changes in cash flow from financing activities	1,460,798	1,518,900	(11,719,552)	(419,288)	(9,159,142)
Others	621,336	1,363,823	(1,324,442)	241,611	902,328
At December 31, 2023	<u>\$82,601,125</u>	<u>\$8,224,982</u>	<u>\$31,422,151</u>	<u>\$2,509,152</u>	<u>\$124,757,410</u>

	Short-term borrowings	Short-term notes and bills payable	Long-term borrowings (Note)	Lease liabilities	Liabilities from financing activities-gross
At January 1, 2022	\$82,334,562	\$7,444,815	\$31,597,338	\$1,498,928	\$122,875,643
Changes in cash flow from financing activities	(1,815,571)	(2,102,556)	12,868,807	(435,552)	8,515,128
Others	-	-	-	1,623,453	1,623,453
At December 31, 2022	<u>\$80,518,991</u>	<u>\$5,342,259</u>	<u>\$44,466,145</u>	<u>\$2,686,829</u>	<u>\$133,014,224</u>

Note: Including long-term borrowings-current portion less unamortized discounts.

7. RELATED PARTY TRANSACTIONS

(1) Parent and ultimate controlling party

The Group's shares are widely held so the Company has no ultimate parent and ultimate controlling party.

(2) Names of related parties and relationship

<u>Names of related parties</u>	<u>Relationship with the Group</u>
Chain Power Technology Corp.	Investee accounted for using equity method
Supply Consultants Limited	"
VITEC WPG Limited	"
Gain Tune Logistics (Shanghai) Co., Ltd.	"
Suzhou Xinning Logistics Co., Ltd.	"
Suzhou Xinning Bonded Warehouse Co., Ltd.	"
WT Microelectronics Co., Ltd.	"
Eesource Corp.	"
Sunrise Technology Co., Ltd.	"
AIT Japan Inc.	"
Kunmao (Shanghai) Enterprise Development Co., Ltd.	Other related party
Autosys (TW) Co., Ltd.	Subsidiary of investee accounted for using equity method
HongTech Electronics Co., Ltd.	"
Maxtek Technology Co., Ltd.	"
Morrihan International Corp.	"
WT Microelectronics (Hong Kong) Limited	"
NuVision Technology, Inc.	"
Excelpoint Systems (H.K.) Limited	"
WT Technology Korea Co., Ltd.	"
WPG P.T. Electrindo Jaya	Stockholder of the Group's subsidiary accounted for using equity method
WPG Holdings Education Foundation	One third of paid-in-capital was granted by the Group
Taiwan Industrial Holding Association	The chairman of the association and chairman of the Group are the same

(3) Significant transactions and balances with related parties

A. Operating revenues

	<u>Years ended December 31,</u>	
	<u>2023</u>	<u>2022</u>
Sales of goods		
Others	\$ 913,338	\$ 763,885
Associates	807,837	1,654,976
	<u>\$ 1,721,175</u>	<u>\$ 2,418,861</u>

The terms and sales prices with other related parties were negotiated in consideration of different factors including product, cost, market, competition and other conditions. The collection period was 90 days. Terms and sales prices with associates are in accordance with normal selling prices and terms of collection.

B. Purchases

	<u>Years ended December 31,</u>	
	<u>2023</u>	<u>2022</u>
Purchases of goods		
Associates	\$ 3,458,708	\$ 1,985,326

The purchase prices and terms of payment for associates including products, market competition and other conditions are the same as those for general suppliers.

C. Receivables from related parties

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Accounts receivable		
Others	\$ 232,746	\$ 5,105
Associates	84,653	196,986
	<u>\$ 317,399</u>	<u>\$ 202,091</u>

The receivables from related parties arise mainly from sales of goods. The receivables are due 30 to 90 days after the date of sale. The receivables are unsecured in nature and bear no interest. There is no allowance for doubtful accounts held against receivables from related parties.

D. Other receivables

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Other receivables		
Associates	\$ 31,095	\$ 42,788

Other receivables from associates refer to payments on behalf of others and purchases paid on behalf of others, etc.

E. Payables to related parties

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Accounts payable		
Associates	\$ 126,114	\$ 159,704

The payables to related parties arise mainly from purchases of goods. The payables are due

30 to 90 days after the date of purchase. The payables are unsecured in nature and bear no interest.

F. Endorsements and guarantees provided to related parties

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Associates		
VITEC WPG Limited	\$ 69,086	\$ 69,097
AIT Japan Inc.	24,564	-
	<u>\$ 93,650</u>	<u>\$ 69,097</u>

G. Others

	<u>Years ended December 31,</u>	
	<u>2023</u>	<u>2022</u>
Other related parties		
WPG Holding Education Foundation	\$ 6,170	\$ 6,150
Taiwan Industrial Holding Association	2,500	2,500
	<u>\$ 8,670</u>	<u>\$ 8,650</u>

(4) Key management compensation

	<u>Years ended December 31,</u>	
	<u>2023</u>	<u>2022</u>
Salaries and other short-term employee benefits	\$ 229,835	\$ 296,498
Post-employment benefits	4,196	4,465
	<u>\$ 234,031</u>	<u>\$ 300,963</u>

8. PLEDGED ASSETS

<u>Pledged assets (Note)</u>	<u>December 31, 2023</u>	<u>December 31, 2022</u>	<u>Purpose of Collateral</u>
Financial assets at amortized cost-current			
-Time deposits	\$ 54,909	\$ 45,926	Security for purchases and time deposit for performance bond
- Pledged time deposits	83,616	2,672	Performance guarantee
Accounts receivable, net			
- Pledged accounts receivable	363,860	-	Bank borrowings
Property, plant and equipment (including investment property)			
-Land	5,171,941	5,115,948	Long-term and short-term borrowings guarantee and security for purchases
-Buildings and structures	2,329,327	2,446,465	"
	<u>\$ 8,003,653</u>	<u>\$ 7,611,011</u>	

Note: The Company held 100% of shares of WPG Investment Co., Ltd., in which 8,999 thousand shares have been pledged for purchases as of December 31, 2023 and 2022.

9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED CONTRACT COMMITMENTS

In addition to Note 6(6), other commitments were as follows:

(1) Contingencies

None.

(2) Commitments

A. The Group's letters of credit issued but not negotiated are as follows:

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
\$	1,067,460	\$ 1,285,000
USD	132,172,000	USD 123,302,000

B. As of December 31, 2023, the remaining payments for the contract of non-fixed car park the Group entered into amounted to \$43,800.

C. As of December 31, 2023, the unpaid payables arising from the service contracts signed for computer facilities, internet and information security maintenance amounted to \$52,290.

10. SIGNIFICANT DISASTER LOSS

None.

11. SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

None.

12. OTHERS

(1) Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or effectively use the working capital.

(2) Financial instruments

A. Financial instruments by category

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
<u>Financial assets</u>		
Financial assets measured at fair value through profit or loss		
Financial assets mandatorily measured at fair value through profit or loss	<u>\$ 3,345,429</u>	<u>\$ 1,730,492</u>
Financial assets at fair value through other comprehensive income		
Designation of equity instrument	<u>\$ 3,434,477</u>	<u>\$ 3,341,083</u>

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Financial assets at amortized cost		
Cash and cash equivalents	\$ 21,796,345	\$ 17,949,659
Financial assets at amortized cost	555,567	522,496
Notes receivable	2,273,589	2,427,415
Accounts receivable (including related parties)	128,641,378	118,239,940
Other receivables (including related parties)	11,825,409	20,009,977
Guarantee deposits paid	287,960	288,045
Other financial assets	1,601,175	1,640,624
	<u>\$ 166,981,423</u>	<u>\$ 161,078,156</u>
<u>Financial liabilities</u>		
Financial liabilities measured at fair value through profit or loss		
Financial liabilities held for trading	<u>\$ 5,289</u>	<u>\$ 4,148</u>
Financial liabilities at amortized cost		
Short-term borrowings	\$ 82,601,125	\$ 80,518,991
Short-term notes and bills payable	8,224,982	5,342,259
Notes payable	18,520	15,456
Accounts payable (including related parties)	85,993,130	81,337,139
Other payables	10,366,261	12,961,435
Long-term borrowings (including current portion)	31,422,151	44,466,145
Guarantee deposits received	184,815	145,123
	<u>\$ 218,810,984</u>	<u>\$ 224,786,548</u>
Lease liabilities	<u>\$ 2,509,152</u>	<u>\$ 2,686,829</u>

B. Risk management policies

- (a) The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. To minimize any adverse effects on the financial performance of the Group, derivative financial instruments, such as foreign exchange forward contracts, are used to hedge certain exchange rate risk. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments.
- (b) Risk management is carried out by a central treasury department (Group treasury) under policies approved by the Board of Directors. Group treasury identifies, evaluates and hedges financial risks in close cooperation with the Group's operating units. The Board provides written principles for overall risk management, as well as written policies covering specific areas and matters, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

- (c) Information about derivative financial instruments that are used to hedge certain exchange rate risk are provided in Note 6(2).

C. Significant financial risks and degrees of financial risks

(a) Market risk

Foreign exchange risk

- i. The Group operates internationally and is exposed to foreign exchange risk arising from the transactions of the Company and its subsidiaries used in various currency, primarily with respect to the USD and RMB. Exchange rate risk arises from future commercial transactions and recognized assets and liabilities.
- ii. Management has set up a policy to require group companies to manage their foreign exchange risk against their functional currency. The companies are required to hedge their entire foreign exchange risk exposure with the Group treasury. Exchange rate risk is measured through a forecast of highly probable USD and RMB expenditures. Forward foreign exchange contracts are adopted to minimize the volatility of the exchange rate affecting cost of forecast inventory purchase.
- iii. The Group hedges foreign exchange rate by using forward exchange contracts. However, the Group does not adopt hedging accounting. Details of financial assets or liabilities at fair value through profit or loss are provided in Note 6(2).
- iv. The Group's businesses involve some non-functional currency operations (the Company's and certain subsidiaries' functional currency: NTD; other certain foreign subsidiaries' functional currency: local currency). The information on assets and liabilities denominated in foreign currencies whose values would be materially affected by the exchange rate fluctuations is as follows:

December 31, 2023			
(Foreign currency: functional currency)	Foreign currency amount		Book value
	(in thousands)	Exchange rate	(NTD)
<u>Financial assets</u>			
<u>Monetary items</u>			
USD : TWD	\$ 912,117	30.71	\$ 28,006,540
USD : RMB	21,775	7.10	668,588
USD : KRW	22,802	1,289.40	700,139
HKD : USD	51,146	0.13	200,954
RMB : USD	1,130,380	0.14	4,891,153
EUR : USD	3,018	1.11	102,551
<u>Non-monetary items</u>			
RMB : USD	30,732	0.14	132,979

December 31, 2023			
	Foreign currency amount (in thousands)	Exchange rate	Book value (NTD)
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD : TWD	\$ 821,076	30.71	\$ 25,211,152
USD : RMB	46,429	7.10	1,425,599
USD : KRW	16,338	1,289.40	501,644
USD : INR	20,384	83.14	625,901
HKD : USD	37,772	0.13	148,406
RMB : USD	927,695	0.14	4,014,137
EUR : USD	3,375	1.11	114,694
December 31, 2022			
	Foreign currency amount (in thousands)	Exchange rate	Book value (NTD)
(Foreign currency: functional currency)			
<u>Financial assets</u>			
<u>Monetary items</u>			
USD : TWD	\$ 787,750	30.71	\$ 24,191,791
USD : RMB	24,547	6.97	753,830
USD : KRW	32,422	1,267.30	995,668
USD : JPY	4,566	132.14	140,230
HKD : USD	53,895	0.13	212,238
RMB : TWD	60,553	4.41	266,917
RMB : USD	525,128	0.14	2,314,766
<u>Non-monetary items</u>			
RMB : USD	35,147	0.14	154,930
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD : TWD	781,311	30.71	23,994,067
USD : RMB	44,734	6.97	1,373,772
USD : KRW	23,683	1,267.30	727,318
USD : INR	11,672	82.75	358,453
HKD : USD	34,320	0.13	135,152
RMB : TWD	60,392	4.41	266,209
RMB : USD	167,901	0.14	740,107
EUR : USD	3,093	1.07	101,189

- v. The total exchange gain, including realized and unrealized arising from significant foreign exchange variation on the monetary items held by the Group for the years

ended December 31, 2023 and 2022 amounted to \$477,384 and \$404,950, respectively.

- vi. Analysis of foreign currency market risk arising from significant foreign exchange variation:

Year ended December 31, 2023				
Sensitivity Analysis				
	Degree of Variation	Effect on Profit or Loss	Effect on Other Comprehensive Income	
(Foreign currency: functional currency)				
<u>Financial assets</u>				
<u>Monetary items</u>				
USD : TWD	1%	\$ 280,065	\$	-
USD : RMB	1%	6,686		-
USD : KRW	1%	7,001		-
HKD : USD	1%	2,010		-
RMB : USD	1%	48,912		-
EUR : USD	1%	1,026		-
<u>Financial liabilities</u>				
<u>Monetary items</u>				
USD : TWD	1%	252,112		-
USD : RMB	1%	14,256		-
USD : KRW	1%	5,016		-
USD : INR	1%	6,259		-
HKD : USD	1%	1,484		-
RMB : USD	1%	40,141		-
EUR : USD	1%	1,147		-
Year ended December 31, 2022				
Sensitivity Analysis				
	Degree of Variation	Effect on Profit or Loss	Effect on Other Comprehensive Income	
(Foreign currency: functional currency)				
<u>Financial assets</u>				
<u>Monetary items</u>				
USD : TWD	1%	\$ 241,918	\$	-
USD : RMB	1%	7,538		-
USD : KRW	1%	9,957		-
USD : JPY	1%	1,402		-
HKD : USD	1%	2,122		-
RMB : TWD	1%	2,669		-
RMB : USD	1%	23,148		-

Year ended December 31, 2022			
Sensitivity Analysis			
	Degree of Variation	Effect on Profit or Loss	Effect on Other Comprehensive Income
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD : TWD	1%	\$ 239,941	-
USD : RMB	1%	13,738	-
USD : KRW	1%	7,273	-
USD : INR	1%	3,585	-
HKD : USD	1%	1,352	-
RMB : TWD	1%	2,662	-
RMB : USD	1%	7,401	-
EUR : USD	1%	1,012	-

Price risk

- i. The Group's equity securities, which are exposed to price risk, are the held financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group.
- ii. Shares and open-end funds which the Group invested are issued by the domestic and foreign companies. The prices of equity securities would change due to the change of the future value of investee companies. If the prices of these equity securities had increased/decreased by 1% with all other variables held constant, post-tax profit for the years ended December 31, 2023 and 2022 would have increased/decreased by \$33,451 and \$17,258, respectively, as a result of gains/losses on equity securities classified as at fair value through profit or loss. Other components of equity would have increased/decreased by \$34,345 and \$33,411, respectively, as a result of other comprehensive income classified as equity investment at fair value through other comprehensive income.

Cash flow and fair value interest rate risk

- i. The Group's main interest rate risk arises from short-term borrowings with variable rates, which expose the Group to cash flow interest rate risk. For the years ended December 31, 2023 and 2022, the Group's borrowings at variable rate were mainly denominated in New Taiwan dollars, US dollars and Korean won.
- ii. If the borrowing interest rate had increased by 1% with all other variables held constant, profit, net of tax for the years ended December 31, 2023 and 2022 would have decreased by \$488,573 and \$428,231, respectively. The main factor is that changes in interest expense result from floating rate borrowings.

(b) Credit risk

- i. Credit risk refers to the risk of financial loss to the Group arising from default by the clients or counterparties of financial instruments on the contract obligations. The main factor is that counterparties could not repay in full the accounts receivable based on the agreed terms, and the contract cash flows of notes receivable.
- ii. The Group manages its credit risk taking into consideration the entire group's concern. For banks and financial institutions, only independently rated parties with good rating are accepted. According to the Group's credit policy, each local entity in the Group is responsible for managing and analysing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. Internal risk control assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings. The utilisation of credit limits is regularly monitored.
- iii. Under IFRS 9, if the contract payments are past due over one month based on the terms, there has been a significant increase in credit risk on that instrument since initial recognition.
- iv. The default occurs when the contract payments are past due more than five months.
- v. The Group classifies customer's accounts receivable in accordance with credit rating of customer and customer types. The Group applies the simplified approach using the provision matrix based on the loss rate methodology to estimate expected credit loss.
- vi. The Group wrote-off the financial assets, which cannot be reasonably expected to be recovered, after initiating recourse procedures. However, the Group will continue executing the recourse procedures to secure their rights.
- vii. The Group used the forecastability to adjust historical and timely information to assess the default possibility of accounts receivable. On December 31, 2023 and 2022, the provision matrix and loss rate methodology are as follows:

(i) Accounts receivable from general customers:

	Not past due	One month past due	Two months past due	Three months past due	Four months past due	Over four months past due	Total
<u>December 31, 2023</u>							
Expected loss rate	0%~ 5.19%	0%~ 33.03%	1.8%~ 100%	9.17%~ 100%	40.9%~ 100%	100%	
Total book value	<u>\$ 50,652,174</u>	<u>\$ 3,338,123</u>	<u>\$ 753,213</u>	<u>\$ 22,067</u>	<u>\$ 94,393</u>	<u>\$ 584,573</u>	<u>\$ 55,444,543</u>
Loss allowance	<u>\$ 98,537</u>	<u>\$ 91,459</u>	<u>\$ 121,263</u>	<u>\$ 7,064</u>	<u>\$ 56,949</u>	<u>\$ 584,542</u>	<u>\$ 959,814</u>

	Not past due	One month past due	Two months past due	Three months past due	Four months past due	Over four months past due	Total
December 31, 2022							
Expected loss rate	0%~ 3.3%	0%~ 83.33%	1.2%~ 100%	4.68%~ 100%	40.9%~ 100%	100%	
Total book value	\$ 63,302,121	\$ 3,777,615	\$ 372,890	\$ 103,778	\$ 38,770	\$ 421,991	\$ 68,017,165
Loss allowance	\$ 66,103	\$ 61,780	\$ 48,654	\$ 31,581	\$ 15,286	\$ 420,026	\$ 643,430

(ii) Individually impaired and provisioned allowance for loss

	December 31, 2023	December 31, 2022
Total book value	\$ 71,996	\$ 5,549
Loss allowance	\$ 35,645	\$ -

(iii) For customers whose current ratio, debt ratio, earnings, etc. are within a certain range:

	December 31, 2023	December 31, 2022
Expected loss rate	0%	0%
Total book value	\$ 73,802,899	\$ 50,658,565
Loss allowance	\$ -	\$ -

viii. Movements in relation to the Group applying the simplified approach to provide loss allowance for notes and accounts receivable are as follows:

	2023				
	Notes receivable	Accounts receivable			
	Individual provision	Individual provision	Group provision	Subtotal	Total
At January 1	\$ -	\$ -	\$ 643,430	\$ 643,430	\$ 643,430
Provision for impairment	5	36,193	317,211	353,404	353,409
Write-offs during the year	-	-	(3,075)	(3,075)	(3,075)
Effect of foreign exchange	-	(548)	(6,265)	(6,813)	(6,813)
Transfers into overdue receivables	-	-	(1,939)	(1,939)	(1,939)
Acquired from business combinations	-	-	10,452	10,452	10,452
At December 31	\$ 5	\$ 35,645	\$ 959,814	\$ 995,459	\$ 995,464

	2022				
	Notes receivable	Accounts receivable			
	Individual provision	Individual provision	Group provision	Subtotal	Total
At January 1	\$ 4	\$ 51,946	\$ 619,978	\$ 671,924	\$ 671,928
(Reversal of) provision for impairment	(4)	(36,408)	212,331	175,923	175,919
Write-offs during the year	-	-	(30,046)	(30,046)	(30,046)
Effect of foreign exchange	-	2,519	55,456	57,975	57,975
Transfers into overdue receivables	-	(18,057)	(214,289)	(232,346)	(232,346)
At December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 643,430</u>	<u>\$ 643,430</u>	<u>\$ 643,430</u>

(c) Liquidity risk

- i. Cash flow forecasting is performed in the operating entities of the Group. Each treasury department monitors rolling forecasts of the liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Group does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities. Such forecasting takes into consideration the Group's debt financing plans and covenant compliance.
- ii. The table below analyses the Group's non-derivative financial liabilities and net-settled or gross-settled derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date for non-derivative financial liabilities and to the expected maturity date for derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows.

Non-derivative financial liabilities:

<u>December 31, 2023</u>	<u>Less than 1 year</u>	<u>Between 1 and 2 years</u>	<u>Between 2 and 5 years</u>	<u>Over 5 years</u>
Short-term borrowings	\$ 83,336,265	\$ -	\$ -	\$ -
Short-term notes and bills payable	8,229,400	-	-	-
Financial liabilities measured at fair value through profit or loss	5,289	-	-	-
Notes payable	18,520	-	-	-
Accounts payable	85,867,016	-	-	-
Accounts payable - related parties	126,114	-	-	-
Other payables	10,366,261	-	-	-
Lease liabilities	403,761	352,873	707,747	1,464,531
Long-term borrowings (including current portion)	11,705,924	14,691,453	1,428,959	5,428,839

Non-derivative financial liabilities:

<u>December 31, 2022</u>	<u>Less than 1 year</u>	<u>Between 1 and 2 years</u>	<u>Between 2 and 5 years</u>	<u>Over 5 years</u>
Short-term borrowings	\$ 80,879,673	\$ -	\$ -	\$ -
Short-term notes and bills payable	5,350,000	-	-	-
Financial liabilities measured at fair value through profit or loss	4,148	-	-	-
Notes payable	15,456	-	-	-
Accounts payable	81,177,435	-	-	-
Accounts payable - related parties	159,704	-	-	-
Other payables	12,961,435	-	-	-
Lease liabilities	444,127	348,767	688,148	1,683,828
Long-term borrowings (including current portion)	11,967,186	16,855,520	12,784,508	5,569,609

(3) Fair value information

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

Level 1: Inputs that are quoted prices (unadjusted) in active markets for identical assets or liabilities. A market is regarded as active if it meets all the following conditions: the items traded in the market are homogeneous; willing buyers and sellers can normally be found at any time; and prices are available to the public. The fair value of the Group's investment in listed stocks is included in Level 1.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices). The fair value of the Group's investment in emerging stocks, publicly traded equity investment, forward exchange, beneficiary certificates and swap contracts is included in Level 2.

Level 3: Inputs for the asset or liability that are not based on observable market data. The fair value of the Group's investment in equity investment without active market is included in Level 3.

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

C. The carrying amounts of financial instruments not measured at fair value including cash and cash equivalents, notes receivable, accounts receivable (including related parties), other receivables (including related parties), other financial assets, guarantee deposits paid, financial assets at amortized cost, short-term borrowings, short-term notes and bills payable, notes payable, accounts payable (including related parties), other payables, lease liabilities (including current and non-current), long-term borrowings-current portion, long-term borrowings and guarantee deposits received are approximate to their fair values.

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

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

December 31, 2023	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>Assets</u>				
<u>Recurring fair value measurements</u>				
Financial assets at fair value through profit or loss				
Forward exchange contracts	\$ -	\$ 333	\$ -	\$ 333
Equity securities	2,731,560	-	613,536	3,345,096
Financial assets at fair value through other comprehensive income				
Equity securities	<u>3,190,624</u>	<u>-</u>	<u>243,853</u>	<u>3,434,477</u>
	<u>\$5,922,184</u>	<u>\$ 333</u>	<u>\$ 857,389</u>	<u>\$6,779,906</u>
<u>Liabilities</u>				
<u>Recurring fair value measurements</u>				
Financial liabilities held for trading				
Forward exchange contracts	<u>\$ -</u>	<u>\$ 5,289</u>	<u>\$ -</u>	<u>\$ 5,289</u>
December 31, 2022	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>Assets</u>				
<u>Recurring fair value measurements</u>				
Financial assets at fair value through profit or loss				
Forward exchange contracts	\$ -	\$ 4,652	\$ -	\$ 4,652
Equity securities	382,582	-	1,343,258	1,725,840
Financial assets at fair value through other comprehensive income				
Equity securities	<u>3,121,989</u>	<u>-</u>	<u>219,094</u>	<u>3,341,083</u>
	<u>\$3,504,571</u>	<u>\$ 4,652</u>	<u>\$1,562,352</u>	<u>\$5,071,575</u>
<u>Liabilities</u>				
<u>Recurring fair value measurements</u>				
Financial liabilities held for trading				
Forward exchange contracts	<u>\$ -</u>	<u>\$ 4,148</u>	<u>\$ -</u>	<u>\$ 4,148</u>

(b) The methods and assumptions the Group used to measure fair value are as follows:

- i. The instruments the Group used market quoted prices as their fair values (that is, Level 1) are listed below by characteristics:

	Listed shares	
Market quoted price		Closing price
ii. Except for financial instruments with active markets, the fair value of other financial instruments is measured by using valuation techniques widely accepted in financial management.		
iii. When assessing non-standard and low-complexity financial instruments, for example, foreign exchange swap contracts, the Group adopts valuation technique that is widely used by market participants. The inputs used in the valuation method to measure these financial instruments are normally observable in the market.		
iv. Forward exchange contracts are usually valued based on the current forward exchange rate.		
v. The output of valuation model is an estimated value and the valuation technique may not be able to capture all relevant factors of the Group's financial and non-financial instruments. Therefore, the estimated value derived using valuation model is adjusted accordingly with additional inputs. In accordance with the Group's management policies and relevant control procedures relating to the valuation models used for fair value measurement, management believes adjustment to valuation is necessary in order to reasonably represent the fair value of financial and non-financial instruments at the consolidated balance sheet. The inputs and pricing information used during valuation are carefully assessed and adjusted based on current market conditions.		
vi. The Group takes into account adjustments for credit risks to measure the fair value of financial and non-financial instruments to reflect credit risk of the counterparty and the Group's credit quality.		

E. The following chart is the movement of Level 3 for the years ended December 31, 2023 and 2022:

	2023	2022
At January 1	\$ 1,562,352	\$ 1,432,739
Additions	25,043	200,218
Capital reduction	(27,790)	(92,822)
Disposal	(20,430)	-
Transfers out from level 3	(677,835)	-
Losses on valuation	(1,928)	11,385
Effect of foreign exchange	(2,023)	10,832
At December 31	\$ 857,389	\$ 1,562,352

F. For the year ended December 31, 2023, as the investee company became a public company, the Group transferred the fair value from Level 3 into Level 1 at the end of the month when the event occurred. For the year ended December 31, 2022, there was no transfer into or out from Level 3.

- G. Finance and accounting department is in charge of valuation procedures for fair value measurements being categorized within Level 3, which is to verify independent fair value of financial instruments. Such assessment is to ensure the valuation results are reasonable by applying independent information to make results close to current market conditions and frequently reviewed.

Finance and accounting department sets up valuation policies, valuation processes and rules for measuring fair value of financial instruments and ensure compliance with the related requirements in IFRS. The related valuation results are reported to management monthly. Management is responsible for managing and reviewing valuation processes.

- H. The following is the qualitative information on significant unobservable inputs and sensitivity analysis of changes in significant unobservable inputs to valuation model used in Level 3 fair value measurement:

	Fair value at December 31, 2023	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity:					
Equity investment without active market	\$ 823,189	Net asset value method	Net asset value	-	The higher the net asset value, the higher the fair value
Preferred share without active market	34,200	Market approach	Not applicable	-	Not applicable
	Fair value at December 31, 2022	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity:					
Equity investment without active market	\$ 1,528,152	Net asset value method	Net asset value	-	The higher the net asset value, the higher the fair value
Preferred share without active market	34,200	Market approach	Not applicable	-	Not applicable

- I. The Group has carefully assessed the valuation models and assumptions used to measure fair value; therefore, the fair value measurement is reasonable. However, use of different valuation models or assumptions may result in different measurement. The following is the effect on profit or loss or on other comprehensive income from financial assets and

liabilities categorized within Level 3 if the inputs used to valuation models have changed:

			December 31, 2023			
			Recognized in profit or loss		Recognized in other comprehensive income	
	Input	Change	Favourable change	Unfavourable change	Favourable change	Unfavourable change
Financial assets						
Equity instrument	Net asset value	± 1%	\$ 6,135	(\$ 6,135)	\$ 2,439	(\$ 2,439)
			December 31, 2022			
			Recognized in profit or loss		Recognized in other comprehensive income	
	Input	Change	Favourable change	Unfavourable change	Favourable change	Unfavourable change
Financial assets						
Equity instrument	Net asset value	± 1%	\$ 13,433	(\$ 13,433)	\$ 2,191	(\$ 2,191)

13. SUPPLEMENTARY DISCLOSURES

(The transactions with subsidiaries disclosed below had been eliminated when preparing consolidated financial statements. The following disclosures are for reference only.)

(1) Significant transactions information

- A. Loans to others: Refer to table 1.
- B. Provision of endorsements and guarantees to others: Refer to table 2.
- C. Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures): Refer to table 3.
- D. Aggregate purchases or sales of the same securities reaching \$300 million or 20% of paid-in capital or more: Refer to table 4.
- E. Acquisition of real estate reaching \$300 million or 20% of paid-in capital or more: None.
- F. Disposal of real estate reaching \$300 million or 20% of paid-in capital or more: None.
- G. Purchases or sales of goods from or to related parties reaching \$100 million or 20% of paid-in capital or more: Refer to table 5.
- H. Receivables from related parties reaching \$100 million or 20% of paid-in capital or more: Refer to table 6.
- I. Derivative financial instruments undertaken during the reporting period: Refer to Notes 6(2)B. and 12(3).
- J. Significant inter-company transactions during the reporting period: Refer to table 7.

(2) Information on investee companies

Names, locations and other information of investee companies (excluding investees in Mainland China): Refer to table 8.

(3) Information on investments in Mainland China

A. Basic information: Refer to table 9.

B. Significant transactions, either directly or indirectly through a third area, with investee companies in the Mainland Area.

Any of the following significant transactions with investee companies in the Mainland Area, either directly or indirectly through a third area, and their prices, payment terms, and unrealized gains or losses: Information on significant transactions of the Company and subsidiary and investee company in Mainland China as of and for the year ended December 31, 2023 is provided in Note (1)J.

(4) Major shareholders information

Major shareholders information: Refer to table 10.

14. OPERATING SEGMENT INFORMATION

(1) General information

The Group is mainly engaged in the import and export of electronic components. The products include CPU, analog IC, discrete IC, logic IC, DRAM, Flash, optical component, etc. The chief operating decision-maker evaluates performance based on the separate net income of sub-groups.

(2) Measurement of segment information

The Group's chief operating decision-maker uses the net income as basis for assessing the performance of the Group's operating segments.

(3) Reconciliation for segment income (loss)

A. The net income reported to the chief operating decision-maker is measured in a manner consistent with revenues, costs and expenses in the statement of comprehensive income. As the amounts in the statement provided to the chief operating decision-maker for managing segment are in agreement with the amounts in the statements of segment income, reconciliation is not needed.

B. The segment information of the reportable segments provided to the chief operating decision-maker for the years ended December 31, 2023 and 2022 is as follows:

Year ended December 31, 2023:

	World Peace Industrial Co., Ltd. and its subsidiaries	Silicon Application Corp. and its subsidiaries	Asian Information Technology Inc. and its subsidiaries	Yosun Industrial Corp. and its subsidiaries	Trigold Holdings Limited	Others	Eliminations	Total
Revenue from external customers	\$ 316,089,167	\$ 73,689,590	\$ 84,626,889	\$ 94,696,280	\$ 19,148,217	\$ 83,637,988	\$ -	\$ 671,888,131
Revenue from internal customers	16,239,522	5,017,450	1,633,239	9,084,937	2,145,266	15,999,669	(50,120,083)	-
Total revenue	<u>\$ 332,328,689</u>	<u>\$ 78,707,040</u>	<u>\$ 86,260,128</u>	<u>\$ 103,781,217</u>	<u>\$ 21,293,483</u>	<u>\$ 99,637,657</u>	<u>(\$ 50,120,083)</u>	<u>\$ 671,888,131</u>
Segment profit	<u>\$ 5,899,448</u>	<u>\$ 1,368,174</u>	<u>\$ 1,971,525</u>	<u>\$ 2,281,797</u>	<u>\$ 471,365</u>	<u>\$ 195,690</u>	<u>\$ 3,172,358</u>	<u>\$ 15,360,357</u>
Net income	<u>\$ 1,830,766</u>	<u>\$ 142,410</u>	<u>\$ 1,043,857</u>	<u>\$ 741,903</u>	<u>\$ 122,014</u>	<u>\$ 2,592,558</u>	<u>\$ 1,724,229</u>	<u>\$ 8,197,737</u>

Year ended December 31, 2022:

	World Peace Industrial Co., Ltd. and its subsidiaries	Silicon Application Corp. and its subsidiaries	Asian Information Technology Inc. and its subsidiaries	Yosun Industrial Corp. and its subsidiaries	Trigold Holdings Limited and its subsidiaries	Others	Eliminations	Total
Revenue from external customers	\$ 392,638,175	\$ 80,865,184	\$ 90,188,621	\$ 121,707,685	\$ 17,097,554	\$ 72,735,203	\$ -	\$ 775,232,422
Revenue from internal customers	16,535,245	6,137,384	1,739,498	7,034,760	3,284,821	18,430,525	(53,162,233)	-
Total revenue	<u>\$ 409,173,420</u>	<u>\$ 87,002,568</u>	<u>\$ 91,928,119</u>	<u>\$ 128,742,445</u>	<u>\$ 20,382,375</u>	<u>\$ 91,165,728</u>	<u>(\$ 53,162,233)</u>	<u>\$ 775,232,422</u>
Segment profit	<u>\$ 8,386,094</u>	<u>\$ 1,958,528</u>	<u>\$ 2,234,620</u>	<u>\$ 2,878,926</u>	<u>\$ 544,682</u>	<u>\$ 398,095</u>	<u>\$ 3,246,449</u>	<u>\$ 19,647,394</u>
Net income	<u>\$ 4,147,303</u>	<u>\$ 1,106,664</u>	<u>\$ 1,385,097</u>	<u>\$ 1,455,001</u>	<u>\$ 177,131</u>	<u>\$ 474,043</u>	<u>\$ 1,832,195</u>	<u>\$ 10,577,434</u>

(4) Information on products and services

Revenue from external customers is mainly from trade and agent of electronic components.

Details of revenue are as follows:

	Years ended December 31,	
	2023	2022
Core components	\$ 256,862,106	\$ 279,342,947
Analog IC and mixed signal components	65,471,006	73,035,947
Discrete IC, logic IC	85,711,472	95,442,973
Memory	141,715,123	214,267,553
Optical components	66,998,345	63,621,903
Passive connector and magnetic components	38,651,883	35,004,053
Others	16,478,196	16,517,046
	<u>\$ 671,888,131</u>	<u>\$ 775,232,422</u>

(5) Geographical information

Geographical information for the years ended December 31, 2023 and 2022 is as follows:

	Years ended December 31,			
	2023		2022	
	Revenue	Non-current assets	Revenue	Non-current assets
Taiwan	\$ 98,239,449	\$ 16,489,411	\$ 106,998,393	\$ 17,681,981
Mainland China	508,445,730	4,528,634	608,698,934	3,444,620
Others	65,202,952	448,609	59,535,095	346,908
	<u>\$ 671,888,131</u>	<u>\$ 21,466,654</u>	<u>\$ 775,232,422</u>	<u>\$ 21,473,509</u>

(6) Major customer information

No single customer contributes more than 10% of the Group's total consolidated operating revenues for the years ended December 31, 2023 and 2022.

WPG Holdings Limited and Subsidiaries
Loans to others
Year ended December 31, 2023

Table 1

Expressed in thousands of NTD
(Except as otherwise indicated)

No.	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the year ended December 31, 2023	Balance at December 31, 2023	Actual amount drawn down	Interest rate	Nature of loan (Note 10)	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party	Ceiling on total loans granted	Footnote
													Item	Value			
1	Apache Korea Corp.	WPG Korea Co., Ltd.	Other receivables	Y	\$ 54,003	\$ 52,389	\$ 52,389	4.60	2	\$ -	Operations	\$ -	None	\$ -	\$ 75,795	\$ 75,795	Note 1
2	Genuine C&C (IndoChina) Pte Ltd.	World Peace International (South Asia) Pte Ltd.	Other receivables	Y	64,850	61,410	61,410	6.78	2	-	Operations	-	None	-	96,069	96,069	Note 3
3	Richpower Electronic Devices Pte., Ltd.	Yosun Singapore Pte Ltd.	Other receivables	Y	365,760	-	-	-	2	-	Operations	-	None	-	499,880	499,880	Note 4
3	Richpower Electronic Devices Pte., Ltd.	Yosun Hong Kong Corp. Ltd.	Other receivables	Y	248,479	237,964	237,964	6.74~6.78	2	-	Operations	-	None	-	499,880	499,880	Note 4
4	World Peace International (India) Pvt., Ltd.	WPG C&C Computers And Peripheral (India) Private Limited	Other receivables	Y	19,100	-	-	-	2	-	Operations	-	None	-	134,051	134,051	Note 8
5	World Peace International (South Asia) Pte Ltd.	WPG Americas Inc.	Other receivables	Y	322,700	-	-	-	2	-	Operations	-	None	-	7,627,483	7,627,483	Note 3
5	World Peace International (South Asia) Pte Ltd.	WPI Technology Pte Ltd.	Other receivables	Y	95,580	-	-	-	2	-	Operations	-	None	-	7,627,483	7,627,483	Note 3
6	WPG C&C Limited	WPI International (Hong Kong) Limited	Other receivables	Y	259,400	245,640	245,640	4.45	2	-	Operations	-	None	-	297,269	297,269	Note 5
7	WPG EMEA B.V.	WPG EMEA UK Limited	Other receivables	Y	6,251	6,141	-	-	2	-	Operations	-	None	-	70,090	70,090	Note 11
8	WPG India Electronics Pvt Ltd.	World Peace International (India) Pvt., Ltd.	Other receivables	Y	23,364	22,160	22,160	9.89	2	-	Operations	-	None	-	181,726	181,726	Note 3
9	WPG South Asia Pte. Ltd.	WPG Korea Co., Ltd.	Other receivables	Y	750,875	307,050	307,050	7.23	2	-	Operations	-	None	-	2,992,964	2,992,964	Note 8

No.	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the year ended	Balance at	Actual amount drawn down	Interest rate	Nature of loan (Note 10)	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party	Ceiling on total loans granted	Footnote
					December 31, 2023	December 31, 2023							Item	Value			
9	WPG South Asia Pte. Ltd.	WPG Americas Inc.	Other receivables	Y	\$ 304,800	\$ -	\$ -	-	2	\$ -	Operations	\$ -	None	\$ -	\$ 2,992,964	\$ 2,992,964	Note 8
9	WPG South Asia Pte. Ltd.	World Peace International (South Asia) Pte Ltd.	Other receivables	Y	162,125	-	-	-	2	-	Operations	-	None	-	2,992,964	2,992,964	Note 8
9	WPG South Asia Pte. Ltd.	Yosun Singapore Pte Ltd.	Other receivables	Y	810,625	767,625	92,115	6.59	2	-	Operations	-	None	-	2,992,964	2,992,964	Note 8
10	WPI International (South Asia) Pte Ltd.	World Peace International (South Asia) Pte Ltd.	Other receivables	Y	240,280	153,525	153,525	6.78	2	-	Operations	-	None	-	2,337,965	2,337,965	Note 3
11	Yosun Hong Kong Corp. Ltd.	Richpower Electronic Devices Co., Limited	Other receivables	Y	955,800	-	-	-	2	-	Operations	-	None	-	10,406,957	10,406,957	Note 4
11	Yosun Hong Kong Corp. Ltd.	Yosun Industrial Corp.	Other receivables	Y	266,700	-	-	-	2	-	Operations	-	None	-	2,081,391	10,406,957	Note 4
11	Yosun Hong Kong Corp. Ltd.	Yosun Shanghai Corp. Ltd.	Other receivables	Y	4,553,120	4,500,080	3,548,140	4.52~5.95	2	-	Operations	-	None	-	10,406,957	10,406,957	Note 4
11	Yosun Hong Kong Corp. Ltd.	Yosun Singapore Pte Ltd.	Other receivables	Y	252,984	-	-	-	2	-	Operations	-	None	-	10,406,957	10,406,957	Note 4
11	Yosun Hong Kong Corp. Ltd.	WPG Electronics (Hong Kong) Limited	Other receivables	Y	615,000	-	-	-	2	-	Operations	-	None	-	10,406,957	10,406,957	Note 4
12	Yosun Singapore Pte Ltd.	World Peace International (South Asia) Pte Ltd.	Other receivables	Y	304,800	-	-	-	2	-	Operations	-	None	-	1,741,875	1,741,875	Note 4
13	AECO Technology Co., Ltd.	World Peace Industrial Co., Ltd.	Other receivables	Y	39,000	39,000	27,000	1.30	2	-	Operations	-	None	-	413,658	413,658	Note 2
14	AECO Electronics Co., Ltd.	WPI International (Hong Kong) Limited	Other receivables	Y	778,200	736,920	736,920	4.25	2	-	Operations	-	None	-	865,332	865,332	Note 5
15	WPG SCM Limited	WPG Electronics (Hong Kong) Limited	Other receivables	Y	324,250	307,050	307,050	6.53	2	-	Operations	-	None	-	1,392,411	1,392,411	Note 8
15	WPG SCM Limited	WPG Korea Co., Ltd.	Other receivables	Y	213,360	-	-	-	2	-	Operations	-	None	-	1,392,411	1,392,411	Note 8
15	WPG SCM Limited	WPG Americas Inc.	Other receivables	Y	161,350	-	-	-	2	-	Operations	-	None	-	1,392,411	1,392,411	Note 8

Table 1, Page 2

No.	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the year ended	Balance at	Actual amount drawn down	Interest rate	Nature of loan (Note 10)	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party	Ceiling on total loans granted	Footnote
					December 31, 2023	December 31, 2023							Item	Value			
16	WPG China (SZ) Inc.	LaaS (Dongguan) Supply Chain Management Limited	Other receivables	Y	\$ 133,350	\$ -	\$ -	-	2	\$ -	Operations	\$ -	None	\$ -	\$ 1,254,069	\$ 1,254,069	Note 5
17	WPG China Inc.	LaaS (Dongguan) Supply Chain Management Limited	Other receivables	Y	22,225	21,635	21,635	3.90	2	-	Operations	-	None	-	4,999,425	4,999,425	Note 5
18	Yosun Industrial Corp.	Yosun Hong Kong Corp. Ltd.	Other receivables	Y	1,537,500	-	-	-	2	-	Operations	-	None	-	3,854,486	3,854,486	Note 2
18	Yosun Industrial Corp.	Richpower Electronic Devices Co., Ltd.	Other receivables	Y	300,000	-	-	-	2	-	Operations	-	None	-	3,854,486	3,854,486	Note 2
18	Yosun Industrial Corp.	Yosun Shanghai Corp. Ltd.	Other receivables	Y	266,700	-	-	-	2	-	Operations	-	None	-	3,854,486	3,854,486	Note 2
19	Yosun South China Corp. Ltd.	Yosun Shanghai Corp. Ltd.	Other receivables	Y	200,025	64,905	64,905	2.80	2	-	Operations	-	None	-	220,681	220,681	Note 5
19	Yosun South China Corp. Ltd.	WPG China (SZ) Inc.	Other receivables	Y	132,660	129,810	129,810	2.80	2	-	Operations	-	None	-	220,681	220,681	Note 5
20	WPG Investment Co., Ltd.	WPG Electronics Limited	Other receivables	Y	80,000	-	-	-	2	-	Operations	-	None	-	857,390	857,390	Note 2
21	WPG C&C Shanghai Co., Ltd.	Trigolduo (Shanghai) Industrial Development Ltd.	Other receivables	Y	62,742	62,742	62,742	3.80~4.00	2	-	Operations	-	None	-	260,920	652,299	Note 5
21	WPG C&C Shanghai Co., Ltd.	Trigold Tongle (Shanghai) Industrial Development Ltd.	Other receivables	Y	19,236	18,822	18,822	3.80~4.10	2	-	Operations	-	None	-	652,299	652,299	Note 5
21	WPG C&C Shanghai Co., Ltd.	LaaS (Dongguan) Supply Chain Management Limited	Other receivables	Y	302,260	237,985	237,985	3.80	2	-	Operations	-	None	-	652,299	652,299	Note 5
21	WPG C&C Shanghai Co., Ltd.	Yosun Shanghai Corp. Ltd.	Other receivables	Y	88,900	-	-	-	2	-	Operations	-	None	-	652,299	652,299	Note 5
21	WPG C&C Shanghai Co., Ltd.	Vsell Enterprise Co., Ltd. (Shanghai)	Other receivables	Y	154,770	151,445	151,445	3.80	2	-	Operations	-	None	-	652,299	652,299	Note 5

Table 1, Page 3

No.	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the year ended	Balance at	Actual amount drawn down	Interest rate	Nature of loan (Note 10)	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party	Ceiling on total loans granted	Footnote
					December 31, 2023	December 31, 2023							Item	Value			
22	WPI International (Hong Kong) Limited	WPG Electronics (Hong Kong) Limited	Other receivables	Y	\$ 4,876,800	\$ 2,916,975	\$ 2,916,975	6.33	2	\$ -	Operations	\$ -	None	\$ -	\$ 29,039,500	\$ 29,039,500	Note 5
22	WPI International (Hong Kong) Limited	AECO Technology Co., Ltd.	Other receivables	Y	11,349	10,747	4,606	6.33	2	-	Operations	-	None	-	11,615,800	29,039,500	Note 5
22	WPI International (Hong Kong) Limited	WPG Americas Inc.	Other receivables	Y	1,219,200	-	-	-	2	-	Operations	-	None	-	29,039,500	29,039,500	Note 5
22	WPI International (Hong Kong) Limited	WPG China Inc.	Other receivables	Y	422,275	-	-	-	2	-	Operations	-	None	-	29,039,500	29,039,500	Note 5
22	WPI International (Hong Kong) Limited	World Peace Industrial Co., Ltd.	Other receivables	Y	2,594,000	2,456,400	1,228,200	6.33	2	-	Operations	-	None	-	11,615,800	29,039,500	Note 5
22	WPI International (Hong Kong) Limited	Silicon Application Corp.	Other receivables	Y	1,070,025	1,013,265	1,013,265	6.30	2	-	Operations	-	None	-	11,615,800	29,039,500	Note 5
23	World Peace Industrial Co., Ltd.	Longview Technology Inc.	Other receivables	Y	131,425	129,705	48,042	2.80~6.80	2	-	Operations	-	None	-	9,128,506	12,171,341	Note 6
23	World Peace Industrial Co., Ltd.	WPG Electronics (Hong Kong) Limited	Other receivables	Y	914,400	-	-	-	2	-	Operations	-	None	-	9,128,506	12,171,341	Note 6
24	Silicon Application Corporation	Vsell Enterprise Co., Ltd.	Other receivables	Y	648,500	614,100	614,100	6.30	2	-	Operations	-	None	-	3,504,587	3,504,587	Note 2
25	Silicon Application Company Limited	WPG Electronics (Hong Kong) Limited	Other receivables	Y	1,070,025	1,013,265	1,013,265	6.30	2	-	Operations	-	None	-	1,909,188	1,909,188	Note 5
25	Silicon Application Company Limited	Silicon Application Corp.	Other receivables	Y	745,775	706,215	706,215	5.20	2	-	Operations	-	None	-	763,675	1,909,188	Note 5
26	Sertek Limited	Yosun Hong Kong Corp. Ltd.	Other receivables	Y	80,675	76,763	76,763	4.25	2	-	Operations	-	None	-	84,786	84,786	Note 5
27	Sertek Incorporated	Richpower Electromic Devices Co., Ltd.	Other receivables	Y	571,525	549,165	399,165	6.25~6.39	2	-	Operations	-	None	-	659,876	659,876	Note 2

Table 1, Page 4

No.	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the year ended	Balance at	Actual amount drawn down	Interest rate	Nature of loan (Note 10)	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts		Collateral		Limit on loans granted to a single party	Ceiling on total loans granted	Footnote
					December 31, 2023	December 31, 2023								Item	Value			
28	Apache Communication Inc.	Henshen Electric Trading Co., Ltd.	Other receivables	Y	\$ 357,885	\$ -	\$ -	-	2	\$ -	Operations	\$ -	None	\$ -	\$ -	\$ 572,429	\$ 915,887	Note 7
28	Apache Communication Inc.	Frontek Technology Corporation	Other receivables	Y	457,200	300,000	300,000	1.85	2	-	Operations	-	None	-	-	572,429	915,887	Note 7
28	Apache Communication Inc.	Asian Information Technology Inc.	Other receivables	Y	300,000	300,000	300,000	1.85	2	-	Operations	-	None	-	-	572,429	915,887	Note 7
29	Pernas Electronics Co., Ltd.	Everwiner Enterprise Co., Ltd.	Other receivables	Y	200,000	150,000	150,000	2.00	2	-	Operations	-	None	-	-	530,402	530,402	Note 2
30	Long-Think International (Hong Kong) Limited	WPI International (Hong Kong) Limited	Other receivables	Y	486,375	460,575	460,575	4.25~4.45	2	-	Operations	-	None	-	-	592,119	592,119	Note 5
31	Peng Yu (Shanghai) Digital Technology Co., Ltd.	WPG C&C Shanghai Co., Ltd.	Other receivables	Y	90,651	88,704	88,704	3.80~3.90	2	-	Operations	-	None	-	-	434,935	434,935	Note 5
31	Peng Yu (Shanghai) Digital Technology Co., Ltd.	LaaS (Dongguan) Supply Chain Management Limited	Other receivables	Y	88,900	86,540	86,540	4.10	2	-	Operations	-	None	-	-	434,935	434,935	Note 5
32	Peng Yu International Limited	Peng Yu Trigold Limited	Other receivables	Y	191,160	-	-	-	2	-	Operations	-	None	-	-	270,576	270,576	Note 5
32	Peng Yu International Limited	WPG Electronics (Hong Kong) Limited	Other receivables	Y	194,550	184,230	184,230	6.59	2	-	Operations	-	None	-	-	270,576	270,576	Note 5
33	Vsell Enterprise Co., Ltd. (Shanghai)	Maojie Trading (Shenzhen) Co., Ltd.	Other receivables	Y	13,266	12,981	12,981	4.35	2	-	Operations	-	None	-	-	242,764	242,764	Note 5
34	Trigold (Hong Kong) Company Limited	Peng Yu Trigold Limited	Other receivables	Y	77,820	73,692	73,692	5.27	2	-	Operations	-	None	-	-	1,134,727	1,134,727	Note 5
35	Trigold Holdings Limited	Peng Yu Trigold Limited	Other receivables	Y	162,125	-	-	-	2	-	Operations	-	None	-	-	842,624	842,624	Note 2
36	Peng Yu Trigold Limited	WPG Electronics (Hong Kong) Limited	Other receivables	Y	648,500	614,100	614,100	6.59~7.00	2	-	Operations	-	None	-	-	876,672	876,672	Note 11

Note 1: Ceiling on total loans to others should not exceed the creditor's net assets. For short-term financing, ceiling on loans to a single party should not exceed the creditor's net assets.

Note 2: Accumulated financing activities to any company or person should not be in excess of 40% of creditor's net assets. Limit on loans to a single company is as follows:

- (1) For business transaction to the creditor, the individual limit should not exceed the amount of business transactions; the amount of business transactions means the higher between sales and purchases.
- (2) For short-term financing, financing activities to a single company should not be in excess of 40% of creditor's net assets.
- Note 3: (1) For those borrowers which are not 100% held investee company, the individual limit amount and the accumulated financing activities to those borrowers should not be in excess of 40% of the creditor's net assets.
- (2) For those borrowers which are 100% held investee company, the individual limit amount and the accumulated financing activities to those borrowers should not be in excess of 200% of the creditor's net assets.
- (3) The total limit of (1) and (2) should not exceed 200% of the creditor's net assets.
- Note 4: Accumulated financing activities to any company or person should not be in excess of 200% of creditor's net assets. Limit on loans to a single company is as follows:
- (1) For business transaction to the creditor, the individual limit should not exceed the amount of business transactions; the amount of business transactions means the higher between sales and purchases.
- (2) For short-term financing, the financing activities to an overseas company which is 100% directly or indirectly held by ultimate parent company should not be in excess of 200% of creditor's net assets.
- For borrower not fulfilling said criteria, the limit should not exceed 40% of the creditor's net assets.
- Note 5: Accumulated financing activities to any company or person should not be in excess of 100% of creditor's net assets. Limit on loans to a single company is as follows:
- (1) For business transaction to the creditor, the individual limit should not exceed the amount of business transactions; the amount of business transactions means the higher between sales and purchases.
- (2) For short-term financing, the financing activities to an overseas company or ultimate parent company which is 100% directly or indirectly held by ultimate parent company should not be in excess of 100% of creditor's net assets. For borrower not fulfilling said criteria, the limit should not exceed 40% of the creditor's net assets.
- Note 6: Accumulated financing activities to any company or person should not be in excess of 40% of creditor's net assets. Limit on loans to a single company is as follows:
- (1) For business transaction to the creditor, the individual limit should not exceed the amount of business transactions; the amount of business transactions means the higher between sales and purchases.
- (2) For short-term financing, the financing activities to a single company should not be in excess of 30% of creditor's assets.
- Note 7: Accumulated financing activities to any company or person should not be in excess of 40% of creditor's net assets. Limit on loans to a single company is as follows:
- (1) For business transaction to the creditor, the individual limit should not exceed the amount of business transactions; the amount of business transactions means the higher between sales and purchases.
- (2) For short-term financing, the financing activities to a single company should not be in excess of 25% of creditor's net assets.
- Note 8: (1) The financing activities to an overseas company which is 100% directly or indirectly held by ultimate parent company should not be in excess of 200% of creditor's net assets. Ceilings on accumulated short-term financing should not exceed 200% of the creditor's net assets.
- (2) The individual limit amount should not exceed 40% of the creditor's net assets and the accumulated financing activities to those borrowers should not be in excess of 40% of the creditor's net assets.
- Note 9: Accumulated financing activities to any company or person should not be in excess of 40% of creditor's net assets. Limit on loans to a single company is as follows:
- (1) For business transaction to the creditor, ceiling on the individual loans from others should not exceed 40% of the creditor's net assets, and the individual limit should not exceed the amount of business transactions within one year; the amount of business transactions means the higher between sales and purchases.
- (2) For short-term financing, financing activities to a single company should not be in excess of 40% of creditor's net assets.
- (3) Ceiling on total loans granted between foreign companies whose voting shares are 100% held by the Company directly or indirectly, or on loans granted to the Company by such foreign companies was excluded in the aforementioned limits.
- Note 10: Accumulated financing activities to any company or person should not be in excess of 40% of creditor's net assets. Limit on loans to a single company is as follows:
- (1) For business transaction to the creditor, the individual limit should not exceed the amount of business transactions; the amount of business transactions means the higher between sales and purchases.
- (2) For short-term financing, the financing activities to an overseas company which is 100% directly or indirectly held by ultimate parent company should not be in excess of 300% of creditor's net assets.
- For borrower not fulfilling said criteria, the limit should not exceed 40% of the creditor's net assets.
- Note 11: Accumulated financing activities to any company or person should not be in excess of 300% of creditor's net assets. Limit on loans to a single company is as follows:
- (1) For business transaction to the creditor, the individual limit should not exceed the amount of business transactions; the amount of business transactions means the higher between sales and purchases.
- (2) For short-term financing, the financing activities to an overseas company which is 100% directly or indirectly held by ultimate parent company should not be in excess of 300% of creditor's net assets.
- For borrower not fulfilling said criteria, the limit should not exceed 40% of the creditor's net assets.
- Note 12: The column of 'Nature of loan' shall fill in 1. 'Business transaction or 2. 'Short-term financing'.

WPG Holdings Limited and Subsidiaries
Provision of endorsements and guarantees to others
Year ended December 31, 2023

Table 2

Expressed in thousands of NTD
(Except as otherwise indicated)

Number	Endorser/ guarantor	Party being endorsed/guaranteed Company name	Relationship with the endorser/ guarantor (Note 1)	Limit on endorsements/ guarantees provided for a single party	Maximum outstanding endorsement/ guarantee amount as of December 31, 2023	Outstanding endorsement/ guarantee amount as of December 31, 2023	Actual amount drawn down	Amount of endorsements/ guarantees secured with collateral	Ratio of accumulated endorsement/ guarantee amount to net asset value of the endorser/ guarantor company	Ceiling on total amount of endorsements/ guarantees provided	Provision of endorsements/ guarantees by parent company to subsidiary	Provision of endorsements/ guarantees by subsidiary to parent company	Provision of endorsements/ guarantees to the party in Mainland China	Footnote
0	WPG Holdings Limited	World Peace Industrial Co., Ltd.	2	\$ 41,822,270	\$ 176,828	\$ 86,058	\$ 86,058	\$ 91,853	0.10	\$ 41,822,270	Y	N	N	Notes 2 and 3
1	World Peace International (South Asia) Pte Ltd.	WPG C&C Computers And Peripheral (India) Private Limited	2	8,023,596	81,063	-	-	-	-	8,023,596	N	N	N	Note 5
2	WPI International (South Asia) Pte Ltd.	WPG Americas Inc.	4	8,818,593	169,125	-	-	-	-	8,818,593	N	N	N	Note 5
3	Yosun Hong Kong Corp. Ltd.	Yosun Shanghai Corp. Ltd.	2	5,203,484	2,211	2,164	-	-	0.04	10,406,968	N	N	Y	Note 12
4	Yosun Industrial Corp.	Yosun Singapore Pte Ltd.	4	9,636,216	1,248,363	1,182,143	702,939	-	12.27	19,272,431	N	N	N	Note 9
4	Yosun Industrial Corp.	Yosun Hong Kong Corp. Ltd.	2	9,636,216	1,265,046	1,265,046	151,116	-	13.13	19,272,431	N	N	N	Note 9
4	Yosun Industrial Corp.	Richpower Electronic Devices Co., Ltd	2	9,636,216	1,681,560	829,035	-	-	8.60	19,272,431	N	N	N	Note 9
4	Yosun Industrial Corp.	Yosun Shanghai Corp. Ltd.	2	9,636,216	2,269,750	2,149,350	240,277	-	22.30	19,272,431	N	N	Y	Note 9
4	Yosun Industrial Corp.	Sertek Incorporated	2	9,636,216	2,594,000	2,456,400	654,349	-	25.49	19,272,431	N	N	N	Note 9
4	Yosun Industrial Corp.	Richpower Electronic Devices Co., Limited	2	9,636,216	1,885,557	1,885,557	408,612	-	19.57	19,272,431	N	N	N	Note 9
5	World Peace Industrial Co., Ltd.	WPI International (Hong Kong) Limited	2	15,214,177	3,254,190	3,024,944	1,394,865	-	9.94	24,342,682	N	N	N	Note 4
5	World Peace Industrial Co., Ltd.	Vitec WPG Limited	6	15,214,177	72,956	69,086	15,353	-	0.23	24,342,682	N	N	N	Note 4
5	World Peace Industrial Co., Ltd.	World Peace International (South Asia) Pte Ltd	2	15,214,177	1,083,222	861,651	663,866	-	2.83	24,342,682	N	N	N	Note 4

Number	Endorser/ guarantor	Party being endorsed/guaranteed		Relationship with the endorser/ guarantor (Note 1)	Limit on endorsements/ guarantees provided for a single party	Maximum outstanding endorsement/ guarantee amount as of December 31, 2023	Outstanding endorsement/ guarantee amount as of December 31, 2023	Actual amount drawn down	Amount of endorsements/ guarantees secured with collateral	Ratio of accumulated endorsement/ guarantee amount to net asset value of the endorser/ guarantor company	Ceiling on total amount of endorsements/ guarantees provided	Provision of endorsements/ guarantees by parent company to subsidiary	Provision of endorsements/ guarantees by subsidiary to parent company	Provision of endorsements/ guarantees to the party in Mainland China	Footnote
		Company name													
5	World Peace Industrial Co., Ltd.	WPG Electronics (Hong Kong) Limited	4	\$ 15,214,177	\$ 1,131,120	\$ 921,150	\$ 216,795	\$ -	3.03	\$ 24,342,682	N	N	N	Note 4	
5	World Peace Industrial Co., Ltd.	WPG Korea Co., Ltd.	4	15,214,177	60,000	60,000	15,185	-	0.20	24,342,682	N	N	N	Note 4	
5	World Peace Industrial Co., Ltd.	WPG China (SZ) Inc.	4	15,214,177	184,440	92,115	92,115	-	0.30	24,342,682	N	N	Y	Note 4	
6	Apache Communication Inc.	Asian Information Technology Inc.	3	915,887	302,125	253,525	192,845	-	11.07	1,144,858	N	N	N	Note 8	
7	Frontek Technology Corporation	Asian Information Technology Inc.	3	1,214,228	556,275	553,525	511,798	-	18.23	1,517,785	N	N	N	Note 8	
8	Pernas Electronics Co., Ltd.	Silicon Application Corp.	3	663,002	200,000	-	-	-	-	663,002	N	N	N	Note 6	
9	Asian Information Technology Inc.	Apache Communication Inc.	2	3,095,902	486,375	460,575	384,150	-	5.95	3,869,877	N	N	N	Note 7	
9	Asian Information Technology Inc.	Frontek Technology Corporation	2	3,095,902	931,383	882,363	187,672	-	11.40	3,869,877	N	N	N	Note 7	
9	Asian Information Technology Inc.	AIT Japan Inc.	2	3,095,902	41,418	24,564	1,969	-	0.32	3,869,877	N	N	N	Note 7	
9	Asian Information Technology Inc.	Henshen Electric Trading Co., Ltd.	2	3,095,902	400,000	400,000	10,280	-	5.17	3,869,877	N	N	N	Note 7	
9	Asian Information Technology Inc.	Peng Yu Trigold Limited	4	3,095,902	324,250	307,050	59,402	-	3.97	3,869,877	N	N	N	Note 7	
10	Vsell Enterprise Co., Ltd.	VSELL ENTERPRISE CO., LTD. (SAMOA)		358,112	61,410	-	-	-	-	447,640	N	N	N	Note 11	
11	Trigold Holdings Limited	Peng Yu Trigold Limited	2	1,053,280	614,100	614,100	214,935	-	29.15	1,053,280	N	N	N	Note 10	
11	Trigold Holdings Limited	WPG C&C Shanghai Co., Ltd.	2	1,053,280	44,450	43,270	43,270	-	2.05	1,053,280	N	N	Y	Note 10	

Note 1: Relationship between the endorser/guarantor and the party being endorsed/guaranteed is classified into the following seven categories:

- (1) Having business relationship.
- (2) The endorser/guarantor parent company owns directly and indirectly more than 50% voting shares of the endorsed/guaranteed subsidiary.
- (3) The endorsed/guaranteed company owns directly and indirectly more than 50% voting shares of the endorser/guarantor parent company.
- (4) The endorser/guarantor parent company owns directly and indirectly more than 90% voting shares of the endorsed/guaranteed company.
- (5) Mutual guarantee of the trade made by the endorsed/guaranteed company or joint contractor as required under the construction contract.

- (6) Due to joint venture, all shareholders provide endorsements/guarantees to the endorsed/guaranteed company in proportion to its ownership.
- (7) Joint guarantee of the performance guarantee for pre-sold home sales contract as required under the Consumer Protection Act.
- Note 2: The guarantee amount should not exceed 50% of guarantor's net assets; the limit to a single company should not exceed 50% of the Company's stockholder's equity. For business transaction with the Company, the guarantee amount should not exceed the amount of business transaction, which is the higher between sales and purchases. The limit on the Company and its subsidiaries' total loan to other companies is less than 60% of the Company's net assets; limited to a single company should not exceed 50% of the Company's net assets. The guarantee amount to a subsidiary which is 90%~100% directly or indirectly held by the Company should not exceed 10% of the Company's net assets, which is based on the latest audited or reviewed financial statements.
- Note 3: There are 8,999 thousand shares of WPG Investment Co., Ltd. which have been pledged for purchases for World Peace Industrial Co., Ltd. The book value of those pledged investments is \$91,853.
- Note 4: The cumulative guarantee amount to others should not be in excess of 80% of guarantor's net assets. The guarantee amount to a single company should not be in excess of 50% of guarantor's net assets. For business transaction with the guarantor, the guarantee amount should not exceed the amount of business transaction, which is the higher between sales and purchases. The net asset value is based on the latest audited or reviewed financial statements. For the guarantees provided by World Peace Industrial Co., Ltd. to WPI International (Hong Kong) Limited, the outstanding endorsement/guarantee amount at the end of the period was calculated by adding the old and new guarantee amounts due to the early approval by the chairman.
- Note 5: The cumulative guarantee amount to others should not be in excess of 200% of the Company's net assets. The guarantee amount to a single company should not be in excess of 200% of Company's net assets. For business transaction with the Company, the guarantee amount should not exceed the amount of business transaction, which is the higher between sales and purchases. The guarantee amount to a subsidiary which is 90%~100% directly or indirectly held by the Company should not exceed 10% of the Company's net assets.
- Note 6: The cumulative guarantee amount to others should not be in excess of 50% (not including 50%) of the Company's net assets; the limit to a single company should not exceed 50% of the Company's net assets. For business transaction with the Company, the guarantee amount should not exceed the amount of business transaction, which is the higher between sales and purchases. Ceiling on total endorsements/guarantees granted by the Company and subsidiaries shall be less than 50% (not including 50%) of the Company's net assets. Ceiling on total endorsements/guarantees granted by the Company, the Company's ultimate parent company and subsidiaries to a single party is 50% of the Company's net assets. The guarantee amount to a subsidiary which is 90%~100% directly or indirectly held by the Company's ultimate parent company should not exceed 10% of the net assets of the Company's ultimate parent company. The net assets referred to above are based on the latest audited or reviewed financial statements.
- Note 7: The guarantee amount should not exceed 50% of guarantor's net assets; the limit to a single company should not exceed 40% of the Company's net assets. For business transaction with the Company, the guarantee amount should not exceed the amount of business transaction, which is the higher between sales and purchases. Net assets is based on the latest audited or reviewed financial statements. Ceiling on total endorsements/guarantees granted by the Company and subsidiaries shall be less than 50% (not including 50%) of the Company's net assets. The Company's and its subsidiaries' guarantee amount to a single company should not be in excess of 50% of the Company's net assets. The guarantee amount to a subsidiary which is 90%~100% directly or indirectly held by the Company's ultimate parent company should not exceed 10% of the net assets of the Company's ultimate parent company. The net assets referred to above are based on the latest audited or reviewed financial statements.
- Note 8: The guarantee amount should not exceed 50% of guarantor's net assets; the limit to a single company should not exceed 40% of the Company's net assets. For business transaction with the Company, the guarantee amount should not exceed the amount of business transaction, which is the higher between sales and purchases. Net assets is based on the latest audited or reviewed financial statements. The guarantee amount to a subsidiary which is 90%~100% directly or indirectly held by the Company's ultimate parent company should not exceed 10% of the net assets of the Company's ultimate parent company. The net assets referred to above are based on the latest audited or reviewed financial statements.
- Note 9: The cumulative guarantee amount to others should not be in excess of 200% (excluding) of the Company's net assets. The guarantee amount to a single company should not be in excess of 100% of Company's net assets. For business transaction with the Company, the guarantee amount should not exceed the amount of business transaction, which is the higher between sales and purchases. The guarantee amount to a subsidiary which is 90%~100% directly or indirectly held by the Company's ultimate parent company should not exceed 10% of the net assets of the Company's ultimate parent company. The net assets referred to above are based on the latest audited or reviewed financial statements.
- Note 10: The cumulative guarantee amount to others should not be in excess of 50% (not including 50%) of the Company's net assets. The guarantee amount to a single company should not be in excess of 50% (not including 50%) of Company's net assets. For business transaction with the Company, the guarantee amount should not exceed the amount of business transaction, which is the higher between sales and purchases. The Company's and its subsidiaries' cumulative guarantee amount to others should not be in excess 50% (not including 50%) of the Company's net assets. The guarantee amount to a single company should not be in excess of 50% (not including 50%) of the Company's net assets. The Company's and its subsidiaries' guarantee amount to a subsidiary which is 90%~100% directly or indirectly held by the Company should not exceed 10% of the Company's net assets. The guarantee amount to a subsidiary which is 100% directly or indirectly held by the Company should not exceed 50% (not including 50%) of the Company's net assets. The net assets value is based on the latest audit or reviewed financial statements.
- Note 11: Vsell Enterprise Co., Ltd. and VSELL ENTERPRISE CO., LTD. (SAMOA) were originally 100% owned by the same shareholders. Since Silicon Application Corp. acquired 70% of Vsell Enterprise Co., Ltd. on May 1, 2023, because Vsell Enterprise Co., Ltd. did not formulate a method before it was obtained on May 1, 2023. After it was obtained, it needed to be approved by the board of directors and the shareholders during their meeting, so it was calculated in accordance with the parent company's policy. The cumulative guarantee amount to others should not be in excess 100% of the Company's net assets. The guarantee amount to a single company should not be in excess 80% of the Company's net assets. The net assets referred to above are based on the latest audited or reviewed financial statements. There are no endorsements and guarantees on December 31, 2023.
- Note 12: The cumulative guarantee amount to others should not be in excess of 200% (excluding) of the Company's net assets. The guarantee amount to a single company should not be in excess of 100% of Company's net assets. For business transaction with the Company, the guarantee amount should not exceed the amount of business transaction, which is the higher between sales and purchases. The guarantee amount to a subsidiary which is 90%~100% directly or indirectly held by the Company's ultimate parent company should not exceed 10% of the net assets of the Company's ultimate parent company. The net assets referred to above are based on the latest audited or reviewed financial statements.

WPG Holdings Limited and Subsidiaries
Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures)
Year ended December 31, 2023

Table 3

Expressed in thousands of NTD
(Except as otherwise indicated)

				As of December 31, 2023				
Securities held by	Marketable securities	Relationship with the securities issuer	General ledger account	Number of shares				
				(in thousands)	Book value	Ownership (%)	Fair value (Note 1)	Footnote
WPG Holdings Limited	Restar Holdings Corporation	None	Financial assets at fair value through profit or loss - non-current	230	\$ 140,876	0.76	\$ 140,876	Note 2
WPG Holdings Limited	Tyche Partners L.P. - Funds	None	Financial assets at fair value through profit or loss - non-current	-	356,160	-	356,160	
WPG Holdings Limited	CDIB CME Fund Ltd., ... etc. - Equity securities	None	Financial assets at fair value through profit or loss - non-current	-	59,263	-	59,263	
WPG Holdings Limited	T3EX Global Holdings Corp. ... etc. - Equity securities	None	Financial assets at fair value through other comprehensive income - non-current	-	1,623,508	-	1,623,508	
WPG Holdings Limited	WT Microelectronics Co., Ltd.-Preference shares	The Group's investment accounted for using the equity method	Financial assets at fair value through other comprehensive income - non-current	24,284	1,108,559	17.99	1,108,599	Note 3
Silicon Application Corp.	Kingmax Technology Inc., ... etc. - Equity securities	None	Financial assets at fair value through profit or loss - non-current	-	11,539	-	11,539	
World Peace Industrial Co., Ltd.	Prohubs International Corp. ...etc. - Equity securities	None	Financial assets at fair value through profit or loss - non-current	-	4,668	-	4,668	
World Peace Industrial Co., Ltd.	Vesper Technologies Inc.	None	Financial assets at fair value through other comprehensive income - non-current	-	31,050	-	31,050	
AECO Technology Co., Ltd.	Hua-Jie (Taiwan) Corp. - Equity securities	None	Financial assets at fair value through profit or loss - non-current	668	6,684	3.32	6,684	
Yosun Industrial Corp.	Fortend Taiwan Scientific Corp., ... etc. - Equity securities	None	Financial assets at fair value through profit or loss - non-current	-	31,069	-	31,069	
Yosun Industrial Corp.	Golf club memberships of Ta Shee Resort Co., Ltd.	None	Financial assets at fair value through profit or loss - non-current	-	17,100	-	17,100	
Genuine C&C Inc.	Systemweb Technology - Equity securities	None	Financial assets at fair value through profit or loss - non-current	700	19,392	7.00	19,392	
Richpower Electronic Devices Co., Ltd.	Chipmast Technology Co., Ltd. - Equity securities	None	Financial assets at fair value through profit or loss - non-current	72	344	1.48	344	
WPG Investment Co., Ltd.	Dimerco Express Corporation - Equity securities	None	Financial assets at fair value through profit or loss - current	18	1,523	0.01	1,523	

Securities held by	Marketable securities	Relationship with the securities issuer	General ledger account	As of December 31, 2023				Footnote
				Number of shares (in thousands)	Book value	Ownership (%)	Fair value (Note 1)	
WPG Investment Co., Ltd.	CDIB CME Fund Ltd., ... etc. - Equity securities	None	Financial assets at fair value through profit or loss - non-current	-	\$ 10,733	-	\$ 10,733	
WPG Investment Co., Ltd.	Nichidenbo Corporation ... etc. - Equity securities	None	Financial assets at fair value through other comprehensive income - non-current	-	671,360	-	671,360	
Asian Information Technology Inc.	Golf club memberships of Ta Shee Resort Co., Ltd.	None	Financial assets at fair value through profit or loss – non-current	-	17,100	-	17,100	
Win-Win Systems Ltd.	Silicon Electronics Company(s) Pte. Ltd. - Equity securities	None	Financial assets at fair value through profit or loss - non-current	180	-	10.00	-	
WPG South Asia Pte. Ltd.	ViMOS Technologies GmbH - Equity securities	None	Financial assets at fair value through profit or loss - non-current	20	664	9.00	664	
WPG China Inc.	CECI Technology Co. Ltd. ... etc. - Equity securities	None	Financial assets at fair value through profit or loss - non-current	-	2,575,364	-	2,575,364	
WPG China Inc.	Yiwu Weihao Chuangxin Phase I Equity Investment Partnership (Limited Partnership)	None	Financial assets at fair value through profit or loss - non-current	-	92,616	-	92,616	

Note 1: Fill in the amount after adjusted at fair value and deducted by accumulated impairment for the marketable securities measured at fair value; fill in the acquisition cost or amortized cost deducted by accumulated impairment for the marketable securities not measured at fair value.

Note 2: The original investee company, Vitec Holdings Co., Ltd., was delisted on March 27, 2019. Vitec Holdings Co., Ltd. merged with UKC Holdings whereby a new company, Restar Holdings Corporation, was established. The effective date for this merger was April 1, 2019, and the name of the held marketable securities was changed.

Note 3: On September 18, 2020, the Board of Directors of the Group resolved to subscribe WT's series A preference shares in the amount of 24,283,867 shares with a par value of NT\$50 per share, with total consideration of \$1,214,193, based on the shareholding ratio at the effective date of the capital increase in accordance with the application for shares. As of October 15, 2020 (effective date of the capital increase), the Group's shareholding ratio in WT is 17.99% of total outstanding preference shares after subscribing WT's series A preference shares.

WPG Holdings Limited and Subsidiaries
Acquisition or sale of the same security with the accumulated cost exceeding \$300 million or 20% of the Company's paid-in capital
Year ended December 31, 2023

Table 4

Expressed in thousands of NTD
(Except as otherwise indicated)

Investor	Marketable securities	General ledger account	Counterparty	Relationship with the counterparty	Balance as at January 1, 2023		Addition		Disposal				Balance as at December 31, 2023	
					No. of shares (in thousands)	Amount	No. of shares (in thousands)	Amount	No. of shares (in thousands)	Selling price	Book value	Gain (loss) on disposal	No. of shares (in thousands)	Amount
WPG Holdings Limited	WT Microelectronics Co., Ltd.	Note 1	Stock exchange market	None	177,110	\$ 11,952,982	-	\$ -	40,000	\$ 5,052,400	\$ 3,100,077	\$ 2,437,325	137,110	\$ 11,016,733
WPG Holdings Limited	WPG South Asia Pte. Ltd.	Note 1	WPG South Asia Pte. Ltd.	Same ultimate parent company	34,119	1,156,440	29,917	705,026	-	-	-	-	64,036	2,124,839

Note 1: It is recorded as investments accounted for under equity method.

WPG Holdings Limited and Subsidiaries
Purchases or sales of goods from or to related parties reaching \$100 million or 20% of paid-in capital or more
Year ended December 31, 2023

Table 5

Expressed in thousands of NTD
(Except as otherwise indicated)

Differences in transaction terms compared to third party transactions											
Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction				Notes/accounts receivable (payable)		Footnote		
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term		Balance	Percentage of total notes/accounts receivable (payable)
WPG Holdings Limited	World Peace Industrial Co., Ltd.	Same ultimate parent company	Sales	(\$ 858,060) (	50.32)	Note 5	Note 5	Note 5	\$ 59,852	47.23	
"	Silicon Application Corporation	"	"	(237,510) (	13.93)	"	"	"	22,530	17.78	
"	Asian Information Technology Inc.	"	"	(268,734) (	15.76)	"	"	"	27,469	21.68	
"	Yosun Industrial Corp.	"	"	(306,253) (	17.96)	"	"	"	15,518	12.24	
World Peace Industrial Co., Ltd.	WPI Technology Pte. Ltd.	"	"	(4,680,047) (	3.38)	Note 3	Note 3	Note 3	137,408	0.62	
"	WPI International (Hong Kong) Limited	"	"	(12,028,381) (	8.69)	"	"	"	1,416,807	6.39	
"	WPG China (SZ) Inc.	"	"	(190,650) (	0.14)	"	"	"	41,814	0.19	
"	WPG China Inc.	"	"	(181,261) (	0.13)	"	"	"	34,043	0.15	
"	Genuine C&C, Inc.	"	"	(135,027) (	0.10)	"	"	"	27,377	0.12	
"	WT Microelectronics Co., Ltd.	Investee accounted for using equity method	"	(208,923) (	0.15)	"	"	"	42,114	0.19	
"	World Peace International (South Asia) Pte Ltd.	Same ultimate parent company	"	(252,549) (	0.18)	"	"	"	12,695	0.06	
"	WPG Electronics (Hong Kong) Limited	"	"	(1,662,001) (	1.20)	"	"	"	637,195	2.88	
"	WPG SCM Limited	"	"	(107,031) (	0.08)	"	"	"	33,821	0.15	
WPI International (South Asia) Pte. Ltd.	World Peace Industrial Co., Ltd.	"	"	(343,342) (	13.96)	"	"	"	-	-	
Genuine C&C (IndoChina) Pte Ltd.	WPG PT Electrindo Jaya	An investee which accounted for associates using the equity method	"	(401,757) (	98.47)	"	"	"	90,281	100.00	
World Peace International (South Asia) Pte Ltd.	World Peace Industrial Co., Ltd.	Same ultimate parent company	"	(1,400,989) (	4.97)	"	"	"	77,194	1.47	

Differences in transaction terms compared to third party transactions											
Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction				transactions		Notes/accounts receivable (payable)		Footnote
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	
World Peace International (South Asia) Pte Ltd.	WPI International (Hong Kong) Limited	Same ultimate parent company	Sales	(\$ 182,711)	(0.65)	Note 3	Note 3	Note 3	\$ 17,095	0.33	
"	WPG PT Electrindo Jaya	An investee which accounted for associates using the equity method	"	(523,260)	(1.85)	"	"	"	142,465	2.71	
"	World Peace International (India) Pvt., Ltd.	Same ultimate parent company	"	(159,838)	(0.57)	"	"	"	28,851	0.55	
"	WPG C&C Comuters and Peripheral (India) Private Limited	"	"	(1,851,313)	(6.56)	"	"	"	658,461	12.54	
"	WPG C&C (Malaysia) Sdn. Bhd	"	"	(743,442)	(2.64)	"	"	"	790	0.02	
"	WPG C&C (Thailand) Co., Ltd.	"	"	(140,556)	(0.50)	"	"	"	9,213	0.18	
"	WPI International (South Asia) Pte. Ltd.	"	"	(2,435,224)	(8.63)	"	"	"	-	-	
"	WPG South Asia Pte. Ltd.	"	"	(1,311,702)	(4.65)	"	"	"	804,492	15.32	
"	WPG SCM Limited	"	"	(3,502,131)	(12.41)	"	"	"	538,705	10.26	
WPI Technology Pte. Ltd.	World Peace Industrial Co., Ltd.	"	"	(707,566)	(3.52)	"	"	"	406,970	40.74	
"	WPI International (Hong Kong) Limited	"	"	(1,747,615)	(8.70)	"	"	"	573,496	57.41	
WPI International (Hong Kong) Limited	World Peace Industrial Co., Ltd.	"	"	(7,102,136)	(3.83)	"	"	"	728,453	2.09	
"	WPI Technology Pte. Ltd.	"	"	(12,256,925)	(6.61)	"	"	"	284,418	0.82	
"	WPG China (SZ) Inc.	"	"	(2,818,220)	(1.52)	"	"	"	291,642	0.84	
"	WPG China Inc.	"	"	(2,144,688)	(1.16)	"	"	"	204,401	0.59	
"	WPG Korea Co., Ltd.	"	"	(572,421)	(0.31)	"	"	"	22,357	0.06	
"	Vitec WPG Limited	Investee accounted for using the equity method	"	(218,239)	(0.12)	"	"	"	18,433	0.05	
"	World Peace International (South Asia) Pte Ltd.	Same ultimate parent company	"	(967,951)	(0.52)	"	"	"	49,985	0.14	
"	WPG Electronics (Hong Kong) Limited	"	"	(1,595,765)	(0.86)	"	"	"	310,951	0.89	
"	WPG SCM Limited	"	"	(1,769,617)	(0.95)	"	"	"	142,598	0.41	

Table 5, Page 2

Differences in transaction terms compared to third party											
Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction				transactions		Notes/accounts receivable (payable)		Footnote
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	
Silicon Application Corp.	Pernas Electronics Co., Ltd.	Same ultimate parent company	Sales	(\$ 431,663)	(0.64)	30 days after monthly billings	Note 4	Note 4	\$ 43,903	0.27	
"	WPG China (SZ) Inc.	"	"	(1,124,289)	(1.66)	90 days after monthly billings	"	"	208,626	1.30	
"	WPG China Inc.	"	"	(332,230)	(0.49)	"	"	"	85,995	0.54	
"	WPG Electronics (Hong Kong) Limited	"	"	(3,376,668)	(4.98)	"	"	"	1,155,479	7.20	
Pernas Electronics Co., Ltd.	Silicon Application Corp.	"	"	(1,344,986)	(27.96)	30 days after monthly billings	"	"	102,839	10.61	
"	Everwiner Enterprise Co., Ltd.	"	"	(154,740)	(3.22)	Note 2	"	"	7,845	0.81	
Everwiner Enterprise Co., Ltd.	Silicon Application Corp.	"	"	(1,682,339)	(23.42)	30 days after monthly billings	"	"	183,448	8.82	
"	Pernas Electronics Co., Ltd.	"	"	(1,391,670)	(19.37)	Note 2	"	"	236,011	11.34	
Asian Information Technology Inc.	World Peace Industrial Co., Ltd.	"	"	(224,866)	(0.53)	"	Note 2	Note 2	-	-	
"	Frontek Technology Corporation	"	"	(6,087,344)	(14.36)	"	"	"	2,330,438	23.90	
"	Apache Communication Inc.	"	"	(1,219,760)	(2.88)	"	"	"	191,918	1.97	
"	WPG China (SZ) Inc.	"	"	(121,073)	(0.29)	"	"	"	25,516	0.26	
"	WPG Electronics (Hong Kong) Limited	"	"	(177,008)	(0.42)	"	"	"	58,731	0.60	
Frontek Technology Corporation	Asian Information Technology Inc.	"	"	(4,218,776)	(14.62)	"	"	"	422,850	5.79	
"	WPG China Inc.	"	"	(130,493)	(0.45)	"	"	"	31,247	0.43	
"	Yosun Hong Kong Corp. Ltd.	"	"	(258,421)	(0.90)	"	"	"	16,870	0.23	
"	WPG Electronics (Hong Kong) Limited	"	"	(456,915)	(1.58)	"	"	"	209,588	2.87	
Apache Communication Inc.	Asian Information Technology Inc.	"	"	(834,134)	(3.17)	"	"	"	27,534	0.84	
WPG China (SZ) Inc.	WPG China Inc.	"	"	(287,550)	(2.69)	Note 6	Note 6	Note 6	-	-	
"	Yosun Hong Kong Corp. Ltd.	"	"	(156,099)	(1.46)	"	"	"	58,481	1.57	
WPG China Inc.	WPG China (SZ) Inc.	"	"	(1,166,979)	(11.91)	Note 3	Note 4	Note 4	280,420	9.04	
"	Yosun Shanghai Corp. Ltd.	"	"	(188,559)	(1.92)	"	"	"	20,522	0.66	
WPG Americas Inc.	World Peace Industrial Co., Ltd.	"	"	(682,722)	(2.78)	"	Note 3	Note 3	21,064	0.29	
"	Yosun Industrial Corp.	"	"	(279,904)	(1.14)	"	"	"	1	-	

Table 5, Page 3

							Differences in transaction terms compared to third party transactions				
Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction						Notes/accounts receivable (payable)		Footnote
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	
Yosun Industrial Corp.	WPG China (SZ) Inc.	Same ultimate parent company	Sales	(\$ 484,383) (	1.72)	Note 6	Note 6	Note 6	\$ 78,515	2.03	
"	WPG China Inc.	"	"	(343,249) (	1.22)	Note 6	Note 6	Note 6	89,261	2.31	
"	Yosun Hong Kong Corp. Ltd.	"	"	(4,456,423) (	15.81)	Note 3	Note 3	Note 3	575,403	14.88	
"	Yosun Shanghai Corp. Ltd.	"	"	(113,960) (	0.40)	Note 6	Note 6	Note 6	20,434	0.53	
"	Sertek Incorporated	"	"	(399,999) (	1.42)	Note 3	Note 3	Note 3	381	0.01	
Yosun Hong Kong Corp. Ltd.	WPG China (SZ) Inc.	"	"	(178,148) (	0.44)	Note 6	Note 6	Note 6	26,869	0.44	
"	WPG China Inc.	"	"	(385,192) (	0.96)	"	"	"	67,440	1.10	
"	Yosun Industrial Corp.	"	"	(551,248) (	1.37)	Note 3	Note 3	Note 3	57,868	0.94	
"	Yosun Shanghai Corp. Ltd.	"	"	(697,123) (	1.73)	Note 6	Note 6	Note 6	174,821	2.85	
"	Richpower Electronic Devices Co., Limited	"	"	(2,421,535) (	6.02)	Note 3	Note 3	Note 3	231,124	3.76	
Yosun Shanghai Corp. Ltd.	WPG China Inc.	"	"	(380,098) (	7.56)	Note 6	Note 6	Note 6	-	-	
Sertek Incorporated	World Peace Industrial Co., Ltd.	"	"	(109,691) (	0.95)	Note 3	Note 3	Note 3	43	0.01	
"	Yosun Industrial Corp.	"	"	(541,606) (	4.70)	"	"	"	39,206	11.88	
"	Yosun Hong Kong Corp. Ltd.	"	"	(547,375) (	4.75)	"	"	"	49,879	15.11	
Richpower Electronic Devices Co., Ltd.	Silicon Application Corp.	"	"	(1,224,155) (	8.81)	"	"	"	101,046	4.94	
"	Yosun Industrial Corp.	"	"	(669,073) (	4.82)	"	"	"	13,548	0.66	
"	Yosun Hong Kong Corp. Ltd.	"	"	(102,142) (	0.74)	"	"	"	7,919	0.39	
"	WPG Electronics (Hong Kong) Limited	"	"	(1,000,361) (	7.20)	Note 6	Note 6	Note 6	343,767	16.80	
Richpower Electronic Devices Co., Limited	WPI International (Hong Kong) Limited	"	"	(3,398,234) (	15.32)	Note 3	Note 3	Note 3	11,430	0.26	
"	WPG China Inc.	"	"	(667,860) (	3.01)	Note 6	Note 6	Note 6	647,687	14.55	
"	Yosun Industrial Corp.	"	"	(768,097) (	3.46)	Note 3	Note 3	Note 3	16,365	0.37	
"	Yosun Hong Kong Corp. Ltd.	"	"	(5,112,012) (	23.04)	"	"	"	641,289	14.41	
"	Richpower Electronic Devices Co., Ltd.	"	"	(626,701) (	2.82)	"	"	"	52,029	1.17	
"	Peng Yu Trigold Limited	"	"	(457,766) (	2.06)	"	"	"	1,122	0.03	
Peng Yu Trigold Limited	WPI International (Hong Kong) Limited	"	"	(860,066) (	11.29)	"	"	"	19,066	5.46	
"	Richpower Electronic Devices Co., Limited	"	"	(510,755) (	6.71)	"	"	"	266	0.08	

Table 5, Page 4

							Differences in transaction terms compared to third party transactions					
Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction						Notes/accounts receivable (payable)		Footnote	
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)		
Peng Yu Trigold Limited	WPG C&C Shanghai Co., Ltd.	Same ultimate parent company	Sales	(\$ 2,962,375) (	38.90)	Note 3	Note 3	Note 3	\$ 161,554	46.23		
"	WPG Electronics (Hong Kong) Limited	"	"	(654,915) (	8.60)	"	"	"	-	-		
WPG Electronics (Hong Kong) Limited	World Peace Industrial Co., Ltd.	"	"	(2,830,896) (	10.11)	"	"	"	281,326	5.97		
"	WPI International (Hong Kong) Limited	"	"	(7,785,968) (	27.81)	"	"	"	1,920,720	40.74		
"	Richpower Electronic Devices Co., Limited	"	"	(108,697) (	0.39)	"	"	"	654	0.01		
"	Peng Yu Trigold Limited	"	"	(1,916,745) (	6.85)	"	"	"	43,699	0.93		
WPG South Asia Pte. Ltd.	World Peace Industrial Co., Ltd.	"	"	(446,347) (	13.51)	"	"	"	439,430	40.25		
"	World Peace International (South Asia) Pte Ltd.	"	"	(560,322) (	16.96)	"	"	"	-	-		
"	Yosun Singapore Pte Ltd.	"	"	(148,158) (	4.48)	"	"	"	-	-		
Yosun Singapore Pte . Ltd.	Yosun Hong Kong Corp. Ltd.	"	"	(116,317) (	1.04)	"	"	"	-	-		
"	WPG South Asia Pte. Ltd.	"	"	(487,564) (	4.38)	"	"	"	306,744	26.96		
"	WPG SCM Limited	"	"	(416,363) (	3.74)	"	"	"	11,268	0.99		

Note 1: As the related party transactions of consolidated subsidiaries exceeding \$100 million are voluminous, the related information disclosed here is from the sales aspect.

Note 2: The terms and sales prices were negotiated in consideration of different factors including product, cost, market and competition. The collection period is 30~120 days from the end of the month of sales.

Note 3: The terms and sales prices were negotiated in consideration of different factors including product, cost, market and competition. The collection period is 30~90 days from the end of the month of sales.

Note 4: The terms and sales prices were negotiated in consideration of different factors including product, cost, market and competition.

Note 5: The income arose from the provision of administrative resources and management services, and the sales price and terms were determined by the parties.

Note 6: The terms and sales prices were negotiated in consideration of different factors including product, cost, market and competition. The collection period is 60~120 days from the end of the month of sales.

WPG Holdings Limited and Subsidiaries
Receivables from related parties reaching \$100 million or 20% of paid-in capital or more
Year ended December 31, 2023

Table 6

Expressed in thousands of NTD
(Except as otherwise indicated)

Creditor	Counterparty	Relationship with the counterparty	Balance as at December 31, 2023 (Note 1)	Turnover rate (Note 2)	Overdue receivables		Amount collected subsequent to the balance sheet date (Note 3)	Allowance for doubtful accounts
					Amount	Action taken		
World Peace Industrial Co., Ltd.	WPI Technology Pte. Ltd.	Same ultimate parent company	\$ 137,408	68.12	\$ -	-	\$ 137,408	\$ -
World Peace Industrial Co., Ltd.	WPI International (Hong Kong) Limited	"	1,416,807	11.65	98	-	1,416,800	-
World Peace Industrial Co., Ltd.	WPG Electronics (Hong Kong) Limited	"	637,195	2.49	36,884	-	152,859	-
World Peace International (South Asia) Pte Ltd.	WPG PT Electrindo Jaya	An investee which accounted for associates using the equity method	142,465	7.14	-	-	30,192	-
World Peace International (South Asia) Pte Ltd.	WPG C&C Computers And Peripheral (India) Private Limited	Same ultimate parent company	658,461	3.83	-	-	213,201	-
World Peace International (South Asia) Pte Ltd.	WPG South Asia Pte. Ltd.	"	804,492	3.26	-	-	789,451	-
World Peace International (South Asia) Pte Ltd.	WPG SCM Limited	"	538,705	5.14	-	-	307,050	-
WPI Technology Pte. Ltd.	World Peace Industrial Co., Ltd.	"	406,970	3.48	-	-	406,970	-
WPI Technology Pte. Ltd.	WPI International (Hong Kong) Limited	"	573,496	6.09	-	-	573,496	-
WPI International (Hong Kong) Limited	World Peace Industrial Co., Ltd.	"	728,453	10.85	-	-	725,828	-
WPI International (Hong Kong) Limited	WPI Technology Pte. Ltd.	"	284,418	86.19	-	-	284,418	-
WPI International (Hong Kong) Limited	WPG China (SZ) Inc.	"	291,642	7.06	-	-	1,912	-
WPI International (Hong Kong) Limited	WPG China Inc.	"	204,401	7.36	-	-	204,384	-
WPI International (Hong Kong) Limited	WPG Electronics (Hong Kong) Limited	"	310,951	3.62	-	-	95,305	-
WPI International (Hong Kong) Limited	WPG SCM Limited	"	142,598	13.38	-	-	142,598	-
Silicon Application Corp.	WPG China (SZ) Inc.	"	208,626	4.44	4,444	-	133,120	-
Silicon Application Corp.	WPG Electronics (Hong Kong) Limited	"	1,155,479	2.75	35,190	-	406,790	-
Pernas Electronics Co., Ltd.	Silicon Application Corp.	"	102,839	11.07	-	-	102,839	-
Everwiner Enterprise Co., Ltd.	Silicon Application Corp.	"	183,448	13.77	-	-	183,448	-
Everwiner Enterprise Co., Ltd.	Pernas Electronics Co., Ltd.	"	236,011	5.66	-	-	119,780	-
Asian Information Technology Inc.	Frontek Technology Corporation	"	2,330,438	2.77	307,933	-	1,121,590	-
Asian Information Technology Inc.	Apache Communication Inc.	"	191,918	5.93	-	-	191,918	-

Creditor	Counterparty	Relationship with the counterparty	Balance as at December 31, 2023 (Note 1)	Turnover rate (Note 2)	Overdue receivables		Amount collected subsequent to the balance sheet date (Note 3)	Allowance for doubtful accounts
					Amount	Action taken		
Frontek Technology Corporation	Asian Information Technology Inc.	Same ultimate parent company	\$ 422,850	17.87	\$ 529	-	\$ 90,051	\$ -
Frontek Technology Corporation	WPG Electronics (Hong Kong) Limited	"	209,588	2.35	-	-	53,913	-
WPG China Inc.	WPG China (SZ) Inc.	"	280,420	5.18	-	-	-	-
Yosun Industrial Corp.	Yosun Hong Kong Corp. Ltd.	"	575,403	10.11	-	-	575,403	-
Yosun Hong Kong Corp. Ltd.	Yosun Shanghai Corp. Ltd.	"	174,821	4.36	48,153	-	55,179	-
Yosun Hong Kong Corp. Ltd.	Richpower Electronic Devices Co., Limited	"	231,124	16.16	-	-	231,124	-
Richpower Electronic Devices Co., Ltd	Silicon Application Corporation	"	101,046	16.32	-	-	101,046	-
Richpower Electronic Devices Co., Ltd	WPG Electronics (Hong Kong) Limited	"	343,767	3.18	20,669	-	192,015	-
Richpower Electronic Devices Co., Limited	WPG China Inc	"	647,687	2.05	-	-	309,383	-
Richpower Electronic Devices Co., Limited	Yosun Hong Kong Corp. Ltd.	"	641,289	11.40	-	-	641,289	-
Peng Yu Trigold Limited	WPG C&C Shanghai Co., Ltd.	"	161,554	34.43	-	-	161,554	-
WPG Electronics (Hong Kong) Limited	World Peace Industrial Co., Ltd.	"	281,326	3.35	-	-	93,459	-
WPG Electronics (Hong Kong) Limited	WPI International (Hong Kong) Limited	"	1,920,720	3.48	-	-	698,118	-
WPG South Asia Pte. Ltd.	World Peace Industrial Co., Ltd.	"	439,430	2.03	-	-	439,430	-
Yosun Singapore Pte Ltd.	WPG South Asia Pte. Ltd.	"	306,744	3.18	-	-	144,244	-
WPG Holdings Limited	Asian Information Technology Inc.	"	140,763	0.00	-	-	-	-
WPI International (South Asia) Pte. Ltd.	World Peace International (South Asia) Pte Ltd.	"	154,421	0.00	-	-	896	-
World Peace International (South Asia) Pte Ltd.	WPG South Asia Pte. Ltd.	"	240,313	0.00	-	-	235,820	-
WPI International (Hong Kong) Limited	World Peace Industrial Co., Ltd.	"	1,288,798	0.00	-	-	1,288,798	-
WPI International (Hong Kong) Limited	Silicon Application Corporation	"	1,015,038	0.00	-	-	-	-
WPI International (Hong Kong) Limited	Richpower Electronic Devices Co., Limited	"	136,535	0.00	-	-	136,535	-
WPI International (Hong Kong) Limited	World Peace International (South Asia) Pte Ltd.	"	449,381	0.00	-	-	214,896	-
WPI International (Hong Kong) Limited	WPG Electronics (Hong Kong) Limited	"	2,991,034	0.00	-	-	1,574,342	-
WPG C&C Limited	WPI International (Hong Kong) Limited	"	248,950	0.00	-	-	-	-
Long-Think International (Hong Kong) Limited	WPI International (Hong Kong) Limited	"	469,953	0.00	-	-	-	-
AECO Electronics Co., Ltd.	WPI International (Hong Kong) Limited	"	754,153	0.00	-	-	317,381	-
Silicon Application Corporation	Vsell Enterprise Co., Ltd.	"	634,165	0.00	-	-	493,132	-
Silicon Application Company Limited	Silicon Application Corp.	"	713,204	0.00	-	-	3,112	-

Table 6, Page 2

Creditor	Counterparty	Relationship with the counterparty	Balance as at December 31, 2023 (Note 1)	Turnover rate (Note 2)	Overdue receivables		Amount collected subsequent to the balance sheet date (Note 3)	Allowance for doubtful accounts
					Amount	Action taken		
Silicon Application Company Limited	WPG Electronics (Hong Kong) Limited	Same ultimate parent company	\$ 1,019,020	0.00	\$ -	-	\$ -	\$ -
Pernas Electronic Co., Ltd.	Everwiner Enterprise Co., Ltd.	"	153,242	0.00	-	-	2,873	-
Apache Communication Inc.	Asian Information Technology Inc.	"	300,960	0.00	-	-	382	-
Apache Communication Inc.	Frontek Technology Corporation	"	300,258	0.00	-	-	-	-
Yosun Hong Kong Corp. Ltd.	Yosun Shanghai Corp. Ltd.	"	3,596,266	0.00	-	-	259,620	-
Yosun South China Corp. Ltd.	WPG China (SZ) Inc.	"	132,102	0.00	-	-	-	-
Sertek Incorporated	Richpower Electronic Devices Co., Ltd	"	412,473	0.00	-	-	162,081	-
Richpower Electronic Devices Pte Ltd.	Yosun Hong Kong Corp. Ltd.	"	238,725	0.00	-	-	-	-
Peng Yu International Limited	WPG Electronics (Hong Kong) Limited	"	187,906	0.00	-	-	-	-
WPG C&C Shanghai Co., Ltd.	LaaS (Dongguan) Supply Chain Management Limited	"	239,184	0.00	-	-	-	-
WPG C&C Shanghai Co., Ltd.	Vsell Enterprise Co., Ltd. (Shanghai)	"	152,612	0.00	-	-	-	-
Peng Yu Trigold Limited	WPG Electronics (Hong Kong) Limited	"	632,684	0.00	-	-	632,684	-
WPG South Asia Pte. Ltd.	WPG Korea Co., Ltd.	"	309,023	0.00	-	-	-	-
WPG South Asia Pte. Ltd.	Yosun Singapore Pte Ltd.	"	196,937	0.00	-	-	9,531	-
WPG SCM Limited	WPG Electronics (Hong Kong) Limited	"	308,777	0.00	-	-	1,727	-

Note 1: Balance as at December 31, 2023 includes other receivables that exceed \$100,000.

Note 2: Turnover rate of 0.00 was caused by the receivables amount recorded as other receivables, and thus the turnover rate is not applicable. The nature of certain other receivables pertains to loans to others, refer to table 1 for details.

Note 3: The subsequent collections are those receivables collected as of February 15, 2024.

WPG Holdings Limited and Subsidiaries
Significant inter-company transactions during the reporting period
Year ended December 31, 2023

Table 7

Expressed in thousands of NTD
(Except as otherwise indicated)

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			Percentage of consolidated total operating revenues or total assets (Note 3)
				General ledger account	Amount	Transaction terms	
0	WPG Holdings Limited	World Peace Industrial Co., Ltd.	1	Sales	\$ 858,060	Note 11	0.13
0	WPG Holdings Limited	Silicon Application Corporation	1	"	237,510	Note 11	0.04
0	WPG Holdings Limited	Asian Information Technology Inc.	1	"	268,734	Note 11	0.04
0	WPG Holdings Limited	Yosun Industrial Corp.	1	"	306,253	Note 11	0.05
1	World Peace Industrial Co., Ltd.	WPI Technology Pte. Ltd.	3	"	4,680,047	Note 5	0.70
1	World Peace Industrial Co., Ltd.	WPI International (Hong Kong) Limited	3	"	12,028,381	Note 5	1.79
1	World Peace Industrial Co., Ltd.	WPG China (SZ) Inc.	3	"	190,650	Note 5	0.03
1	World Peace Industrial Co., Ltd.	WPG China Inc.	3	"	181,261	Note 5	0.03
1	World Peace Industrial Co., Ltd.	Genuine C&C, Inc.	3	"	135,027	Note 5	0.02
1	World Peace Industrial Co., Ltd.	World Peace International (South Asia) Pte Ltd.	3	"	252,549	Note 5	0.04
1	World Peace Industrial Co., Ltd.	WPG Electronics (Hong Kong) Limited	3	"	1,662,001	Note 5	0.25
1	World Peace Industrial Co., Ltd.	WPG SCM Limited	3	"	107,031	Note 5	0.02
2	WPI International (South Asia) Pte. Ltd.	World Peace Industrial Co., Ltd.	3	"	343,342	Note 5	0.05
3	World Peace International (South Asia) Pte Ltd.	World Peace Industrial Co., Ltd.	3	"	1,400,989	Note 5	0.21
3	World Peace International (South Asia) Pte Ltd.	WPI International (Hong Kong) Limited	3	"	182,711	Note 5	0.03
3	World Peace International (South Asia) Pte Ltd.	World Peace International (India) Pvt., Ltd.	3	"	159,838	Note 5	0.02
3	World Peace International (South Asia) Pte Ltd.	WPG C&C Computers And Peripheral (India) Private Limited	3	"	1,851,313	Note 5	0.28
3	World Peace International (South Asia) Pte Ltd.	WPG C&C (Malaysia) Sdn. Bhd	3	"	743,442	Note 5	0.11
3	World Peace International (South Asia) Pte Ltd.	WPG C&C (Thailand) Co., Ltd.	3	"	140,556	Note 5	0.02

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction				Percentage of consolidated total operating revenues or total assets (Note 3)
				General ledger account	Amount	Transaction terms		
3	World Peace International (South Asia) Pte Ltd.	WPI International (South Asia) Pte. Ltd.	3	Sales	\$ 2,435,224	Note 5	0.36	
3	World Peace International (South Asia) Pte Ltd.	WPG South Asia Pte. Ltd.	3	"	1,311,702	Note 5	0.20	
3	World Peace International (South Asia) Pte Ltd.	WPG SCM Limited	3	"	3,502,131	Note 5	0.52	
4	WPI Technology Pte. Ltd.	World Peace Industrial Co., Ltd.	3	"	707,566	Note 5	0.11	
4	WPI Technology Pte. Ltd.	WPI International (Hong Kong) Limited	3	"	1,747,615	Note 5	0.26	
5	WPI International (Hong Kong) Limited	World Peace Industrial Co., Ltd.	3	"	7,102,136	Note 5	1.06	
5	WPI International (Hong Kong) Limited	WPI Technology Pte. Ltd.	3	"	12,256,925	Note 5	1.82	
5	WPI International (Hong Kong) Limited	WPG China (SZ) Inc.	3	"	2,818,220	Note 5	0.42	
5	WPI International (Hong Kong) Limited	WPG China Inc.	3	"	2,144,688	Note 5	0.32	
5	WPI International (Hong Kong) Limited	WPG Korea Co., Ltd.	3	"	572,421	Note 5	0.09	
5	WPI International (Hong Kong) Limited	World Peace International (South Asia) Pte Ltd.	3	"	967,951	Note 5	0.14	
5	WPI International (Hong Kong) Limited	WPG Electronics (Hong Kong) Limited	3	"	1,595,765	Note 5	0.24	
5	WPI International (Hong Kong) Limited	WPG SCM Limited	3	"	1,769,617	Note 5	0.26	
6	Silicon Application Corp.	Pernas Electronics Co., Ltd.	3	"	431,663	Notes 9 and 11	0.06	
6	Silicon Application Corp.	WPG China (SZ) Inc.	3	"	1,124,289	Notes 9 and 12	0.17	
6	Silicon Application Corp.	WPG China Inc.	3	"	332,230	Notes 9 and 12	0.05	
6	Silicon Application Corp.	WPG Electronics (Hong Kong) Limited	3	"	3,376,668	Notes 9 and 12	0.50	
7	Pernas Electronics Co., Ltd.	Silicon Application Corp.	3	"	1,344,986	Notes 9 and 11	0.20	
7	Pernas Electronics Co., Ltd.	Everwiner Enterprise Co., Ltd.	3	"	154,740	Note 4	0.02	
8	Everwiner Enterprise Co., Ltd.	Silicon Application Corp.	3	"	1,682,339	Notes 9 and 11	0.25	
8	Everwiner Enterprise Co., Ltd.	Pernas Electronics Co., Ltd.	3	"	1,391,670	Note 4	0.21	
9	Asian Information Technology Inc.	World Peace Industrial Co., Ltd.	3	"	224,866	Note 4	0.03	
9	Asian Information Technology Inc.	Frontek Technology Corporation	3	"	6,087,344	Note 4	0.91	
9	Asian Information Technology Inc.	Apache Communication Inc.	3	"	1,219,760	Note 4	0.18	

Table 7, Page 2

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			Percentage of consolidated total operating revenues or total assets (Note 3)
				General ledger account	Amount	Transaction terms	
9	Asian Information Technology Inc.	WPG China (SZ) Inc.	3	Sales	\$ 121,073	Note 4	0.02
9	Asian Information Technology Inc.	WPG Electronics (Hong Kong) Limited	3	"	177,008	Note 4	0.03
10	Frontek Technology Corporation	Asian Information Technology Inc.	3	"	4,218,776	Note 4	0.63
10	Frontek Technology Corporation	WPG China Inc.	3	"	130,493	Note 4	0.02
10	Frontek Technology Corporation	Yosun Hong Kong Corp. Ltd.	3	"	258,421	Note 4	0.04
10	Frontek Technology Corporation	WPG Electronics (Hong Kong) Limited	3	"	456,915	Note 4	0.07
11	Apache Communication Inc.	Asian Information Technology Inc.	3	"	834,134	Note 4	0.12
12	WPG China (SZ) Inc.	WPG China Inc.	3	"	287,550	Note 8	0.04
12	WPG China (SZ) Inc.	Yosun Hong Kong Corp. Ltd.	3	"	156,099	Note 8	0.02
13	WPG China Inc.	WPG China (SZ) Inc.	3	"	1,166,979	Note 5	0.17
13	WPG China Inc.	Yosun Shanghai Corp. Ltd.	3	"	188,559	Note 5	0.03
14	WPG Americas Inc.	World Peace Industrial Co., Ltd.	3	"	682,722	Note 5	0.10
14	WPG Americas Inc.	Yosun Industrial Corp.	3	"	279,904	Note 5	0.04
15	Yosun Industrial Corp.	WPG China (SZ) Inc.	3	"	484,383	Note 8	0.07
15	Yosun Industrial Corp.	WPG China Inc.	3	"	343,249	Note 8	0.05
15	Yosun Industrial Corp.	Yosun Hong Kong Corp. Ltd.	3	"	4,456,423	Note 5	0.66
15	Yosun Industrial Corp.	Yosun Shanghai Corp. Ltd.	3	"	113,960	Note 8	0.02
15	Yosun Industrial Corp.	Sertek Incorporated	3	"	399,999	Note 5	0.06
16	Yosun Hong Kong Corp. Ltd.	WPG China (SZ) Inc.	3	"	178,148	Note 8	0.03
16	Yosun Hong Kong Corp. Ltd.	WPG China Inc.	3	"	385,192	Note 8	0.06
16	Yosun Hong Kong Corp. Ltd.	Yosun Industrial Corp.	3	"	551,248	Note 5	0.08
16	Yosun Hong Kong Corp. Ltd.	Yosun Shanghai Corp. Ltd.	3	"	697,123	Note 8	0.10
16	Yosun Hong Kong Corp. Ltd.	Richpower Electronic Devices Co., Limited	3	"	2,421,535	Note 5	0.36
17	Yosun Shanghai Corp. Ltd.	WPG China Inc.	3	"	380,098	Note 8	0.06
18	Sertek Incorporated	World Peace Industrial Co., Ltd.	3	"	109,691	Note 5	0.02
18	Sertek Incorporated	Yosun Industrial Corp.	3	"	541,606	Note 5	0.08

Table 7, Page 3

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			Percentage of consolidated total operating revenues or total assets (Note 3)
				General ledger account	Amount	Transaction terms	
18	Sertek Incorporated	Yosun Hong Kong Corp. Ltd.	3	Sales	\$ 547,375	Note 5	0.08
19	Richpower Electronic Devices Co., Ltd.	Silicon Application Corp.	3	"	1,224,155	Note 5	0.18
19	Richpower Electronic Devices Co., Ltd.	Yosun Industrial Corp.	3	"	669,073	Note 5	0.10
19	Richpower Electronic Devices Co., Ltd.	Yosun Hong Kong Corp. Ltd.	3	"	102,142	Note 5	0.02
19	Richpower Electronic Devices Co., Ltd.	WPG Electronics (Hong Kong) Limited	3	"	1,000,361	Note 8	0.15
20	Richpower Electronic Devices Co., Limited	WPI International (Hong Kong) Limited	3	"	3,398,234	Note 5	0.51
20	Richpower Electronic Devices Co., Limited	WPG China Inc.	3	"	667,860	Note 8	0.10
20	Richpower Electronic Devices Co., Limited	Yosun Industrial Corp.	3	"	768,097	Note 5	0.11
20	Richpower Electronic Devices Co., Limited	Yosun Hong Kong Corp. Ltd.	3	"	5,112,012	Note 5	0.76
20	Richpower Electronic Devices Co., Limited	Richpower Electronic Devices Co., Ltd.	3	"	626,701	Note 5	0.09
20	Richpower Electronic Devices Co., Limited	Peng Yu Trigold Limited	3	"	457,766	Note 5	0.07
21	Peng Yu Trigold Limited	WPI International (Hong Kong) Limited	3	"	860,066	Note 5	0.13
21	Peng Yu Trigold Limited	Richpower Electronic Devices Co., Limited	3	"	510,755	Note 5	0.08
21	Peng Yu Trigold Limited	WPG C&C Shanghai Co., Ltd.	3	"	2,962,375	Note 5	0.44
21	Peng Yu Trigold Limited	WPG Electronics (Hong Kong) Limited	3	"	654,915	Note 5	0.10
22	WPG Electronics (Hong Kong) Limited	World Peace Industrial Co., Ltd.	3	"	2,830,896	Note 5	0.42
22	WPG Electronics (Hong Kong) Limited	WPI International (Hong Kong) Limited	3	"	7,785,968	Note 5	1.16
22	WPG Electronics (Hong Kong) Limited	Richpower Electronic Devices Co., Limited	3	"	108,697	Note 5	0.02
22	WPG Electronics (Hong Kong) Limited	Peng Yu Trigold Limited	3	"	1,916,745	Note 5	0.29
23	WPG South Asia Pte. Ltd.	World Peace Industrial Co., Ltd.	3	"	446,347	Note 5	0.07
23	WPG South Asia Pte. Ltd.	World Peace International (South Asia) Pte Ltd.	1	"	560,322	Note 5	0.08
23	WPG South Asia Pte. Ltd.	Yosun Singapore Pte Ltd.	3	"	148,158	Note 5	0.02
24	Yosun Singapore Pte Ltd.	Yosun Hong Kong Corp. Ltd.	3	"	116,317	Note 5	0.02
24	Yosun Singapore Pte Ltd.	WPG South Asia Pte. Ltd.	3	"	487,564	Note 5	0.07
24	Yosun Singapore Pte Ltd.	WPG SCM Limited	3	"	416,363	Note 5	0.06
1	World Peace Industrial Co., Ltd.	WPI Technology Pte. Ltd.	3	Accounts receivable	137,408	Note 5	0.04

Table 7, Page 4

Transaction							
Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	General ledger account	Amount	Transaction terms	Percentage of consolidated total operating revenues or total assets (Note 3)
1	World Peace Industrial Co., Ltd.	WPI International (Hong Kong) Limited	3	Accounts receivable	\$ 1,416,807	Note 5	0.45
1	World Peace Industrial Co., Ltd.	WPG Electronics (Hong Kong) Limited	3	"	637,195	Note 5	0.20
3	World Peace International (South Asia) Pte Ltd.	WPG C&C Computers And Peripheral (India) Private Limited	3	"	658,461	Note 5	0.21
3	World Peace International (South Asia) Pte Ltd.	WPG South Asia Pte. Ltd.	3	"	804,492	Note 5	0.26
3	World Peace International (South Asia) Pte Ltd.	WPG SCM Limited	3	"	538,705	Note 5	0.17
4	WPI Technology Pte. Ltd.	World Peace Industrial Co., Ltd.	3	"	406,970	Note 5	0.13
4	WPI Technology Pte. Ltd.	WPI International (Hong Kong) Limited	3	"	573,496	Note 5	0.18
5	WPI International (Hong Kong) Limited	World Peace Industrial Co., Ltd.	3	"	728,453	Note 5	0.23
5	WPI International (Hong Kong) Limited	WPI Technology Pte. Ltd.	3	"	284,418	Note 5	0.09
5	WPI International (Hong Kong) Limited	WPG China (SZ) Inc.	3	"	291,642	Note 5	0.09
5	WPI International (Hong Kong) Limited	WPG China Inc.	3	"	204,401	Note 5	0.07
5	WPI International (Hong Kong) Limited	WPG Electronics (Hong Kong) Limited	3	"	310,951	Note 5	0.10
5	WPI International (Hong Kong) Limited	WPG SCM Limited	3	"	142,598	Note 5	0.05
6	Silicon Application Corp.	WPG China (SZ) Inc.	3	"	208,626	Notes 9 and 12	0.07
6	Silicon Application Corp.	WPG Electronics (Hong Kong) Limited	3	"	1,155,479	Notes 9 and 12	0.37
7	Pernas Electronics Co., Ltd.	Silicon Application Corp.	3	"	102,839	Notes 9 and 11	0.03
8	Everwiner Enterprise Co., Ltd.	Silicon Application Corp.	3	"	183,448	Notes 9 and 11	0.06
8	Everwiner Enterprise Co., Ltd.	Pernas Electronics Co., Ltd.	3	"	236,011	Note 4	0.08
9	Asian Information Technology Inc.	Frontek Technology Corporation	3	"	2,330,438	Note 4	0.74
9	Asian Information Technology Inc.	Apache Communication Inc.	3	"	191,918	Note 4	0.06
10	Frontek Technology Corporation	Asian Information Technology Inc.	3	"	422,850	Note 4	0.13
10	Frontek Technology Corporation	WPG Electronics (Hong Kong) Limited	3	"	209,588	Note 4	0.07
13	WPG China Inc.	WPG China (SZ) Inc.	3	"	280,420	Note 5	0.09
15	Yosun Industrial Corp.	Yosun Hong Kong Corp. Ltd.	3	"	575,403	Note 5	0.18
16	Yosun Hong Kong Corp. Ltd.	Yosun Shanghai Corp. Ltd.	3	"	174,821	Note 5	0.06

Table 7, Page 5

				Transaction			
Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	General ledger account	Amount	Transaction terms	Percentage of consolidated total operating revenues or total assets (Note 3)
16	Yosun Hong Kong Corp. Ltd.	Richpower Electronic Devices Co., Limited	3	Accounts receivable	\$ 231,124	Note 5	0.07
19	Richpower Electronic Devices Co., Ltd.	Silicon Application Corporation	3	"	101,046	Note 5	0.03
19	Richpower Electronic Devices Co., Ltd.	WPG Electronics (Hong Kong) Limited	3	"	343,767	Note 8	0.11
20	Richpower Electronic Devices Co., Limited	WPG China Inc.	3	"	647,687	Note 5	0.21
20	Richpower Electronic Devices Co., Limited	Yosun Hong Kong Corp. Ltd.	3	"	641,289	Note 5	0.20
21	Peng Yu Trigold Limited	WPG C&C Shanghai Co., Ltd.	3	"	161,554	Note 5	0.05
22	WPG Electronics (Hong Kong) Limited	World Peace Industrial Co., Ltd.	3	"	281,326	Note 10	0.09
22	WPG Electronics (Hong Kong) Limited	WPI International (Hong Kong) Limited	3	"	1,920,720	Note 10	0.61
23	WPG South Asia Pte. Ltd.	World Peace Industrial Co., Ltd.	3	"	439,430	Note 5	0.14
24	Yosun Singapore Pte. Ltd.	WPG South Asia Pte. Ltd.	3	"	306,744	Note 5	0.10
0	WPG Holdings Limited	Asian Information Technology Inc.	1	Other receivables	140,763	Note 13	0.04
2	WPI International (South Asia) Pte. Ltd.	World Peace International (South Asia) Pte Ltd.	3	"	154,421	Note 7	0.05
3	World Peace International (South Asia) Pte Ltd.	WPG South Asia Pte. Ltd.	3	"	240,313	Note 6	0.08
5	WPI International (Hong Kong) Limited	World Peace Industrial Co., Ltd.	3	"	1,288,798	Note 7	0.41
5	WPI International (Hong Kong) Limited	Silicon Application Corporation	3	"	1,015,038	Note 7	0.32
5	WPI International (Hong Kong) Limited	Richpower Electronic Devices Co., Limited	3	"	136,535	Note 14	0.04
5	WPI International (Hong Kong) Limited	World Peace International (South Asia) Pte Ltd.	3	"	449,381	Note 14	0.14
5	WPI International (Hong Kong) Limited	WPG Electronics (Hong Kong) Limited	3	"	2,991,034	Note 7	0.95
25	WPG C&C Limited	WPI International (Hong Kong) Limited	3	"	248,950	Note 7	0.08
26	Long-Think International (Hong Kong) Limited	WPI International (Hong Kong) Limited	3	"	469,953	Note 7	0.15
27	AECO Electronics Co., Ltd.	WPI International (Hong Kong) Limited	3	"	754,153	Note 7	0.24
6	Silicon Application Corporation	Vsell Enterprise Co., Ltd.	3	"	634,165	Note 7	0.20
28	Silicon Application Company Limited	Silicon Application Corp.	3	"	713,204	Note 7	0.23
28	Silicon Application Company Limited	WPG Electronics (Hong Kong) Limited	3	"	1,019,020	Note 7	0.32

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Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			Percentage of consolidated total operating revenues or total assets (Note 3)
				General ledger account	Amount	Transaction terms	
7	Pernas Electronic Co., Ltd.	Everwiner Enterprise Co., Ltd.	3	Other receivables	\$ 153,242	Note 7	0.05
11	Apache Communication Inc.	Asian Information Technology Inc.	3	"	300,960	Note 7	0.10
11	Apache Communication Inc.	Frontek Technology Corporation	3	"	300,258	Note 7	0.10
16	Yosun Hong Kong Corp. Ltd.	Yosun Shanghai Corp. Ltd.	3	"	3,596,266	Note 7	1.14
29	Yosun South China Corp. Ltd.	WPG China (SZ) Inc.	3	"	132,102	Note 7	0.04
18	Sertek Incorporated	Richpower Electronic Devices Co., Ltd.	3	"	412,473	Note 7	0.13
30	Richpower Electronic Devices Pte Ltd.	Yosun Hong Kong Corp. Ltd.	3	"	238,725	Note 7	0.08
31	Peng Yu International Limited	WPG Electronics (Hong Kong) Limited	3	"	187,906	Note 7	0.06
32	WPG C&C Shanghai Co., Ltd.	LaaS (Dongguan) Supply Chain Management Limited	3	"	239,184	Note 7	0.08
32	WPG C&C Shanghai Co., Ltd.	Vsell Enterprise Co., Ltd. (Shanghai)	3	"	152,612	Note 7	0.05
21	Peng Yu Trigold Limited	WPG Electronics (Hong Kong) Limited	3	"	632,684	Note 7	0.20
23	WPG South Asia Pte. Ltd.	WPG Korea Co., Ltd.	3	"	309,023	Note 7	0.10
23	WPG South Asia Pte. Ltd.	Yosun Singapore Pte Ltd.	3	"	196,937	Note 7	0.06
33	WPG SCM Limited	WPG Electronics (Hong Kong) Limited	3	"	308,777	Note 7	0.10

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

(1) Parent company is '0'.

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

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

(1) Parent company to subsidiary.

(2) Subsidiary to parent company.

(3) Subsidiary to subsidiary.

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

Note 4: The terms and sales prices were negotiated in consideration of different factors including product, cost, market and competition. The collection period is 30~120 days from the end of the month of sales.

Note 5: The terms and sales prices were negotiated in consideration of different factors including product, cost, market and competition. The collection period is 30~90 days from the end of the month of sales.

Note 6: The amount receivable pertains to receipts under custody.

Note 7: Mainly accrued financing charges.

Note 8: The terms and sales prices were negotiated in consideration of different factors including product, cost, market and competition. The collection period is 60~120 days from the end of the month of sales.

Note 9: The terms and sales prices were negotiated in consideration of different factors including product, cost, market and competition.

Note 10: The collection period is 60 days from the end of the month of sales.

Note 11: The collection period is 30 days from the end of the month of sales.

Note 12: The collection period is 90 days from the end of the month of sales.

Note 13: The amount receivable arose from filing of consolidated tax return.
Note 14: The receivable was due from a payment to supplier on behalf of associates.

Table 8

WPG Holdings Limited and Subsidiaries
Information on investees (excluding information on investments in Mainland china)
Year ended December 31, 2023

Expressed in thousands of NTD
(Except as otherwise indicated)

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at December 31, 2023			Net profit (loss) of the investee for the year ended December 31, 2023	Investment income (loss) recognized by the Company for the year ended December 31, 2023 (Note 1)	Footnote
				Balance as at December 31, 2023	Balance as at December 31, 2022	Number of shares	Ownership (%)	Book value			
WPG Holdings Limited	World Peace Industrial Co., Ltd.	Taiwan	Agent and sales of electronic/electrical components	\$ 18,471,669	\$ 18,471,669	1,847,500,000	100.00	\$ 30,415,934	\$ 1,827,609	\$ 1,827,318	Note 4
WPG Holdings Limited	Asian Information Technology Inc.	Taiwan	Sales of electronic/electrical components	4,863,464	4,863,464	643,029,000	100.00	7,739,754	1,043,857	1,043,857	Note 4
WPG Holdings Limited	Silicon Application Corp.	Taiwan	Sales of computer software, hardware and electronic products	5,717,962	5,717,962	677,090,000	100.00	8,761,469	97,326	97,326	Note 4
WPG Holdings Limited	WPG Electronics Limited	Taiwan	Warehousing services	305,535	14,735	33,000,000	100.00	334,185	5,464	6,508	Note 4
WPG Holdings Limited	WPG Korea Co., Ltd.	South Korea	Agent and sales of electronic/electrical components	394,436	394,436	2,959,494	100.00	587,445	(172,772)	(172,772)	Note 4
WPG Holdings Limited	WPG International (CI) Limited	Cayman Islands	Holding company	3,157,824	5,120,481	88,251,659	100.00	7,851,870	1,595,768	1,529,869	Note 4
WPG Holdings Limited	Yosun Industrial Corp.	Taiwan	Sales of electronic/electrical components	12,144,406	12,144,406	402,310,300	100.00	13,379,904	741,903	738,387	Note 4
WPG Holdings Limited	WPG Investment Co., Ltd.	Taiwan	Investment company	2,102,997	2,102,997	210,000,000	100.00	2,143,475	118,044	116,902	Note 4
WPG Holdings Limited	Trigold Holdings Limited	Taiwan	Investment company	940,141	940,141	59,195,189	58.86	1,282,468	135,032	82,566	Note 4
WPG Holdings Limited	WPG EMEA B.V.	Netherlands	Sales of electronic/electrical components	140,500	140,500	5,000,000	100.00	13,788	(69,460)	(69,460)	Note 4
WPG Holdings Limited	WPG Electronics (Hong Kong) Limited	Hong Kong	Agent and sales of electronic/electrical components	799,765	799,765	234,081,858	100.00	525,209	(295,768)	(295,768)	Note 4
WPG Holdings Limited	WPG South Asia Pte. Ltd.	Singapore	Sales of electronic/electrical components	1,821,395	1,116,369	64,035,653	100.00	2,124,839	304,434	304,434	Note 4
WPG Holdings Limited	WT Microelectronics Co., Ltd.	Taiwan	Trading company	6,279,638	8,111,638	137,110,000	15.44	11,016,733	4,012,142	740,051	Note 6
World Peace Industrial Co., Ltd.	WPI International (South Asia) Pte Ltd.	Singapore	Agent and sales of electronic/electrical components	1,132,162	1,132,162	34,196,393	100.00	4,576,647	72,829	-	Notes 2 and 5

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at December 31, 2023			Net profit (loss) of the investee for the year ended December 31, 2023	Investment income (loss) recognized by the Company for the year ended December 31, 2023 (Note 1)	Footnote
				Balance as at December 31, 2023	Balance as at December 31, 2022	Number of shares	Ownership (%)	Book value			
World Peace Industrial Co., Ltd.	WPI Technology Pte. Ltd.	Singapore	Agent and sales of electronic/ eletrical components	\$ 2,774,146	\$ 2,774,146	83,179,435	100.00	\$ 29,392,760	\$ 1,674,248	\$ -	Notes 2 and 5
World Peace Industrial Co., Ltd.	Longview Technology Inc.	Taiwan	Agent and sales of electronic/ eletrical components	364,290	364,290	33,900,000	100.00	549,550	11,214	-	Notes 2 and 5
World Peace Industrial Co., Ltd.	Chainpower Technology Corp.	Taiwan	Agent and sales of electronic/ eletrical components	66,261	66,261	9,781,452	39.00	210,677	88,117	-	Notes 2 and 3
World Peace Industrial Co., Ltd.	AECO Technology Co., Ltd.	Taiwan	Agent and sales of electronic/ eletrical components	1,468,555	1,468,555	94,600,000	100.00	1,538,123	16,551	-	Notes 2 and 5
WPI International (South Asia) Pte. Ltd.	Genuine C&C (IndoChina) Pte Ltd.	Singapore	Agent and sales of electronic/ eletrical components	119,912	119,912	5,359,370	80.00	240,172	15,788	-	Notes 2 and 5
WPI International (South Asia) Pte. Ltd.	WPG Americas Inc.	U.S.A	Agent and sales of electronic/ eletrical components	197,529	197,529	6,100,000	2.60	39,950	128,809	-	Notes 2 and 5
WPI International (South Asia) Pte. Ltd.	World Peace International (South Asia) Pte Ltd.	Singapore	Agent and sales of electronic/ eletrical components	696,473	696,473	34,314,692	100.00	4,011,798	46,904	-	Notes 2 and 5
WPI Technology Pte. Ltd.	WPI International (Hong Kong) Limited	Hong Kong	Agent and sales of electronic/ eletrical components	3,254,652	3,254,652	4,087,084,000	100.00	29,051,903	1,404,517	-	Notes 2 and 5
World Peace International (South Asia) Pte Ltd.	World Peace International (India) Pvt., Ltd.	India	Agent and sales of electronic/ eletrical components	33,361	33,361	3,575,058	100.00	67,025	23,418	-	Notes 2 and 5
World Peace International (South Asia) Pte Ltd.	WPG C&C Computers And Peripheral (India) Private Limited	India	Agent and sales of electronic/ eletrical components	241,140	241,140	48,420,000	100.00	288,869	6,982	-	Notes 2 and 5
World Peace International (South Asia) Pte Ltd.	WPG C&C (Malaysia) Sdn. Bhd	Malaysia	Agent and sales of electronic/ eletrical components	-	-	11,250,000	100.00	80,056	10,964	-	Notes 2 and 5
World Peace International (South Asia) Pte Ltd.	WPG C&C (Thailand) Co., Ltd.	Thailand	Agent and sales of electronic/ eletrical components	873	873	1,000,000	100.00	41,749	3,489	-	Notes 2 and 5
WPI International (Hong Kong) Limited	WPG C&C Limited	Hong Kong	Agent and sales of electronic/ eletrical components	201,395	201,395	6,500,000	100.00	297,269	9,888	-	Notes 2 and 5

Table 8, Page 2

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at December 31, 2023			Net profit (loss) of the investee for the year ended December 31, 2023	Investment income (loss) recognized by the Company for the year ended December 31, 2023 (Note 1)	Footnote
				Balance as at December 31, 2023	Balance as at December 31, 2022	Number of shares	Ownership (%)	Book value			
WPI International (Hong Kong) Limited	WPG Americas Inc.	U.S.A	Agent and sales of electronic/ eletrical components	\$ 132,216	\$ 132,216	4,000,000	1.71	\$ 26,174	\$ 129,809	\$ -	Notes 2 and 5
Longview Technology Inc.	Longview Technology GC Limited	British Virgin Islands	Holding company	335,328	335,328	11,300,000	100.00	591,888	15,927	-	Notes 2 and 5
Longview Technology Inc.	Long-Think International Co., Ltd.	Taiwan	Agent and sales of electronic/ eletrical components	-	37,302	-	0.00	-	4,723	-	Notes 2 and 5
AECO Technology Co., Ltd.	Teco Enterprise Holding (BVI) Co., Ltd.	British Virgin Islands	Investment company	436,280	436,280	12,610,000	100.00	865,460	26,231	-	Notes 2 and 5
Silicon Application Corp.	Silicon Application (BVI) Corporation	British Virgin Islands	Holding company	706,402	706,402	22,000,000	100.00	1,913,475	93,313	-	Notes 2 and 5
Silicon Application Corp.	Win-Win Systems Ltd.	British Virgin Islands	Holding company	24,015	24,015	765,000	100.00	27,930	1,158	-	Notes 2 and 5
Silicon Application Corp.	SAC Components (South Asia) Pte. Ltd.	Singapore	Sales of computer software, hardware and electronic products	104,510	104,510	3,500,000	100.00	124,193	601	-	Notes 2 and 5
Silicon Application Corp.	Pernas Electronics Co., Ltd.	Taiwan	Agent and sales of electronic/ eletrical components	959,504	959,504	90,000,000	100.00	1,326,004	75,135	-	Notes 2 and 5
Silicon Application Corp.	Vsell Enterprise Co., Ltd.	Taiwan	Agent and sales of electronic/ eletrical components	277,128	-	14,000,000	70.00	353,830	164,947	-	Notes 2 and 5
Pernas Electronics Co., Ltd.	Everwiner Enterprise Co., Ltd.	Taiwan	Agent and sales of electronic/ eletrical components	343,959	343,959	37,000,000	100.00	917,475	77,613	-	Notes 2 and 5
Asian Information Technology Inc.	Frontek Technology Corporation	Taiwan	Sales of electronic/ electrical components	1,515,256	1,515,256	280,000,000	100.00	3,035,570	225,264	-	Notes 2 and 5
Asian Information Technology Inc.	Apache Communication Inc.	Taiwan	Sales of electronic/ electrical components	980,313	980,313	219,300,000	100.00	2,289,716	285,118	-	Notes 2 and 5
Asian Information Technology Inc.	Henshen Electric Trading Co., Ltd.	Taiwan	Sales of electronic/ electrical components	223,121	223,121	20,000,000	100.00	218,155	1,063	-	Notes 2 and 5
Asian Information Technology Inc.	Adivic Technology Co., Ltd.	Taiwan	Import and export business for electronic components	206,200	206,200	4,410,000	16.33	18,110	(54,634)	-	Notes 2 and 3
Asian Information Technology Inc.	Fame Hall International Co., Ltd.	British Virgin Islands	Investment company	155,558	155,558	4,703,107	100.00	283,999	(1,788)	-	Notes 2 and 5
Frontek Technology Corporation	Frontek International Limited	British Virgin Islands	Investment company	101,862	101,862	2,970,000	100.00	140,109	5,043	-	Notes 2 and 5

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				Initial investment amount		Shares held as at December 31, 2023					
Investor	Investee	Location	Main business activities	Balance as at	Balance as at	Number of shares	Ownership (%)	Book value	Net profit (loss) of	Investment income	Footnote
				December 31, 2023	December 31, 2022				the investee for the year ended December 31, 2023	(loss) recognized by the Company for the year ended December 31, 2023 (Note 1)	
Yosun Industrial Corp.	Suntop Investments Limited	Cayman Islands	Investment company	\$ 1,812,188	\$ 1,812,188	29,200,000	100.00	\$ 5,214,115	(\$ 46,229)	\$ -	Notes 2 and 5
Yosun Industrial Corp.	Sertek Incorporated	Taiwan	Sales of electronic/ electrical components	1,616,722	1,616,722	94,828,100	100.00	1,945,110	278,810	-	Notes 2 and 5
Yosun Industrial Corp.	Eesource Corp.	Taiwan	Sales of electronic/electrical components, office machinery and equipment	11,520	11,520	1,080,000	20.00	34,483	11,637	-	Notes 2 and 3
Yosun Industrial Corp.	Richpower Electronic Devices Co., Ltd	Taiwan	Sales of electronic/ electrical components	2,092,631	2,092,631	120,900,000	100.00	2,780,782	274,369	-	Notes 2 and 5
Sertek Incorporated	Sertek Limited	Hong Kong	Sales of electronic/ electrical components	83,494	83,494	19,500,000	100.00	84,786	2,144	-	Notes 2 and 5
Richpower Electronic Devices Co., Ltd	Richpower Electronic Devices Co., Limited	Hong Kong	Sales of electronic components	284,898	284,898	63,000,000	100.00	2,936,707	131,532	-	Notes 2 and 5
Richpower Electronic Devices Co., Ltd	Richpower Electronic Devices Pte Ltd.	Singapore	Sales of electronic components	1,988	1,988	10,000	100.00	249,940	10,251	-	Notes 2 and 5
WPG Investment Co., Ltd.	Eesource Corp.	Taiwan	Sales of electronic/electrical components, office machinery and equipment	11,520	11,520	1,080,000	20.00	34,483	11,637	-	Notes 2 and 3
WPG Investment Co., Ltd.	Sunrise Technology Co., Ltd.	Taiwan	Manufacturing of computer and its peripheral equipment	50,000	50,000	3,279,800	10.67	45,399	24,323	-	Notes 2 and 3
WPG Investment Co., Ltd.	Trigold Holdings Limited	Taiwan	Investment company	49,224	49,224	1,749,979	1.74	37,944	135,032	-	Notes 2 and 3
WPG Investment Co., Ltd.	AutoSys Co., Ltd.	Cayman Islands	Holding company	73,000	73,000	5,000,000	16.25	62,007	(38,071)	-	Notes 2 and 3
WPG Investment Co., Ltd.	Beauteek Global Wellness Corporation Limited	Hong Kong	Community e-commerce trading plat form and related services	25,273	25,273	630,044	19.34	23,003	20,097	-	Notes 2 and 3
WPG Investment Co., Ltd.	LaaS Holdings (Samoa) Limited	Samoa	Holding company	1,142,712	1,142,712	40,060,000	100.00	830,132	54,918	-	Notes 2 and 5
Trigold Holdings Limited	Genuine C&C Inc.	Taiwan	Sales of electronic products and its peripheral equipment	1,093,697	1,093,697	79,569,450	100.00	1,083,278	3,022	-	Notes 2 and 5
Trigold Holdings Limited	Trigold (Hong Kong) Company Limited	Hong Kong	Holding company	600,796	600,796	155,200,000	100.00	1,134,727	21,341	-	Notes 2 and 5
Trigold Holdings Limited	Peng Yu Trigold Limited	Hong Kong	Sales of electronic products	71,212	71,212	2,000,000	100.00	292,224	143,417	-	Notes 2 and 5

Table 8, Page 4

				Initial investment amount		Shares held as at December 31, 2023					
Investor	Investee	Location	Main business activities	Balance as at	Balance as at	Number of shares	Ownership (%)	Book value	Net profit (loss) of	Investment income	Footnote
				December 31, 2023	December 31, 2022				the investee for the year ended December 31, 2023	(loss) recognized by the Company for the year ended December 31, 2023 (Note 1)	
Genuine C&C Inc.	Hoban Inc.	Taiwan	An E-commerce company which operates B2C and O2O businesses	\$ 199,999	\$ 129,999	20,000,000	100.00	\$ 77,168	(\$ 8,686)	\$ -	Notes 2 and 5
Genuine C&C Inc.	Genuine C&C Holding Inc. (Seychelles)	Seychelles	Holding company	-	193,870	-	-	-	10	-	Notes 2 and 5
Genuine C&C Inc.	Sunrise Technology Co., Ltd.	Taiwan	Manufacturing of computer and its peripheral equipment	12,636	12,636	1,682,151	5.47	3,710	24,323	-	Notes 2 and 3
WPG EMEA B.V.	WPG EMEA UK LIMITED	UK	Sales of electronic/electrical components	3,614	-	100,000	100.00	3,733	(9,723)	-	Notes 2 and 5
WPG South Asia Pte. Ltd.	WPG India Electronics Pvt. Ltd.	India	Agent and sales of electronic/electrical components	92,188	92,188	15,909,990	99.99	90,772	7,757	-	Notes 2 and 5
WPG South Asia Pte. Ltd.	WPG Malaysia Sdn. Bhd	Malaysia	Agent and sales of electronic/electrical components	17,427	17,427	1,010,800	100.00	26,389	2,267	-	Notes 2 and 5
WPG South Asia Pte. Ltd.	WPG Electronics (Philippines) Inc.	Philippines	Agent and sales of electronic/electrical components	1,543	1,543	10,000	100.00	8,529	1,764	-	Notes 2 and 5
WPG South Asia Pte. Ltd.	WPG (Thailand) Co., Ltd.	Thailand	Agent and sales of electronic/electrical components	11,560	11,560	103,720	100.00	47,205	29,468	-	Notes 2 and 5
WPG South Asia Pte. Ltd.	WPG SCM Limited	Hong Kong	Agent and sales of electronic/electrical components	319,640	319,640	12,800,000	100.00	696,205	30,959	-	Notes 2 and 5
WPG South Asia Pte. Ltd.	WPG Vietnam Company Limited	Vietnam	Agent and sales of electronic/electrical components	3,071	3,071	100,000	100.00	1,800	497	-	Notes 2 and 5
WPG South Asia Pte. Ltd.	Yosun Singapore Pte Ltd.	Singapore	Sales of electronic/electrical components	669,865	416,863	20,600,000	100.00	870,938	204,234	-	Notes 2 and 5
WPG Malaysia Sdn. Bhd	WPG India Electronics Pvt. Ltd.	India	Agent and sales of electronic/electrical components	-	-	10	0.01	9	7,757	-	Notes 2 and 5

Note 1: Investment income (loss) recognized by the company including realized (unrealized) gain or loss from upstream intercompany transactions and amortization of investment discount (premium).

Note 2: Investment income (loss) recognized by each subsidiary.

Note 3: An investee company accounted for using the equity method by subsidiary.

Note 4: A subsidiary.
Note 5: An indirect subsidiary.
Note 6: An investee company accounted for using the equity method by the Company.

WPG Holdings Limited and Subsidiaries
Information on investments in Mainland China
Year ended December 31, 2023

Table 9

Expressed in thousands of NTD
(Except as otherwise indicated)

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to	Amount remitted from Taiwan to Mainland China / Amount remitted back to Taiwan for the year ended December 31, 2023		Accumulated amount of remittance from Taiwan to	Net income of investee for the year ended December 31, 2023	Ownership held by the Company (direct or indirect)	Investment income (loss) recognized by the Company for the year ended	Book value of investments in Mainland China as of December 31, 2023 (Note 5)	Accumulated amount of investment income remitted back to Taiwan as of	Footnote
				Mainland China as of January 1, 2023	Remitted to Mainland China	Remitted back to Taiwan	Mainland China as of December 31, 2023			December 31, 2023 (Note 2)		December 31, 2023	
Vsell Enterprise Co., Ltd. (Shanghai)	Sales of semiconductor integrated circuit and electronic components	\$ 215,314	1	\$ -	\$ 416,471	\$ -	\$ 416,471	\$ 14,118	100.00	\$ 6,062	\$ 421,197	\$ -	
Maojie Trading (Shenzhen) Co., Ltd.	Sales of semiconductor integrated circuit and electronic components	22,355	1	-	22,427	-	22,427	1,886	100.00	(174)	21,744	-	
WPG China (SZ) Inc.	Sales of semiconductor integrated circuit and electronic components	145,319	2	106,515	-	-	106,515	7,173	100.00	7,173	1,254,072	-	Note 3
WPG China Inc.	Agent for selling electronic/electrical components	1,637,540	2	1,791,266	-	-	1,791,266	1,482,017	100.00	1,482,017	4,999,425	-	
Gain Tune Logistics (Shanghai) Co., Ltd.	Warehousing services / extra work	38,897	2	15,216	-	-	15,216	1,739	40.00	695	29,867	-	
Suzhou Xinning Logistics Co., Ltd.	Warehousing services	64,973	2	18,876	-	-	18,876	(10,502)	29.40	(3,088)	44,593	-	
Suzhou Xinning Bonded Warehouse Co., Ltd.	Warehousing services	30,705	2	28,811	-	-	28,811	(21,486)	49.00	(10,528)	58,519	-	
Yosun Shanghai Corp. Ltd.	Sales of electronic components and warehousing services	271,804	2	236,429	-	-	236,429	(91,121)	100.00	(91,121)	283,631	-	
Yosun South China Corp. Ltd.	Sales of electronic /electrical components	138,761	2	-	-	-	-	3,972	100.00	3,972	220,681	-	
Qegoo Technology Co., Ltd.	Business e-commerce platform	56,804	2	4,923	-	-	4,923	-	15.00	-	-	-	

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2023	Amount remitted from Taiwan to Mainland China / Amount remitted back to Taiwan for the year ended December 31, 2023		Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2023	Net income of investee for the year ended December 31, 2023	Ownership held by the Company (direct or indirect)	Investment income (loss) recognized by the Company for the year ended December 31, 2023 (Note 2)	Book value of investments in Mainland China as of December 31, 2023 (Note 5)	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2023	Footnote
					Remitted to Mainland China	Remitted back to Taiwan							
Beauteek (Shanghai) Global Wellness Corporation Limited	Community e-commerce trading platform and related services	\$ 82,904	2	\$ 13,968	\$ -	\$ -	\$ 13,968	\$ -	15.38	\$ -	\$ -	\$ -	
LaaS (Dongguan) Supply Chain Management Limited	Supply chain management, design and related businesses.	1,228,200	2	1,228,200	-	-	1,228,200	55,148	100.00	55,148	829,169	-	Note 8
Peng Yu (Shanghai) Digital Technology Co., Ltd	Sales of electronic/electrical products	97,358	2	199,998	-	-	199,998	8,240	100.00	4,993	263,571	-	
WPG C&C Shanghai Co., Ltd.	Sales of electronic/electrical products	229,923	2	263,054	-	-	263,054	44,808	100.00	27,153	395,293	-	Note 6
Trigolduo (Shanghai) Industrial Development Ltd.	Children's indoor amusement park	86,540	2	60,578	-	-	60,578	(43,395)	70.00	(18,408)	(22,966)	-	
Trigold Tongle (Shanghai) Industrial Development Ltd.	Children's indoor amusement park	6,491	2	-	-	-	-	(2,855)	70.00	(1,211)	(5,116)	-	Note 7

Note 1: The investment methods are classified into the following two categories:

- (1) Directly investing in Mainland China.
- (2) Through investing in companies in the third area, which then invested in the investee in Mainland China.

Note 2: Except for WPG China Inc., WPG China (SZ) Inc. and WPG C&C Shanghai Co., Ltd., the investment income / loss for the year ended December 31, 2023 that was recognized by the Company was based on the financial statements reviewed by international accounting firm which has cooperative relationship with accounting firm in R.O.C. The remaining investment income / loss was measured based on unreviewed financial statements of investee during the same period.

Note 3: WPG International (Hong Kong) Limited invested in WPG (SZ) Inc. in the amount of HKD 10 million, which is part of the distribution of earnings from WPG China Inc. The investment had been permitted by Investment Commission, and was excluded from the ceiling of investment amount in Mainland China.

Note 4: For paid-in capital, amount remitted from Taiwan to Mainland China/ amount remitted back to Taiwan for the period ended December 31, 2023, accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2023, book value of investments in Mainland China as of December 31, 2023, accumulated amount of investment income remitted back to Taiwan as of December 31, 2023, etc., the exchange rates used were USD 1: NTD 30.705 HKD 1:NTD 3.929 and RMB 1: NTD 4.327.

Note 5: The ending balance of investment was calculated based on combined ownership percentage held by the Company.

Note 6: The retirement of World Peace Industrial Co., Ltd.'s indirect investment in Mainland China, WPG C&C Shanghai Co., Ltd., has been approved by Investment Commission, Ministry of Economic Affairs on May 22, 2019 amounting to USD 11,650 thousand. World Peace Industrial Co., Ltd. will submit an application to Investment Commission, Ministry of Economic Affairs for deducting the accumulated amount of remittance from Taiwan to Mainland China when the consideration arising from transfer of equity interests is remitted back from the investment in the third area, WPI International (HK) Limited.

Note 7: Trigold Tongle (Shanghai) Industrial Development Ltd. is a wholly-owned subsidiary of Trigolduo (Shanghai) Industrial Development Ltd.

Note 8: WPG Investment Co., Ltd. acquired a 100% equity interest in Mainland China investee, LaaS (Dongguan) Supply Chain Management Limited, through a reinvestment, LaaS Holdings (HK) Limited, of WPG Investment Co., Ltd.'s investment in the third area, Samoa, on August 2, 2020. WPG Investment Co., Ltd. had received a post-approval from the MOEA.

Company name	Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2023	Investment amount approved by the Investment Commission of the Ministry of Economic Affairs (MOEA)	Ceiling on investments in Mainland China imposed by the Investment Commission of MOEA
WPG Holdings Limited	\$ 1,960,684	\$ 2,072,926	\$ 50,786,380
World Peace Industrial Co., Ltd. and its subsidiaries	382,068	463,935	18,285,833
Silicon Application Corp. and its subsidiaries (Note)	452,102	435,647	5,345,011
Yosun Industrial Corp. and its subsidiaries	257,461	545,447	5,781,729
WPG Investment Co., Ltd.	1,247,091	1,257,164	1,286,085
Trigold Holdings Limited	547,441	547,441	1,913,902

(1) Exchange rates as of December 31, 2023 were USD 1: NTD 30.705, HKD 1 : NTD 3.929 and RMB 1 : NTD 4.327.

(2) The ceiling of investment amount of the company is calculated based on the investor's net assets.

Note: Silicon Application Corp. and its subsidiaries investing Maojie Trading (Shenzhen) Co., Ltd. will be declared by after-the-fact verification, because the amount was under USD 1 million.

Table 10

WPG Holdings Limited and Subsidiaries		
Major shareholders information		
December 31, 2023		
Name of major shareholders	Shares	
	Number of shares held	Ownership (%)
Independent accounts securities investment trust fund of Cathay MSCI Taiwan ESG Sustainability High Dividend Yield ETF (umbrella fund) entrusted to Taishin International Bank	125,286,000	6.66%

Description: If the company applies with Taiwan Depository & Clearing Corporation for the information of the table, the following can be explained in the notes of the table.

(a) The major shareholders information was derived from the data that the Company issued common shares (including treasury shares) and preference shares in dematerialised form which were registered and held by the shareholders above 5% on the last operating date of each quarter and was calculated by the Taiwan Depository & Clearing Corporation. The share capital which was recorded in the financial statements may be different from the actual number of shares in dematerialised form due to the difference in the calculation basis.

(b) If the aforementioned data contains shares which were held in trust by the shareholders, the data is disclosed as a separate account of client which was set by the trustee. As for the shareholder who reports share equity as an insider whose shareholding ratio is greater than 10%, in accordance with the Securities and Exchange Act, the shareholding ratio includes the self-owned shares and shares held in trust, and at the same time, the shareholder has the power to decide how to allocate the trust assets. For the information on reported share equity of insider, please refer to Market Observation Post System.

WPG HOLDINGS LIMITED
PARENT COMPANY ONLY FINANCIAL STATEMENTS AND
AUDIT REPORT OF INDEPENDENT AUDITORS
DECEMBER 31, 2023 AND 2022

For the convenience of readers and for information purpose only, the auditors' report and the accompanying financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. In the event of any discrepancy between the English version and the original Chinese version or any differences in the interpretation of the two versions, the Chinese-language auditors' report and financial statements shall prevail.

INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Stockholders of WPG Holdings Limited

Opinion

We have audited the accompanying parent company only balance sheets of WPG Holdings Limited (the "Company") as at December 31, 2023 and 2022, and the related parent company only statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies.

In our opinion, the accompanying parent company only financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2023 and 2022, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for opinion

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

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Company's 2023 financial statements. These matters were addressed in the context of our audit of the parent company only financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matters for the Company's 2023 parent company only financial statements are stated as follows:

Impairment assessment of investments accounted for under equity method

Description

Refer to Note 4(12) for accounting policy on investments accounted for under equity method, Note 5(2) for uncertainty of accounting estimates and assumptions in relation to impairment assessment of investments accounted for under equity method, and Note 6(4) for details of investments accounted for under equity method.

In 2010, the Company acquired 100% shareholding of Yosun Industrial Corp. (referred herein as "Yosun Industrial") amounting to \$12,939,060 thousand, and was recognized as investments accounted for under equity method. The Company uses the estimated future cash flows of each cash-generating unit and proper discount rate to assess whether the investment may be impaired. Given that the assumptions used in the calculation of recoverable amount requires significant management judgment with respect to the discount rate and the underlying cash flows, we considered the impairment assessment of the investment a key audit matter.

How our audit addressed the matter

Our audit procedures in relation to the above key audit matter included:

1. Assessing the process in which management evaluates the estimated future cash flows of each cash generating unit, and reconciling the input data used in the valuation model to the approved operational plan by management.
2. Evaluating the reasonableness of the estimated growth rate, gross rate, discount rate and other significant assumptions used in the valuation model, by:
 - (1) Comparing estimated growth rate and gross rate with historical data and our knowledge of the business and industry;
 - (2) Comparing discount rate assumptions with respect to cash generating units' capital cost and similar return on assets; and
 - (3) Checking the setting of valuation model's calculation formula.
3. Comparing the recoverable value and book value of each cash-generating unit.

Valuation of investments accounted for under equity method

Description

Refer to Note 4(12) for accounting policy on investments accounted for under equity method, and Note 6(4) for details of investments accounted for under equity method.

As at December 31, 2023, the balance of the Company's investments in its subsidiaries, World Peace Industrial Co., Ltd. (referred herein as "World Peace Industrial"), Yosun Industrial, Silicon Application Corp. (referred herein as "Silicon Application") and Asian Information Technology Inc. (referred herein as "Asian Information Technology") amounted to \$30,415,934 thousand, \$13,379,904 thousand, \$8,761,469 thousand and \$7,739,754 thousand, respectively, and the investment income amounted to \$1,827,318 thousand, \$738,387 thousand, \$97,326 thousand and \$1,043,857 thousand for the year then ended, respectively. As the balance of investments accounted for under equity method constituted 60% of the Company's total assets, and investment income constituted 44% of the Company's profit before tax, we considered the assessment of investments accounted for under equity method, valuation of allowance for uncollectible accounts receivable, and recognition of purchase discounts and allowances of these subsidiaries as key audit matters as summarized below:

Valuation of allowance for uncollectible accounts receivable - World Peace Industrial, Yosun Industrial, Silicon Application and Asian Information Technology (collectively referred herein as the "Subsidiaries")

Description

Refer to Note 4(10) of consolidated financial statements for accounting policy on accounts receivable, Note 5(2) of consolidated financial statements for uncertainty of accounting estimates and assumptions in relation to provision for uncollectible accounts receivable, and Note 6(5) of consolidated financial statements for details of accounts receivable and overdue receivables.

The Subsidiaries assess the collectibility of accounts receivable based on historical experience with its customers. As the estimation of allowance for uncollectible accounts is subject to management's judgment in estimating future recovery, such as management's assessment of customer's credit risk, we considered the valuation of allowance for uncollectible accounts receivable a key audit matter.

How our audit addressed the matter

Our audit procedures in relation to the above key audit matter included:

1. Obtaining an understanding of, and evaluating the formal approval process for the customer's credit limit application.
2. Checking the provision policy on allowance for uncollectible accounts, and assessing the reasonableness of provision policy.
3. Checking the adequacy of the loss rate calculation by sampling the historical accounts receivable aging data and verifying the formula for the calculation of expected credit loss rate.
4. Comparing the classification of accounts receivable aging with current year and prior year, and checking subsequent collections after the balance sheet date to confirm recovery of outstanding receivables.
5. For those accounts receivable specifically identified by management to have been impaired, evaluating propriety of impairment assessment against related supporting documents.

Recognition of purchase discounts and allowances - Subsidiaries

Description

Refer to Note 4(13) of the consolidated financial statements for accounting policy on recognition of purchase discounts and allowances.

The Subsidiaries are engaged in operating sales channel for various electronic components. In line with industry practice, the Subsidiaries have entered into purchase discounts and allowances agreements with suppliers for various kinds and quantities of inventories. The Subsidiaries calculate and recognize the amount of purchase discounts and allowances in accordance with the agreement. The Subsidiaries negotiate the amount with the supplier, and after receiving credit note from supplier, the Subsidiaries pay the net amount.

The discounts and allowances from the supplier are calculated either automatically by the system or manually. The Subsidiaries have to gather a lot of information to input in the system, such as the items subject to discount and corresponding discount rate, etc. Given that the Subsidiaries have a large volume of purchases, and have entered into various purchase discounts and allowances agreements with terms and conditions that vary with each agreement, we considered the recognition of purchase discounts and allowances a key audit matter.

How our audit addressed the matter

Our audit procedures in relation to the above key audit matter included:

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1. Understanding the process in recognizing purchase discounts and allowances, evaluating related internal control procedures and testing its effectiveness, checking the basic information set up in the computer system with respect to discount and allowance calculation randomly, and selecting samples to determine whether purchase discounts and allowances recognized were reviewed by an authorised supervisor.
2. Selecting samples of purchase discounts and allowances, obtaining confirmed documents and approved credit note from supplier for selected commodity's part number, and checking whether the part number and discount and allowance amount in obtained vouchers were consistent with the amounts recognized.
3. Performing confirmation of selected material accounts payable, checking whether there is a difference between the amount of purchase discounts and allowances recognized based on credit note from supplier with the amount confirmed by the supplier, and investigating differences, if any. Selecting samples of outstanding accounts payable and checking whether subsequent payments were made after the balance sheet date.

Responsibilities of management and those charged with governance for financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that

includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these parent company only financial statements.

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

1. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely

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responsible for our audit opinion.

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

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

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

Lin, Yi-Fan

Chou, Chien-hung

for and on behalf of PricewaterhouseCoopers, Taiwan

February 29, 2024

The accompanying parent company only financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying parent company only financial statements and independent auditors' report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

As the financial statements are the responsibility of the management, PricewaterhouseCoopers, Taiwan cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

WPG HOLDINGS LIMITED
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2023 AND 2022
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

Assets		Notes	December 31, 2023		December 31, 2022	
			Amount	%	Amount	%
Current assets						
1100	Cash and cash equivalents	6(1)	\$ 2,736,046	3	\$ 92,227	-
1180	Accounts receivable - related parties, net	7(3)	126,730	-	198,637	-
1200	Other receivables		55	-	60	-
1210	Other receivables - related parties	7(3)	271,633	-	565,904	1
1410	Prepayments		58,433	-	48,066	-
1470	Other current assets		649	-	2,537	-
11XX	Total current assets		3,193,546	3	907,431	1
Non-current assets						
1510	Financial assets at fair value through profit or loss - non-current	6(2)	556,299	1	555,992	1
1517	Non-current financial assets at fair value through other comprehensive income - non-current	6(3)	2,732,067	3	2,711,562	2
1550	Investments accounted for under equity method	6(4), 7(3) and 8	86,177,073	85	89,688,324	88
1600	Property, plant and equipment	6(5) and 8	6,546,483	6	6,694,412	6
1755	Right-of-use assets	6(6) and 7(3)	63,299	-	70,619	-
1760	Investment property, net	6(7) and 8	1,604,838	2	1,623,133	2
1780	Intangible assets	6(8)	154,395	-	79,090	-
1840	Deferred income tax assets	6(24)	122,895	-	50,236	-
1990	Other non-current assets		10,318	-	10,195	-
15XX	Total non-current assets		97,967,667	97	101,483,563	99
1XXX	Total assets		\$ 101,161,213	100	\$ 102,390,994	100

(Continued)

WPG HOLDINGS LIMITED
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2023 AND 2022
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

Liabilities and Equity		Notes	December 31, 2023		December 31, 2022	
			Amount	%	Amount	%
Current liabilities						
2100	Short-term borrowings	6(9)	\$ 4,180,000	4	\$ 6,305,000	6
2110	Short-term notes and bills payable	6(10)	1,099,538	1	598,944	1
2150	Notes payable		2,749	-	229	-
2200	Other payables		734,885	1	673,126	1
2220	Other payables - related parties	7(3)	29,762	-	1,925,795	1
2230	Current income tax liabilities		659,880	1	727,234	1
2280	Current lease liabilities		11,546	-	12,651	-
2300	Other current liabilities	6(11)	20,170	-	115,010	-
21XX	Total current liabilities		6,738,530	7	10,357,989	10
Non-current liabilities						
2540	Long-term borrowings	6(11) and 8	10,520,908	10	10,752,069	11
2570	Deferred income tax liabilities	6(24)	117,712	-	85,205	-
2580	Non-current lease liabilities		49,577	-	55,364	-
2600	Other non-current liabilities	6(12)	89,946	-	84,117	-
25XX	Total non-current liabilities		10,778,143	10	10,976,755	11
2XXX	Total liabilities		17,516,673	17	21,334,744	21
Equity						
Capital		6(13)				
3110	Common stock		16,790,568	17	16,790,568	16
3120	Preference stock		2,000,000	2	2,000,000	2
Capital reserve		6(14)				
3200	Capital reserve		28,449,804	28	28,633,916	28
Retained earnings		6(15)				
3310	Legal reserve		9,716,441	10	8,658,903	8
3320	Special reserve		3,477,886	3	9,926,105	10
3350	Unappropriated earnings		25,492,557	25	18,524,643	18
Other equity interest		6(16)				
3400	Other equity interest		(2,282,716)	(2)	(3,477,885)	(3)
3XXX	Total equity		83,644,540	83	81,056,250	79
Significant contingent liabilities and unrecognized contract commitments		9				
3X2X	Total liabilities and equity		\$ 101,161,213	100	\$ 102,390,994	100

The accompanying notes are an integral part of these parent company only financial statements.

WPG HOLDINGS LIMITED
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2023 AND 2022
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS, EXCEPT EARNINGS PER SHARE DATA)

	Items	Notes	2023		2022	
			Amount	%	Amount	%
4000	Operating revenues	6(17) and 7(3)	\$ 7,654,341	100	\$ 12,149,084	100
5000	Operating costs	6(22)(23) and 7(3)	(1,582,962)	(21)	(1,536,961)	(13)
5900	Gross profit		<u>6,071,379</u>	<u>79</u>	<u>10,612,123</u>	<u>87</u>
	Non-operating income and expenses					
7100	Interest income	6(18)	2,621	-	366	-
7010	Other income	6(19)	309,940	4	332,453	3
7020	Other gains or losses	6(20)	2,423,054	32	(28,804)	-
7050	Financial costs	6(21)	(323,444)	(4)	(239,335)	(2)
7000	Total non-operating income and expenses		<u>2,412,171</u>	<u>32</u>	<u>64,680</u>	<u>1</u>
7900	Income before income tax		8,483,550	111	10,676,803	88
7950	Income tax expense	6(24)	(374,143)	(5)	(164,337)	(1)
8200	Profit for the year		<u>\$ 8,109,407</u>	<u>106</u>	<u>\$ 10,512,466</u>	<u>87</u>
	Other comprehensive income / (loss), net					
	Components of other comprehensive income (loss) that will not be reclassified to profit or loss					
8311	Gain (loss) on remeasurement of defined benefit plan	6(12)	18,629	-	(23,298)	-
8316	Unrealized gains or losses from investments in equity instruments measured at fair value through other comprehensive income	6(3)(16)	20,505	-	(921,524)	(8)
8330	Share of other comprehensive income (loss) of subsidiaries, associates and joint ventures accounted for under equity method		2,145,215	28	(2,575,552)	(21)
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(24)	(3,726)	-	4,660	-
8310	Other comprehensive income (loss) that will not be reclassified to profit or loss		<u>2,180,623</u>	<u>28</u>	<u>(3,515,714)</u>	<u>(29)</u>
	Components of other comprehensive income (loss) that will be reclassified to profit or loss					
8361	Exchange differences on translation of foreign financial statements	6(16)	(91,518)	(1)	408,704	3
8380	Share of other comprehensive income (loss) of subsidiaries, associates and joint ventures accounted for under equity method	6(16)	(195,790)	(3)	9,554,972	79
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	6(16)(24)	6,560	-	(9,023)	-
8360	Other comprehensive income (loss) that will be reclassified to profit or loss		<u>(280,748)</u>	<u>(4)</u>	<u>9,954,653</u>	<u>82</u>
8300	Other comprehensive income, net		<u>\$ 1,899,875</u>	<u>24</u>	<u>\$ 6,438,939</u>	<u>53</u>
8500	Total comprehensive income		<u>\$ 10,009,282</u>	<u>130</u>	<u>\$ 16,951,405</u>	<u>140</u>
	Earnings per share (in dollars)	6(25)				
9750	Basic earnings per share		<u>\$ 4.59</u>		<u>\$ 6.02</u>	
9850	Diluted earnings per share		<u>\$ 4.59</u>		<u>\$ 6.02</u>	

The accompanying notes are an integral part of these parent company only financial statements.

WPG HOLDINGS LIMITED
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2023 AND 2022
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

	Notes	Capital		Retained Earnings				Other Equity Interest			Total equity
		Common stock	Preference stock	Capital reserve	Legal reserve	Special reserve	Unappropriated earnings	Exchange differences of foreign financial statements	Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	Others	
2022											
Balance at January 1, 2022		\$ 16,790,568	\$ 2,000,000	\$ 28,724,498	\$ 7,483,640	\$ 8,832,794	\$ 16,494,533	(\$ 13,385,541)	\$ 3,459,437	\$ -	\$ 70,399,929
Net income		-	-	-	-	-	10,512,466	-	-	-	10,512,466
Other comprehensive income (loss)	6(16)	-	-	-	-	-	(9,280)	9,954,653	(3,506,434)	-	6,438,939
Total comprehensive income (loss)		-	-	-	-	-	10,503,186	9,954,653	(3,506,434)	-	16,951,405
Appropriations and distribution of 2021 retained earnings	6(15)										
Legal reserve		-	-	-	1,175,263	-	(1,175,263)	-	-	-	-
Special reserve		-	-	-	-	1,093,311	(1,093,311)	-	-	-	-
Cash dividends for common stock		-	-	-	-	-	(5,876,699)	-	-	-	5,876,699
Cash dividends for preference stock		-	-	-	-	-	(400,000)	-	-	-	400,000
Changes in equity of associates and joint ventures accounted for under equity method	6(14)	-	-	(91,345)	-	-	72,197	-	-	-	19,148
Changes in ownership interests in subsidiaries		-	-	763	-	-	-	-	-	-	763
Balance at December 31, 2022		\$ 16,790,568	\$ 2,000,000	\$ 28,633,916	\$ 8,658,903	\$ 9,926,105	\$ 18,524,643	(\$ 3,430,888)	(\$ 46,997)	\$ -	\$ 81,056,250
2023											
Balance at January 1, 2023		\$ 16,790,568	\$ 2,000,000	\$ 28,633,916	\$ 8,658,903	\$ 9,926,105	\$ 18,524,643	(\$ 3,430,888)	(\$ 46,997)	\$ -	\$ 81,056,250
Net income		-	-	-	-	-	8,109,407	-	-	-	8,109,407
Other comprehensive income (loss)	6(16)	-	-	-	-	-	96,658	(280,748)	2,083,965	-	1,899,875
Total comprehensive income (loss)		-	-	-	-	-	8,206,065	(280,748)	2,083,965	-	10,009,282
Appropriations and distribution of 2022 retained earnings	6(15)										
Legal reserve		-	-	-	1,057,538	-	(1,057,538)	-	-	-	-
Special reserve		-	-	-	-	(6,448,219)	6,448,219	-	-	-	-
Cash dividends for common stock		-	-	-	-	-	(6,464,369)	-	-	-	(6,464,369)
Cash dividends for preference stock		-	-	-	-	-	(400,000)	-	-	-	(400,000)
Subsidiaries' disposal of investments in equity instruments designated at fair value through other comprehensive income		-	-	-	-	-	11,427	-	(11,427)	-	-
Changes in equity of associates and joint ventures accounted for under equity method	6(14)	-	-	83,083	-	-	3,350	-	-	-	86,433
Proceeds from disposal of investments accounted for using equity method	6(4)	-	-	(265,624)	-	-	220,760	(219,378)	(220,760)	-	(485,002)
Changes in ownership interests in subsidiaries	6(14)	-	-	(1,571)	-	-	-	-	-	-	(1,571)
Effect from recognition of put option of non-controlling interests due to acquisition of subsidiaries	6(16)	-	-	-	-	-	-	-	-	(156,483)	(156,483)
Balance at December 31, 2023		\$ 16,790,568	\$ 2,000,000	\$ 28,449,804	\$ 9,716,441	\$ 3,477,886	\$ 25,492,557	(\$ 3,931,014)	\$ 1,804,781	(\$ 156,483)	\$ 83,644,540

The accompanying notes are an integral part of these parent company only financial statements.

WPG HOLDINGS LIMITED
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

	Notes	2023	2022
<u>Cash flows from operating activities</u>			
Profit before income tax		\$ 8,483,550	\$ 10,676,803
Adjustments			
Income and expenses			
Depreciation	6(22)	191,319	179,987
Amortization	6(22)	89,227	70,595
(Gain) loss on financial assets at fair value through profit or loss	6(20)	(38,941)	3,553
Interest expense	6(21)	323,444	239,335
Interest income	6(18)	(2,621)	(366)
Dividend income	6(19)	(264,826)	(294,232)
Gain on disposal of investment	6(20)	(2,438,916)	(932)
Share of profit of subsidiaries, associates and joint ventures accounted for under the equity method	6(17)	(5,949,218)	(10,397,341)
Gain on lease modification	6(20)	(438)	(44)
Changes in assets/liabilities relating to operating activities			
Net changes in assets relating to operating activities			
Accounts receivable - related parties, net		71,907	(34,372)
Other receivables		5	64
Other receivables - related parties		(23,095)	(3,101)
Prepayments		(10,367)	20,561
Other current assets		1,888	552
Changes in operating liabilities			
Notes payable		2,520	(2,556)
Other payables		25,296	78,193
Other payables - related parties		46,258	(4,357)
Other current liabilities		(28)	491
Other non-current liabilities		(9,464)	(6,636)
Cash inflow generated from operations		497,500	526,197
Interest paid		(323,059)	(222,372)
Income tax (paid) refund received		(164,562)	4,182
Interest received		2,621	366
Dividends received		7,024,517	5,889,470
Net cash provided by operating activities		7,037,017	6,197,843

(Continued)

WPG HOLDINGS LIMITED
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

	Notes	2023	2022
<u>Cash flows from investing activities</u>			
Acquisition of financial assets at fair value through other comprehensive income - non-current		\$ -	(\$ 862,504)
Proceeds from disposal of financial assets at fair value through profit or loss - non-current		16,344	-
Proceeds from capital reduction of financial assets at fair value through profit or loss		22,290	77,551
Capital increase in investees	7(3)	(550,600)	(85,665)
Proceeds from disposal of investments accounted for using equity method		5,052,400	-
Acquisition of property, plant and equipment	6(26)	(6,896)	(54,738)
Increase in guarantee deposits paid		(123)	(2,734)
Decrease in guarantee deposits paid		-	5,235
Acquisition of intangible assets	6(26)	(93,050)	(102,944)
Acquisition of investment property	6(26)	(3,900)	(9,622)
Net cash provided by (used in) investing activities		<u>4,436,465</u>	<u>(1,035,421)</u>
<u>Cash flows from financing activities</u>			
Principal repayment of lease liability	6(27)	(14,915)	(15,048)
Increase in short-term borrowings	6(27)	37,785,000	58,995,000
Decrease in short-term borrowings	6(27)	(39,910,000)	(58,285,000)
Increase in short-term notes and bills payable	6(27)	9,301,056	5,600,697
Decrease in short-term notes and bills payable	6(27)	(8,800,462)	(6,371,056)
Increase in long-term borrowings (including current portion of long-term borrowings)	6(27)	117,603	4,513,263
Decrease in long-term borrowings (including current portion of long-term borrowings)	6(27)	(443,576)	(3,317,882)
Distribution of cash dividends	6(15)	(6,864,369)	(6,276,699)
Net cash used in financing activities		<u>(8,829,663)</u>	<u>(5,156,725)</u>
Net increase in cash and cash equivalents		2,643,819	5,697
Cash and cash equivalents at beginning of year		<u>92,227</u>	<u>86,530</u>
Cash and cash equivalents at end of year		<u>\$ 2,736,046</u>	<u>\$ 92,227</u>

The accompanying notes are an integral part of these parent company only financial statements.

WPG HOLDINGS LIMITED
NOTES TO THE PARENT COMPANY ONLY FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS,
EXCEPT AS OTHERWISE INDICATED)

1. HISTORY AND ORGANISATION

- (1) WPG Holdings Limited (the Company) was incorporated as a company limited by shares under the provisions of the Company Law of the Republic of China, and as a holding company of World Peace Industrial Co., Ltd. and Silicon Application Corporation by exchanging shares of common stock on November 9, 2005. The Company's shares were listed on the Taiwan Stock Exchange (TSE) and approved by the Financial Supervisory Commission, Executive Yuan, Securities and Futures Bureau on the same date. After restructuring, Richpower Electronic Devices Co., Ltd. became the Company on January 1, 2008. The Company acquired Pernas Electronics Co., Ltd., Asian Information Technology Inc., Yosun Industrial Corp. and AECO Technology Inc. by exchanging shares of common stock on July 16, 2008, February 6, 2009, November 15, 2010 and March 1, 2012, respectively. After the Company's organisation restructuring on January 1, 2014, World Peace Industrial Co., Ltd., Silicon Application Corp. and Yosun Industrial Corp. acquired 100% shares in AECO Technology Co., Ltd., Pernas Electronics Co., Ltd. and Richpower Electronic Devices Co., Ltd. through share exchange, and consequently, AECO Technology Co., Ltd., Pernas Electronics Co., Ltd. and Richpower Electronic Devices Co., Ltd. became indirectly owned subsidiaries. The Company originally evaluated Genuine C&C, Inc. using equity method through its subsidiary, World Peace Industrial Co., Ltd. The Company acquired partial stocks of Genuine C&C, Inc. on April 8, 2015 and completed the purchase on April 15, 2015. After the purchase, the Company and World Peace Industrial Co., Ltd. collectively held 60.5% shares of Genuine C&C, Inc. which became the Company's directly owned subsidiary. On September 1, 2017, the stock swap between Trigold Holdings Limited (Trigold) and the shareholders who previously owned Genuine C&C, Inc. was conducted at a stock swap ratio of 1:1. On the same day, Trigold was established and began OTC trading whereas Genuine C&C, Inc. was unlisted at OTC. The Company owned 60.5% equity of Trigold after the stock swap.
- (2) The Company was organized to create the management mechanism of the group, supervise the subsidiaries, integrate the whole group and improve operational efficiency. As of December 31, 2023, the Company's authorized capital was \$25,000,000 (certain shares can be issued as preference shares, and including \$500,000 reserved for employee stock option certificate, restricted stocks to employees, preferred stocks with warrants and corporate bonds with warrants), and the paid-in capital was \$18,790,568 with a par value of \$10 (in dollars) per share.

2. THE DATE OF AUTHORIZATION FOR ISSUANCE OF THE PARENT COMPANY ONLY FINANCIAL STATEMENTS AND PROCEDURES FOR AUTHORIZATION

These parent company only financial statements were authorized for issuance by the Board of Directors on February 29, 2024.

3. APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS

(1) Effect of the adoption of new issuances of or amendments to International Financial Reporting Standards (“IFRS[®]”) Accounting Standards that came into effect as endorsed by the Financial Supervisory Commission (“FSC”)

New standards, interpretations and amendments endorsed by the FSC and became effective from 2023 are as follows:

<u>New Standards, Interpretations and Amendments</u>	<u>Effective date by International Accounting Standards Board</u>
Amendments to IAS 1, ‘Disclosure of accounting policies’	January 1, 2023
Amendments to IAS 8, ‘Definition of accounting estimates’	January 1, 2023
Amendments to IAS 12, ‘Deferred tax related to assets and liabilities arising from a single transaction’	January 1, 2023
Amendments to IAS 12, ‘International tax reform - pillar two model rules’	May 23, 2023

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

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

New standards, interpretations and amendments endorsed by the FSC and will become effective from 2024 are as follows:

<u>New Standards, Interpretations and Amendments</u>	<u>Effective date by International Accounting Standards Board</u>
Amendments to IFRS 16, ‘Lease liability in a sale and leaseback’	January 1, 2024
Amendments to IAS 1, ‘Classification of liabilities as current or non-current’	January 1, 2024
Amendments to IAS 1, ‘Non-current liabilities with covenants’	January 1, 2024
Amendments to IAS 7 and IFRS 7, ‘Supplier finance arrangements’	January 1, 2024

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

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

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

<u>New Standards, Interpretations and Amendments</u>	<u>Effective date by International Accounting Standards Board</u>
Amendments to IFRS 10 and IAS 28, ‘Sale or contribution of assets between an investor and its associate or joint venture’	To be determined by International Accounting Standards Board
IFRS 17, ‘Insurance contracts’	January 1, 2023
Amendments to IFRS 17, ‘Insurance contracts’	January 1, 2023
Amendments to IFRS 17, ‘Initial application of IFRS 17 and IFRS 9 - comparative information’	January 1, 2023
Amendments to IAS 21, ‘Lack of exchangeability’	January 1, 2025

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

4. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these parent company only financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(1) Compliance statement

These parent company only financial statements are prepared by the Company in accordance with the “Rules Governing the Preparation of Financial Statements by Securities Issuers”.

(2) Basis of preparation

- A. Except for the following item, these parent company only financial statements have been prepared under the historical cost convention:
 - (a) Financial assets at fair value through profit or loss.
 - (b) Financial assets at fair value through other comprehensive income.
 - (c) Defined benefit liabilities is recognized based on the net amount of pension fund assets, less present value of defined benefit obligation.
- B. The preparation of financial statements in conformity with International Financial Reporting Standards, International Accounting Standards, IFRIC[®] Interpretations, and SIC[®] Interpretations as endorsed by the FSC (collectively referred herein as the “IFRSs”) requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company’s accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 5.

(3) Foreign currency translation

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates (the “functional currency”). The parent company only financial statements are presented in New Taiwan dollars, which is the Company’s functional and presentation currency.

A. Foreign currency transactions and balances

- (a) Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions are recognized in profit or loss in the period in which they arise.
- (b) Monetary assets and liabilities denominated in foreign currencies at the period end are re-translated at the exchange rates prevailing at the balance sheet date. Exchange differences arising upon re-translation at the balance sheet date are recognized in profit or loss.
- (c) Non-monetary assets and liabilities denominated in foreign currencies held at fair value through profit or loss are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognized in profit or loss. Non-monetary assets and liabilities denominated in foreign currencies held at fair value through other comprehensive income are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognized in other comprehensive income. However, non-monetary assets and liabilities denominated in foreign currencies that are not measured at fair value are translated using the historical exchange rates at the dates of the initial transactions.
- (d) All foreign exchange gains and losses are presented in the statement of comprehensive income within other gains or losses.

B. Translation of foreign operations

- (a) The operating results and financial position of all the Company entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:
 - i. Assets and liabilities for each balance sheet presented are translated at the closing exchange rate at the date of that balance sheet;
 - ii. Income and expenses for each statement of comprehensive income are translated at average exchange rates of that period; and
 - iii. All resulting exchange differences are recognized in other comprehensive income.
- (b) When a foreign operation partially disposed of or sold is an associate, exchange differences that were recorded in other comprehensive income are proportionately reclassified to profit or loss as part of the gain or loss on sale. In addition, if the

Company retains partial interest in the former foreign associate after losing significant influence over the former foreign associate, such transactions should be accounted for as disposal of all interest in these foreign operations.

- (c) When the foreign operation partially disposed of or sold is a subsidiary, cumulative exchange differences that were recorded in other comprehensive income are proportionately transferred to the non-controlling interest in this foreign operation. In addition, if the Company retains partial interest in the former foreign subsidiary after losing control of the former foreign subsidiary, such transactions should be accounted for as disposal of all interest in these foreign operations.
- (d) Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing exchange rates at the balance sheet date.

(4) Classification of current and non-current items

- A. Assets that meet one of the following criteria are classified as current assets; otherwise they are classified as non-current assets:
 - (a) Assets arising from operating activities that are expected to be realized, or are intended to be sold or consumed within the normal operating cycle;
 - (b) Assets held mainly for trading purposes;
 - (c) Assets that are expected to be realized within twelve months from the balance sheet date;
 - (d) Cash and cash equivalents, excluding restricted cash and cash equivalents and those that are to be exchanged or used to pay off liabilities more than twelve months after the balance sheet date.
- B. Liabilities that meet one of the following criteria are classified as current liabilities; otherwise they are classified as non-current liabilities:
 - (a) Liabilities that are expected to be paid off within the normal operating cycle;
 - (b) Liabilities arising mainly from trading activities;
 - (c) Liabilities that are to be paid off within twelve months from the balance sheet date;
 - (d) Liabilities for which the repayment date cannot be extended unconditionally to more than twelve months after the balance sheet date.

(5) Cash and cash equivalents

Cash equivalents refer to short-term highly liquid investments that are readily convertible to known amount of cash and subject to an insignificant risk of changes in value. Time deposits that meet the definition above and are held for the purpose of meeting short-term cash commitment in operations are classified as cash equivalents.

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

- A. Financial assets at fair value through profit or loss are financial assets that are not measured at amortized cost or fair value through other comprehensive income.
- B. On a regular way purchase or sale basis, financial assets at fair value through profit or loss are recognized and derecognized using trade date accounting.
- C. At initial recognition, the Company measures the financial assets at fair value and recognizes the transaction costs in profit or loss. The Company subsequently measures the financial assets at fair value, and recognizes the gain or loss in profit or loss.
- D. The Company recognizes the dividend income when the right to receive payment is established, future economic benefits associated with the dividend will flow to the Company and the amount of the dividend can be measured reliably.

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

- A. Financial assets at fair value through other comprehensive income comprise equity securities which are not held for trading, and for which the Company has made an irrevocable election at initial recognition to recognize changes in fair value in other comprehensive income.
- B. On a regular way purchase or sale basis, financial assets at fair value through other comprehensive income are recognized and derecognized using trade date accounting.
- C. At initial recognition, the Company measures the financial assets at fair value plus transaction costs. The Company subsequently measures the financial assets at fair value. The changes in fair value of equity investments that were recognized in other comprehensive income are reclassified to retained earnings and are not reclassified to profit or loss following the derecognition of the investment. Dividends are recognized as revenue when the right to receive payment is established, future economic benefits associated with the dividend will flow to the Company and the amount of the dividend can be measured reliably.

(8) Accounts and notes receivable

- A. Accounts and notes receivable entitle the Company a legal right to receive consideration in exchange for transferred goods or rendered services.
- B. The short-term accounts and notes receivable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.

(9) Impairment of financial assets

For financial assets at amortized cost including accounts and notes receivable that have a significant financing component, at each reporting date, the Company recognizes the impairment provision for 12 months expected credit losses if there has not been a significant increase in credit risk since initial recognition or recognizes the impairment provision for the

lifetime expected credit losses (ECLs) if such credit risk has increased since initial recognition after taking into consideration all reasonable and verifiable information that includes forecasts. On the other hand, for accounts receivable that do not contain a significant financing component, the Company recognizes the impairment provision for lifetime ECLs.

(10) Derecognition of financial assets

The Company derecognizes a financial asset when one of the following conditions is met:

- A. The contractual rights to receive cash flows from the financial asset expire.
- B. The contractual rights to receive cash flows from the financial asset have been transferred and the Company has transferred substantially all risks and rewards of ownership of the financial asset.
- C. The contractual rights to receive cash flows from the financial asset have been transferred and the Company has not retained control of the financial asset.

(11) Leasing arrangements (lessor) - operating leases

Lease income from an operating lease (net of any incentives given to the lessee) is recognized in profit or loss on a straight-line basis over the lease term.

(12) Investments accounted for under the equity method / subsidiaries

- A. Subsidiaries are all entities (including structured entities) controlled by the Company. The Company controls an entity when the Company is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.
- B. Unrealized profit (loss) arising from the transactions between the Company and subsidiaries have been offset.
- C. The Company's share of its associates' post-acquisition profits or losses is recognized in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognized in other comprehensive income. When the Company's share of losses in a subsidiary equals or exceeds its interest in the subsidiary, the Company continues to recognize losses proportionate to its ownership.
- D. Pursuant to the "Rules Governing the Preparation of Financial Statements by Securities Issuers," profit (loss) of the current period and other comprehensive income in the parent company only financial statements shall equal to the amount attributable to owners of the parent in the consolidated financial statements. Owners' equity in the parent company only financial statements shall equal to equity attributable to owners of the parent in the consolidated financial statements.

(13) Property, plant and equipment

- A. Property, plant and equipment are initially recorded at cost. Borrowing costs incurred during the construction period are capitalized.

- B. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.
- C. Land is not depreciated. Other property, plant and equipment apply cost model and are depreciated using the straight-line method to allocate their cost over their estimated useful lives. Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item must be depreciated separately.
- D. The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each financial year-end. If expectations for the assets' residual values and useful lives differ from previous estimates or the patterns of consumption of the assets' future economic benefits embodied in the assets have changed significantly, any change is accounted for as a change in estimate under IAS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors', from the date of the change.

The estimated useful lives of property, plant and equipment are as follows:

Buildings and structures	3 ~ 50 years
Office equipment	3 ~ 25 years
Leasehold improvements	3 years

(14) Leasing arrangements (lessee) - right-of-use assets / lease liabilities

- A. Leases are recognized as a right-of-use asset and a corresponding lease liability at the date at which the leased asset is available for use by the Company. For short-term leases or leases of low-value assets, lease payments are recognized as an expense on a straight-line basis over the lease term.
- B. Lease liabilities include the net present value of the remaining lease payments at the commencement date, discounted using the incremental borrowing interest rate. Lease payments are comprised of the following:
 - (a) Fixed payments, less any lease incentives receivable;
 - (b) Amounts expected to be payable by the lessee under residual value guarantees;
 - (c) The exercise price of a purchase option, if the lessee is reasonably certain to exercise that option; and
 - (d) Payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The Company subsequently measures the lease liability at amortized cost using the interest method and recognizes interest expense over the lease term. The lease liability is remeasured and the amount of remeasurement is recognized as an adjustment to the

right-of-use asset when there are changes in the lease term or lease payments and such changes do not arise from contract modifications.

C. At the commencement date, the right-of-use asset is stated at cost comprising the following:

- (a) The amount of the initial measurement of lease liability;
- (b) Any lease payments made at or before the commencement date;
- (c) Any initial direct costs incurred by the lessee; and
- (d) An estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

The right-of-use asset is measured subsequently using the cost model and is depreciated from the commencement date to the earlier of the end of the asset's useful life or the end of the lease term. When the lease liability is remeasured, the amount of remeasurement is recognized as an adjustment to the right-of-use asset.

(15) Investment property

An investment property is stated initially at its cost and measured subsequently using the cost model. Except for land, investment property is depreciated on a straight-line basis over its estimated useful life of 5~50 years.

(16) Intangible assets

Computer software is stated at cost and amortized on a straight-line basis over its estimated useful life of 1 to 3 years.

(17) Impairment of non-financial assets

The Company assesses at each balance sheet date the recoverable amounts of those assets where there is an indication that they are impaired. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell or value in use. Except for goodwill, when the circumstances or reasons for recognizing impairment loss for an asset in prior years no longer exist or diminish, the impairment loss is reversed. The increased carrying amount due to reversal should not be more than what the depreciated or amortized historical cost would have been if the impairment had not been recognized.

(18) Borrowings

A. Borrowings comprise long-term and short-term bank borrowings. Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in profit or loss over the period of the borrowings using the effective interest method.

- B. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a prepayment for liquidity services and amortized over the period of the facility to which it relates.

(19) Notes and accounts payable

- A. Accounts payable are liabilities for purchases of services and notes payable are those resulting from operating and non-operating activities.
- B. The short-term notes and accounts payable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.

(20) Derecognition of financial liabilities

A financial liability is derecognized when the obligation under the liability specified in the contract is discharged or cancelled or expires.

(21) Offsetting financial instruments

Financial assets and liabilities are offset and reported in the net amount in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

(22) Employee benefits

A. Short-term employee benefits

Short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in respect of service rendered by employees in a period and should be recognized as expenses in that period when the employees render service.

B. Pensions

(a) Defined contribution plan

For defined contribution plan, the contributions are recognized as pension expenses when they are due on an accrual basis. Prepaid contributions are recognized as an asset to the extent of a cash refund or a reduction in the future payments.

(b) Defined benefit plan

- i. Net obligation under a defined benefit plan is defined as the present value of an amount of pension benefits that employees will receive on retirement for their services with the Company in current period or prior periods. The liability recognized in the balance sheet in respect of defined benefit pension plan is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets. The net defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The rate used to

discount is determined by using interest rates of government bonds at the balance sheet date of a currency and term consistent with currency and term of the employment benefit obligation.

- ii. Remeasurement arising on defined benefit plan is recognized in other comprehensive income in the period in which they arise and is recorded as retained earnings.

C. Employees' compensation and directors' remuneration

Employees' compensation and directors' remuneration are recognized as expenses and liabilities, provided that such recognition is required under legal or constructive obligation and those amounts can be reliably estimated. Any difference between the resolved amounts and the subsequently actual distributed amounts is accounted for as changes in estimates. If employee compensation is distributed by shares, the Company calculates the number of shares based on the closing price at the previous day of the board meeting resolution.

(23) Income tax

- A. The tax expense for the period comprises current and deferred tax. Tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or items recognized directly in equity, in which cases the tax is recognized in other comprehensive income or equity.
- B. The current income tax expense is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in accordance with applicable tax regulations. It establishes provisions where appropriate based on the amounts expected to be paid to the tax authorities. An additional tax is levied on the unappropriated retained earnings and is recorded as income tax expense in the year the stockholders resolve to retain the earnings.
- C. Deferred tax is recognized, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated balance sheet. However, the deferred tax is not accounted for if it arises from initial recognition of goodwill or of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Company and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realized or the deferred tax liability is settled.

- D. Deferred income tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. At each balance sheet date, unrecognized and recognized deferred income tax assets are reassessed.
- E. Current income tax assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. Deferred tax assets and liabilities are offset on the balance sheet when the entity has the legally enforceable right to offset current tax assets against current tax liabilities and they are levied by the same taxation authority on either the same entity or different entities that intend to settle on a net basis or realize the asset and settle the liability simultaneously.

(24) Share capital

Ordinary shares are classified as equity. The classification of preference shares is determined according to the special rights attached to preference shares based on the substance of the contract and the definition of financial liabilities and equity instruments. Preference shares are classified as liabilities when they have the basic characteristics of financial liabilities; otherwise, they are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

(25) Dividends

Dividends are recorded in the Company's financial statements in the period in which they are resolved by the Company's shareholders. Cash dividends are recorded as liabilities; stock dividends are recorded as stock dividends to be distributed and are reclassified to ordinary shares on the effective date of new shares issuance.

(26) Revenue recognition

- A. The Company's main business is to manage investees. When services rendered can be reasonably estimated, revenue is recognized by reference to the stage of completion at the balance sheet date.
- B. When services rendered cannot be reasonably estimated, possibility of cost recovery is considered when recognizing revenue. If it is possible to recover the cost incurred, the Company shall recognize revenue to the extent of the estimated recoverable cost that has been incurred; if it is not possible to recover the cost incurred, the Company shall not recognize revenue and shall recognize costs incurred as expense during the period.

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

The preparation of these parent company only financial statements requires management to make

critical judgements in applying the Company's accounting policies and make critical assumptions and estimates concerning future events. Assumptions and estimates may differ from the actual results and are continually evaluated and adjusted based on historical experience and other factors. Such assumptions and estimates have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. The above information is addressed below:

(1) Critical judgements in applying the Company's accounting policies

None.

(2) Critical accounting estimates and assumptions

Impairment assessment of investments accounted for under the equity method

The Company assesses the impairment of an investment accounted for under the equity method as soon as there is any indication that it might have been impaired and its carrying amount cannot be recoverable. The Company assesses the recoverable amounts of an investment accounted for under the equity method based on the present value of expected cash dividends receivable from the investee and expected future cash flows from the disposal of the investee, and analyses the reasonableness of related assumptions.

6. DETAILS OF SIGNIFICANT ACCOUNTS

(1) Cash and cash equivalents

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Checking accounts deposits	\$ 43	\$ 43
Demand deposits	2,697,986	36,430
Foreign currency deposits	38,017	55,754
	<u>\$ 2,736,046</u>	<u>\$ 92,227</u>

A. The Company associates with a variety of financial institutions all with high credit quality to disperse credit risk, so it expects that the probability of counterparty default is remote.

B. No cash and cash equivalents were pledged to others.

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

<u>Items</u>	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Non-current items:		
Financial assets mandatorily measured at fair value through profit or loss		
Listed stocks	\$ 85,347	\$ 85,347
Unlisted stocks	439,627	487,061
	524,974	572,408
Valuation adjustment	31,325	(16,416)
	<u>\$ 556,299</u>	<u>\$ 555,992</u>

A. Amounts recognized in profit (loss) in relation to financial assets at fair value through profit or loss for the years ended December 31, 2023 and 2022 were \$38,941 and (\$3,553),

respectively.

- B. The Company has no financial assets at fair value through profit or loss pledged to others as collateral.
- C. Information relating to financial assets at fair value through profit or loss is provided in Note 12(3).

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

<u>Items</u>	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Non-current items:		
Equity instruments		
Listed stocks	\$ 2,517,757	\$ 2,517,757
Valuation adjustment	214,310	193,805
	<u>\$ 2,732,067</u>	<u>\$ 2,711,562</u>

- A. The Company has elected to classify equity investments that are considered to be strategic investments as financial assets at fair value through other comprehensive income. The fair value of such investments amounted to \$2,732,067 and \$2,711,562 as at December 31, 2023 and 2022, respectively.
- B. Amounts recognized in profit or loss and other comprehensive income in relation to the financial assets at fair value through other comprehensive income are listed below:

	<u>Years ended December 31,</u>
	<u>2023</u> <u>2022</u>
<u>Financial assets at fair value through other comprehensive income</u>	
Fair value change recognized in other comprehensive income	<u>\$ 20,505</u> (<u>\$ 921,524</u>)

- C. As at December 31, 2023 and 2022, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the financial assets at fair value through other comprehensive income held by the Company amounted to \$2,517,757 and \$2,517,757, respectively.
- D. The Company has no financial assets at fair value through other comprehensive income pledged to others as collateral.
- E. Information relating to fair value of financial assets at fair value through other comprehensive income is provided in Note 12(3).

(4) Investments accounted for under the equity method

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
WT Microelectronics Co., Ltd. (WT)	\$ 11,016,733	\$ 11,952,982
World Peace Industrial Co., Ltd.	30,415,934	31,911,580
Yosun Industrial Corp.	13,379,904	13,939,256
Silicon Application Corp.	8,761,469	9,595,680
Asian Information Technology Inc.	7,739,754	7,841,571
WPG International (CI) Limited	7,851,870	8,343,376
WPG Investment Co., Ltd.	2,143,475	1,984,564
Trigold Holdings Ltd.	1,282,468	1,271,553
WPG Korea Co., Ltd.	587,445	757,261
WPG Electronics Ltd.	334,185	35,141
WPG Electronics (Hong Kong) Limited	525,209	816,630
WPG South Asia Pte. Ltd.	2,124,839	1,156,440
WPG EMEA B.V.	13,788	82,290
	<u>\$ 86,177,073</u>	<u>\$ 89,688,324</u>

A. The basic information on the associate that is material to the Company is as follows:

Company name	Principal place of business	Shareholding ratio		Nature of relationship	Method of measurement
		December 31, 2023	December 31, 2022		
WT	Taiwan	15.44%	20.05%	Holding at least 20% of the voting rights	Equity method

The summarized financial information of the associate that is material to the Company is as follows:

Balance sheet

	WT	
	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Current assets	\$ 238,746,945	\$ 183,649,584
Non-current assets	25,687,740	15,994,600
Current liabilities	(177,888,805)	(124,816,197)
Non-current liabilities	(15,350,515)	(20,411,652)
Total net assets	<u>\$ 71,195,365</u>	<u>\$ 54,416,335</u>
Adjustments on fair value of other intangible and tangible assets	<u>160,171</u>	<u>125,590</u>
Total net assets after adjustments	<u>\$ 71,355,536</u>	<u>\$ 54,541,925</u>
Share in associate's net assets	\$ 10,175,098	\$ 10,865,811
Goodwill (Note)	<u>841,635</u>	<u>1,087,171</u>
Carrying amount of the associate	<u>\$ 11,016,733</u>	<u>\$ 11,952,982</u>

Note: In February 2020, the Company held 29.9% equity interest in WT through public tender offer. However, WT increased its capital by issuing new shares in order to

exchange shares with ASMedia Technology Inc., and the effective date for this share exchange was set on April 21, 2020. The Company did not subscribe the shares proportionately to its equity interest.

In addition, the Board of Directors of the Company resolved to dispose certain equity interest in WT in the amount of 40,000 thousand shares in November 2023, and the proceeds from disposal amounted to \$5,052,400. For the year ended December 31, 2023, the Company recognized gain on disposal of investments amounting to \$2,437,325, and derecognized exchange differences on translation of foreign financial statements, capital surplus and unrealised gains or losses on financial assets at fair value through other comprehensive income proportionately to its equity interest amounting to \$219,378, \$265,624 and \$220,760, respectively.

The convertible bonds WT issued were converted to common stock, and WT issued employees' stock option certificate and purchased treasury shares, however, the Company did not subscribe the shares proportionately to its equity interest.

As stated above, the Company's shareholding ratio in WT decreased to 15.44%, and its capital surplus increased by \$70,684 as the Company did not subscribe to the capital increase proportionately to its equity interest. The Company obtained purchase price allocation report issued by an independent appraisal firm for goodwill which arose from acquiring the Company's equity interest.

Statement of comprehensive income

	WT	
	Years ended December 31,	
	2023	2022
Revenue	\$ 594,518,813	\$ 571,197,118
Profit for the year from continuing operations	3,786,534	7,408,064
Other comprehensive income (loss), net of tax	10,914,983	(7,069,962)
Total comprehensive income for the year	\$ 14,701,517	\$ 338,102
Dividends received from associates	\$ 761,196	\$ 888,183

B. The fair value of the Company's material associate with quoted market price is as follows:

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
WT Microelectronics Co., Ltd.	\$ 15,424,875	\$ 10,821,421

C. There was no impairment on investments accounted for under the equity method for the years ended December 31, 2023 and 2022.

D. Details of the Company's subsidiaries are provided in Note 4(3) in the Company's 2023 consolidated financial statements.

(5) Property, plant and equipment

	<u>Land</u>	<u>Buildings and structures</u>	<u>Office equipment</u>	<u>Leasehold improvements</u>	<u>Total</u>
<u>Cost</u>					
At January 1, 2023	\$ 4,306,130	\$ 2,529,449	\$ 253,913	\$ 927	\$ 7,090,419
Additions	-	300	4,834	714	5,848
At December 31, 2023	<u>\$ 4,306,130</u>	<u>\$ 2,529,749</u>	<u>\$ 258,747</u>	<u>\$ 1,641</u>	<u>\$ 7,096,267</u>
<u>Accumulated depreciation</u>					
At January 1, 2023	\$ -	\$ 253,678	\$ 141,402	\$ 927	\$ 396,007
Depreciation charge	-	119,585	34,077	115	153,777
At December 31, 2023	<u>\$ -</u>	<u>\$ 373,263</u>	<u>\$ 175,479</u>	<u>\$ 1,042</u>	<u>\$ 549,784</u>
Closing net book amount as at December 31, 2023	<u>\$ 4,306,130</u>	<u>\$ 2,156,486</u>	<u>\$ 83,268</u>	<u>\$ 599</u>	<u>\$ 6,546,483</u>

	<u>Land</u>	<u>Buildings and structures</u>	<u>Office equipment</u>	<u>Leasehold improvements</u>	<u>Construction in progress and equipment to be tested</u>	<u>Total</u>
<u>Cost</u>						
At January 1, 2022	\$ 4,306,130	\$ 2,527,876	\$ 254,937	\$ 1,046	\$ 38,209	\$ 7,128,198
Additions	-	1,573	11,597	-	38,628	51,798
Disposals	-	-	(12,621)	(119)	-	(12,740)
Transfer (Note)	-	-	-	-	(76,837)	(76,837)
At December 31, 2022	<u>\$ 4,306,130</u>	<u>\$ 2,529,449</u>	<u>\$ 253,913</u>	<u>\$ 927</u>	<u>\$ -</u>	<u>\$ 7,090,419</u>
<u>Accumulated depreciation</u>						
At January 1, 2022	\$ -	\$ 134,136	\$ 119,550	\$ 1,046	\$ -	\$ 254,732
Depreciation charge	-	119,542	34,473	-	-	154,015
Disposals	-	-	(12,621)	(119)	-	(12,740)
At December 31, 2022	<u>\$ -</u>	<u>\$ 253,678</u>	<u>\$ 141,402</u>	<u>\$ 927</u>	<u>\$ -</u>	<u>\$ 396,007</u>
Closing net book amount as at December 31, 2022	<u>\$ 4,306,130</u>	<u>\$ 2,275,771</u>	<u>\$ 112,511</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,694,412</u>

Note: Construction in progress and equipment to be tested were transferred to investment property.

A. Amount of borrowing costs capitalized as part of property, plant and equipment and the range of the interest rates for such capitalization are as follows:

	<u>Year ended December 31, 2022</u>
Amount capitalized	<u>\$ 439</u>
Range of the interest rates for capitalization	<u>0.94%~1.05%</u>

December 31, 2023: None.

B. Information on property, plant and equipment that were pledged to others as collateral is provided in Note 8.

(6) Leasing arrangements-lessee

A. The Company leases various assets including business vehicles, multifunction printers, engine room and parking space. Rental contracts are made for periods of 1 to 25 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose covenants, but leased assets may not be used as security for borrowing purposes.

B. The carrying amounts of right-of-use assets are as follows:

	Buildings and structures (office)	Transportation equipment (Business vehicles)	Office equipment (multifunction printers and engine room)	Others (parking space)	Total
<u>Cost</u>					
At January 1, 2023	\$ -	\$ 10,431	\$ 67,705	\$ 15,584	\$ 93,720
Additions	2,881	-	563	5,110	8,554
Modification	-	-	(287)	-	(287)
Disposals	-	(2,875)	-	(15,584)	(18,459)
At December 31, 2023	<u>\$ 2,281</u>	<u>\$ 7,556</u>	<u>\$ 67,981</u>	<u>\$ 5,110</u>	<u>\$ 83,528</u>
<u>Accumulated depreciation</u>					
At January 1, 2023	\$ -	\$ 4,395	\$ 7,018	\$ 11,688	\$ 23,101
Depreciation charge	669	3,472	6,033	5,173	15,347
Disposals	-	(2,635)	-	(15,584)	(18,219)
At December 31, 2023	<u>\$ 669</u>	<u>\$ 5,232</u>	<u>\$ 13,051</u>	<u>\$ 1,277</u>	<u>\$ 20,229</u>
Closing net book amount as at December 31, 2023	<u>\$ 2,212</u>	<u>\$ 2,324</u>	<u>\$ 54,930</u>	<u>\$ 3,833</u>	<u>\$ 63,299</u>

	Transportation equipment (Business vehicles)	Office equipment (multifunction printers and engine room)	Others (parking space)	Total
<u>Cost</u>				
At January 1, 2022	\$ 13,945	\$ 76,863	\$ 15,584	\$ 106,392
Additions	2,692	8,743	-	11,435
Disposals	(6,206)	(17,901)	-	(24,107)
At December 31, 2022	<u>\$ 10,431</u>	<u>\$ 67,705</u>	<u>\$ 15,584</u>	<u>\$ 93,720</u>
<u>Accumulated depreciation</u>				
At January 1, 2022	\$ 7,083	\$ 18,043	\$ 6,493	\$ 31,619
Depreciation charge	3,518	6,876	5,195	15,589
Disposals	(6,206)	(17,901)	-	(24,107)
At December 31, 2022	<u>\$ 4,395</u>	<u>\$ 7,018</u>	<u>\$ 11,688</u>	<u>\$ 23,101</u>
Closing net book amount as at December 31, 2022	<u>\$ 6,036</u>	<u>\$ 60,687</u>	<u>\$ 3,896</u>	<u>\$ 70,619</u>

C. For the years ended December 31, 2023 and 2022, the additions to right-of-use assets were \$8,554 and \$11,435, respectively.

D. Information on profit or loss in relation to lease contracts is as follows:

	Years ended December 31	
	2023	2022
<u>Items affecting profit or loss</u>		
Interest expense on lease liabilities	\$ 977	\$ 1,045
Expense on short-term lease contracts	334	71
Expense on leases of low-value assets	79	-
Gain on lease modification	438	44

E. For the years ended December 31, 2023 and 2022, the Company's total cash outflow for leases were \$16,305 and \$16,164, respectively.

(7) Investment property

	Land	Buildings and structures	Total
<u>Cost</u>			
At January 1, 2023	\$ 1,337,619	\$ 352,318	\$ 1,689,937
Additions	-	3,900	3,900
At December 31, 2023	<u>\$ 1,337,619</u>	<u>\$ 356,218</u>	<u>\$ 1,693,837</u>
<u>Accumulated depreciation</u>			
At January 1, 2023	\$ -	\$ 66,804	\$ 66,804
Depreciation charge	-	22,195	22,195
At December 31, 2023	<u>\$ -</u>	<u>\$ 88,999</u>	<u>\$ 88,999</u>
Closing net book amount as at December 31, 2023	<u>\$ 1,337,619</u>	<u>\$ 267,219</u>	<u>\$ 1,604,838</u>

	Land	Buildings and structures	Total
<u>Cost</u>			
At January 1, 2022	\$ 1,337,619	\$ 265,859	\$ 1,603,478
Additions	-	9,622	9,622
Transfers (Note)	-	76,837	76,837
At December 31, 2022	<u>\$ 1,337,619</u>	<u>\$ 352,318</u>	<u>\$ 1,689,937</u>
<u>Accumulated depreciation</u>			
At January 1, 2022	\$ -	\$ 56,421	\$ 56,421
Depreciation charge	-	10,383	10,383
At December 31, 2022	<u>\$ -</u>	<u>\$ 66,804</u>	<u>\$ 66,804</u>
Closing net book amount as at December 31, 2022	<u>\$ 1,337,619</u>	<u>\$ 285,514</u>	<u>\$ 1,623,133</u>

Note: Construction in progress and equipment to be tested were transferred to investment property.

- A. Rental income from the lease of the investment property and direct operating expenses arising from the investment property are shown below:

	Years ended December 31,	
	2023	2022
Rental income from the investment property (shown as “other income”)	\$ 36,036	\$ 28,671
Direct operating expenses arising from the investment property that generated rental income during the year	\$ 29,342	\$ 17,463

- B. The fair value of the investment property held by the Company as at December 31, 2023 and 2022 was \$1,817,400 and \$1,817,400, respectively. The fair value as of December 31, 2023 and 2022 was based on independent appraisers’ valuation, which was made using comparative method, weighted income approach and cost method. Comparison method is to compare the valuation target with similar property which is traded around the valuation period. Comparison method is categorized within Level 3 in the fair value hierarchy. Cost method is to calculate the fair value based on the price standard of Bulletin No. 4 issued by the National Federation of Real Estate Appraisers of the Republic of China. Valuations were made using the income approach with key assumptions as follows:

	December 31, 2023	December 31, 2022
Discount rate	2.23%~2.37%	2.23%~2.37%
Gross margin	0.82%~3.01%	0.82%~3.01%
Capitalization rate	-	-

- C. There is no impairment loss on investment property.
- D. For investment property pledged for guarantee, refer to Note 8.
- E. All of the Company’s investment property are leased to subsidiaries. The leasing period is from March 2012 to August 2032. Except for the aforementioned leasing transactions, there was no similar transactions to compare with. The prices and terms are determined in accordance with mutual agreement. Rent is collected monthly.

(8) Intangible assets

	Software	
	2023	2022
<u>Cost</u>		
At January 1	\$ 339,886	\$ 290,724
Additions	164,532	77,564
Disposals	-	(28,402)
At December 31	\$ 504,418	\$ 339,886

	Software	
	2023	2022
<u>Accumulated amortization</u>		
At January 1	\$ 260,796	\$ 218,603
Amortization charge	89,227	70,595
Disposals	-	(28,402)
At December 31	<u>\$ 350,023</u>	<u>\$ 260,796</u>

At December 31

Closing net book amount as at December 31	<u>\$ 154,395</u>	<u>\$ 79,090</u>

The details of amortization charge are as follows:

	Years ended December 31,	
	2023	2022
Operating costs	<u>\$ 89,227</u>	<u>\$ 70,595</u>

(9) Short-term borrowings

<u>Type of borrowings</u>	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Unsecured borrowings	<u>\$ 4,180,000</u>	<u>\$ 6,305,000</u>
Interest rate range	<u>1.88%~2%</u>	<u>1.56%~2.1%</u>

There was no collateral pledged for all types of short-term borrowings for all periods.

(10) Short-term notes and bills payable

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Commercial papers payable	\$ 1,100,000	\$ 600,000
Less: Unamortized discount	(462)	(1,056)
	<u>\$ 1,099,538</u>	<u>\$ 598,944</u>
Annual interest rates	<u>1.42%~1.45%</u>	<u>1.3%~1.84%</u>

The above mentioned notes and bills payable are guaranteed by financial institutions.

(11) Long-term borrowings

<u>Type</u>	<u>Period</u>	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Secured bank borrowings	2020/03/31~		
(Notes 1 and 5)	2041/08/26	\$ 6,232,000	\$ 6,232,000
Unsecured bank borrowings	2022/03/10~		
(Notes 2 to 4 and 6)	2025/07/11	4,300,000	4,625,973
Less: Current portion of long-term loan (Shown as 'other current liabilities')		(11,092)	(105,904)
		<u>\$ 10,520,908</u>	<u>\$ 10,752,069</u>
		<u>1.48%~1.99%</u>	<u>1.48%~1.99%</u>

Note 1: (a) The Company had entered into a long-term agreement for twenty years with a financial institution. The pledged assets are the Nangang new buildings with a

grace period of three years. The principal is payable in equal monthly installments starting from April 2023.

- (b) The interest rate is the index interest rate plus 0.34% from the borrowing day to March 31, 2022, and from March 31, 2022 onwards, the interest rate is the index rate plus 0.45%. Details of collateral for the long-term borrowings are provided in Note 8.

Note 2: The Company had entered into a long-term agreement for three years with a financial institution. The borrowing is payable in full at maturity in March 2023. The fixed interest rate is 1.43% from the borrowing day to March 10, 2022, and subsequently, the interest rate shall be the index interest rate plus 0.68% every three months from March 10, 2022. The Company terminated the agreement before the maturity and renewed the agreement on March 7, 2022. Details are provided in Note 3.

Note 3: The Company had entered into a long-term loan agreement for three years with a financial institution. The borrowing is payable in full at maturity in March 2025. The fixed interest rate is 1.48% from the borrowing day to March 11, 2024, and subsequently, the interest rate shall be the index interest rate plus 0.68% every three months from March 11, 2024.

Note 4: The Company had entered into a mid-term agreement for five years with a financial institution. The interest rate shall be the index interest rate plus 0.45% from the borrowing day. The principal is payable in equal monthly installments starting from October 2020.

Note 5: (a) The Company had entered into a long-term agreement for twenty years with a financial institution. The pledged assets are the Taoyuan plants with a grace period of three years. The principal is payable in equal monthly installments starting from September 2024.

- (b) The interest rate is the index interest rate plus 0.34% from the borrowing day to August 26, 2023, and from August 26, 2023 onwards, the interest rate shall be the index rate plus 0.45%. Details of collateral for the long-term borrowings are provided in Note 8.

Note 6: The Company had entered into a long-term loan agreement for three years with a financial institution. The borrowing is payable in full at maturity in July 2025. The fixed interest rate is 1.99% from the borrowing day to July 12, 2024, and subsequently, the interest rate shall be the index interest rate plus 0.68% every three months from July 12, 2024.

(12) Pensions

A. Defined benefit plan

(a) The Company has a defined benefit pension plan in accordance with the Labor Standards Law, covering all regular employees' service years prior to the enforcement of the Labor Pension Act on July 1, 2005 and service years thereafter of employees who chose to continue to be subject to the pension mechanism under the Law. Under the defined benefit pension plan, two units are accrued for each year of service for the first 15 years and one unit for each additional year thereafter, subject to a maximum of 45 units. Pension benefits are based on the number of units accrued and the average monthly salaries and wages of the last 6 months prior to retirement. The Company contributes monthly an amount equal to 2% of the employees' monthly salaries and wages to the retirement fund deposited with Bank of Taiwan, the trustee, under the name of the independent retirement fund committee. Also, the Company would assess the balance in the aforementioned labor pension reserve account by December 31, every year. If the account balance is not enough to pay the pension calculated by the aforementioned method to the employees expected to qualify for retirement in the following year, the Company will make contribution for the deficit by next March.

Effective January 1, 2010, the Company has funded defined benefit pension plan in accordance with the "Regulations on pensions of managers", covering all managers appointed by the Company. Under the defined benefit pension plan, one unit is accrued for each year of service, subject to a maximum of 45 units. Pension benefits are based on the number of units accrued and the remuneration per unit ratified during the appointed period.

(b) The amounts recognized in the balance sheet are as follows:

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Present value of defined benefit obligation	\$ 90,094	\$ 103,808
Fair value of plan assets	(41,774)	(27,395)
Net defined benefit liability (shown as 'other non-current liabilities')	<u>\$ 48,320</u>	<u>\$ 76,413</u>

(c) Movements in net defined benefit liability are as follows:

	<u>Present value of defined benefit obligation</u>	<u>Fair value of plan assets</u>	<u>Net defined benefit liability</u>
<u>Year ended December 31,</u>			
<u>2023</u>			
Balance at January 1	\$ 103,808	(\$ 27,395)	\$ 76,413
Current service cost	3,570	-	3,570
Interest expense (income)	<u>1,246</u>	<u>(329)</u>	<u>917</u>
	<u>108,624</u>	<u>(27,724)</u>	<u>80,900</u>
Remeasurements:			
Return on plan assets	-	(99)	(99)
Experience adjustments	<u>(18,530)</u>	<u>-</u>	<u>(18,530)</u>
	<u>(18,530)</u>	<u>(99)</u>	<u>(18,629)</u>
Pension fund contribution	<u>-</u>	<u>(13,951)</u>	<u>(13,951)</u>
Balance at December 31	<u>\$ 90,094</u>	<u>(\$ 41,774)</u>	<u>\$ 48,320</u>
	<u>Present value of defined benefit obligation</u>	<u>Fair value of plan assets</u>	<u>Net defined benefit liability</u>
<u>Year ended December 31,</u>			
<u>2022</u>			
Balance at January 1	\$ 77,868	(\$ 18,117)	\$ 59,751
Current service cost	3,666	-	3,666
Interest expense (income)	<u>545</u>	<u>(127)</u>	<u>418</u>
	<u>82,079</u>	<u>(18,244)</u>	<u>63,835</u>
Remeasurements:			
Return on plan assets	-	(1,325)	(1,325)
Change in financial assumptions	<u>(7,297)</u>	<u>-</u>	<u>(7,297)</u>
Experience adjustments	<u>31,920</u>	<u>-</u>	<u>31,920</u>
	<u>24,623</u>	<u>(1,325)</u>	<u>23,298</u>
Direct payments charged to Company's account	<u>(203)</u>	<u>-</u>	<u>(203)</u>
Benefits paid	<u>(2,691)</u>	<u>2,691</u>	<u>-</u>
Pension fund contribution	<u>-</u>	<u>(10,517)</u>	<u>(10,517)</u>
Balance at December 31	<u>\$ 103,808</u>	<u>(\$ 27,395)</u>	<u>\$ 76,413</u>

(d) The Bank of Taiwan was commissioned to manage the Fund of the Company's defined benefit pension plan in accordance with the Fund's annual investment and utilisation plan and the "Regulations for Revenues, Expenditures, Safeguard and Utilisation of the Labor Retirement Fund" (Article 6: The scope of utilisation for the Fund includes deposit in domestic or foreign financial institutions, investment in domestic or foreign listed, over-the-counter, or private placement equity securities, investment in domestic

or foreign real estate securitization products, etc.). With regard to the utilisation of the Fund, its minimum earnings in the annual distributions on the final financial statements shall be no less than the earnings attainable from the amounts accrued from two-year time deposits with the interest rates offered by local banks. If the earnings is less than aforementioned rates, government shall make payment for the deficit after being authorized by the Regulator. The Company has no right to participate in managing and operating that fund, hence the Company is unable to disclose the classification of plan asset fair value in accordance with IAS 19 paragraph 142. The composition of fair value of plan assets as of December 31, 2023 and 2022 is given in the Annual Labor Retirement Fund Utilisation Report announced by the government.

(e) The principal actuarial assumptions used were as follows:

	<u>Years ended December 31,</u>	
	<u>2023</u>	<u>2022</u>
Discount rate	<u>1.20%</u>	<u>1.20%</u>
Future salary increases	<u>3.00%</u>	<u>3.00%</u>

Assumptions regarding future mortality experience are set based on actuarial advice in accordance with published statistics and experience based on the 6th Taiwan Standard Ordinary Experience Mortality Table.

Because the main actuarial assumption changed, the present value of defined benefit obligation is affected. The analysis was as follows:

	<u>Discount rate</u>		<u>Future salary increases</u>	
	<u>Increase 1%</u>	<u>Decrease 1%</u>	<u>Increase 1%</u>	<u>Decrease 1%</u>
<u>December 31, 2023</u>				
Effect on present value of defined benefit obligation	(\$ <u>10,640</u>)	<u>\$ 10,920</u>	<u>\$ 7,496</u>	(\$ <u>7,340</u>)
<u>December 31, 2022</u>				
Effect on present value of defined benefit obligation	(\$ <u>14,024</u>)	<u>\$ 14,400</u>	<u>\$ 10,468</u>	(\$ <u>10,252</u>)

The sensitivity analysis above was arrived at based on one assumption which changed while the other conditions remain unchanged. In practice, more than one assumption may change all at once. The method of analysing sensitivity and the method of calculating net pension liability in the balance sheet are the same. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous period.

(f) Expected contributions to the defined benefit pension plan of the Company for the year ending December 31, 2024 amount to \$1,212.

(g) As of December 31, 2023, the weighted average duration of that retirement plan is 6 years.

B. Defined contribution plan

(a) Effective July 1, 2005, the Company has established a defined contribution pension plan (the “New Plan”) under the Labor Pension Act (the “Act”), covering all regular employees with R.O.C. nationality. Under the New Plan, the Company contributes monthly an amount based on not less than 6% of the employees’ monthly salaries and wages to the employees’ individual pension accounts at the Bureau of Labor Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment.

(b) The pension costs of the Company under the defined contribution pension plan for the years ended December 31, 2023 and 2022 were \$16,576 and \$13,082, respectively.

(13) Share capital

A. The Company’s authorized capital was \$25,000,000, of which certain shares can be issued as preference shares. The above authorized capital include \$500,000 reserved for employee stock option certificate, restricted stocks to employees, convertible preferred stock and convertible bonds. As of December 31, 2023, the paid-in capital was \$18,790,568 with a par value of \$10 (in dollars) per share. All proceeds from shares issued have been collected.

B. Movements in the number of the Company’s ordinary shares outstanding (in thousands of shares) for the years ended December 31, 2023 and 2022 are as follows:

	2023	2022
At January 1 and December 31	<u>1,679,057</u>	<u>1,679,057</u>

C. On June 28, 2019, the Board of Directors resolved to increase its capital by issuing 200 million shares of Class A preferred stocks at the price of \$50 (in dollars) per share with the effective date set on September 18, 2019 for repayment of borrowings to financial institutions and strengthening the Company’s working capital. The registration of issuance has been completed on October 3, 2019. The rights and obligations of the issuance are as follows:

(a) Expiration date: The Company’s Class A preferred stocks are perpetual but all or certain parts are callable at any time from the next day of five years after issuance at the actual issue price.

(b) Dividends: Dividends are calculated at 4% (five-year IRS rate: 0.605%+3.395%) per annum based on the issue price per share. The five-year IRS rate will be reset on the next business day of five years since issuance and every subsequent five years and the

pricing effective date for rate reset is two Taipei financial industry business days prior to the IRS rate reset date. The rate index, five-year IRS rate, is the arithmetic mean of five-year IRS rates appearing on Reuters pages “TAIFXIRS” and “COSMOS3” at 11:00 a.m. (Taipei time) on the relevant pricing effective date of rate reset. If such rate cannot be obtained, the Company will determine the rate based on the reasonable market price with good faith.

- (c) Dividend distribution: Dividends are distributed once per year in the form of cash. The current year’s earnings, if any, shall first be used to pay all taxes and offset prior years’ operating losses and then shall be set aside as legal reserve in accordance with the Articles of Incorporation and set aside as or reversed special reserve in accordance with the Articles of Incorporation or regulations of regulatory authority. The remaining amount, if any, shall be preferentially distributed as dividends of Class A preferred stocks.

The Company has discretion in dividend distribution of Class A preferred stocks. The Company could choose not to distribute dividends of preferred stocks when resolved by the stockholders, which would not be able to lead to default if the Company has no or has insufficient current year’s earnings for distribution or has other necessary considerations. In addition, the amounts of undistributed dividends or insufficient distributed dividends will not become deferred payments in future years when the Company has earnings.

- (d) Excess dividend distribution: Besides the aforementioned dividends, the stockholders of Class A preferred stocks could not participate in the distribution of cash and capitalized assets for common stocks derived from earnings and capital surplus.
- (e) Residual property distribution: The stockholders of Class A preferred stocks have priority over stockholders of common stocks in distributing the Company’s residual property but the limit is the amount calculated by shares of outstanding preferred stocks issued and the issue price when distributing.
- (f) Right to vote and be elected: The stockholders of Class A preferred stocks have no right to vote and be elected in the stockholders’ meeting of the Company but have right to vote in the stockholders’ meeting for stockholders of Class A preferred stocks only and stockholders’ meeting regarding unfavourable matters to rights and obligations of stockholders of Class A preferred stocks.
- (g) Conversion to common stocks: Class A preferred stocks could not be converted to common stocks and the stockholders of Class A preferred stocks could not request the Company to retire the preferred stocks they held.
- (h) The preemptive rights for stockholders of Class A preferred stocks are the same as of common stocks when the Company increases its capital by issuing new shares.

D. On September 18, 2020, the Board of Directors of the Company resolved to increase its capital by issuing series B preference shares, and the issuing price is tentatively set at NT\$50 per share, and the expected total issuance amounted to \$5,000,000. The capital increase was approved by the FSC on October 21, 2020. However, in consideration of preference shares' capital market and the Company's overall maximum benefits, the Board of Directors of WPG Holdings Limited resolved to revoke and cancel the proposed capital increase of series B preference shares. The cancellation was approved by the FSC on April 6, 2021.

(14) Capital surplus

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

B. Details of capital surplus - stock options are as follows:

	2023					
	Common stock <u>share premium</u>	Preferred stock share <u>premium</u>	Treasury share <u>transaction</u>	Recognized changes in subsidiaries' <u>equity</u>	Changes in associates' <u>net equity</u>	<u>Total</u>
January 1	\$ 19,387,285	\$7,994,638	\$ 45,177	\$ 14,619	\$1,192,197	\$28,633,916
Changes in equity of associates and joint ventures accounted for under equity method	-	-	-	-	83,083	83,083
Proceeds from disposal of investments accounted for using equity method	-	-	-	-	(265,624)	(265,624)
Changes in ownership interest in subsidiaries	-	-	-	(1,571)	-	(1,571)
December 31	<u>\$ 19,387,285</u>	<u>\$7,994,638</u>	<u>\$ 45,177</u>	<u>\$ 13,048</u>	<u>\$1,009,656</u>	<u>\$28,449,804</u>

	2022					
	Common stock share premium	Preferred stock share premium	Treasury share transaction	Recognized changes in subsidiaries' equity	Changes in associates' net equity	Total
January 1	\$ 19,387,285	\$7,994,638	\$ 45,177	\$ 13,856	\$1,283,542	\$28,724,498
Changes in equity of associates and joint ventures accounted for under equity method	-	-	-	-	(91,345)	(91,345)
Changes in ownership interest in subsidiaries	-	-	-	763	-	763
December 31	<u>\$ 19,387,285</u>	<u>\$7,994,638</u>	<u>\$ 45,177</u>	<u>\$ 14,619</u>	<u>\$1,192,197</u>	<u>\$28,633,916</u>

(15) Retained earnings

A. Under the Company's amended Articles of Incorporation, the current year's earnings, if any, shall be used to set aside as legal reserve, and set aside as special reserve in accordance with Article 41 of Securities and Exchange Act. The remainder, if any, to be appropriated shall be proposed by the Board of Directors. If cash dividends are distributed, they shall account for at least 20% of the total dividends distributed.

Employees of the Company's subsidiaries are entitled to receive the distribution of earnings. The terms shall be defined by the Board of Directors.

B. Legal reserve can only be used to cover accumulated losses or issue new shares or cash to shareholders in proportion to their share ownership, provided that the balance of the reserve exceeds 25% of the Company's paid-in capital.

C. In accordance with the regulations, the Company shall set aside special reserve from the debit balance on other equity items at the balance sheet date before distributing earnings. When debit balance on other equity items is reversed subsequently, the reversed amount could be included in the distributable earnings.

D. The appropriations of earnings for 2022 and 2021 had been resolved at the shareholders' meeting on May 31, 2023 and May 26, 2022. Details are summarized below:

	For the years ended December 31,			
	2022		2021	
	Amount	Dividend per share (in dollars)	Amount	Dividend per share (in dollars)
Legal reserve	\$ 1,057,538	\$ -	\$ 1,175,263	\$ -
(Reversal of)				
provision for				
special reserve	(6,448,219)	-	1,093,311	-
Cash dividends	6,464,369	3.85	5,876,699	3.50
Cash dividends of				
preference stock	400,000	2.00	400,000	2.00
	<u>\$ 1,473,688</u>		<u>\$ 8,545,273</u>	

The appropriations of 2022 earnings which had been resolved after meeting the statutory voting threshold via the electronic voting platform during the shareholders' meeting and by the shareholders at their meeting and the appropriations of 2021 earnings which had been resolved by the shareholders were in line with the appropriations resolved by the Board of Directors.

E. As of February 29, 2024, the appropriation of earnings for the year ended December 31, 2023 has not yet been proposed by the Board of Directors and resolved by the shareholders.

F. For the information relating to employees' compensation and directors' remuneration, please refer to Note 6(23).

(16) Other equity items

	2023			
	Investment measured at fair value through other comprehensive income	Currency translation	Other	Total
At January 1	(\$ 46,997)	(\$ 3,430,888)	\$ -	(\$3,477,885)
Revaluation-gross	20,505	-	-	20,505
Revaluation-subsiidiaries and associates	2,067,385	-	-	2,067,385
Revaluation transferred to retained earnings-subsiidiaries and associates	(236,112)	-	-	(236,112)
Cumulative translation differences:				
- The Company	-	(91,518)	-	(91,518)
- Tax on the Company	-	6,560	-	6,560
- Subsidiaries	-	(291,266)	-	(291,266)
- Associates	-	(123,902)	-	(123,902)
Other (Note)	-	-	(156,483)	(156,483)
At December 31	<u>\$ 1,804,781</u>	<u>(\$ 3,931,014)</u>	<u>(\$156,483)</u>	<u>(\$2,282,716)</u>

	2022		
	Investment measured at fair value through other comprehensive income	Currency translation	Total
At January 1	\$ 3,459,437	(\$ 13,385,541)	(\$ 9,926,104)
Revaluation-gross	(921,524)	-	(921,524)
Revaluation-subsidiaries and associates	(2,523,119)	-	(2,523,119)
Revaluation transferred to retained earnings-subsidiaries and associates	(61,791)	-	(61,791)
Cumulative translation differences:			
- The Company	-	408,704	408,704
- Tax on the Company	-	(9,023)	(9,023)
- Subsidiaries	-	8,628,323	8,628,323
- Associates	-	926,649	926,649
At December 31	(\$ 46,997)	(\$ 3,430,888)	(\$ 3,477,885)

Note: The subsidiary - Silicon Application Corporation made an agreement with the original shareholders of Vsell Enterprise Co., Ltd. to acquire the remaining 30% equity interest in Vsell Enterprise Co., Ltd. in March 2025 and June 2025, respectively. Therefore, the Group recognized put options of non-controlling interests amounting to \$156,483.

(17) Operating revenue

	Years ended December 31,	
	2023	2022
Investment revenues	\$ 5,949,218	\$ 10,397,341
Service revenue	1,705,123	1,751,743
	<u>\$ 7,654,341</u>	<u>\$ 12,149,084</u>

(18) Interest income

	Years ended December 31,	
	2023	2022
Interest income from bank deposits	\$ 2,562	\$ 326
Others	59	40
	<u>\$ 2,621</u>	<u>\$ 366</u>

(19) Other income

	Years ended December 31,	
	2023	2022
Dividend income	\$ 264,826	\$ 294,232
Rental revenue	40,541	32,102
Other income	4,573	6,119
	<u>\$ 309,940</u>	<u>\$ 332,453</u>

(20) Other gains and losses

	Years ended December 31,	
	2023	2022
Currency exchange loss	(\$ 25,821)	(\$ 2,945)
Gain arising from lease modifications	438	44
Depreciation on investment property	(22,195)	(10,383)
Gain (loss) on financial assets and liabilities at fair value through profit or loss	38,941	(3,553)
Gain on disposal of investments	2,438,916	932
Other losses	(7,225)	(12,899)
	<u>\$ 2,423,054</u>	<u>(\$ 28,804)</u>

(21) Finance costs

	Years ended December 31,	
	2023	2022
Interest expense:		
Bank borrowings	\$ 318,192	\$ 235,734
Less: Capitalization of qualifying assets	-	(439)
Lease liabilities	977	1,045
Others	4,275	2,995
	<u>\$ 323,444</u>	<u>\$ 239,335</u>

(22) Additional information on expenses by nature

	Years ended December 31,	
	2023	2022
Employee benefit expense	<u>\$ 789,538</u>	<u>\$ 833,493</u>
Depreciation charges		
Property, plant and equipment	\$ 153,777	\$ 154,015
Investment property	22,195	10,383
Right-of-use assets	15,347	15,589
	<u>\$ 191,319</u>	<u>\$ 179,987</u>
Amortization charges on intangible assets	<u>\$ 89,227</u>	<u>\$ 70,595</u>

(23) Employee benefit expense

	Years ended December 31,	
	2023	2022
Wages and salaries	\$ 647,726	\$ 701,995
Directors' remuneration	47,608	49,256
Labor and health insurance fees	40,258	35,220
Pension costs	21,063	17,166
Other personnel expenses	32,883	29,856
	<u>\$ 789,538</u>	<u>\$ 833,493</u>

A. According to the Articles of Incorporation of the Company, a ratio of profit of the current year distributable, after covering accumulated losses, shall be distributed as employees'

compensation and directors' remuneration. The ratio shall be between 0.01%~5% for employees' compensation and shall not be higher than 3% for directors' remuneration.

- B. The Company established the audit committee, therefore, there was no remuneration paid to supervisors for the years ended December 31, 2023 and 2022.
- C. The Company's salary and remuneration policy:

(a) The overall remuneration structure of the Company's remuneration policy is based on two types: "guaranteed minimum income" and "incentive bonus". The guaranteed minimum income is for employees' basic financial needs, and the incentive bonus is an actual reward to encourage employee performance. The sum of two types of remuneration is employees' total salary income provided by the Company. The proportion of guaranteed income is relatively high for employees with lower ranks, whereas the proportion of incentive bonus is relatively high for employees with higher ranks. In addition, salary payments are implemented in accordance with the company's remuneration policy, with no difference between genders, in order to uphold the spirit of gender equality.

(b) Directors' remuneration is specified in the Company's Articles of Incorporation and approved by the shareholders. Under the Company's Articles of Incorporation, the Company shall pay rewards to the Company's directors when they acted their owned responsibilities on behalf of the Company no matter whether the Company had operating deficits. The determination of the reward to directors was authorised to the Board of Directors based on their participation frequency in the Company's operation and contribution to the Company's operation taking into consideration the pay level within the domestic and foreign industries. A reasonable remuneration to independent directors can be higher than non-independent directors. If the Company has earnings, if any, shall be distributed as directors' remuneration under the Company's Articles of Incorporation. Managers' salary has highly relevant with the Company's operating result and performance. Managers' salary is determined based on performance assessment made by the remuneration committee, taking into consideration the pay level within the same industry.

(c) The Company's managers also serve as the Company's directors, and the monthly salary is determined based on directors' salary and remuneration policy.

- D. For the years ended December 31, 2023 and 2022, employees' compensation was accrued at \$28,483 and \$77,100, respectively; while directors' remuneration was accrued at \$48,608 and \$53,000, respectively. The aforementioned amounts were recognized in salary expenses.

The employees' compensation and directors' remuneration were accrued based on the profit of current year distributable for the year ended December 31, 2023, and the percentage as prescribed by the Company's Articles of Incorporation. As of February 29, 2024, the amount has not yet been resolved by the Board of Directors.

For 2022, the employees' compensation and directors' remuneration resolved by the Board

of Directors during its meeting on March 28, 2023 amounted to \$48,110 and \$52,000, respectively, and the employees' compensation and directors' remuneration recognized in the 2022 financial statements amounted to \$77,100 and \$53,000, respectively. The difference of \$28,990 and \$1,000 between the amounts resolved by the Board of Directors and the amounts recognized in the 2022 financial statements, mainly resulting from the increase in employees' compensation and decrease in directors' remuneration, had been adjusted in profit or loss in the first quarter of 2023. The employees' compensation was distributed in the form of cash.

- E. Information about employees' compensation and directors' remuneration of the Company as resolved by the Board of Directors and shareholders will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

(24) Income tax

A. Income tax expense

(a) Components of income tax expense:

	<u>Years ended December 31,</u>	
	<u>2023</u>	<u>2022</u>
Current tax:		
Current tax on profits for the year	(\$ 39,885)	\$ 7,059
Prior year income (over) under estimation	(3,746)	958
Tax on undistributed surplus earnings	<u>455,092</u>	<u>160,368</u>
Total current tax	<u>411,461</u>	<u>168,385</u>
Deferred tax		
Origination and reversal of temporary differences	(<u>37,318</u>)	(<u>4,048</u>)
Income tax expense	<u>\$ 374,143</u>	<u>\$ 164,337</u>

- (b) The income tax (charge)/credit relating to components of other comprehensive loss (income) is as follows:

	<u>Years ended December 31,</u>	
	<u>2023</u>	<u>2022</u>
Currency translation differences	\$ 6,560	\$ 9,023
Remeasurement of defined benefit obligation	(<u>3,726</u>)	(<u>4,660</u>)
	<u>\$ 2,834</u>	<u>\$ 4,363</u>

B. Reconciliation between income tax expense and accounting profit

	Years ended December 31,	
	2023	2022
Tax calculated based on profit before tax and statutory tax rate	\$ 1,696,710	\$ 2,135,360
Effects from items disallowed by tax regulation	(1,773,913)	(2,132,349)
Prior year income (over) under estimation	(3,746)	958
Tax on undistributed surplus earnings	455,092	160,368
Income tax expense	<u>\$ 374,143</u>	<u>\$ 164,337</u>

C. Amounts of deferred tax assets or liabilities as a result of temporary differences are as follows:

Year ended December 31, 2023				
	January 1	Recognized in profit or loss	Recognized in other comprehensive income	December 31
Temporary differences:				
-Deferred tax assets:				
Investment loss	\$ 28,038	\$ 72,450	\$ -	\$ 100,488
Pension	10,822	(2,625)	(3,726)	4,471
Currency translation adjustments	<u>11,376</u>	<u>-</u>	<u>6,560</u>	<u>17,936</u>
	<u>50,236</u>	<u>69,825</u>	<u>2,834</u>	<u>122,895</u>
-Deferred tax liabilities:				
Investment income	(86,902)	(26,333)	-	(113,235)
Unrealized gains on valuation of foreign listed stocks	<u>1,697</u>	<u>(6,174)</u>	<u>-</u>	<u>(4,477)</u>
	<u>(85,205)</u>	<u>(32,507)</u>	<u>-</u>	<u>(117,712)</u>
	<u>(\$ 34,969)</u>	<u>\$ 37,318</u>	<u>\$ 2,834</u>	<u>\$ 5,183</u>
Year ended December 31, 2022				
	January 1	Recognized in profit or loss	Recognized in other comprehensive income	December 31
Temporary differences:				
-Deferred tax assets:				
Investment loss	\$ 9,270	\$ 18,768	\$ -	\$ 28,038
Pension	8,190	(2,028)	4,660	10,822
Currency translation adjustments	<u>20,399</u>	<u>-</u>	<u>(9,023)</u>	<u>11,376</u>
	<u>37,859</u>	<u>16,740</u>	<u>(4,363)</u>	<u>50,236</u>
-Deferred tax liabilities:				
Investment income	(73,908)	(12,994)	-	(86,902)
Unrealized gains on valuation of foreign listed stocks	<u>1,395</u>	<u>302</u>	<u>-</u>	<u>1,697</u>
	<u>(72,513)</u>	<u>(12,692)</u>	<u>-</u>	<u>(85,205)</u>
	<u>(\$ 34,654)</u>	<u>\$ 4,048</u>	<u>(\$ 4,363)</u>	<u>(\$ 34,969)</u>

D. As of February 29, 2024, the Company's income tax returns through 2018 have been assessed and approved by the Tax Authority.

(25) Earnings per share

Year ended December 31, 2023			
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 8,109,407		
Less: Dividends of preference stock	(400,000)		
Profit used to calculate basic earnings per share/weighted-average number of shares	<u>\$ 7,709,407</u>	<u>1,679,057</u>	<u>\$ 4.59</u>
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 8,109,407		
Less: Dividends of preference stock	(400,000)		
Profit used to calculate basic earnings per share/weighted-average number of shares	7,709,407	1,679,057	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	585	
Profit used to calculate diluted earnings per share/weighted-average number of shares	<u>\$ 7,709,407</u>	<u>1,679,642</u>	<u>\$ 4.59</u>
Year ended December 31, 2022			
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 10,512,466		
Less: Dividends of preference stock	(400,000)		
Profit used to calculate basic earnings per share/weighted-average number of shares	<u>\$ 10,112,466</u>	<u>1,679,057</u>	<u>\$ 6.02</u>
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 10,512,466		
Less: Dividends of preference stock	(400,000)		
Profit used to calculate basic earnings per share/weighted-average number of shares	10,112,466	1,679,057	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	1,902	
Profit used to calculate diluted earnings per share/weighted-average number of shares	<u>\$ 10,112,466</u>	<u>1,680,959</u>	<u>\$ 6.02</u>

(26) Supplemental cash flow information

Partial payment of cash from investing activities:

	<u>Years ended December 31,</u>	
	<u>2023</u>	<u>2022</u>
Acquisition of property, plant and equipment, investment property and intangible assets	\$ 174,280	\$ 138,984
Add: Accounts payable at the beginning of the year	18,312	46,632
Less: Accounts payable at the end of year	(88,746)	(18,312)
Cash paid during the year	<u>\$ 103,846</u>	<u>\$ 167,304</u>

(27) Changes in liabilities from financing activities

	<u>Short-term borrowings</u>	<u>Short-term notes and bills payable</u>	<u>Long-term borrowings (Note)</u>	<u>Lease liabilities</u>	<u>Liabilities from financing activities-gross</u>
At January 1, 2023	\$ 6,305,000	\$ 598,944	\$10,857,973	\$ 68,015	\$ 17,829,932
Changes in cash flow from financing activities	(2,125,000)	500,594	(325,973)	(14,915)	(1,965,294)
Others	-	-	-	8,023	8,023
At December 31, 2023	<u>\$ 4,180,000</u>	<u>\$ 1,099,538</u>	<u>\$10,532,000</u>	<u>\$ 61,123</u>	<u>\$ 15,872,661</u>
	<u>Short-term borrowings</u>	<u>Short-term notes and bills payable</u>	<u>Long-term borrowings (Note)</u>	<u>Lease liabilities</u>	<u>Liabilities from financing activities-gross</u>
At January 1, 2022	\$ 5,595,000	\$ 1,369,303	\$ 9,662,592	\$ 71,672	\$ 16,698,567
Changes in cash flow from financing activities	710,000	(770,359)	1,195,381	(15,048)	1,119,974
Others	-	-	-	11,391	11,391
At December 31, 2022	<u>\$ 6,305,000</u>	<u>\$ 598,944</u>	<u>\$10,857,973</u>	<u>\$ 68,015</u>	<u>\$ 17,829,932</u>

Note: Including long-term borrowings-current portion less unamortized discounts.

7. RELATED PARTY TRANSACTIONS

(1) Parent and ultimate controlling party

The Company's shares are widely held so the Company has no ultimate parent and ultimate controlling party.

(2) Name of related parties and relationship

<u>Names of related parties</u>	<u>Relationship with the Company</u>
World Peace Industrial Co., Ltd. (World Peace Industrial)	Subsidiary
Silicon Application Corporation (Silicon Application)	"
Asian Information Technology Inc. (Asian Information Technology)	"
WPG International (CI) Limited	"
WPG Electronic Ltd.	"

<u>Names of related parties</u>	<u>Relationship with the Company</u>
WPG Electronics (Hong Kong) Limited	Subsidiary
WPG China (SZ) Inc. (China (SZ))	"
WPG China Inc. (China (SH))	"
WPG Korea Co., Ltd.	"
Yosun Industrial Corp. (Yosun Industrial)	"
Trigold Holdings Limited (Trigold)	"
WPG Investment Co., Ltd. (WPG Investment)	"
WPG South Asia Pte. Ltd.	"
WPG EMEA B.V.	"
WPI International (Hong Kong) Limited	"
WPG SCM Limited	"
Pernas Electronic Co., Ltd	"
Genuine C&C, Inc.	"
WT Microelectronics Co., Ltd. (WT)	Investments accounted for using equity method of the Company
AutoSys Co., Ltd.	Subsidiary accounted for under equity method of the Company's subsidiary
WPG Holdings Education Foundation	One third of paid-in-capital was granted by the Company
Taiwan Industrial Holding Association	The chairman of association and chairman of the Group are the same

(3) Significant transactions and balances with related parties

A. Service revenue

	<u>Years ended December 31,</u>	
	<u>2023</u>	<u>2022</u>
Subsidiaries		
World Peace Industrial	\$ 858,060	\$ 945,392
Yosun Industrial	306,253	311,693
Silicon Application	237,510	231,589
Asian Information Technology	268,734	232,683
Others	34,566	30,386
	<u>\$ 1,705,123</u>	<u>\$ 1,751,743</u>

Service revenue arose from providing administrative resources and managing services to subsidiaries. Prices and terms are determined in accordance with mutual agreement.

B. Service cost

	<u>Years ended December 31,</u>	
	<u>2023</u>	<u>2022</u>
Subsidiaries	<u>\$ 56,106</u>	<u>\$ 89,446</u>

Service cost pertains to payments paid to subsidiaries for administrative resources and management services for engine room use. Prices and terms are determined in accordance with mutual agreement, and cost is paid at the end of the following month.

C. Accounts receivable

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Subsidiaries		
World Peace Industrial	\$ 59,852	\$ 115,482
Silicon Application	22,530	24,302
Yosun Industrial	15,518	39,990
Asian Information Technology	27,469	15,186
Others	1,361	3,677
	<u>\$ 126,730</u>	<u>\$ 198,637</u>

D. Other receivables

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Subsidiaries		
World Peace Industrial	\$ 44,057	\$ 326,421
Asian Information Technology	140,763	62,721
Silicon Application	1	50,221
Yosun Industrial	81,000	120,559
Others	5,812	5,982
	<u>\$ 271,633</u>	<u>\$ 565,904</u>

Other receivables represent receipts under custody, payment on behalf of others and collections from subsidiaries for filing consolidated tax returns.

E. Other payables

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Subsidiaries		
Silicon Application Corporation	\$ 20,365	\$ -
China (SZ)	5,677	5,803
World Peace Industrial	110	128
China (SH)	1,395	1,434
Yosun Industrial	603	603
Others	1,612	1,693
	<u>\$ 29,762</u>	<u>\$ 9,661</u>

The above represents payables to subsidiaries arising from payments on behalf of others and management service.

F. Acquisition of other assets

(a) On November 8, 2022, for the Group's strategic development and long-term arrangement, the Board of Directors resolved to conduct an organisation restructuring, and thus the Company acquired 100% of equity interest in WPG Electronics (Hong Kong) Limited from the subsidiary, WPG International (CI) Limited. The transaction

amount was USD 25,891 thousand (shown as ‘other payables to related parties’ of \$799,765). The equity transfer of aforementioned transaction had been completed on December 1, 2022.

- (b) On November 8, 2022, for the Group’s strategic development and long-term arrangement, the Board of Directors resolved to conduct an organisation restructuring, and thus the Company acquired 100% of equity interest in WPG South Asia Pte. Ltd. from the subsidiary, WPG International (CI) Limited. The transaction amount was USD 36,140 thousand (shown as ‘other payables to related parties’ of \$1,116,369). The equity transfer of aforementioned transaction had been completed on December 1, 2022.

G. Lease transactions - lessor

Refer to Note 6(6) for details.

H. Endorsements and guarantees provided to related parties

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Subsidiaries		
World Peace Industrial	<u>\$ 86,058</u>	<u>\$ 90,770</u>

I. Others

- (a) For the years ended December 31, 2023 and 2022, the amount of the Company’s donations to other related parties were \$8,670 and \$8,650, respectively.

- (b) To meet subsidiaries’ operating requirements, the Company increased its capital in the subsidiaries, WPG Electronics Limited and WPG South Asia Pte. Ltd., amounting to \$290,800 and \$705,027 for the year ended December 31, 2023, respectively.

December 31, 2022: None.

- (c) To meet subsidiaries’ operating requirements, the Company increased its capital in the subsidiary, WPG Korea Co., Ltd., amounting to \$85,665 for the year ended December 31, 2022.

December 31, 2023: None.

(4) Key management compensation

	<u>Years ended December 31,</u>	
	<u>2023</u>	<u>2022</u>
Short-term employee benefits	\$ 213,520	\$ 279,867
Post-employment benefits	3,047	3,504
	<u>\$ 216,567</u>	<u>\$ 283,371</u>

8. PLEDGED ASSETS

<u>Pledged asset</u>	<u>December 31, 2023</u>	<u>December 31, 2022</u>	<u>Purpose</u>
Investments accounted for under the equity method	\$ 91,853	\$ 85,043	Subsidiary's guarantee for payment on purchases
Property, plant and equipment (including investment property)			
— Land	5,102,321	5,102,321	Collateral for long-term borrowings
— Buildings	2,277,029	2,409,325	"
	<u>\$ 7,471,203</u>	<u>\$ 7,596,689</u>	

9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED CONTRACT COMMITMENTS

(1) Contingencies

None.

(2) Commitments

A. Information on endorsement/guarantee is provided in Note 7(3).

B. As of December 31, 2023, the remaining payments for the contract of non-fixed car park the Company entered into amounted to \$43,800.

C. As of December 31, 2023, the unpaid payment arising from the service contracts signed for computer facilities, internet and information security maintenances amounted to \$52,290.

10. SIGNIFICANT DISASTER LOSS

None.

11. SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

None.

12. OTHERS

(1) Capital risk management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or manage operating capital effectively to reduce debt.

(2) Financial instruments

A. Financial instruments by category

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
<u>Financial assets</u>		
Financial assets measured at fair value through profit or loss		
Financial assets mandatorily measured at fair value through profit or loss	<u>\$ 556,299</u>	<u>\$ 555,992</u>
Financial assets at fair value through other comprehensive income		
Designation of equity instrument	<u>\$ 2,732,067</u>	<u>\$ 2,711,562</u>
Financial assets at amortized cost		
Cash and cash equivalents	\$ 2,736,046	\$ 92,227
Accounts receivable - related parties	126,730	198,637
Other receivables (including related parties)	271,688	565,964
Guarantee deposits paid	<u>10,318</u>	<u>10,195</u>
	<u>\$ 3,144,782</u>	<u>\$ 867,023</u>
<u>Financial liabilities</u>		
Financial liabilities at amortized cost		
Short-term borrowings	\$ 4,180,000	\$ 6,305,000
Short-term notes and bills payable	1,099,538	598,944
Notes payable	2,749	229
Other payables (including related parties)	764,647	2,598,921
Long-term borrowings (including current portion)	10,532,000	10,857,973
Guarantee deposits received	<u>900</u>	<u>900</u>
	<u>\$ 16,579,834</u>	<u>\$ 20,361,967</u>
Lease liabilities	<u>\$ 61,123</u>	<u>\$ 68,015</u>

B. Risk management policies

- (a) The Company's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial position and financial performance.
- (b) Risk management is carried out by the central treasury department (Company treasury) under policies approved by the Board of Directors. The Company treasury identifies, evaluates and hedges financial risks in close cooperation with the Company's operating units. The Board provides written principles for overall risk management, as well as written policies covering specific areas and matters, such as foreign exchange risk,

interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

C. Significant financial risks and degrees of financial risks

(a) Market risk

Foreign exchange risk

- i. The Company operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the USD and KRW. Foreign exchange risk arises from future commercial transactions, recognized assets and liabilities and net investments in foreign operations.
- ii. The Company's businesses involve some non-functional currency operations (the Company's functional currency: NTD). The information on assets and liabilities denominated in foreign currencies whose values would be materially affected by the exchange rate fluctuations is as follows:

	December 31, 2023		
	Foreign currency amount		Book value
	(In thousands)	Exchange rate	(NTD)
(Foreign currency: functional currency)			
<u>Financial assets</u>			
<u>Non-monetary items</u>			
USD: NTD	\$ 344,570	30.71	\$ 10,580,024
KRW: NTD	24,668,666	0.024	587,445

	December 31, 2022		
	Foreign currency amount (In thousands)	Exchange rate	Book value (NTD)
(Foreign currency: functional currency)			
<u>Financial assets</u>			
<u>Non-monetary items</u>			
USD: NTD	\$ 338,559	30.71	\$ 10,397,152
KRW: NTD	31,249,676	0.024	757,262
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD: NTD	62,394	30.71	1,916,134

As of December 31, 2023 and 2022, there was no significant monetary financial assets. As of December 31, 2023, there was no significant monetary financial assets and liabilities.

- iii. Analysis of foreign currency market risk arising from significant foreign exchange variation:

	December 31, 2022		
	Degree of variation	Effect on profit or loss	Effect on other comprehensive income
(Foreign currency: functional currency)			
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD: NTD	1%	\$ 19,161	\$ -

December 31, 2023: None.

Price risk

- i. The Company's equity securities, which are exposed to price risk, are the held financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income. To manage its price risk arising from investments in equity securities, the Company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Company.
- ii. The Company's investments in equity securities comprise shares in the domestic and foreign companies. The prices of equity securities would change due to the change of the future value of investee companies. If the prices of these equity securities had increased/decreased by 1% with all other variables held constant, post-tax profit for the years ended December 31, 2023 and 2022 would have increased/decreased by \$5,563 and \$5,560, respectively, as a result of gains/losses on equity securities classified as at fair value through profit or loss. Other components of equity would have increased/decreased by \$27,321 and \$27,116, respectively, as a result of other comprehensive income classified as equity investment at fair value through other comprehensive income.

Cash flow and fair value interest risk

The Company's interest rate risk arises from short-term and long-term borrowings (including long-term liabilities due within a year) and short-term notes and bills payable. Borrowings and short-term notes payable issued at fixed rates expose the Company to fair value interest rate risk. The Company's borrowings were mainly in fixed rate. During the years ended December 31, 2023 and 2022, the Company's borrowings and commercial papers payable were mainly denominated in the NTD.

(b) Credit risk

- i. Credit risk refers to the risk of financial loss to the Company arising from default by the clients or counterparties of financial instruments on the contract obligations. The main factor is that counterparties could not repay in full the accounts receivable based on the agreed terms.
- ii. The Company manages its credit risk taking into consideration the entire company's concern. For banks and financial institutions, only independently rated parties with good credit quality are accepted. According to the Company's credit policy, the Company is responsible for managing and analyzing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. Internal risk control assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings. The utilisation of credit limits is regularly monitored.
- iii. Under IFRS 9, if the contract payments are past due over one month based on the terms, there has been a significant increase in credit risk on that instrument since initial recognition.
- iv. The default occurs when the contract payments are past due over 5 months.
- v. For the year ended December 31, 2023, no credit limits were exceeded during the reporting periods, and management does not expect any significant losses from non-performance by these counterparties.

(c) Liquidity risk

- i. Cash flow forecasting is performed in the operating entities of the Company. The treasury department monitors rolling forecasts of the liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Company does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities. Such forecasting takes into consideration the Company's debt financing plans and covenant compliance.
- ii. The table below analyses the Company's non-derivative financial liabilities and net-settled or gross-settled derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date for non-derivative financial liabilities and to the expected maturity date for derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows.

Non-derivative financial liabilities:

<u>December 31, 2023</u>	<u>Less than 1 year</u>	<u>Between 1 and 2 years</u>	<u>Between 2 and 5 years</u>	<u>Over 5 years</u>
Short-term borrowings	\$ 4,197,590	\$ -	\$ -	\$ -
Short-term notes and bills payable	1,100,000	-	-	-
Notes payable	2,749	-	-	-
Other payables	734,885	-	-	-
Other payables - related parties	29,762	-	-	-
Lease liabilities	12,383	5,383	11,239	38,986
Long-term borrowings (including current portion)	201,621	4,715,435	1,428,959	5,428,839

Non-derivative financial liabilities:

<u>December 31, 2022</u>	<u>Less than 1 year</u>	<u>Between 1 and 2 years</u>	<u>Between 2 and 5 years</u>	<u>Over 5 years</u>
Short-term borrowings	\$ 6,349,980	\$ -	\$ -	\$ -
Short-term notes and bills payable	600,000	-	-	-
Notes payable	229	-	-	-
Other payables	673,126	-	-	-
Other payables - related parties	1,925,795	-	-	-
Lease liabilities	13,663	7,546	12,344	42,161
Long-term borrowings (including current portion)	293,490	530,913	5,781,554	5,569,609

(3) Fair value information

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

Level 1: Input that are quoted prices (unadjusted) in active markets for identical assets or liabilities. A market is regarded as active if it meets all the following condition: the item traded in market are homogeneous; willing buyers and sellers can normally be found at any time; and price are available to the public. The fair value of the Company's investment in listed stocks is included in Level 1.

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

Level 3: Inputs for the asset and liability that are not based on observable market data. The fair value of the Company's investment in equity investment without active market is included in Level 3.

- B. Fair value information of investment property at cost is provided in Note 6(7).
- C. The carrying amounts of financial instruments not measured at fair value including cash and cash equivalents, accounts receivable - related parties, other receivables (including related parties), guarantee deposits paid, short-term borrowings, short-term notes and bills payable, notes payable, other payables (including related parties), lease liabilities (including current and non-current), long-term borrowings-current portion, long-term borrowings and guarantee deposits received are approximate to their fair values.
- D. The related information on financial and non-financial instruments measured at fair value by level on the basis of the nature, characteristics and risks of the assets and liabilities is as follows:

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

<u>December 31, 2023</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>Assets</u>				
<u>Recurring fair value measurements</u>				
Financial assets at fair value through profit or loss				
Equity securities	\$ 140,876	\$ -	\$ 415,423	\$ 556,299
Financial assets at fair value through other comprehensive income				
Equity securities	<u>2,732,067</u>	<u>-</u>	<u>-</u>	<u>2,732,067</u>
	<u>\$2,872,943</u>	<u>\$ -</u>	<u>\$ 415,423</u>	<u>\$3,288,366</u>

<u>December 31, 2022</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>Assets</u>				
<u>Recurring fair value measurements</u>				
Financial assets at fair value through profit or loss				
Equity securities	\$ 110,004	\$ -	\$ 445,988	\$ 555,992
Financial assets at fair value through other comprehensive income				
Equity securities	<u>2,711,562</u>	<u>-</u>	<u>-</u>	<u>2,711,562</u>
	<u>\$2,821,566</u>	<u>\$ -</u>	<u>\$ 445,988</u>	<u>\$3,267,554</u>

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

	<u>Listed shares</u>
Market quoted price	Closing price

- ii. Except for financial instruments with active markets, the fair value of other financial instruments is measured by using valuation techniques widely accepted in financial management.
 - iii. When assessing non-standard and low-complexity financial instruments, for example foreign exchange swap contracts, the Company adopts valuation technique that is widely used by market participants. The inputs used in the valuation method to measure these financial instruments are normally observable in the market.
 - iv. The output of valuation model is an estimated value and the valuation technique may not be able to capture all relevant factors of the Company's financial and non-financial instruments. Therefore, the estimated value derived using valuation model is adjusted accordingly with additional inputs. In accordance with the Company's management policies and relevant control procedures relating to the valuation models used for fair value measurement, management believes adjustment to valuation is necessary in order to reasonably represent the fair value of financial and non-financial instruments at the consolidated balance sheet. The inputs and pricing information used during valuation are carefully assessed and adjusted based on current market conditions.
 - v. The Company takes into account adjustments for credit risks to measure the fair value of financial and non-financial instruments to reflect credit risk of the counterparty and the Company's credit quality.
- E. For the years ended December 31, 2023 and 2022, there was no transfer from Level 1 to Level 2.
- F. Movements in Level 3 for the years ended December 31, 2023 and 2022 are as follows:

	Years ended December 31,	
	2023	2022
At January 1	\$ 445,988	\$ 525,581
Capital reduction	(22,290)	(77,551)
Disposal	(16,344)	-
Gains (losses) on valuation	8,069	(2,042)
At December 31	<u>\$ 415,423</u>	<u>\$ 445,988</u>

- G. Treasury segment is in charge of valuation procedures for fair value measurements being categorised within Level 3, which is to verify independent fair value of financial instruments. Such assessment is to ensure the valuation results are reasonable by applying independent information to make results close to current market conditions and frequently reviewed. Treasury segment set up valuation policies, valuation processes and rules for measuring fair value of financial instruments and ensure compliance with the related requirements in IFRS. The related valuation results are reported to management authority monthly. Management is

responsible for managing and reviewing valuation processes.

- H. The following is the qualitative information of significant unobservable inputs and sensitivity analysis of changes in significant unobservable inputs to valuation model used in Level 3 fair value measurement:

	<u>Fair value at December 31, 2023</u>	<u>Valuation technique</u>	<u>Significant unobservable input</u>	<u>Range (weighted average)</u>	<u>Relationship of inputs to fair value</u>
Non-derivative equity instrument:					
Equity without active market	\$ 415,423	Net asset value	Net asset value	-	The higher the net assets, the higher the fair value

	<u>Fair value at December 31, 2022</u>	<u>Valuation technique</u>	<u>Significant unobservable input</u>	<u>Range (weighted average)</u>	<u>Relationship of inputs to fair value</u>
Non-derivative equity instrument:					
Equity without active market	\$ 445,988	Net asset value	Net asset value	-	The higher the net assets, the higher the fair value

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

		<u>December 31, 2023</u>				
		<u>Recognized in profit or loss</u>		<u>Recognized in other comprehensive income</u>		
	<u>Input</u>	<u>Change</u>	<u>Favourable change</u>	<u>Unfavourable change</u>	<u>Favourable change</u>	<u>Unfavourable change</u>
Financial assets						
Equity instruments	Net asset value	± 1%	\$ 4,154	(\$ 4,154)	\$ -	\$ -

		<u>December 31, 2022</u>				
		<u>Recognized in profit or loss</u>		<u>Recognized in other comprehensive income</u>		
	<u>Input</u>	<u>Change</u>	<u>Favourable change</u>	<u>Unfavourable change</u>	<u>Favourable change</u>	<u>Unfavourable change</u>
Financial assets						
Equity instruments	Net asset value	± 1%	\$ 4,460	(\$ 4,460)	\$ -	\$ -

13. SUPPLEMENTARY DISCLOSURES

(1) Significant transactions information

- A. Loans to others: Refer to table 1.
- B. Provision of endorsements and guarantees to others: Refer to table 2.
- C. Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures): Refer to table 3.
- D. Aggregate purchases or sale of the same security with reaching \$300 million or 20% of the Company's paid-in capital: Refer to table 4.
- E. Acquisition of real estate reaching \$300 million or 20% of paid-in capital or more: None.
- F. Disposal of real estate reaching \$300 million or 20% of paid-in capital or more: None.
- G. Purchases or sales of goods from or to related parties reaching \$100 million or 20% of paid-in capital or more: Refer to table 5.
- H. Receivables from related parties reaching \$100 million or 20% of paid-in capital or more: Refer to table 6.
- I. Derivative financial instruments undertaken during the reporting periods: Refer to Notes 6(2) and 12(3).
- J. Significant inter-company transactions during the reporting periods: Refer to table 7.

(2) Information of investee companies

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

(3) Information on investments in Mainland China

- A. Basic information: Refer to table 9.
- B. Significant transactions, either directly or indirectly through a third area, with investee companies in the Mainland Area.
Any of the following significant transactions with investee companies in the Mainland Area, either directly or indirectly through a third area, and their prices, payment terms, and unrealized gains or losses: Information on significant transactions of the Company and subsidiary and investee company in Mainland China as of and for the year ended December 31, 2023 is provided in Note (1) J.

(4) Major shareholders information

Major shareholders information: Refer to table 10.

14. OPERATING SEGMENT INFORMATION

In accordance with IFRS 8, operating segment information is disclosed in the consolidated financial statements.

WPG HOLDINGS LIMITED
DETAILS OF CASH AND CASH EQUIVALENTS
DECEMBER 31, 2023
 (EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

Statement 1

<u>Items</u>	<u>Summary</u>	<u>Amount</u>
Checking accounts and demand deposits		\$ 2,698,029
Foreign currency deposits	USD 412,000,	
	exchange rate: 30.705	12,670
	JPY 116,700,000,	
	exchange rate: 0.2172	25,347
		<u>\$ 2,736,046</u>

WPG HOLDINGS LIMITED
MOVEMENT SUMMARY OF INVESTMENTS ACCOUNTED FOR UNDER EQUITY METHOD
YEAR ENDED DECEMBER 31, 2023
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

Statement 2

Investee	Type of investments	As of January 1, 2023		Additions (Note 2)		Deductions (Note 4)		As of December 31, 2023		Ownership as of December 31, 2023	Market value or net equity		
		No. of shares (Note 1)	Amount	No. of shares (Note 1)	Amount	No. of shares (Note 1)	Amount	No. of shares (Note 1)	Amount		Unit price (Note 3)	Market value or net equity	Guarantee
World Peace Industrial Co., Ltd.	Common stock	1,812,000	\$ 31,911,580	35,500	\$ 1,876,054	- (\$ 3,371,700)		1,847,500	\$ 30,415,934	100%	\$ 16.46	\$ 30,411,984	None
Silicon Application Corp.	Common stock	650,300	9,595,680	26,790	105,450	- (939,661)		677,090	8,761,469	100%	12.94	8,761,469	None
Trigold Holdings Limited	Common stock	59,195	1,271,553	-	82,581	- (71,666)		59,195	1,282,468	58.86%	27.20	1,610,109	None
WPG Electronic Ltd.	Common stock	3,920	35,141	29,080	299,044	-	-	33,000	334,185	100%	10.06	332,073	None
WPG Korea Co., Ltd.	Common stock	2,960	757,261	-	2,955	- (172,771)		2,960	587,445	100%	198.46	587,445	None
WPG International (CI) Limited	Common stock	150,283	8,343,376	-	1,595,768	(62,031) (2,087,274)		88,252	7,851,870	100%	89.72	7,917,769	None
Asian Information Technology Inc.	Common stock	612,089	7,841,571	30,940	1,059,508	- (1,161,325)		643,029	7,739,754	100%	12.04	7,739,754	None
WPG Investment Co., Ltd.	Common stock	210,000	1,984,564	-	166,539	- (7,628)		210,000	2,143,475	100%	10.21	2,143,475	Refer to Note 8
Yosun Industrial Corp.	Common stock	402,310	13,939,256	-	756,658	- (1,316,010)		402,310	13,379,904	100%	23.95	9,636,216	None
WPG EMEA B.V.	Common stock	5,000	82,290	-	958	- (69,460)		5,000	13,788	100%	2.76	13,788	None
WPG Electronics (Hong Kong) Limited	Common stock	234,082	816,630	-	4,347	- (295,768)		234,082	525,209	100%	2.24	525,209	None
WPG South Asia Pte. Ltd.	Common stock	34,119	1,156,440	29,917	1,009,460	- (41,061)		64,036	2,124,839	100%	33.16	2,123,257	None
WT Microelectronics Co., Ltd.	Common stock	177,110	<u>11,952,982</u>	-	<u>2,925,027</u>	(40,000) (<u>3,861,276</u>)		137,110	<u>11,016,733</u>	15.44%	112.50	15,424,875	None
			<u>\$ 89,688,324</u>		<u>\$ 9,884,349</u>	<u>(\$ 13,395,600)</u>			<u>\$ 86,177,073</u>				

Note 1: In thousands of shares.

Note 2: It mainly arose from new investments, gain on investments accounted for under equity method, cumulative translation adjustment, capital increase of subsidiary, increase in the number of shares from capital increase out of the subsidiary's earnings and accounts changes under the stockholders' equity of the subsidiary.

Note 3: Currency: NTD.

Note 4: It arose from disposal of investments, loss on investments accounted for under equity method, cash dividends paid by the subsidiaries, proceeds from capital reduction of subsidiary, cumulative translation adjustment and accounts changes under the stockholders' equity of the subsidiary.

WPG HOLDINGS LIMITED
SUMMARY OF SHORT-TERM LOANS
DECEMBER 31, 2023
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

Statement 3

Type of loans	Description	Ending balance	Loan period	Interest rate range	Pledge /collateral	Remark
Unsecured loans	Chang Hwa Bank Nankang Branch	\$ 1,080,000	July 28, 2023~April 15, 2024	1.90%	None	
"	Taiwan Cooperative Bank Dunnan					
	Branch	500,000	August 16, 2023~February 4, 2024	2.00%	"	
"	Mega International Commercial Bank					
	Nei Hu Branch	500,000	August 16, 2023~August 15, 2024	2.00%	"	
"	KGI Bank	500,000	October 18, 2023~February 7, 2024	1.88%	"	
"	Bank SinoPac Taipei Branch	400,000	October 20, 2023~January 26, 2024	1.89%	"	
"	Bank of Taiwan Jenai Branch	700,000	November 1, 2023~April 29, 2024	1.89%	"	
"	First Commercial Bank Yongchun					
	Branch	500,000	November 14, 2023~February 7, 2024	1.94%	"	
		<u>\$ 4,180,000</u>				

WPG HOLDINGS LIMITED
DETAILS OF LONG-TERM BORROWINGS
DECEMBER 31, 2023
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

Statement 4

<u>Creditor</u>	<u>Summary</u>	<u>Ending balance</u>	<u>Contract period</u>	<u>Interest rate range</u>	<u>Pledge /collateral</u>
Mizuho Bank Taipei Branch	Unsecured bank borrowings	\$ 4,300,000	March 10, 2022~July 11, 2025	1.48%~1.99%	None
Chang Hwa Bank Nankang Branch	Secured bank borrowings	<u>6,232,000</u>	March 31, 2020~August 26, 2041	1.87%	Land and structures
		10,532,000			
	Less: Current portion of long-term borrowings	(<u>11,092</u>)			
		<u>\$ 10,520,908</u>			

WPG HOLDINGS LIMITED
SUMMARY OF OPERATING COST
YEAR ENDED DECEMBER 31, 2023
 (EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

Statement 5

<u>Items</u>	<u>Amount</u>	<u>Remark</u>
Salaries expense	\$ 647,726	
Service fees	187,660	
Depreciation	169,124	
Amortization expense	89,227	
Management service fee	56,106	
Other expenses	<u>433,119</u>	Balance of individual accounts is under 5% of this account's balance.
	<u>\$ 1,582,962</u>	

WPG HOLDINGS LIMITED
SUMMARY OF EMPLOYEE BENEFIT EXPENSE,
DEPRECIATION AND AMORTISATION
YEARS ENDED DECEMBER 31, 2023 AND 2022
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

Statement 6

	<u>Operating cost</u>	
	<u>Years ended December 31,</u>	
	<u>2023</u>	<u>2022</u>
Employee benefit expense		
Wages and salaries	\$ 647,726	\$ 701,995
Labor and health insurance fees	40,258	35,220
Pension costs	21,063	17,166
Directors' remuneration	47,608	49,256
Other personnel expenses	32,883	29,856
	<u>\$ 789,538</u>	<u>\$ 833,493</u>
Depreciation (including investment property and right-of-use assets)	<u>\$ 191,319</u>	<u>\$ 179,987</u>
Amortization	<u>\$ 89,227</u>	<u>\$ 70,595</u>

Note:

1. As at December 31, 2023 and 2022, the Company had 390 and 373 employees, including 6 and 8 non-employee directors for both years, respectively.
2. Average employee benefit expense in current year was \$1,932; average employee benefit expense in previous year was \$2,149.
3. Average employee's salaries in current year was \$1,687; average employee's salaries in previous year was \$1,923.
4. Adjustments of average employees' salaries was (12.27%).
5. Refer to Note 6(23) C. for the Company's salary and remuneration policy.

WPG Holdings Limited and Subsidiaries
Loans to others
Year ended December 31, 2023

Table 1

Expressed in thousands of NTD
(Except as otherwise indicated)

No.	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the year ended	Balance at	Actual amount drawn down	Interest rate	Nature of loan (Note 10)	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party	Ceiling on total loans granted	Footnote
					December 31, 2023	December 31, 2023							Item	Value			
1	Apache Korea Corp.	WPG Korea Co., Ltd.	Other receivables	Y	\$ 54,003	\$ 52,389	\$ 52,389	4.60	2	\$ -	Operations	\$ -	None	\$ -	\$ 75,795	\$ 75,795	Note 1
2	Genuine C&C (IndoChina) Pte Ltd.	World Peace International (South Asia) Pte Ltd.	Other receivables	Y	64,850	61,410	61,410	6.78	2	-	Operations	-	None	-	96,069	96,069	Note 3
3	Richpower Electronic Devices Pte., Ltd.	Yosun Singapore Pte Ltd.	Other receivables	Y	365,760	-	-	-	2	-	Operations	-	None	-	499,880	499,880	Note 4
3	Richpower Electronic Devices Pte., Ltd.	Yosun Hong Kong Corp. Ltd.	Other receivables	Y	248,479	237,964	237,964	6.74~6.78	2	-	Operations	-	None	-	499,880	499,880	Note 4
4	World Peace International (India) Pvt., Ltd.	WPG C&C Computers And Peripheral (India) Private Limited	Other receivables	Y	19,100	-	-	-	2	-	Operations	-	None	-	134,051	134,051	Note 8
5	World Peace International (South Asia) Pte Ltd.	WPG Americas Inc.	Other receivables	Y	322,700	-	-	-	2	-	Operations	-	None	-	7,627,483	7,627,483	Note 3
5	World Peace International (South Asia) Pte Ltd.	WPI Technology Pte Ltd.	Other receivables	Y	95,580	-	-	-	2	-	Operations	-	None	-	7,627,483	7,627,483	Note 3
6	WPG C&C Limited	WPI International (Hong Kong) Limited	Other receivables	Y	259,400	245,640	245,640	4.45	2	-	Operations	-	None	-	297,269	297,269	Note 5
7	WPG EMEA B.V.	WPG EMEA UK Limited	Other receivables	Y	6,251	6,141	-	-	2	-	Operations	-	None	-	70,090	70,090	Note 11
8	WPG India Electronics Pvt Ltd.	World Peace International (India) Pvt., Ltd.	Other receivables	Y	23,364	22,160	22,160	9.89	2	-	Operations	-	None	-	181,726	181,726	Note 3
9	WPG South Asia Pte. Ltd.	WPG Korea Co., Ltd.	Other receivables	Y	750,875	307,050	307,050	7.23	2	-	Operations	-	None	-	2,992,964	2,992,964	Note 8

No.	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the year ended	Balance at	Actual amount drawn down	Interest rate	Nature of loan (Note 10)	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party	Ceiling on total loans granted	Footnote
					December 31, 2023	December 31, 2023							Item	Value			
9	WPG South Asia Pte. Ltd.	WPG Americas Inc.	Other receivables	Y	\$ 304,800	\$ -	\$ -	-	2	\$ -	Operations	\$ -	None	\$ -	\$ 2,992,964	\$ 2,992,964	Note 8
9	WPG South Asia Pte. Ltd.	World Peace International (South Asia) Pte Ltd.	Other receivables	Y	162,125	-	-	-	2	-	Operations	-	None	-	2,992,964	2,992,964	Note 8
9	WPG South Asia Pte. Ltd.	Yosun Singapore Pte Ltd.	Other receivables	Y	810,625	767,625	92,115	6.59	2	-	Operations	-	None	-	2,992,964	2,992,964	Note 8
10	WPI International (South Asia) Pte Ltd.	World Peace International (South Asia) Pte Ltd.	Other receivables	Y	240,280	153,525	153,525	6.78	2	-	Operations	-	None	-	2,337,965	2,337,965	Note 3
11	Yosun Hong Kong Corp. Ltd.	Richpower Electronic Devices Co., Limited	Other receivables	Y	955,800	-	-	-	2	-	Operations	-	None	-	10,406,957	10,406,957	Note 4
11	Yosun Hong Kong Corp. Ltd.	Yosun Industrial Corp.	Other receivables	Y	266,700	-	-	-	2	-	Operations	-	None	-	2,081,391	10,406,957	Note 4
11	Yosun Hong Kong Corp. Ltd.	Yosun Shanghai Corp. Ltd.	Other receivables	Y	4,553,120	4,500,080	3,548,140	4.52~5.95	2	-	Operations	-	None	-	10,406,957	10,406,957	Note 4
11	Yosun Hong Kong Corp. Ltd.	Yosun Singapore Pte Ltd.	Other receivables	Y	252,984	-	-	-	2	-	Operations	-	None	-	10,406,957	10,406,957	Note 4
11	Yosun Hong Kong Corp. Ltd.	WPG Electronics (Hong Kong) Limited	Other receivables	Y	615,000	-	-	-	2	-	Operations	-	None	-	10,406,957	10,406,957	Note 4
12	Yosun Singapore Pte Ltd.	World Peace International (South Asia) Pte Ltd.	Other receivables	Y	304,800	-	-	-	2	-	Operations	-	None	-	1,741,875	1,741,875	Note 4
13	AECO Technology Co., Ltd.	World Peace Industrial Co., Ltd.	Other receivables	Y	39,000	39,000	27,000	1.30	2	-	Operations	-	None	-	413,658	413,658	Note 2
14	AECO Electronics Co., Ltd.	WPI International (Hong Kong) Limited	Other receivables	Y	778,200	736,920	736,920	4.25	2	-	Operations	-	None	-	865,332	865,332	Note 5
15	WPG SCM Limited	WPG Electronics (Hong Kong) Limited	Other receivables	Y	324,250	307,050	307,050	6.53	2	-	Operations	-	None	-	1,392,411	1,392,411	Note 8
15	WPG SCM Limited	WPG Korea Co., Ltd.	Other receivables	Y	213,360	-	-	-	2	-	Operations	-	None	-	1,392,411	1,392,411	Note 8
15	WPG SCM Limited	WPG Americas Inc.	Other receivables	Y	161,350	-	-	-	2	-	Operations	-	None	-	1,392,411	1,392,411	Note 8

Table 1, Page 2

No.	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the year ended	Balance at	Actual amount drawn down	Interest rate	Nature of loan (Note 10)	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party	Ceiling on total loans granted	Footnote
					December 31, 2023	December 31, 2023							Item	Value			
16	WPG China (SZ) Inc.	LaaS (Dongguan) Supply Chain Management Limited	Other receivables	Y	\$ 133,350	\$ -	\$ -	-	2	\$ -	Operations	\$ -	None	\$ -	\$ 1,254,069	\$ 1,254,069	Note 5
17	WPG China Inc.	LaaS (Dongguan) Supply Chain Management Limited	Other receivables	Y	22,225	21,635	21,635	3.90	2	-	Operations	-	None	-	4,999,425	4,999,425	Note 5
18	Yosun Industrial Corp.	Yosun Hong Kong Corp. Ltd.	Other receivables	Y	1,537,500	-	-	-	2	-	Operations	-	None	-	3,854,486	3,854,486	Note 2
18	Yosun Industrial Corp.	Richpower Electronic Devices Co., Ltd.	Other receivables	Y	300,000	-	-	-	2	-	Operations	-	None	-	3,854,486	3,854,486	Note 2
18	Yosun Industrial Corp.	Yosun Shanghai Corp. Ltd.	Other receivables	Y	266,700	-	-	-	2	-	Operations	-	None	-	3,854,486	3,854,486	Note 2
19	Yosun South China Corp. Ltd.	Yosun Shanghai Corp. Ltd.	Other receivables	Y	200,025	64,905	64,905	2.80	2	-	Operations	-	None	-	220,681	220,681	Note 5
19	Yosun South China Corp. Ltd.	WPG China (SZ) Inc.	Other receivables	Y	132,660	129,810	129,810	2.80	2	-	Operations	-	None	-	220,681	220,681	Note 5
20	WPG Investment Co., Ltd.	WPG Electronics Limited	Other receivables	Y	80,000	-	-	-	2	-	Operations	-	None	-	857,390	857,390	Note 2
21	WPG C&C Shanghai Co., Ltd.	Trigolduo (Shanghai) Industrial Development Ltd.	Other receivables	Y	62,742	62,742	62,742	3.80~4.00	2	-	Operations	-	None	-	260,920	652,299	Note 5
21	WPG C&C Shanghai Co., Ltd.	Trigold Tongle (Shanghai) Industrial Development Ltd.	Other receivables	Y	19,236	18,822	18,822	3.80~4.10	2	-	Operations	-	None	-	652,299	652,299	Note 5
21	WPG C&C Shanghai Co., Ltd.	LaaS (Dongguan) Supply Chain Management Limited	Other receivables	Y	302,260	237,985	237,985	3.80	2	-	Operations	-	None	-	652,299	652,299	Note 5
21	WPG C&C Shanghai Co., Ltd.	Yosun Shanghai Corp. Ltd.	Other receivables	Y	88,900	-	-	-	2	-	Operations	-	None	-	652,299	652,299	Note 5
21	WPG C&C Shanghai Co., Ltd.	Vsell Enterprise Co., Ltd. (Shanghai)	Other receivables	Y	154,770	151,445	151,445	3.80	2	-	Operations	-	None	-	652,299	652,299	Note 5

Table 1, Page 3

No.	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the year ended	Balance at	Actual amount drawn down	Interest rate	Nature of loan (Note 10)	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party	Ceiling on total loans granted	Footnote
					December 31, 2023	December 31, 2023							Item	Value			
22	WPI International (Hong Kong) Limited	WPG Electronics (Hong Kong) Limited	Other receivables	Y	\$ 4,876,800	\$ 2,916,975	\$ 2,916,975	6.33	2	\$ -	Operations	\$ -	None	\$ -	\$ 29,039,500	\$ 29,039,500	Note 5
22	WPI International (Hong Kong) Limited	AECO Technology Co., Ltd.	Other receivables	Y	11,349	10,747	4,606	6.33	2	-	Operations	-	None	-	11,615,800	29,039,500	Note 5
22	WPI International (Hong Kong) Limited	WPG Americas Inc.	Other receivables	Y	1,219,200	-	-	-	2	-	Operations	-	None	-	29,039,500	29,039,500	Note 5
22	WPI International (Hong Kong) Limited	WPG China Inc.	Other receivables	Y	422,275	-	-	-	2	-	Operations	-	None	-	29,039,500	29,039,500	Note 5
22	WPI International (Hong Kong) Limited	World Peace Industrial Co., Ltd.	Other receivables	Y	2,594,000	2,456,400	1,228,200	6.33	2	-	Operations	-	None	-	11,615,800	29,039,500	Note 5
22	WPI International (Hong Kong) Limited	Silicon Application Corp.	Other receivables	Y	1,070,025	1,013,265	1,013,265	6.30	2	-	Operations	-	None	-	11,615,800	29,039,500	Note 5
23	World Peace Industrial Co., Ltd.	Longview Technology Inc.	Other receivables	Y	131,425	129,705	48,042	2.80~6.80	2	-	Operations	-	None	-	9,128,506	12,171,341	Note 6
23	World Peace Industrial Co., Ltd.	WPG Electronics (Hong Kong) Limited	Other receivables	Y	914,400	-	-	-	2	-	Operations	-	None	-	9,128,506	12,171,341	Note 6
24	Silicon Application Corporation	Vsell Enterprise Co., Ltd.	Other receivables	Y	648,500	614,100	614,100	6.30	2	-	Operations	-	None	-	3,504,587	3,504,587	Note 2
25	Silicon Application Company Limited	WPG Electronics (Hong Kong) Limited	Other receivables	Y	1,070,025	1,013,265	1,013,265	6.30	2	-	Operations	-	None	-	1,909,188	1,909,188	Note 5
25	Silicon Application Company Limited	Silicon Application Corp.	Other receivables	Y	745,775	706,215	706,215	5.20	2	-	Operations	-	None	-	763,675	1,909,188	Note 5
26	Sertek Limited	Yosun Hong Kong Corp. Ltd.	Other receivables	Y	80,675	76,763	76,763	4.25	2	-	Operations	-	None	-	84,786	84,786	Note 5
27	Sertek Incorporated	Richpower Electromic Devices Co., Ltd.	Other receivables	Y	571,525	549,165	399,165	6.25~6.39	2	-	Operations	-	None	-	659,876	659,876	Note 2

Table 1, Page 4

No.	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the year ended	Balance at	Actual amount drawn down	Interest rate	Nature of loan (Note 10)	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts		Collateral		Limit on loans granted to a single party	Ceiling on total loans granted	Footnote
					December 31, 2023	December 31, 2023								Item	Value			
28	Apache Communication Inc.	Henshen Electric Trading Co., Ltd.	Other receivables	Y	\$ 357,885	\$ -	\$ -	-	2	\$ -	Operations	\$ -	None	\$ -	\$ -	\$ 572,429	\$ 915,887	Note 7
28	Apache Communication Inc.	Frontek Technology Corporation	Other receivables	Y	457,200	300,000	300,000	1.85	2	-	Operations	-	None	-	-	572,429	915,887	Note 7
28	Apache Communication Inc.	Asian Information Technology Inc.	Other receivables	Y	300,000	300,000	300,000	1.85	2	-	Operations	-	None	-	-	572,429	915,887	Note 7
29	Pernas Electronics Co., Ltd.	Everwiner Enterprise Co., Ltd.	Other receivables	Y	200,000	150,000	150,000	2.00	2	-	Operations	-	None	-	-	530,402	530,402	Note 2
30	Long-Think International (Hong Kong) Limited	WPI International (Hong Kong) Limited	Other receivables	Y	486,375	460,575	460,575	4.25~4.45	2	-	Operations	-	None	-	-	592,119	592,119	Note 5
31	Peng Yu (Shanghai) Digital Technology Co., Ltd.	WPG C&C Shanghai Co., Ltd.	Other receivables	Y	90,651	88,704	88,704	3.80~3.90	2	-	Operations	-	None	-	-	434,935	434,935	Note 5
31	Peng Yu (Shanghai) Digital Technology Co., Ltd.	LaaS (Dongguan) Supply Chain Management Limited	Other receivables	Y	88,900	86,540	86,540	4.10	2	-	Operations	-	None	-	-	434,935	434,935	Note 5
32	Peng Yu International Limited	Peng Yu Trigold Limited	Other receivables	Y	191,160	-	-	-	2	-	Operations	-	None	-	-	270,576	270,576	Note 5
32	Peng Yu International Limited	WPG Electronics (Hong Kong) Limited	Other receivables	Y	194,550	184,230	184,230	6.59	2	-	Operations	-	None	-	-	270,576	270,576	Note 5
33	Vsell Enterprise Co., Ltd. (Shanghai)	Maojie Trading (Shenzhen) Co., Ltd.	Other receivables	Y	13,266	12,981	12,981	4.35	2	-	Operations	-	None	-	-	242,764	242,764	Note 5
34	Trigold (Hong Kong) Company Limited	Peng Yu Trigold Limited	Other receivables	Y	77,820	73,692	73,692	5.27	2	-	Operations	-	None	-	-	1,134,727	1,134,727	Note 5
35	Trigold Holdings Limited	Peng Yu Trigold Limited	Other receivables	Y	162,125	-	-	-	2	-	Operations	-	None	-	-	842,624	842,624	Note 2
36	Peng Yu Trigold Limited	WPG Electronics (Hong Kong) Limited	Other receivables	Y	648,500	614,100	614,100	6.59~7.00	2	-	Operations	-	None	-	-	876,672	876,672	Note 11

Note 1: Ceiling on total loans to others should not exceed the creditor's net assets. For short-term financing, ceiling on loans to a single party should not exceed the creditor's net assets.

Note 2: Accumulated financing activities to any company or person should not be in excess of 40% of creditor's net assets. Limit on loans to a single company is as follows:

- (1) For business transaction to the creditor, the individual limit should not exceed the amount of business transactions; the amount of business transactions means the higher between sales and purchases.
- (2) For short-term financing, financing activities to a single company should not be in excess of 40% of creditor's net assets.
- Note 3: (1) For those borrowers which are not 100% held investee company, the individual limit amount and the accumulated financing activities to those borrowers should not be in excess of 40% of the creditor's net assets.
- (2) For those borrowers which are 100% held investee company, the individual limit amount and the accumulated financing activities to those borrowers should not be in excess of 200% of the creditor's net assets.
- (3) The total limit of (1) and (2) should not exceed 200% of the creditor's net assets.
- Note 4: Accumulated financing activities to any company or person should not be in excess of 200% of creditor's net assets. Limit on loans to a single company is as follows:
- (1) For business transaction to the creditor, the individual limit should not exceed the amount of business transactions; the amount of business transactions means the higher between sales and purchases.
- (2) For short-term financing, the financing activities to an overseas company which is 100% directly or indirectly held by ultimate parent company should not be in excess of 200% of creditor's net assets.
- For borrower not fulfilling said criteria, the limit should not exceed 40% of the creditor's net assets.
- Note 5: Accumulated financing activities to any company or person should not be in excess of 100% of creditor's net assets. Limit on loans to a single company is as follows:
- (1) For business transaction to the creditor, the individual limit should not exceed the amount of business transactions; the amount of business transactions means the higher between sales and purchases.
- (2) For short-term financing, the financing activities to an overseas company or ultimate parent company which is 100% directly or indirectly held by ultimate parent company should not be in excess of 100% of creditor's net assets. For borrower not fulfilling said criteria, the limit should not exceed 40% of the creditor's net assets.
- Note 6: Accumulated financing activities to any company or person should not be in excess of 40% of creditor's net assets. Limit on loans to a single company is as follows:
- (1) For business transaction to the creditor, the individual limit should not exceed the amount of business transactions; the amount of business transactions means the higher between sales and purchases.
- (2) For short-term financing, the financing activities to a single company should not be in excess of 30% of creditor's assets.
- Note 7: Accumulated financing activities to any company or person should not be in excess of 40% of creditor's net assets. Limit on loans to a single company is as follows:
- (1) For business transaction to the creditor, the individual limit should not exceed the amount of business transactions; the amount of business transactions means the higher between sales and purchases.
- (2) For short-term financing, the financing activities to a single company should not be in excess of 25% of creditor's net assets.
- Note 8: (1) The financing activities to an overseas company which is 100% directly or indirectly held by ultimate parent company should not be in excess of 200% of creditor's net assets. Ceilings on accumulated short-term financing should not exceed 200% of the creditor's net assets.
- (2) The individual limit amount should not exceed 40% of the creditor's net assets and the accumulated financing activities to those borrowers should not be in excess of 40% of the creditor's net assets.
- Note 9: Accumulated financing activities to any company or person should not be in excess of 40% of creditor's net assets. Limit on loans to a single company is as follows:
- (1) For business transaction to the creditor, ceiling on the individual loans from others should not exceed 40% of the creditor's net assets, and the individual limit should not exceed the amount of business transactions within one year; the amount of business transactions means the higher between sales and purchases.
- (2) For short-term financing, financing activities to a single company should not be in excess of 40% of creditor's net assets.
- (3) Ceiling on total loans granted between foreign companies whose voting shares are 100% held by the Company directly or indirectly, or on loans granted to the Company by such foreign companies was excluded in the aforementioned limits.
- Note 10: Accumulated financing activities to any company or person should not be in excess of 40% of creditor's net assets. Limit on loans to a single company is as follows:
- (1) For business transaction to the creditor, the individual limit should not exceed the amount of business transactions; the amount of business transactions means the higher between sales and purchases.
- (2) For short-term financing, the financing activities to an overseas company which is 100% directly or indirectly held by ultimate parent company should not be in excess of 300% of creditor's net assets.
- For borrower not fulfilling said criteria, the limit should not exceed 40% of the creditor's net assets.
- Note 11: Accumulated financing activities to any company or person should not be in excess of 300% of creditor's net assets. Limit on loans to a single company is as follows:
- (1) For business transaction to the creditor, the individual limit should not exceed the amount of business transactions; the amount of business transactions means the higher between sales and purchases.
- (2) For short-term financing, the financing activities to an overseas company which is 100% directly or indirectly held by ultimate parent company should not be in excess of 300% of creditor's net assets.
- For borrower not fulfilling said criteria, the limit should not exceed 40% of the creditor's net assets.
- Note 12: The column of 'Nature of loan' shall fill in 1. 'Business transaction or 2. 'Short-term financing'.

WPG Holdings Limited and Subsidiaries
Provision of endorsements and guarantees to others
Year ended December 31, 2023

Table 2

Expressed in thousands of NTD
(Except as otherwise indicated)

Number	Endorser/ guarantor	Party being endorsed/guaranteed		Limit on endorsements/ guarantees provided for a single party	Maximum outstanding endorsement/ guarantee amount as of December 31, 2023	Outstanding endorsement/ guarantee amount as of December 31, 2023	Actual amount drawn down	Amount of endorsements/ guarantees secured with collateral	Ratio of accumulated endorsement/ guarantee amount to net asset value of the endorser/ guarantor company	Ceiling on total amount of endorsements/ guarantees provided	Provision of endorsements/ guarantees by parent company to subsidiary	Provision of endorsements/ guarantees by subsidiary to parent company	Provision of endorsements/ guarantees to the party in Mainland China	Footnote
		Company name	Relationship with the endorser/ guarantor (Note 1)											
0	WPG Holdings Limited	World Peace Industrial Co., Ltd.	2	\$ 41,822,270	\$ 176,828	\$ 86,058	\$ 86,058	\$ 91,853	0.10	\$ 41,822,270	Y	N	N	Notes 2 and 3
1	World Peace International (South Asia) Pte Ltd.	WPG C&C Computers And Peripheral (India) Private Limited	2	8,023,596	81,063	-	-	-	-	8,023,596	N	N	N	Note 5
2	WPI International (South Asia) Pte Ltd.	WPG Americas Inc.	4	8,818,593	169,125	-	-	-	-	8,818,593	N	N	N	Note 5
3	Yosun Hong Kong Corp. Ltd.	Yosun Shanghai Corp. Ltd.	2	5,203,484	2,211	2,164	-	-	0.04	10,406,968	N	N	Y	Note 12
4	Yosun Industrial Corp.	Yosun Singapore Pte Ltd.	4	9,636,216	1,248,363	1,182,143	702,939	-	12.27	19,272,431	N	N	N	Note 9
4	Yosun Industrial Corp.	Yosun Hong Kong Corp. Ltd.	2	9,636,216	1,265,046	1,265,046	151,116	-	13.13	19,272,431	N	N	N	Note 9
4	Yosun Industrial Corp.	Richpower Electronic Devices Co., Ltd	2	9,636,216	1,681,560	829,035	-	-	8.60	19,272,431	N	N	N	Note 9
4	Yosun Industrial Corp.	Yosun Shanghai Corp. Ltd.	2	9,636,216	2,269,750	2,149,350	240,277	-	22.30	19,272,431	N	N	Y	Note 9
4	Yosun Industrial Corp.	Sertek Incorporated	2	9,636,216	2,594,000	2,456,400	654,349	-	25.49	19,272,431	N	N	N	Note 9
4	Yosun Industrial Corp.	Richpower Electronic Devices Co., Limited	2	9,636,216	1,885,557	1,885,557	408,612	-	19.57	19,272,431	N	N	N	Note 9
5	World Peace Industrial Co., Ltd.	WPI International (Hong Kong) Limited	2	15,214,177	3,254,190	3,024,944	1,394,865	-	9.94	24,342,682	N	N	N	Note 4
5	World Peace Industrial Co., Ltd.	Vitec WPG Limited	6	15,214,177	72,956	69,086	15,353	-	0.23	24,342,682	N	N	N	Note 4
5	World Peace Industrial Co., Ltd.	World Peace International (South Asia) Pte Ltd	2	15,214,177	1,083,222	861,651	663,866	-	2.83	24,342,682	N	N	N	Note 4

Number	Endorser/ guarantor	Company name	Party being endorsed/guaranteed		Maximum outstanding endorsement/ guarantee amount as of December 31, 2023	Outstanding endorsement/ guarantee amount as of December 31, 2023	Actual amount drawn down	Amount of endorsements/ guarantees secured with collateral	Ratio of accumulated endorsement/ guarantee amount to net asset value of the endorser/ guarantor company	Ceiling on total amount of endorsements/ guarantees provided	Provision of endorsements/ guarantees by parent company to subsidiary	Provision of endorsements/ guarantees by subsidiary to parent company	Provision of endorsements/ guarantees to the party in Mainland China	Footnote
			Relationship with the endorser/ guarantor (Note 1)	Limit on endorsements/ guarantees provided for a single party										
5	World Peace Industrial Co., Ltd.	WPG Electronics (Hong Kong) Limited	4	\$ 15,214,177	\$ 1,131,120	\$ 921,150	\$ 216,795	\$ -	3.03	\$ 24,342,682	N	N	N	Note 4
5	World Peace Industrial Co., Ltd.	WPG Korea Co., Ltd.	4	15,214,177	60,000	60,000	15,185	-	0.20	24,342,682	N	N	N	Note 4
5	World Peace Industrial Co., Ltd.	WPG China (SZ) Inc.	4	15,214,177	184,440	92,115	92,115	-	0.30	24,342,682	N	N	Y	Note 4
6	Apache Communication Inc.	Asian Information Technology Inc.	3	915,887	302,125	253,525	192,845	-	11.07	1,144,858	N	N	N	Note 8
7	Frontek Technology Corporation	Asian Information Technology Inc.	3	1,214,228	556,275	553,525	511,798	-	18.23	1,517,785	N	N	N	Note 8
8	Pernas Electronics Co., Ltd.	Silicon Application Corp.	3	663,002	200,000	-	-	-	-	663,002	N	N	N	Note 6
9	Asian Information Technology Inc.	Apache Communication Inc.	2	3,095,902	486,375	460,575	384,150	-	5.95	3,869,877	N	N	N	Note 7
9	Asian Information Technology Inc.	Frontek Technology Corporation	2	3,095,902	931,383	882,363	187,672	-	11.40	3,869,877	N	N	N	Note 7
9	Asian Information Technology Inc.	AIT Japan Inc.	2	3,095,902	41,418	24,564	1,969	-	0.32	3,869,877	N	N	N	Note 7
9	Asian Information Technology Inc.	Henshen Electric Trading Co., Ltd.	2	3,095,902	400,000	400,000	10,280	-	5.17	3,869,877	N	N	N	Note 7
9	Asian Information Technology Inc.	Peng Yu Trigold Limited	4	3,095,902	324,250	307,050	59,402	-	3.97	3,869,877	N	N	N	Note 7
10	Vsell Enterprise Co., Ltd.	VSELL ENTERPRISE CO., LTD. (SAMOA)		358,112	61,410	-	-	-	-	447,640	N	N	N	Note 11
11	Trigold Holdings Limited	Peng Yu Trigold Limited	2	1,053,280	614,100	614,100	214,935	-	29.15	1,053,280	N	N	N	Note 10
11	Trigold Holdings Limited	WPG C&C Shanghai Co., Ltd.	2	1,053,280	44,450	43,270	43,270	-	2.05	1,053,280	N	N	Y	Note 10

Note 1: Relationship between the endorser/guarantor and the party being endorsed/guaranteed is classified into the following seven categories:

- (1) Having business relationship.
- (2) The endorser/guarantor parent company owns directly and indirectly more than 50% voting shares of the endorsed/guaranteed subsidiary.
- (3) The endorsed/guaranteed company owns directly and indirectly more than 50% voting shares of the endorser/guarantor parent company.
- (4) The endorser/guarantor parent company owns directly and indirectly more than 90% voting shares of the endorsed/guaranteed company.
- (5) Mutual guarantee of the trade made by the endorsed/guaranteed company or joint contractor as required under the construction contract.

- (6) Due to joint venture, all shareholders provide endorsements/guarantees to the endorsed/guaranteed company in proportion to its ownership.
- (7) Joint guarantee of the performance guarantee for pre-sold home sales contract as required under the Consumer Protection Act.
- Note 2: The guarantee amount should not exceed 50% of guarantor's net assets; the limit to a single company should not exceed 50% of the Company's stockholder's equity. For business transaction with the Company, the guarantee amount should not exceed the amount of business transaction, which is the higher between sales and purchases. The limit on the Company and its subsidiaries' total loan to other companies is less than 60% of the Company's net assets; limited to a single company should not exceed 50% of the Company's net assets. The guarantee amount to a subsidiary which is 90%~100% directly or indirectly held by the Company should not exceed 10% of the Company's net assets, which is based on the latest audited or reviewed financial statements.
- Note 3: There are 8,999 thousand shares of WPG Investment Co., Ltd. which have been pledged for purchases for World Peace Industrial Co., Ltd. The book value of those pledged investments is \$91,853.
- Note 4: The cumulative guarantee amount to others should not be in excess of 80% of guarantor's net assets. The guarantee amount to a single company should not be in excess of 50% of guarantor's net assets. For business transaction with the guarantor, the guarantee amount should not exceed the amount of business transaction, which is the higher between sales and purchases. The net asset value is based on the latest audited or reviewed financial statements. For the guarantees provided by World Peace Industrial Co., Ltd. to WPI International (Hong Kong) Limited, the outstanding endorsement/guarantee amount at the end of the period was calculated by adding the old and new guarantee amounts due to the early approval by the chairman.
- Note 5: The cumulative guarantee amount to others should not be in excess of 200% of the Company's net assets. The guarantee amount to a single company should not be in excess of 200% of Company's net assets. For business transaction with the Company, the guarantee amount should not exceed the amount of business transaction, which is the higher between sales and purchases. The guarantee amount to a subsidiary which is 90%~100% directly or indirectly held by the Company should not exceed 10% of the Company's net assets.
- Note 6: The cumulative guarantee amount to others should not be in excess of 50% (not including 50%) of the Company's net assets; the limit to a single company should not exceed 50% of the Company's net assets. For business transaction with the Company, the guarantee amount should not exceed the amount of business transaction, which is the higher between sales and purchases. Ceiling on total endorsements/guarantees granted by the Company and subsidiaries shall be less than 50% (not including 50%) of the Company's net assets. Ceiling on total endorsements/guarantees granted by the Company, the Company's ultimate parent company and subsidiaries to a single party is 50% of the Company's net assets. The guarantee amount to a subsidiary which is 90%~100% directly or indirectly held by the Company's ultimate parent company should not exceed 10% of the net assets of the Company's ultimate parent company. The net assets referred to above are based on the latest audited or reviewed financial statements.
- Note 7: The guarantee amount should not exceed 50% of guarantor's net assets; the limit to a single company should not exceed 40% of the Company's net assets. For business transaction with the Company, the guarantee amount should not exceed the amount of business transaction, which is the higher between sales and purchases. Net assets is based on the latest audited or reviewed financial statements. Ceiling on total endorsements/guarantees granted by the Company and subsidiaries shall be less than 50% (not including 50%) of the Company's net assets. The Company's and its subsidiaries' guarantee amount to a single company should not be in excess of 50% of the Company's net assets. The guarantee amount to a subsidiary which is 90%~100% directly or indirectly held by the Company's ultimate parent company should not exceed 10% of the net assets of the Company's ultimate parent company. The net assets referred to above are based on the latest audited or reviewed financial statements.
- Note 8: The guarantee amount should not exceed 50% of guarantor's net assets; the limit to a single company should not exceed 40% of the Company's net assets. For business transaction with the Company, the guarantee amount should not exceed the amount of business transaction, which is the higher between sales and purchases. Net assets is based on the latest audited or reviewed financial statements. The guarantee amount to a subsidiary which is 90%~100% directly or indirectly held by the Company's ultimate parent company should not exceed 10% of the net assets of the Company's ultimate parent company. The net assets referred to above are based on the latest audited or reviewed financial statements.
- Note 9: The cumulative guarantee amount to others should not be in excess of 200% (excluding) of the Company's net assets. The guarantee amount to a single company should not be in excess of 100% of Company's net assets. For business transaction with the Company, the guarantee amount should not exceed the amount of business transaction, which is the higher between sales and purchases. The guarantee amount to a subsidiary which is 90%~100% directly or indirectly held by the Company's ultimate parent company should not exceed 10% of the net assets of the Company's ultimate parent company. The net assets referred to above are based on the latest audited or reviewed financial statements.
- Note 10: The cumulative guarantee amount to others should not be in excess of 50% (not including 50%) of the Company's net assets. The guarantee amount to a single company should not be in excess of 50% (not including 50%) of Company's net assets. For business transaction with the Company, the guarantee amount should not exceed the amount of business transaction, which is the higher between sales and purchases. The Company's and its subsidiaries' cumulative guarantee amount to others should not be in excess 50% (not including 50%) of the Company's net assets. The guarantee amount to a single company should not be in excess of 50% (not including 50%) of the Company's net assets. The Company's and its subsidiaries' guarantee amount to a subsidiary which is 90%~100% directly or indirectly held by the Company should not exceed 10% of the Company's net assets. The guarantee amount to a subsidiary which is 100% directly or indirectly held by the Company should not exceed 50% (not including 50%) of the Company's net assets. The net assets value is based on the latest audit or reviewed financial statements.
- Note 11: Vsell Enterprise Co., Ltd. and VSELL ENTERPRISE CO., LTD. (SAMOA) were originally 100% owned by the same shareholders. Since Silicon Application Corp. acquired 70% of Vsell Enterprise Co., Ltd. on May 1, 2023, because Vsell Enterprise Co., Ltd. did not formulate a method before it was obtained on May 1, 2023. After it was obtained, it needed to be approved by the board of directors and the shareholders during their meeting, so it was calculated in accordance with the parent company's policy. The cumulative guarantee amount to others should not be in excess 100% of the Company's net assets. The guarantee amount to a single company should not be in excess 80% of the Company's net assets. The net assets referred to above are based on the latest audited or reviewed financial statements. There are no endorsements and guarantees on December 31, 2023.
- Note 12: The cumulative guarantee amount to others should not be in excess of 200% (excluding) of the Company's net assets. The guarantee amount to a single company should not be in excess of 100% of Company's net assets. For business transaction with the Company, the guarantee amount should not exceed the amount of business transaction, which is the higher between sales and purchases. The guarantee amount to a subsidiary which is 90%~100% directly or indirectly held by the Company's ultimate parent company should not exceed 10% of the net assets of the Company's ultimate parent company. The net assets referred to above are based on the latest audited or reviewed financial statements.

WPG Holdings Limited and Subsidiaries
Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures)
Year ended December 31, 2023

Table 3

Expressed in thousands of NTD
(Except as otherwise indicated)

				As of December 31, 2023				
Securities held by	Marketable securities	Relationship with the securities issuer	General ledger account	Number of shares (in thousands)	Book value	Ownership (%)	Fair value (Note 1)	Footnote
WPG Holdings Limited	Restar Holdings Corporation	None	Financial assets at fair value through profit or loss - non-current	230	\$ 140,876	0.76	\$ 140,876	Note 2
WPG Holdings Limited	Tyche Partners L.P. - Funds	None	Financial assets at fair value through profit or loss - non-current	-	356,160	-	356,160	
WPG Holdings Limited	CDIB CME Fund Ltd., ... etc. - Equity securities	None	Financial assets at fair value through profit or loss - non-current	-	59,263	-	59,263	
WPG Holdings Limited	T3EX Global Holdings Corp. ... etc. - Equity securities	None	Financial assets at fair value through other comprehensive income - non-current	-	1,623,508	-	1,623,508	
WPG Holdings Limited	WT Microelectronics Co., Ltd.-Preference shares	The Group's investment accounted for using the equity method	Financial assets at fair value through other comprehensive income - non-current	24,284	1,108,559	17.99	1,108,599	Note 3
Silicon Application Corp.	Kingmax Technology Inc., ... etc. - Equity securities	None	Financial assets at fair value through profit or loss - non-current	-	11,539	-	11,539	
World Peace Industrial Co., Ltd.	Prohubs International Corp. ...etc. - Equity securities	None	Financial assets at fair value through profit or loss - non-current	-	4,668	-	4,668	
World Peace Industrial Co., Ltd.	Vesper Technologies Inc.	None	Financial assets at fair value through other comprehensive income - non-current	-	31,050	-	31,050	
AECO Technology Co., Ltd.	Hua-Jie (Taiwan) Corp. - Equity securities	None	Financial assets at fair value through profit or loss - non-current	668	6,684	3.32	6,684	
Yosun Industrial Corp.	Fortend Taiwan Scientific Corp., ... etc. - Equity securities	None	Financial assets at fair value through profit or loss - non-current	-	31,069	-	31,069	
Yosun Industrial Corp.	Golf club memberships of Ta Shee Resort Co., Ltd.	None	Financial assets at fair value through profit or loss - non-current	-	17,100	-	17,100	
Genuine C&C Inc.	Systemweb Technology - Equity securities	None	Financial assets at fair value through profit or loss - non-current	700	19,392	7.00	19,392	
Richpower Electronic Devices Co., Ltd.	Chipmast Technology Co., Ltd. - Equity securities	None	Financial assets at fair value through profit or loss - non-current	72	344	1.48	344	
WPG Investment Co., Ltd.	Dimerco Express Corporation - Equity securities	None	Financial assets at fair value through profit or loss - current	18	1,523	0.01	1,523	

Securities held by	Marketable securities	Relationship with the securities issuer	General ledger account	As of December 31, 2023				Footnote
				Number of shares (in thousands)	Book value	Ownership (%)	Fair value (Note 1)	
WPG Investment Co., Ltd.	CDIB CME Fund Ltd., ... etc. - Equity securities	None	Financial assets at fair value through profit or loss - non-current	-	\$ 10,733	-	\$ 10,733	
WPG Investment Co., Ltd.	Nichidenbo Corporation ... etc. - Equity securities	None	Financial assets at fair value through other comprehensive income - non-current	-	671,360	-	671,360	
Asian Information Technology Inc.	Golf club memberships of Ta Shee Resort Co., Ltd.	None	Financial assets at fair value through profit or loss – non-current	-	17,100	-	17,100	
Win-Win Systems Ltd.	Silicon Electronics Company(s) Pte. Ltd. - Equity securities	None	Financial assets at fair value through profit or loss - non-current	180	-	10.00	-	
WPG South Asia Pte. Ltd.	ViMOS Technologies GmbH - Equity securities	None	Financial assets at fair value through profit or loss - non-current	20	664	9.00	664	
WPG China Inc.	CECI Technology Co. Ltd. ... etc. - Equity securities	None	Financial assets at fair value through profit or loss - non-current	-	2,575,364	-	2,575,364	
WPG China Inc.	Yiwu Weihao Chuangxin Phase I Equity Investment Partnership (Limited Partnership)	None	Financial assets at fair value through profit or loss - non-current	-	92,616	-	92,616	

Note 1: Fill in the amount after adjusted at fair value and deducted by accumulated impairment for the marketable securities measured at fair value; fill in the acquisition cost or amortized cost deducted by accumulated impairment for the marketable securities not measured at fair value.

Note 2: The original investee company, Vitec Holdings Co., Ltd., was delisted on March 27, 2019. Vitec Holdings Co., Ltd. merged with UKC Holdings whereby a new company, Restar Holdings Corporation, was established. The effective date for this merger was April 1, 2019, and the name of the held marketable securities was changed.

Note 3: On September 18, 2020, the Board of Directors of the Group resolved to subscribe WT's series A preference shares in the amount of 24,283,867 shares with a par value of NT\$50 per share, with total consideration of \$1,214,193, based on the shareholding ratio at the effective date of the capital increase in accordance with the application for shares. As of October 15, 2020 (effective date of the capital increase), the Group's shareholding ratio in WT is 17.99% of total outstanding preference shares after subscribing WT's series A preference shares.

WPG Holdings Limited and Subsidiaries
Acquisition or sale of the same security with the accumulated cost exceeding \$300 million or 20% of the Company's paid-in capital
Year ended December 31, 2023

Table 4

Expressed in thousands of NTD
(Except as otherwise indicated)

Investor	Marketable securities	General ledger account	Counterparty	Relationship with the counterparty	Balance as at January 1, 2023		Addition		Disposal				Balance as at December 31, 2023	
					No. of shares (in thousands)	Amount	No. of shares (in thousands)	Amount	No. of shares (in thousands)	Selling price	Book value	Gain (loss) on disposal	No. of shares (in thousands)	Amount
WPG Holdings Limited	WT Microelectronics Co., Ltd.	Note 1	Stock exchange market	None	177,110	\$ 11,952,982	-	\$ -	40,000	\$ 5,052,400	\$ 3,100,077	\$ 2,437,325	137,110	\$ 11,016,733
WPG Holdings Limited	WPG South Asia Pte. Ltd.	Note 1	WPG South Asia Pte. Ltd.	Same ultimate parent company	34,119	1,156,440	29,917	705,026	-	-	-	-	64,036	2,124,839

Note 1: It is recorded as investments accounted for under equity method.

WPG Holdings Limited and Subsidiaries
Purchases or sales of goods from or to related parties reaching \$100 million or 20% of paid-in capital or more
Year ended December 31, 2023

Table 5

Expressed in thousands of NTD
(Except as otherwise indicated)

Differences in transaction terms compared to third party transactions											
Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction				transactions		Notes/accounts receivable (payable)		Footnote
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	
WPG Holdings Limited	World Peace Industrial Co., Ltd.	Same ultimate parent company	Sales	(\$ 858,060) (	50.32)	Note 5	Note 5	Note 5	\$ 59,852	47.23	
"	Silicon Application Corporation	"	"	(237,510) (	13.93)	"	"	"	22,530	17.78	
"	Asian Information Technology Inc.	"	"	(268,734) (	15.76)	"	"	"	27,469	21.68	
"	Yosun Industrial Corp.	"	"	(306,253) (	17.96)	"	"	"	15,518	12.24	
World Peace Industrial Co., Ltd.	WPI Technology Pte. Ltd.	"	"	(4,680,047) (	3.38)	Note 3	Note 3	Note 3	137,408	0.62	
"	WPI International (Hong Kong) Limited	"	"	(12,028,381) (	8.69)	"	"	"	1,416,807	6.39	
"	WPG China (SZ) Inc.	"	"	(190,650) (	0.14)	"	"	"	41,814	0.19	
"	WPG China Inc.	"	"	(181,261) (	0.13)	"	"	"	34,043	0.15	
"	Genuine C&C, Inc.	"	"	(135,027) (	0.10)	"	"	"	27,377	0.12	
"	WT Microelectronics Co., Ltd.	Investee accounted for using equity method	"	(208,923) (	0.15)	"	"	"	42,114	0.19	
"	World Peace International (South Asia) Pte Ltd.	Same ultimate parent company	"	(252,549) (	0.18)	"	"	"	12,695	0.06	
"	WPG Electronics (Hong Kong) Limited	"	"	(1,662,001) (	1.20)	"	"	"	637,195	2.88	
"	WPG SCM Limited	"	"	(107,031) (	0.08)	"	"	"	33,821	0.15	
WPI International (South Asia) Pte. Ltd.	World Peace Industrial Co., Ltd.	"	"	(343,342) (	13.96)	"	"	"	-	-	
Genuine C&C (IndoChina) Pte Ltd.	WPG PT Electrindo Jaya	An investee which accounted for associates using the equity method	"	(401,757) (	98.47)	"	"	"	90,281	100.00	
World Peace International (South Asia) Pte Ltd.	World Peace Industrial Co., Ltd.	Same ultimate parent company	"	(1,400,989) (	4.97)	"	"	"	77,194	1.47	

Differences in transaction terms compared to third party transactions											
Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction				transactions		Notes/accounts receivable (payable)		Footnote
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	
World Peace International (South Asia) Pte Ltd.	WPI International (Hong Kong) Limited	Same ultimate parent company	Sales	(\$ 182,711) (	0.65)	Note 3	Note 3	Note 3	\$ 17,095	0.33	
"	WPG PT Electrindo Jaya	An investee which accounted for associates using the equity method	"	(523,260) (	1.85)	"	"	"	142,465	2.71	
"	World Peace International (India) Pvt., Ltd.	Same ultimate parent company	"	(159,838) (	0.57)	"	"	"	28,851	0.55	
"	WPG C&C Comuters and Peripheral (India) Private Limited	"	"	(1,851,313) (	6.56)	"	"	"	658,461	12.54	
"	WPG C&C (Malaysia) Sdn. Bhd	"	"	(743,442) (	2.64)	"	"	"	790	0.02	
"	WPG C&C (Thailand) Co., Ltd.	"	"	(140,556) (	0.50)	"	"	"	9,213	0.18	
"	WPI International (South Asia) Pte. Ltd.	"	"	(2,435,224) (	8.63)	"	"	"	-	-	
"	WPG South Asia Pte. Ltd.	"	"	(1,311,702) (	4.65)	"	"	"	804,492	15.32	
"	WPG SCM Limited	"	"	(3,502,131) (	12.41)	"	"	"	538,705	10.26	
WPI Technology Pte. Ltd.	World Peace Industrial Co., Ltd.	"	"	(707,566) (	3.52)	"	"	"	406,970	40.74	
"	WPI International (Hong Kong) Limited	"	"	(1,747,615) (	8.70)	"	"	"	573,496	57.41	
WPI International (Hong Kong) Limited	World Peace Industrial Co., Ltd.	"	"	(7,102,136) (	3.83)	"	"	"	728,453	2.09	
"	WPI Technology Pte. Ltd.	"	"	(12,256,925) (	6.61)	"	"	"	284,418	0.82	
"	WPG China (SZ) Inc.	"	"	(2,818,220) (	1.52)	"	"	"	291,642	0.84	
"	WPG China Inc.	"	"	(2,144,688) (	1.16)	"	"	"	204,401	0.59	
"	WPG Korea Co., Ltd.	"	"	(572,421) (	0.31)	"	"	"	22,357	0.06	
"	Vitec WPG Limited	Investee accounted for using the equity method	"	(218,239) (	0.12)	"	"	"	18,433	0.05	
"	World Peace International (South Asia) Pte Ltd.	Same ultimate parent company	"	(967,951) (	0.52)	"	"	"	49,985	0.14	
"	WPG Electronics (Hong Kong) Limited	"	"	(1,595,765) (	0.86)	"	"	"	310,951	0.89	
"	WPG SCM Limited	"	"	(1,769,617) (	0.95)	"	"	"	142,598	0.41	

Table 5, Page 2

Differences in transaction terms compared to third party											
Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction				transactions		Notes/accounts receivable (payable)		Footnote
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	
Silicon Application Corp.	Pernas Electronics Co., Ltd.	Same ultimate parent company	Sales	(\$ 431,663)	(0.64)	30 days after monthly billings	Note 4	Note 4	\$ 43,903	0.27	
"	WPG China (SZ) Inc.	"	"	(1,124,289)	(1.66)	90 days after monthly billings	"	"	208,626	1.30	
"	WPG China Inc.	"	"	(332,230)	(0.49)	"	"	"	85,995	0.54	
"	WPG Electronics (Hong Kong) Limited	"	"	(3,376,668)	(4.98)	"	"	"	1,155,479	7.20	
Pernas Electronics Co., Ltd.	Silicon Application Corp.	"	"	(1,344,986)	(27.96)	30 days after monthly billings	"	"	102,839	10.61	
"	Everwiner Enterprise Co., Ltd.	"	"	(154,740)	(3.22)	Note 2	"	"	7,845	0.81	
Everwiner Enterprise Co., Ltd.	Silicon Application Corp.	"	"	(1,682,339)	(23.42)	30 days after monthly billings	"	"	183,448	8.82	
"	Pernas Electronics Co., Ltd.	"	"	(1,391,670)	(19.37)	Note 2	"	"	236,011	11.34	
Asian Information Technology Inc.	World Peace Industrial Co., Ltd.	"	"	(224,866)	(0.53)	"	Note 2	Note 2	-	-	
"	Frontek Technology Corporation	"	"	(6,087,344)	(14.36)	"	"	"	2,330,438	23.90	
"	Apache Communication Inc.	"	"	(1,219,760)	(2.88)	"	"	"	191,918	1.97	
"	WPG China (SZ) Inc.	"	"	(121,073)	(0.29)	"	"	"	25,516	0.26	
"	WPG Electronics (Hong Kong) Limited	"	"	(177,008)	(0.42)	"	"	"	58,731	0.60	
Frontek Technology Corporation	Asian Information Technology Inc.	"	"	(4,218,776)	(14.62)	"	"	"	422,850	5.79	
"	WPG China Inc.	"	"	(130,493)	(0.45)	"	"	"	31,247	0.43	
"	Yosun Hong Kong Corp. Ltd.	"	"	(258,421)	(0.90)	"	"	"	16,870	0.23	
"	WPG Electronics (Hong Kong) Limited	"	"	(456,915)	(1.58)	"	"	"	209,588	2.87	
Apache Communication Inc.	Asian Information Technology Inc.	"	"	(834,134)	(3.17)	"	"	"	27,534	0.84	
WPG China (SZ) Inc.	WPG China Inc.	"	"	(287,550)	(2.69)	Note 6	Note 6	Note 6	-	-	
"	Yosun Hong Kong Corp. Ltd.	"	"	(156,099)	(1.46)	"	"	"	58,481	1.57	
WPG China Inc.	WPG China (SZ) Inc.	"	"	(1,166,979)	(11.91)	Note 3	Note 4	Note 4	280,420	9.04	
"	Yosun Shanghai Corp. Ltd.	"	"	(188,559)	(1.92)	"	"	"	20,522	0.66	
WPG Americas Inc.	World Peace Industrial Co., Ltd.	"	"	(682,722)	(2.78)	"	Note 3	Note 3	21,064	0.29	
"	Yosun Industrial Corp.	"	"	(279,904)	(1.14)	"	"	"	1	-	

Table 5, Page 3

							Differences in transaction terms compared to third party transactions					
Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction						Notes/accounts receivable (payable)		Footnote	
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)		
Yosun Industrial Corp.	WPG China (SZ) Inc.	Same ultimate parent company	Sales	(\$ 484,383) (	1.72)	Note 6	Note 6	Note 6	\$ 78,515	2.03		
"	WPG China Inc.	"	"	(343,249) (	1.22)	Note 6	Note 6	Note 6	89,261	2.31		
"	Yosun Hong Kong Corp. Ltd.	"	"	(4,456,423) (	15.81)	Note 3	Note 3	Note 3	575,403	14.88		
"	Yosun Shanghai Corp. Ltd.	"	"	(113,960) (	0.40)	Note 6	Note 6	Note 6	20,434	0.53		
"	Sertek Incorporated	"	"	(399,999) (	1.42)	Note 3	Note 3	Note 3	381	0.01		
Yosun Hong Kong Corp. Ltd.	WPG China (SZ) Inc.	"	"	(178,148) (	0.44)	Note 6	Note 6	Note 6	26,869	0.44		
"	WPG China Inc.	"	"	(385,192) (	0.96)	"	"	"	67,440	1.10		
"	Yosun Industrial Corp.	"	"	(551,248) (	1.37)	Note 3	Note 3	Note 3	57,868	0.94		
"	Yosun Shanghai Corp. Ltd.	"	"	(697,123) (	1.73)	Note 6	Note 6	Note 6	174,821	2.85		
"	Richpower Electronic Devices Co., Limited	"	"	(2,421,535) (	6.02)	Note 3	Note 3	Note 3	231,124	3.76		
Yosun Shanghai Corp. Ltd.	WPG China Inc.	"	"	(380,098) (	7.56)	Note 6	Note 6	Note 6	-	-		
Sertek Incorporated	World Peace Industrial Co., Ltd.	"	"	(109,691) (	0.95)	Note 3	Note 3	Note 3	43	0.01		
"	Yosun Industrial Corp.	"	"	(541,606) (	4.70)	"	"	"	39,206	11.88		
"	Yosun Hong Kong Corp. Ltd.	"	"	(547,375) (	4.75)	"	"	"	49,879	15.11		
Richpower Electronic Devices Co., Ltd.	Silicon Application Corp.	"	"	(1,224,155) (	8.81)	"	"	"	101,046	4.94		
"	Yosun Industrial Corp.	"	"	(669,073) (	4.82)	"	"	"	13,548	0.66		
"	Yosun Hong Kong Corp. Ltd.	"	"	(102,142) (	0.74)	"	"	"	7,919	0.39		
"	WPG Electronics (Hong Kong) Limited	"	"	(1,000,361) (	7.20)	Note 6	Note 6	Note 6	343,767	16.80		
Richpower Electronic Devices Co., Limited	WPI International (Hong Kong) Limited	"	"	(3,398,234) (	15.32)	Note 3	Note 3	Note 3	11,430	0.26		
"	WPG China Inc.	"	"	(667,860) (	3.01)	Note 6	Note 6	Note 6	647,687	14.55		
"	Yosun Industrial Corp.	"	"	(768,097) (	3.46)	Note 3	Note 3	Note 3	16,365	0.37		
"	Yosun Hong Kong Corp. Ltd.	"	"	(5,112,012) (	23.04)	"	"	"	641,289	14.41		
"	Richpower Electronic Devices Co., Ltd.	"	"	(626,701) (	2.82)	"	"	"	52,029	1.17		
"	Peng Yu Trigold Limited	"	"	(457,766) (	2.06)	"	"	"	1,122	0.03		
Peng Yu Trigold Limited	WPI International (Hong Kong) Limited	"	"	(860,066) (	11.29)	"	"	"	19,066	5.46		
"	Richpower Electronic Devices Co., Limited	"	"	(510,755) (	6.71)	"	"	"	266	0.08		

Table 5, Page 4

							Differences in transaction terms compared to third party transactions					
Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction						Notes/accounts receivable (payable)		Footnote	
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)		
Peng Yu Trigold Limited	WPG C&C Shanghai Co., Ltd.	Same ultimate parent company	Sales	(\$ 2,962,375) (	38.90)	Note 3	Note 3	Note 3	\$ 161,554	46.23		
"	WPG Electronics (Hong Kong) Limited	"	"	(654,915) (	8.60)	"	"	"	-	-		
WPG Electronics (Hong Kong) Limited	World Peace Industrial Co., Ltd.	"	"	(2,830,896) (	10.11)	"	"	"	281,326	5.97		
"	WPI International (Hong Kong) Limited	"	"	(7,785,968) (	27.81)	"	"	"	1,920,720	40.74		
"	Richpower Electronic Devices Co., Limited	"	"	(108,697) (	0.39)	"	"	"	654	0.01		
"	Peng Yu Trigold Limited	"	"	(1,916,745) (	6.85)	"	"	"	43,699	0.93		
WPG South Asia Pte. Ltd.	World Peace Industrial Co., Ltd.	"	"	(446,347) (	13.51)	"	"	"	439,430	40.25		
"	World Peace International (South Asia) Pte Ltd.	"	"	(560,322) (	16.96)	"	"	"	-	-		
"	Yosun Singapore Pte Ltd.	"	"	(148,158) (	4.48)	"	"	"	-	-		
Yosun Singapore Pte . Ltd.	Yosun Hong Kong Corp. Ltd.	"	"	(116,317) (	1.04)	"	"	"	-	-		
"	WPG South Asia Pte. Ltd.	"	"	(487,564) (	4.38)	"	"	"	306,744	26.96		
"	WPG SCM Limited	"	"	(416,363) (	3.74)	"	"	"	11,268	0.99		

Note 1: As the related party transactions of consolidated subsidiaries exceeding \$100 million are voluminous, the related information disclosed here is from the sales aspect.

Note 2: The terms and sales prices were negotiated in consideration of different factors including product, cost, market and competition. The collection period is 30~120 days from the end of the month of sales.

Note 3: The terms and sales prices were negotiated in consideration of different factors including product, cost, market and competition. The collection period is 30~90 days from the end of the month of sales.

Note 4: The terms and sales prices were negotiated in consideration of different factors including product, cost, market and competition.

Note 5: The income arose from the provision of administrative resources and management services, and the sales price and terms were determined by the parties.

Note 6: The terms and sales prices were negotiated in consideration of different factors including product, cost, market and competition. The collection period is 60~120 days from the end of the month of sales.

WPG Holdings Limited and Subsidiaries
Receivables from related parties reaching \$100 million or 20% of paid-in capital or more
Year ended December 31, 2023

Table 6

Expressed in thousands of NTD
(Except as otherwise indicated)

Creditor	Counterparty	Relationship with the counterparty	Balance as at December 31, 2023 (Note 1)	Turnover rate (Note 2)	Overdue receivables		Amount collected subsequent to the balance sheet date (Note 3)	Allowance for doubtful accounts
					Amount	Action taken		
World Peace Industrial Co., Ltd.	WPI Technology Pte. Ltd.	Same ultimate parent company	\$ 137,408	68.12	\$ -	-	\$ 137,408	\$ -
World Peace Industrial Co., Ltd.	WPI International (Hong Kong) Limited	"	1,416,807	11.65	98	-	1,416,800	-
World Peace Industrial Co., Ltd.	WPG Electronics (Hong Kong) Limited	"	637,195	2.49	36,884	-	152,859	-
World Peace International (South Asia) Pte Ltd.	WPG PT Electrindo Jaya	An investee which accounted for associates using the equity method	142,465	7.14	-	-	30,192	-
World Peace International (South Asia) Pte Ltd.	WPG C&C Computers And Peripheral (India) Private Limited	Same ultimate parent company	658,461	3.83	-	-	213,201	-
World Peace International (South Asia) Pte Ltd.	WPG South Asia Pte. Ltd.	"	804,492	3.26	-	-	789,451	-
World Peace International (South Asia) Pte Ltd.	WPG SCM Limited	"	538,705	5.14	-	-	307,050	-
WPI Technology Pte. Ltd.	World Peace Industrial Co., Ltd.	"	406,970	3.48	-	-	406,970	-
WPI Technology Pte. Ltd.	WPI International (Hong Kong) Limited	"	573,496	6.09	-	-	573,496	-
WPI International (Hong Kong) Limited	World Peace Industrial Co., Ltd.	"	728,453	10.85	-	-	725,828	-
WPI International (Hong Kong) Limited	WPI Technology Pte. Ltd.	"	284,418	86.19	-	-	284,418	-
WPI International (Hong Kong) Limited	WPG China (SZ) Inc.	"	291,642	7.06	-	-	1,912	-
WPI International (Hong Kong) Limited	WPG China Inc.	"	204,401	7.36	-	-	204,384	-
WPI International (Hong Kong) Limited	WPG Electronics (Hong Kong) Limited	"	310,951	3.62	-	-	95,305	-
WPI International (Hong Kong) Limited	WPG SCM Limited	"	142,598	13.38	-	-	142,598	-
Silicon Application Corp.	WPG China (SZ) Inc.	"	208,626	4.44	4,444	-	133,120	-
Silicon Application Corp.	WPG Electronics (Hong Kong) Limited	"	1,155,479	2.75	35,190	-	406,790	-
Pernas Electronics Co., Ltd.	Silicon Application Corp.	"	102,839	11.07	-	-	102,839	-
Everwiner Enterprise Co., Ltd.	Silicon Application Corp.	"	183,448	13.77	-	-	183,448	-
Everwiner Enterprise Co., Ltd.	Pernas Electronics Co., Ltd.	"	236,011	5.66	-	-	119,780	-
Asian Information Technology Inc.	Frontek Technology Corporation	"	2,330,438	2.77	307,933	-	1,121,590	-
Asian Information Technology Inc.	Apache Communication Inc.	"	191,918	5.93	-	-	191,918	-

Creditor	Counterparty	Relationship with the counterparty	Balance as at December 31, 2023 (Note 1)	Turnover rate (Note 2)	Overdue receivables		Amount collected subsequent to the balance sheet date (Note 3)	Allowance for doubtful accounts
					Amount	Action taken		
Frontek Technology Corporation	Asian Information Technology Inc.	Same ultimate parent company	\$ 422,850	17.87	\$ 529	-	\$ 90,051	\$ -
Frontek Technology Corporation	WPG Electronics (Hong Kong) Limited	"	209,588	2.35	-	-	53,913	-
WPG China Inc.	WPG China (SZ) Inc.	"	280,420	5.18	-	-	-	-
Yosun Industrial Corp.	Yosun Hong Kong Corp. Ltd.	"	575,403	10.11	-	-	575,403	-
Yosun Hong Kong Corp. Ltd.	Yosun Shanghai Corp. Ltd.	"	174,821	4.36	48,153	-	55,179	-
Yosun Hong Kong Corp. Ltd.	Richpower Electronic Devices Co., Limited	"	231,124	16.16	-	-	231,124	-
Richpower Electronic Devices Co., Ltd	Silicon Application Corporation	"	101,046	16.32	-	-	101,046	-
Richpower Electronic Devices Co., Ltd	WPG Electronics (Hong Kong) Limited	"	343,767	3.18	20,669	-	192,015	-
Richpower Electronic Devices Co., Limited	WPG China Inc	"	647,687	2.05	-	-	309,383	-
Richpower Electronic Devices Co., Limited	Yosun Hong Kong Corp. Ltd.	"	641,289	11.40	-	-	641,289	-
Peng Yu Trigold Limited	WPG C&C Shanghai Co., Ltd.	"	161,554	34.43	-	-	161,554	-
WPG Electronics (Hong Kong) Limited	World Peace Industrial Co., Ltd.	"	281,326	3.35	-	-	93,459	-
WPG Electronics (Hong Kong) Limited	WPI International (Hong Kong) Limited	"	1,920,720	3.48	-	-	698,118	-
WPG South Asia Pte. Ltd.	World Peace Industrial Co., Ltd.	"	439,430	2.03	-	-	439,430	-
Yosun Singapore Pte Ltd.	WPG South Asia Pte. Ltd.	"	306,744	3.18	-	-	144,244	-
WPG Holdings Limited	Asian Information Technology Inc.	"	140,763	0.00	-	-	-	-
WPI International (South Asia) Pte. Ltd.	World Peace International (South Asia) Pte Ltd.	"	154,421	0.00	-	-	896	-
World Peace International (South Asia) Pte Ltd.	WPG South Asia Pte. Ltd.	"	240,313	0.00	-	-	235,820	-
WPI International (Hong Kong) Limited	World Peace Industrial Co., Ltd.	"	1,288,798	0.00	-	-	1,288,798	-
WPI International (Hong Kong) Limited	Silicon Application Corporation	"	1,015,038	0.00	-	-	-	-
WPI International (Hong Kong) Limited	Richpower Electronic Devices Co., Limited	"	136,535	0.00	-	-	136,535	-
WPI International (Hong Kong) Limited	World Peace International (South Asia) Pte Ltd.	"	449,381	0.00	-	-	214,896	-
WPI International (Hong Kong) Limited	WPG Electronics (Hong Kong) Limited	"	2,991,034	0.00	-	-	1,574,342	-
WPG C&C Limited	WPI International (Hong Kong) Limited	"	248,950	0.00	-	-	-	-
Long-Think International (Hong Kong) Limited	WPI International (Hong Kong) Limited	"	469,953	0.00	-	-	-	-
AECO Electronics Co., Ltd.	WPI International (Hong Kong) Limited	"	754,153	0.00	-	-	317,381	-
Silicon Application Corporation	Vsell Enterprise Co., Ltd.	"	634,165	0.00	-	-	493,132	-
Silicon Application Company Limited	Silicon Application Corp.	"	713,204	0.00	-	-	3,112	-

Table 6, Page 2

Creditor	Counterparty	Relationship with the counterparty	Balance as at December 31, 2023 (Note 1)	Turnover rate (Note 2)	Overdue receivables		Amount collected subsequent to the balance sheet date (Note 3)	Allowance for doubtful accounts
					Amount	Action taken		
Silicon Application Company Limited	WPG Electronics (Hong Kong) Limited	Same ultimate parent company	\$ 1,019,020	0.00	\$ -	-	\$ -	\$ -
Pernas Electronic Co., Ltd.	Everwiner Enterprise Co., Ltd.	"	153,242	0.00	-	-	2,873	-
Apache Communication Inc.	Asian Information Technology Inc.	"	300,960	0.00	-	-	382	-
Apache Communication Inc.	Frontek Technology Corporation	"	300,258	0.00	-	-	-	-
Yosun Hong Kong Corp. Ltd.	Yosun Shanghai Corp. Ltd.	"	3,596,266	0.00	-	-	259,620	-
Yosun South China Corp. Ltd.	WPG China (SZ) Inc.	"	132,102	0.00	-	-	-	-
Sertek Incorporated	Richpower Electronic Devices Co., Ltd	"	412,473	0.00	-	-	162,081	-
Richpower Electronic Devices Pte Ltd.	Yosun Hong Kong Corp. Ltd.	"	238,725	0.00	-	-	-	-
Peng Yu International Limited	WPG Electronics (Hong Kong) Limited	"	187,906	0.00	-	-	-	-
WPG C&C Shanghai Co., Ltd.	LaaS (Dongguan) Supply Chain Management Limited	"	239,184	0.00	-	-	-	-
WPG C&C Shanghai Co., Ltd.	Vsell Enterprise Co., Ltd. (Shanghai)	"	152,612	0.00	-	-	-	-
Peng Yu Trigold Limited	WPG Electronics (Hong Kong) Limited	"	632,684	0.00	-	-	632,684	-
WPG South Asia Pte. Ltd.	WPG Korea Co., Ltd.	"	309,023	0.00	-	-	-	-
WPG South Asia Pte. Ltd.	Yosun Singapore Pte Ltd.	"	196,937	0.00	-	-	9,531	-
WPG SCM Limited	WPG Electronics (Hong Kong) Limited	"	308,777	0.00	-	-	1,727	-

Note 1: Balance as at December 31, 2023 includes other receivables that exceed \$100,000.

Note 2: Turnover rate of 0.00 was caused by the receivables amount recorded as other receivables, and thus the turnover rate is not applicable. The nature of certain other receivables pertains to loans to others, refer to table 1 for details.

Note 3: The subsequent collections are those receivables collected as of February 15, 2024.

WPG Holdings Limited and Subsidiaries
Significant inter-company transactions during the reporting period
Year ended December 31, 2023

Table 7

Expressed in thousands of NTD
(Except as otherwise indicated)

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			Percentage of consolidated total operating revenues or total assets (Note 3)
				General ledger account	Amount	Transaction terms	
0	WPG Holdings Limited	World Peace Industrial Co., Ltd.	1	Sales	\$ 858,060	Note 11	0.13
0	WPG Holdings Limited	Silicon Application Corporation	1	"	237,510	Note 11	0.04
0	WPG Holdings Limited	Asian Information Technology Inc.	1	"	268,734	Note 11	0.04
0	WPG Holdings Limited	Yosun Industrial Corp.	1	"	306,253	Note 11	0.05
1	World Peace Industrial Co., Ltd.	WPI Technology Pte. Ltd.	3	"	4,680,047	Note 5	0.70
1	World Peace Industrial Co., Ltd.	WPI International (Hong Kong) Limited	3	"	12,028,381	Note 5	1.79
1	World Peace Industrial Co., Ltd.	WPG China (SZ) Inc.	3	"	190,650	Note 5	0.03
1	World Peace Industrial Co., Ltd.	WPG China Inc.	3	"	181,261	Note 5	0.03
1	World Peace Industrial Co., Ltd.	Genuine C&C, Inc.	3	"	135,027	Note 5	0.02
1	World Peace Industrial Co., Ltd.	World Peace International (South Asia) Pte Ltd.	3	"	252,549	Note 5	0.04
1	World Peace Industrial Co., Ltd.	WPG Electronics (Hong Kong) Limited	3	"	1,662,001	Note 5	0.25
1	World Peace Industrial Co., Ltd.	WPG SCM Limited	3	"	107,031	Note 5	0.02
2	WPI International (South Asia) Pte. Ltd.	World Peace Industrial Co., Ltd.	3	"	343,342	Note 5	0.05
3	World Peace International (South Asia) Pte Ltd.	World Peace Industrial Co., Ltd.	3	"	1,400,989	Note 5	0.21
3	World Peace International (South Asia) Pte Ltd.	WPI International (Hong Kong) Limited	3	"	182,711	Note 5	0.03
3	World Peace International (South Asia) Pte Ltd.	World Peace International (India) Pvt., Ltd.	3	"	159,838	Note 5	0.02
3	World Peace International (South Asia) Pte Ltd.	WPG C&C Computers And Peripheral (India) Private Limited	3	"	1,851,313	Note 5	0.28
3	World Peace International (South Asia) Pte Ltd.	WPG C&C (Malaysia) Sdn. Bhd	3	"	743,442	Note 5	0.11
3	World Peace International (South Asia) Pte Ltd.	WPG C&C (Thailand) Co., Ltd.	3	"	140,556	Note 5	0.02

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction				Percentage of consolidated total operating revenues or total assets (Note 3)
				General ledger account	Amount	Transaction terms		
3	World Peace International (South Asia) Pte Ltd.	WPI International (South Asia) Pte. Ltd.	3	Sales	\$ 2,435,224	Note 5	0.36	
3	World Peace International (South Asia) Pte Ltd.	WPG South Asia Pte. Ltd.	3	"	1,311,702	Note 5	0.20	
3	World Peace International (South Asia) Pte Ltd.	WPG SCM Limited	3	"	3,502,131	Note 5	0.52	
4	WPI Technology Pte. Ltd.	World Peace Industrial Co., Ltd.	3	"	707,566	Note 5	0.11	
4	WPI Technology Pte. Ltd.	WPI International (Hong Kong) Limited	3	"	1,747,615	Note 5	0.26	
5	WPI International (Hong Kong) Limited	World Peace Industrial Co., Ltd.	3	"	7,102,136	Note 5	1.06	
5	WPI International (Hong Kong) Limited	WPI Technology Pte. Ltd.	3	"	12,256,925	Note 5	1.82	
5	WPI International (Hong Kong) Limited	WPG China (SZ) Inc.	3	"	2,818,220	Note 5	0.42	
5	WPI International (Hong Kong) Limited	WPG China Inc.	3	"	2,144,688	Note 5	0.32	
5	WPI International (Hong Kong) Limited	WPG Korea Co., Ltd.	3	"	572,421	Note 5	0.09	
5	WPI International (Hong Kong) Limited	World Peace International (South Asia) Pte Ltd.	3	"	967,951	Note 5	0.14	
5	WPI International (Hong Kong) Limited	WPG Electronics (Hong Kong) Limited	3	"	1,595,765	Note 5	0.24	
5	WPI International (Hong Kong) Limited	WPG SCM Limited	3	"	1,769,617	Note 5	0.26	
6	Silicon Application Corp.	Pernas Electronics Co., Ltd.	3	"	431,663	Notes 9 and 11	0.06	
6	Silicon Application Corp.	WPG China (SZ) Inc.	3	"	1,124,289	Notes 9 and 12	0.17	
6	Silicon Application Corp.	WPG China Inc.	3	"	332,230	Notes 9 and 12	0.05	
6	Silicon Application Corp.	WPG Electronics (Hong Kong) Limited	3	"	3,376,668	Notes 9 and 12	0.50	
7	Pernas Electronics Co., Ltd.	Silicon Application Corp.	3	"	1,344,986	Notes 9 and 11	0.20	
7	Pernas Electronics Co., Ltd.	Everwiner Enterprise Co., Ltd.	3	"	154,740	Note 4	0.02	
8	Everwiner Enterprise Co., Ltd.	Silicon Application Corp.	3	"	1,682,339	Notes 9 and 11	0.25	
8	Everwiner Enterprise Co., Ltd.	Pernas Electronics Co., Ltd.	3	"	1,391,670	Note 4	0.21	
9	Asian Information Technology Inc.	World Peace Industrial Co., Ltd.	3	"	224,866	Note 4	0.03	
9	Asian Information Technology Inc.	Frontek Technology Corporation	3	"	6,087,344	Note 4	0.91	
9	Asian Information Technology Inc.	Apache Communication Inc.	3	"	1,219,760	Note 4	0.18	

Table 7, Page 2

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			Percentage of consolidated total operating revenues or total assets (Note 3)
				General ledger account	Amount	Transaction terms	
9	Asian Information Technology Inc.	WPG China (SZ) Inc.	3	Sales	\$ 121,073	Note 4	0.02
9	Asian Information Technology Inc.	WPG Electronics (Hong Kong) Limited	3	"	177,008	Note 4	0.03
10	Frontek Technology Corporation	Asian Information Technology Inc.	3	"	4,218,776	Note 4	0.63
10	Frontek Technology Corporation	WPG China Inc.	3	"	130,493	Note 4	0.02
10	Frontek Technology Corporation	Yosun Hong Kong Corp. Ltd.	3	"	258,421	Note 4	0.04
10	Frontek Technology Corporation	WPG Electronics (Hong Kong) Limited	3	"	456,915	Note 4	0.07
11	Apache Communication Inc.	Asian Information Technology Inc.	3	"	834,134	Note 4	0.12
12	WPG China (SZ) Inc.	WPG China Inc.	3	"	287,550	Note 8	0.04
12	WPG China (SZ) Inc.	Yosun Hong Kong Corp. Ltd.	3	"	156,099	Note 8	0.02
13	WPG China Inc.	WPG China (SZ) Inc.	3	"	1,166,979	Note 5	0.17
13	WPG China Inc.	Yosun Shanghai Corp. Ltd.	3	"	188,559	Note 5	0.03
14	WPG Americas Inc.	World Peace Industrial Co., Ltd.	3	"	682,722	Note 5	0.10
14	WPG Americas Inc.	Yosun Industrial Corp.	3	"	279,904	Note 5	0.04
15	Yosun Industrial Corp.	WPG China (SZ) Inc.	3	"	484,383	Note 8	0.07
15	Yosun Industrial Corp.	WPG China Inc.	3	"	343,249	Note 8	0.05
15	Yosun Industrial Corp.	Yosun Hong Kong Corp. Ltd.	3	"	4,456,423	Note 5	0.66
15	Yosun Industrial Corp.	Yosun Shanghai Corp. Ltd.	3	"	113,960	Note 8	0.02
15	Yosun Industrial Corp.	Sertek Incorporated	3	"	399,999	Note 5	0.06
16	Yosun Hong Kong Corp. Ltd.	WPG China (SZ) Inc.	3	"	178,148	Note 8	0.03
16	Yosun Hong Kong Corp. Ltd.	WPG China Inc.	3	"	385,192	Note 8	0.06
16	Yosun Hong Kong Corp. Ltd.	Yosun Industrial Corp.	3	"	551,248	Note 5	0.08
16	Yosun Hong Kong Corp. Ltd.	Yosun Shanghai Corp. Ltd.	3	"	697,123	Note 8	0.10
16	Yosun Hong Kong Corp. Ltd.	Richpower Electronic Devices Co., Limited	3	"	2,421,535	Note 5	0.36
17	Yosun Shanghai Corp. Ltd.	WPG China Inc.	3	"	380,098	Note 8	0.06
18	Sertek Incorporated	World Peace Industrial Co., Ltd.	3	"	109,691	Note 5	0.02
18	Sertek Incorporated	Yosun Industrial Corp.	3	"	541,606	Note 5	0.08

Table 7, Page 3

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			Percentage of consolidated total operating revenues or total assets (Note 3)
				General ledger account	Amount	Transaction terms	
18	Sertek Incorporated	Yosun Hong Kong Corp. Ltd.	3	Sales	\$ 547,375	Note 5	0.08
19	Richpower Electronic Devices Co., Ltd.	Silicon Application Corp.	3	"	1,224,155	Note 5	0.18
19	Richpower Electronic Devices Co., Ltd.	Yosun Industrial Corp.	3	"	669,073	Note 5	0.10
19	Richpower Electronic Devices Co., Ltd.	Yosun Hong Kong Corp. Ltd.	3	"	102,142	Note 5	0.02
19	Richpower Electronic Devices Co., Ltd.	WPG Electronics (Hong Kong) Limited	3	"	1,000,361	Note 8	0.15
20	Richpower Electronic Devices Co., Limited	WPI International (Hong Kong) Limited	3	"	3,398,234	Note 5	0.51
20	Richpower Electronic Devices Co., Limited	WPG China Inc.	3	"	667,860	Note 8	0.10
20	Richpower Electronic Devices Co., Limited	Yosun Industrial Corp.	3	"	768,097	Note 5	0.11
20	Richpower Electronic Devices Co., Limited	Yosun Hong Kong Corp. Ltd.	3	"	5,112,012	Note 5	0.76
20	Richpower Electronic Devices Co., Limited	Richpower Electronic Devices Co., Ltd.	3	"	626,701	Note 5	0.09
20	Richpower Electronic Devices Co., Limited	Peng Yu Trigold Limited	3	"	457,766	Note 5	0.07
21	Peng Yu Trigold Limited	WPI International (Hong Kong) Limited	3	"	860,066	Note 5	0.13
21	Peng Yu Trigold Limited	Richpower Electronic Devices Co., Limited	3	"	510,755	Note 5	0.08
21	Peng Yu Trigold Limited	WPG C&C Shanghai Co., Ltd.	3	"	2,962,375	Note 5	0.44
21	Peng Yu Trigold Limited	WPG Electronics (Hong Kong) Limited	3	"	654,915	Note 5	0.10
22	WPG Electronics (Hong Kong) Limited	World Peace Industrial Co., Ltd.	3	"	2,830,896	Note 5	0.42
22	WPG Electronics (Hong Kong) Limited	WPI International (Hong Kong) Limited	3	"	7,785,968	Note 5	1.16
22	WPG Electronics (Hong Kong) Limited	Richpower Electronic Devices Co., Limited	3	"	108,697	Note 5	0.02
22	WPG Electronics (Hong Kong) Limited	Peng Yu Trigold Limited	3	"	1,916,745	Note 5	0.29
23	WPG South Asia Pte. Ltd.	World Peace Industrial Co., Ltd.	3	"	446,347	Note 5	0.07
23	WPG South Asia Pte. Ltd.	World Peace International (South Asia) Pte Ltd.	1	"	560,322	Note 5	0.08
23	WPG South Asia Pte. Ltd.	Yosun Singapore Pte Ltd.	3	"	148,158	Note 5	0.02
24	Yosun Singapore Pte Ltd.	Yosun Hong Kong Corp. Ltd.	3	"	116,317	Note 5	0.02
24	Yosun Singapore Pte Ltd.	WPG South Asia Pte. Ltd.	3	"	487,564	Note 5	0.07
24	Yosun Singapore Pte Ltd.	WPG SCM Limited	3	"	416,363	Note 5	0.06
1	World Peace Industrial Co., Ltd.	WPI Technology Pte. Ltd.	3	Accounts receivable	137,408	Note 5	0.04

Table 7, Page 4

Transaction							
Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	General ledger account	Amount	Transaction terms	Percentage of consolidated total operating revenues or total assets (Note 3)
1	World Peace Industrial Co., Ltd.	WPI International (Hong Kong) Limited	3	Accounts receivable	\$ 1,416,807	Note 5	0.45
1	World Peace Industrial Co., Ltd.	WPG Electronics (Hong Kong) Limited	3	"	637,195	Note 5	0.20
3	World Peace International (South Asia) Pte Ltd.	WPG C&C Computers And Peripheral (India) Private Limited	3	"	658,461	Note 5	0.21
3	World Peace International (South Asia) Pte Ltd.	WPG South Asia Pte. Ltd.	3	"	804,492	Note 5	0.26
3	World Peace International (South Asia) Pte Ltd.	WPG SCM Limited	3	"	538,705	Note 5	0.17
4	WPI Technology Pte. Ltd.	World Peace Industrial Co., Ltd.	3	"	406,970	Note 5	0.13
4	WPI Technology Pte. Ltd.	WPI International (Hong Kong) Limited	3	"	573,496	Note 5	0.18
5	WPI International (Hong Kong) Limited	World Peace Industrial Co., Ltd.	3	"	728,453	Note 5	0.23
5	WPI International (Hong Kong) Limited	WPI Technology Pte. Ltd.	3	"	284,418	Note 5	0.09
5	WPI International (Hong Kong) Limited	WPG China (SZ) Inc.	3	"	291,642	Note 5	0.09
5	WPI International (Hong Kong) Limited	WPG China Inc.	3	"	204,401	Note 5	0.07
5	WPI International (Hong Kong) Limited	WPG Electronics (Hong Kong) Limited	3	"	310,951	Note 5	0.10
5	WPI International (Hong Kong) Limited	WPG SCM Limited	3	"	142,598	Note 5	0.05
6	Silicon Application Corp.	WPG China (SZ) Inc.	3	"	208,626	Notes 9 and 12	0.07
6	Silicon Application Corp.	WPG Electronics (Hong Kong) Limited	3	"	1,155,479	Notes 9 and 12	0.37
7	Pernas Electronics Co., Ltd.	Silicon Application Corp.	3	"	102,839	Notes 9 and 11	0.03
8	Everwiner Enterprise Co., Ltd.	Silicon Application Corp.	3	"	183,448	Notes 9 and 11	0.06
8	Everwiner Enterprise Co., Ltd.	Pernas Electronics Co., Ltd.	3	"	236,011	Note 4	0.08
9	Asian Information Technology Inc.	Frontek Technology Corporation	3	"	2,330,438	Note 4	0.74
9	Asian Information Technology Inc.	Apache Communication Inc.	3	"	191,918	Note 4	0.06
10	Frontek Technology Corporation	Asian Information Technology Inc.	3	"	422,850	Note 4	0.13
10	Frontek Technology Corporation	WPG Electronics (Hong Kong) Limited	3	"	209,588	Note 4	0.07
13	WPG China Inc.	WPG China (SZ) Inc.	3	"	280,420	Note 5	0.09
15	Yosun Industrial Corp.	Yosun Hong Kong Corp. Ltd.	3	"	575,403	Note 5	0.18
16	Yosun Hong Kong Corp. Ltd.	Yosun Shanghai Corp. Ltd.	3	"	174,821	Note 5	0.06

Table 7, Page 5

				Transaction			
Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	General ledger account	Amount	Transaction terms	Percentage of consolidated total operating revenues or total assets (Note 3)
16	Yosun Hong Kong Corp. Ltd.	Richpower Electronic Devices Co., Limited	3	Accounts receivable	\$ 231,124	Note 5	0.07
19	Richpower Electronic Devices Co., Ltd.	Silicon Application Corporation	3	"	101,046	Note 5	0.03
19	Richpower Electronic Devices Co., Ltd.	WPG Electronics (Hong Kong) Limited	3	"	343,767	Note 8	0.11
20	Richpower Electronic Devices Co., Limited	WPG China Inc.	3	"	647,687	Note 5	0.21
20	Richpower Electronic Devices Co., Limited	Yosun Hong Kong Corp. Ltd.	3	"	641,289	Note 5	0.20
21	Peng Yu Trigold Limited	WPG C&C Shanghai Co., Ltd.	3	"	161,554	Note 5	0.05
22	WPG Electronics (Hong Kong) Limited	World Peace Industrial Co., Ltd.	3	"	281,326	Note 10	0.09
22	WPG Electronics (Hong Kong) Limited	WPI International (Hong Kong) Limited	3	"	1,920,720	Note 10	0.61
23	WPG South Asia Pte. Ltd.	World Peace Industrial Co., Ltd.	3	"	439,430	Note 5	0.14
24	Yosun Singapore Pte. Ltd.	WPG South Asia Pte. Ltd.	3	"	306,744	Note 5	0.10
0	WPG Holdings Limited	Asian Information Technology Inc.	1	Other receivables	140,763	Note 13	0.04
2	WPI International (South Asia) Pte. Ltd.	World Peace International (South Asia) Pte Ltd.	3	"	154,421	Note 7	0.05
3	World Peace International (South Asia) Pte Ltd.	WPG South Asia Pte. Ltd.	3	"	240,313	Note 6	0.08
5	WPI International (Hong Kong) Limited	World Peace Industrial Co., Ltd.	3	"	1,288,798	Note 7	0.41
5	WPI International (Hong Kong) Limited	Silicon Application Corporation	3	"	1,015,038	Note 7	0.32
5	WPI International (Hong Kong) Limited	Richpower Electronic Devices Co., Limited	3	"	136,535	Note 14	0.04
5	WPI International (Hong Kong) Limited	World Peace International (South Asia) Pte Ltd.	3	"	449,381	Note 14	0.14
5	WPI International (Hong Kong) Limited	WPG Electronics (Hong Kong) Limited	3	"	2,991,034	Note 7	0.95
25	WPG C&C Limited	WPI International (Hong Kong) Limited	3	"	248,950	Note 7	0.08
26	Long-Think International (Hong Kong) Limited	WPI International (Hong Kong) Limited	3	"	469,953	Note 7	0.15
27	AECO Electronics Co., Ltd.	WPI International (Hong Kong) Limited	3	"	754,153	Note 7	0.24
6	Silicon Application Corporation	Vsell Enterprise Co., Ltd.	3	"	634,165	Note 7	0.20
28	Silicon Application Company Limited	Silicon Application Corp.	3	"	713,204	Note 7	0.23
28	Silicon Application Company Limited	WPG Electronics (Hong Kong) Limited	3	"	1,019,020	Note 7	0.32

Table 7, Page 6

Transaction							Percentage of consolidated total operating revenues or total assets (Note 3)
Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	General ledger account	Amount	Transaction terms	
7	Pernas Electronic Co., Ltd.	Everwiner Enterprise Co., Ltd.	3	Other receivables	\$ 153,242	Note 7	0.05
11	Apache Communication Inc.	Asian Information Technology Inc.	3	"	300,960	Note 7	0.10
11	Apache Communication Inc.	Frontek Technology Corporation	3	"	300,258	Note 7	0.10
16	Yosun Hong Kong Corp. Ltd.	Yosun Shanghai Corp. Ltd.	3	"	3,596,266	Note 7	1.14
29	Yosun South China Corp. Ltd.	WPG China (SZ) Inc.	3	"	132,102	Note 7	0.04
18	Sertek Incorporated	Richpower Electronic Devices Co., Ltd.	3	"	412,473	Note 7	0.13
30	Richpower Electronic Devices Pte Ltd.	Yosun Hong Kong Corp. Ltd.	3	"	238,725	Note 7	0.08
31	Peng Yu International Limited	WPG Electronics (Hong Kong) Limited	3	"	187,906	Note 7	0.06
32	WPG C&C Shanghai Co., Ltd.	LaaS (Dongguan) Supply Chain Management Limited	3	"	239,184	Note 7	0.08
32	WPG C&C Shanghai Co., Ltd.	Vsell Enterprise Co., Ltd. (Shanghai)	3	"	152,612	Note 7	0.05
21	Peng Yu Trigold Limited	WPG Electronics (Hong Kong) Limited	3	"	632,684	Note 7	0.20
23	WPG South Asia Pte. Ltd.	WPG Korea Co., Ltd.	3	"	309,023	Note 7	0.10
23	WPG South Asia Pte. Ltd.	Yosun Singapore Pte Ltd.	3	"	196,937	Note 7	0.06
33	WPG SCM Limited	WPG Electronics (Hong Kong) Limited	3	"	308,777	Note 7	0.10

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

(1) Parent company is '0'.

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

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

(1) Parent company to subsidiary.

(2) Subsidiary to parent company.

(3) Subsidiary to subsidiary.

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

Note 4: The terms and sales prices were negotiated in consideration of different factors including product, cost, market and competition. The collection period is 30~120 days from the end of the month of sales.

Note 5: The terms and sales prices were negotiated in consideration of different factors including product, cost, market and competition. The collection period is 30~90 days from the end of the month of sales.

Note 6: The amount receivable pertains to receipts under custody.

Note 7: Mainly accrued financing charges.

Note 8: The terms and sales prices were negotiated in consideration of different factors including product, cost, market and competition. The collection period is 60~120 days from the end of the month of sales.

Note 9: The terms and sales prices were negotiated in consideration of different factors including product, cost, market and competition.

Note 10: The collection period is 60 days from the end of the month of sales.

Note 11: The collection period is 30 days from the end of the month of sales.

Note 12: The collection period is 90 days from the end of the month of sales.

Note 13: The amount receivable arose from filing of consolidated tax return.
Note 14: The receivable was due from a payment to supplier on behalf of associates.

WPG Holdings Limited and Subsidiaries
Information on investees (excluding information on investments in Mainland china)
Year ended December 31, 2023

Table 8

Expressed in thousands of NTD
(Except as otherwise indicated)

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at December 31, 2023			Net profit (loss) of the investee for the year ended December 31, 2023	Investment income (loss) recognized by the Company for the year ended December 31, 2023 (Note 1)	Footnote
				Balance as at December 31, 2023	Balance as at December 31, 2022	Number of shares	Ownership (%)	Book value			
WPG Holdings Limited	World Peace Industrial Co., Ltd.	Taiwan	Agent and sales of electronic/ eletrical components	\$ 18,471,669	\$ 18,471,669	1,847,500,000	100.00	\$ 30,415,934	\$ 1,827,609	\$ 1,827,318	Note 4
WPG Holdings Limited	Asian Information Technology Inc.	Taiwan	Sales of electronic/ electrical components	4,863,464	4,863,464	643,029,000	100.00	7,739,754	1,043,857	1,043,857	Note 4
WPG Holdings Limited	Silicon Application Corp.	Taiwan	Sales of computer software, hardware and electronic products	5,717,962	5,717,962	677,090,000	100.00	8,761,469	97,326	97,326	Note 4
WPG Holdings Limited	WPG Electronics Limited	Taiwan	Warehousing services	305,535	14,735	33,000,000	100.00	334,185	5,464	6,508	Note 4
WPG Holdings Limited	WPG Korea Co., Ltd.	South Korea	Agent and sales of electronic/ eletrical components	394,436	394,436	2,959,494	100.00	587,445	(172,772)	(172,772)	Note 4
WPG Holdings Limited	WPG International (CI) Limited	Cayman Islands	Holding company	3,157,824	5,120,481	88,251,659	100.00	7,851,870	1,595,768	1,529,869	Note 4
WPG Holdings Limited	Yosun Industrial Corp.	Taiwan	Sales of electronic/ electrical components	12,144,406	12,144,406	402,310,300	100.00	13,379,904	741,903	738,387	Note 4
WPG Holdings Limited	WPG Investment Co., Ltd.	Taiwan	Investment company	2,102,997	2,102,997	210,000,000	100.00	2,143,475	118,044	116,902	Note 4
WPG Holdings Limited	Trigold Holdings Limited	Taiwan	Investment company	940,141	940,141	59,195,189	58.86	1,282,468	135,032	82,566	Note 4
WPG Holdings Limited	WPG EMEA B.V.	Netherlands	Sales of electronic/ electrical components	140,500	140,500	5,000,000	100.00	13,788	(69,460)	(69,460)	Note 4
WPG Holdings Limited	WPG Electronics (Hong Kong) Limited	Hong Kong	Agent and sales of electronic/ eletrical components	799,765	799,765	234,081,858	100.00	525,209	(295,768)	(295,768)	Note 4
WPG Holdings Limited	WPG South Asia Pte. Ltd.	Singapore	Sales of electronic/ electrical components	1,821,395	1,116,369	64,035,653	100.00	2,124,839	304,434	304,434	Note 4
WPG Holdings Limited	WT Microelectronics Co., Ltd.	Taiwan	Trading company	6,279,638	8,111,638	137,110,000	15.44	11,016,733	4,012,142	740,051	Note 6
World Peace Industrial Co., Ltd.	WPI International (South Asia) Pte Ltd.	Singapore	Agent and sales of electronic/ eletrical components	1,132,162	1,132,162	34,196,393	100.00	4,576,647	72,829	-	Notes 2 and 5

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at December 31, 2023			Net profit (loss) of the investee for the year ended December 31, 2023	Investment income (loss) recognized by the Company for the year ended December 31, 2023 (Note 1)	Footnote
				Balance as at December 31, 2023	Balance as at December 31, 2022	Number of shares	Ownership (%)	Book value			
World Peace Industrial Co., Ltd.	WPI Technology Pte. Ltd.	Singapore	Agent and sales of electronic/ eletrical components	\$ 2,774,146	\$ 2,774,146	83,179,435	100.00	\$ 29,392,760	\$ 1,674,248	\$ -	Notes 2 and 5
World Peace Industrial Co., Ltd.	Longview Technology Inc.	Taiwan	Agent and sales of electronic/ eletrical components	364,290	364,290	33,900,000	100.00	549,550	11,214	-	Notes 2 and 5
World Peace Industrial Co., Ltd.	Chainpower Technology Corp.	Taiwan	Agent and sales of electronic/ eletrical components	66,261	66,261	9,781,452	39.00	210,677	88,117	-	Notes 2 and 3
World Peace Industrial Co., Ltd.	AECO Technology Co., Ltd.	Taiwan	Agent and sales of electronic/ eletrical components	1,468,555	1,468,555	94,600,000	100.00	1,538,123	16,551	-	Notes 2 and 5
WPI International (South Asia) Pte. Ltd.	Genuine C&C (IndoChina) Pte Ltd.	Singapore	Agent and sales of electronic/ eletrical components	119,912	119,912	5,359,370	80.00	240,172	15,788	-	Notes 2 and 5
WPI International (South Asia) Pte. Ltd.	WPG Americas Inc.	U.S.A	Agent and sales of electronic/ eletrical components	197,529	197,529	6,100,000	2.60	39,950	128,809	-	Notes 2 and 5
WPI International (South Asia) Pte. Ltd.	World Peace International (South Asia) Pte Ltd.	Singapore	Agent and sales of electronic/ eletrical components	696,473	696,473	34,314,692	100.00	4,011,798	46,904	-	Notes 2 and 5
WPI Technology Pte. Ltd.	WPI International (Hong Kong) Limited	Hong Kong	Agent and sales of electronic/ eletrical components	3,254,652	3,254,652	4,087,084,000	100.00	29,051,903	1,404,517	-	Notes 2 and 5
World Peace International (South Asia) Pte Ltd.	World Peace International (India) Pvt., Ltd.	India	Agent and sales of electronic/ eletrical components	33,361	33,361	3,575,058	100.00	67,025	23,418	-	Notes 2 and 5
World Peace International (South Asia) Pte Ltd.	WPG C&C Computers And Peripheral (India) Private Limited	India	Agent and sales of electronic/ eletrical components	241,140	241,140	48,420,000	100.00	288,869	6,982	-	Notes 2 and 5
World Peace International (South Asia) Pte Ltd.	WPG C&C (Malaysia) Sdn. Bhd	Malaysia	Agent and sales of electronic/ eletrical components	-	-	11,250,000	100.00	80,056	10,964	-	Notes 2 and 5
World Peace International (South Asia) Pte Ltd.	WPG C&C (Thailand) Co., Ltd.	Thailand	Agent and sales of electronic/ eletrical components	873	873	1,000,000	100.00	41,749	3,489	-	Notes 2 and 5
WPI International (Hong Kong) Limited	WPG C&C Limited	Hong Kong	Agent and sales of electronic/ eletrical components	201,395	201,395	6,500,000	100.00	297,269	9,888	-	Notes 2 and 5

Table 8, Page 2

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at December 31, 2023			Net profit (loss) of the investee for the year ended December 31, 2023	Investment income (loss) recognized by the Company for the year ended December 31, 2023 (Note 1)	Footnote
				Balance as at December 31, 2023	Balance as at December 31, 2022	Number of shares	Ownership (%)	Book value			
WPI International (Hong Kong) Limited	WPG Americas Inc.	U.S.A	Agent and sales of electronic/ eletrical components	\$ 132,216	\$ 132,216	4,000,000	1.71	\$ 26,174	\$ 129,809	\$ -	Notes 2 and 5
Longview Technology Inc.	Longview Technology GC Limited	British Virgin Islands	Holding company	335,328	335,328	11,300,000	100.00	591,888	15,927	-	Notes 2 and 5
Longview Technology Inc.	Long-Think International Co., Ltd.	Taiwan	Agent and sales of electronic/ eletrical components	-	37,302	-	0.00	-	4,723	-	Notes 2 and 5
AECO Technology Co., Ltd.	Teco Enterprise Holding (BVI) Co., Ltd.	British Virgin Islands	Investment company	436,280	436,280	12,610,000	100.00	865,460	26,231	-	Notes 2 and 5
Silicon Application Corp.	Silicon Application (BVI) Corporation	British Virgin Islands	Holding company	706,402	706,402	22,000,000	100.00	1,913,475	93,313	-	Notes 2 and 5
Silicon Application Corp.	Win-Win Systems Ltd.	British Virgin Islands	Holding company	24,015	24,015	765,000	100.00	27,930	1,158	-	Notes 2 and 5
Silicon Application Corp.	SAC Components (South Asia) Pte. Ltd.	Singapore	Sales of computer software, hardware and electronic products	104,510	104,510	3,500,000	100.00	124,193	601	-	Notes 2 and 5
Silicon Application Corp.	Pernas Electronics Co., Ltd.	Taiwan	Agent and sales of electronic/ eletrical components	959,504	959,504	90,000,000	100.00	1,326,004	75,135	-	Notes 2 and 5
Silicon Application Corp.	Vsell Enterprise Co., Ltd.	Taiwan	Agent and sales of electronic/ eletrical components	277,128	-	14,000,000	70.00	353,830	164,947	-	Notes 2 and 5
Pernas Electronics Co., Ltd.	Everwiner Enterprise Co., Ltd.	Taiwan	Agent and sales of electronic/ eletrical components	343,959	343,959	37,000,000	100.00	917,475	77,613	-	Notes 2 and 5
Asian Information Technology Inc.	Frontek Technology Corporation	Taiwan	Sales of electronic/ electrical components	1,515,256	1,515,256	280,000,000	100.00	3,035,570	225,264	-	Notes 2 and 5
Asian Information Technology Inc.	Apache Communication Inc.	Taiwan	Sales of electronic/ electrical components	980,313	980,313	219,300,000	100.00	2,289,716	285,118	-	Notes 2 and 5
Asian Information Technology Inc.	Henshen Electric Trading Co., Ltd.	Taiwan	Sales of electronic/ electrical components	223,121	223,121	20,000,000	100.00	218,155	1,063	-	Notes 2 and 5
Asian Information Technology Inc.	Adivic Technology Co., Ltd.	Taiwan	Import and export business for electronic components	206,200	206,200	4,410,000	16.33	18,110	(54,634)	-	Notes 2 and 3
Asian Information Technology Inc.	Fame Hall International Co., Ltd.	British Virgin Islands	Investment company	155,558	155,558	4,703,107	100.00	283,999	(1,788)	-	Notes 2 and 5
Frontek Technology Corporation	Frontek International Limited	British Virgin Islands	Investment company	101,862	101,862	2,970,000	100.00	140,109	5,043	-	Notes 2 and 5

Table 8, Page 3

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at December 31, 2023			Net profit (loss) of the investee for the year ended December 31, 2023	Investment income (loss) recognized by the Company for the year ended December 31, 2023 (Note 1)	Footnote
				Balance as at December 31, 2023	Balance as at December 31, 2022	Number of shares	Ownership (%)	Book value			
Yosun Industrial Corp.	Suntop Investments Limited	Cayman Islands	Investment company	\$ 1,812,188	\$ 1,812,188	29,200,000	100.00	\$ 5,214,115	(\$ 46,229)	\$ -	Notes 2 and 5
Yosun Industrial Corp.	Sertek Incorporated	Taiwan	Sales of electronic/electrical components	1,616,722	1,616,722	94,828,100	100.00	1,945,110	278,810	-	Notes 2 and 5
Yosun Industrial Corp.	Eesource Corp.	Taiwan	Sales of electronic/electrical components, office machinery and equipment	11,520	11,520	1,080,000	20.00	34,483	11,637	-	Notes 2 and 3
Yosun Industrial Corp.	Richpower Electronic Devices Co., Ltd	Taiwan	Sales of electronic/electrical components	2,092,631	2,092,631	120,900,000	100.00	2,780,782	274,369	-	Notes 2 and 5
Sertek Incorporated	Sertek Limited	Hong Kong	Sales of electronic/electrical components	83,494	83,494	19,500,000	100.00	84,786	2,144	-	Notes 2 and 5
Richpower Electronic Devices Co., Ltd	Richpower Electronic Devices Co., Limited	Hong Kong	Sales of electronic components	284,898	284,898	63,000,000	100.00	2,936,707	131,532	-	Notes 2 and 5
Richpower Electronic Devices Co., Ltd	Richpower Electronic Devices Pte Ltd.	Singapore	Sales of electronic components	1,988	1,988	10,000	100.00	249,940	10,251	-	Notes 2 and 5
WPG Investment Co., Ltd.	Eesource Corp.	Taiwan	Sales of electronic/electrical components, office machinery and equipment	11,520	11,520	1,080,000	20.00	34,483	11,637	-	Notes 2 and 3
WPG Investment Co., Ltd.	Sunrise Technology Co., Ltd.	Taiwan	Manufacturing of computer and its peripheral equipment	50,000	50,000	3,279,800	10.67	45,399	24,323	-	Notes 2 and 3
WPG Investment Co., Ltd.	Trigold Holdings Limited	Taiwan	Investment company	49,224	49,224	1,749,979	1.74	37,944	135,032	-	Notes 2 and 3
WPG Investment Co., Ltd.	AutoSys Co., Ltd.	Cayman Islands	Holding company	73,000	73,000	5,000,000	16.25	62,007	(38,071)	-	Notes 2 and 3
WPG Investment Co., Ltd.	Beauteek Global Wellness Corporation Limited	Hong Kong	Community e-commerce trading plat form and related services	25,273	25,273	630,044	19.34	23,003	20,097	-	Notes 2 and 3
WPG Investment Co., Ltd.	LaaS Holdings (Samoa) Limited	Samoa	Holding company	1,142,712	1,142,712	40,060,000	100.00	830,132	54,918	-	Notes 2 and 5
Trigold Holdings Limited	Genuine C&C Inc.	Taiwan	Sales of electronic products and its peripheral equipment	1,093,697	1,093,697	79,569,450	100.00	1,083,278	3,022	-	Notes 2 and 5
Trigold Holdings Limited	Trigold (Hong Kong) Company Limited	Hong Kong	Holding company	600,796	600,796	155,200,000	100.00	1,134,727	21,341	-	Notes 2 and 5
Trigold Holdings Limited	Peng Yu Trigold Limited	Hong Kong	Sales of electronic products	71,212	71,212	2,000,000	100.00	292,224	143,417	-	Notes 2 and 5

Table 8, Page 4

				Initial investment amount		Shares held as at December 31, 2023					
Investor	Investee	Location	Main business activities	Balance as at	Balance as at	Number of shares	Ownership (%)	Book value	Net profit (loss) of	Investment income	Footnote
				December 31, 2023	December 31, 2022				the investee for the year ended December 31, 2023	(loss) recognized by the Company for the year ended December 31, 2023 (Note 1)	
Genuine C&C Inc.	Hoban Inc.	Taiwan	An E-commerce company which operates B2C and O2O businesses	\$ 199,999	\$ 129,999	20,000,000	100.00	\$ 77,168	(\$ 8,686)	\$ -	Notes 2 and 5
Genuine C&C Inc.	Genuine C&C Holding Inc. (Seychelles)	Seychelles	Holding company	-	193,870	-	-	-	10	-	Notes 2 and 5
Genuine C&C Inc.	Sunrise Technology Co., Ltd.	Taiwan	Manufacturing of computer and its peripheral equipment	12,636	12,636	1,682,151	5.47	3,710	24,323	-	Notes 2 and 3
WPG EMEA B.V.	WPG EMEA UK LIMITED	UK	Sales of electronic/electrical components	3,614	-	100,000	100.00	3,733	(9,723)	-	Notes 2 and 5
WPG South Asia Pte. Ltd.	WPG India Electronics Pvt. Ltd.	India	Agent and sales of electronic/electrical components	92,188	92,188	15,909,990	99.99	90,772	7,757	-	Notes 2 and 5
WPG South Asia Pte. Ltd.	WPG Malaysia Sdn. Bhd	Malaysia	Agent and sales of electronic/electrical components	17,427	17,427	1,010,800	100.00	26,389	2,267	-	Notes 2 and 5
WPG South Asia Pte. Ltd.	WPG Electronics (Philippines) Inc.	Philippines	Agent and sales of electronic/electrical components	1,543	1,543	10,000	100.00	8,529	1,764	-	Notes 2 and 5
WPG South Asia Pte. Ltd.	WPG (Thailand) Co., Ltd.	Thailand	Agent and sales of electronic/electrical components	11,560	11,560	103,720	100.00	47,205	29,468	-	Notes 2 and 5
WPG South Asia Pte. Ltd.	WPG SCM Limited	Hong Kong	Agent and sales of electronic/electrical components	319,640	319,640	12,800,000	100.00	696,205	30,959	-	Notes 2 and 5
WPG South Asia Pte. Ltd.	WPG Vietnam Company Limited	Vietnam	Agent and sales of electronic/electrical components	3,071	3,071	100,000	100.00	1,800	497	-	Notes 2 and 5
WPG South Asia Pte. Ltd.	Yosun Singapore Pte Ltd.	Singapore	Sales of electronic/electrical components	669,865	416,863	20,600,000	100.00	870,938	204,234	-	Notes 2 and 5
WPG Malaysia Sdn. Bhd	WPG India Electronics Pvt. Ltd.	India	Agent and sales of electronic/electrical components	-	-	10	0.01	9	7,757	-	Notes 2 and 5

Note 1: Investment income (loss) recognized by the company including realized (unrealized) gain or loss from upstream intercompany transactions and amortization of investment discount (premium).

Note 2: Investment income (loss) recognized by each subsidiary.

Note 3: An investee company accounted for using the equity method by subsidiary.

Note 4: A subsidiary.
Note 5: An indirect subsidiary.
Note 6: An investee company accounted for using the equity method by the Company.

WPG Holdings Limited and Subsidiaries
Information on investments in Mainland China
Year ended December 31, 2023

Table 9

Expressed in thousands of NTD
(Except as otherwise indicated)

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to	Amount remitted from Taiwan to Mainland China / Amount remitted back to Taiwan for the year ended December 31, 2023		Accumulated amount of remittance from Taiwan to	Net income of investee for the year ended December 31, 2023	Ownership held by the Company (direct or indirect)	Investment income (loss) recognized by the Company for the year ended	Book value of investments in Mainland China as of December 31, 2023 (Note 5)	Accumulated amount of investment income remitted back to Taiwan as of	Footnote
				Mainland China as of January 1, 2023	Remitted to Mainland China	Remitted back to Taiwan	Mainland China as of December 31, 2023			December 31, 2023 (Note 2)		December 31, 2023	
Vsell Enterprise Co., Ltd. (Shanghai)	Sales of semiconductor integrated circuit and electronic components	\$ 215,314	1	\$ -	\$ 416,471	\$ -	\$ 416,471	\$ 14,118	100.00	\$ 6,062	\$ 421,197	\$ -	
Maojie Trading (Shenzhen) Co., Ltd.	Sales of semiconductor integrated circuit and electronic components	22,355	1	-	22,427	-	22,427	1,886	100.00	(174)	21,744	-	
WPG China (SZ) Inc.	Sales of semiconductor integrated circuit and electronic components	145,319	2	106,515	-	-	106,515	7,173	100.00	7,173	1,254,072	-	Note 3
WPG China Inc.	Agent for selling electronic/electrical components	1,637,540	2	1,791,266	-	-	1,791,266	1,482,017	100.00	1,482,017	4,999,425	-	
Gain Tune Logistics (Shanghai) Co., Ltd.	Warehousing services / extra work	38,897	2	15,216	-	-	15,216	1,739	40.00	695	29,867	-	
Suzhou Xinning Logistics Co., Ltd.	Warehousing services	64,973	2	18,876	-	-	18,876	(10,502)	29.40	(3,088)	44,593	-	
Suzhou Xinning Bonded Warehouse Co., Ltd.	Warehousing services	30,705	2	28,811	-	-	28,811	(21,486)	49.00	(10,528)	58,519	-	
Yosun Shanghai Corp. Ltd.	Sales of electronic components and warehousing services	271,804	2	236,429	-	-	236,429	(91,121)	100.00	(91,121)	283,631	-	
Yosun South China Corp. Ltd.	Sales of electronic /electrical components	138,761	2	-	-	-	-	3,972	100.00	3,972	220,681	-	
Qegoo Technology Co., Ltd.	Business e-commerce platform	56,804	2	4,923	-	-	4,923	-	15.00	-	-	-	

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2023	Amount remitted from Taiwan to Mainland China / Amount remitted back to Taiwan for the year ended December 31, 2023		Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2023	Net income of investee for the year ended December 31, 2023	Ownership held by the Company (direct or indirect)	Investment income (loss) recognized by the Company for the year ended December 31, 2023 (Note 2)	Book value of investments in Mainland China as of December 31, 2023 (Note 5)	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2023	Footnote
					Remitted to Mainland China	Remitted back to Taiwan							
Beauteek (Shanghai) Global Wellness Corporation Limited	Community e-commerce trading platform and related services	\$ 82,904	2	\$ 13,968	\$ -	\$ -	\$ 13,968	\$ -	15.38	\$ -	\$ -	\$ -	
LaaS (Dongguan) Supply Chain Management Limited	Supply chain management, design and related businesses.	1,228,200	2	1,228,200	-	-	1,228,200	55,148	100.00	55,148	829,169	-	Note 8
Peng Yu (Shanghai) Digital Technology Co., Ltd	Sales of electronic/electrical products	97,358	2	199,998	-	-	199,998	8,240	100.00	4,993	263,571	-	
WPG C&C Shanghai Co., Ltd.	Sales of electronic/electrical products	229,923	2	263,054	-	-	263,054	44,808	100.00	27,153	395,293	-	Note 6
Trigolduo (Shanghai) Industrial Development Ltd.	Children's indoor amusement park	86,540	2	60,578	-	-	60,578 (	43,395)	70.00 (	18,408) (	22,966)	-	
Trigold Tongle (Shanghai) Industrial Development Ltd.	Children's indoor amusement park	6,491	2	-	-	-	- (	2,855)	70.00 (	1,211) (	5,116)	-	Note 7

Note 1: The investment methods are classified into the following two categories:

- (1) Directly investing in Mainland China.
- (2) Through investing in companies in the third area, which then invested in the investee in Mainland China.

Note 2: Except for WPG China Inc., WPG China (SZ) Inc. and WPG C&C Shanghai Co., Ltd., the investment income / loss for the year ended December 31, 2023 that was recognized by the Company was based on the financial statements reviewed by international accounting firm which has cooperative relationship with accounting firm in R.O.C. The remaining investment income / loss was measured based on unreviewed financial statements of investee during the same period.

Note 3: WPG International (Hong Kong) Limited invested in WPG (SZ) Inc. in the amount of HKD 10 million, which is part of the distribution of earnings from WPG China Inc. The investment had been permitted by Investment Commission, and was excluded from the ceiling of investment amount in Mainland China.

Note 4: For paid-in capital, amount remitted from Taiwan to Mainland China/ amount remitted back to Taiwan for the period ended December 31, 2023, accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2023, book value of investments in Mainland China as of December 31, 2023, accumulated amount of investment income remitted back to Taiwan as of December 31, 2023, etc., the exchange rates used were USD 1: NTD 30.705 HKD 1:NTD 3.929 and RMB 1: NTD 4.327.

Note 5: The ending balance of investment was calculated based on combined ownership percentage held by the Company.

Note 6: The retirement of World Peace Industrial Co., Ltd.'s indirect investment in Mainland China, WPG C&C Shanghai Co., Ltd., has been approved by Investment Commission, Ministry of Economic Affairs on May 22, 2019 amounting to USD 11,650 thousand. World Peace Industrial Co., Ltd. will submit an application to Investment Commission, Ministry of Economic Affairs for deducting the accumulated amount of remittance from Taiwan to Mainland China when the consideration arising from transfer of equity interests is remitted back from the investment in the third area, WPI International (HK) Limited.

Note 7: Trigold Tongle (Shanghai) Industrial Development Ltd. is a wholly-owned subsidiary of Trigolduo (Shanghai) Industrial Development Ltd.

Note 8: WPG Investment Co., Ltd. acquired a 100% equity interest in Mainland China investee, LaaS (Dongguan) Supply Chain Management Limited, through a reinvestment, LaaS Holdings (HK) Limited, of WPG Investment Co., Ltd.'s investment in the third area, Samoa, on August 2, 2020. WPG Investment Co., Ltd. had received a post-approval from the MOEA.

Company name	Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2023	Investment amount approved by the Investment Commission of the Ministry of Economic Affairs (MOEA)	Ceiling on investments in Mainland China imposed by the Investment Commission of MOEA
WPG Holdings Limited	\$ 1,960,684	\$ 2,072,926	\$ 50,786,380
World Peace Industrial Co., Ltd. and its subsidiaries	382,068	463,935	18,285,833
Silicon Application Corp. and its subsidiaries (Note)	452,102	435,647	5,345,011
Yosun Industrial Corp. and its subsidiaries	257,461	545,447	5,781,729
WPG Investment Co., Ltd.	1,247,091	1,257,164	1,286,085
Trigold Holdings Limited	547,441	547,441	1,913,902

(1) Exchange rates as of December 31, 2023 were USD 1: NTD 30.705, HKD 1 : NTD 3.929 and RMB 1 : NTD 4.327.

(2) The ceiling of investment amount of the company is calculated based on the investor's net assets.

Note: Silicon Application Corp. and its subsidiaries investing Maojie Trading (Shenzhen) Co., Ltd. will be declared by after-the-fact verification, because the amount was under USD 1 million.

WPG Holdings Limited and Subsidiaries
Major shareholders information
December 31, 2023

Table 10

Name of major shareholders	Shares	
	Number of shares held	Ownership (%)
Independent accounts securities investment trust fund of Cathay MSCI Taiwan ESG Sustainability High Dividend Yield ETF (umbrella fund) entrusted to Taishin International Bank	125,286,000	6.66%

Description: If the company applies with Taiwan Depository & Clearing Corporation for the information of the table, the following can be explained in the notes of the table.

- (a) The major shareholders information was derived from the data that the Company issued common shares (including treasury shares) and preference shares in dematerialised form which were registered and held by the shareholders above 5% on the last operating date of each quarter and was calculated by the Taiwan Depository & Clearing Corporation. The share capital which was recorded in the financial statements may be different from the actual number of shares in dematerialised form due to the difference in the calculation basis.
- (b) If the aforementioned data contains shares which were held in trust by the shareholders, the data is disclosed as a separate account of client which was set by the trustee. As for the shareholder who reports share equity as an insider whose shareholding ratio is greater than 10%, in accordance with the Securities and Exchange Act, the shareholding ratio includes the self-owned shares and shares held in trust, and at the same time, the shareholder has the power to decide how to allocate the trust assets. For the information on reported share equity of insider, please refer to Market Observation Post System.

7. Analysis and Risk Items of Financial Status and Financial Performance

7.1 Financial Status

7.1.1 Consolidated Financial Status Comparison and Analysis

Unit: NT\$ thousands

Item / Year	2023	2022	Difference	
			Amount	%
Current assets	273,029,161	276,008,765	(2,979,604)	(1.08)
Cash and cash equivalents	21,796,345	17,949,659	3,846,686	21.43
Notes and accounts receivable	130,914,967	120,667,355	10,247,612	8.49
Other receivables	11,825,409	20,009,977	(8,184,568)	(40.90)
Inventory	103,538,637	111,737,091	(8,198,454)	(7.34)
Non-current assets	41,341,446	40,210,875	1,130,571	2.81
Financial assets at fair value through profit or loss - non-current	3,343,573	1,724,617	1,618,956	93.87
Financial assets measured at fair value through other comprehensive income - non-current	3,434,477	3,341,083	93,394	2.80
Investments accounted for using the equity method	11,923,531	12,617,898	(694,367)	(5.50)
Property, plant and equipment	11,978,731	11,970,875	7,856	0.07
Total assets	314,370,607	316,219,640	(1,849,033)	(0.58)
Current liabilities	205,283,594	197,055,821	8,227,773	4.18
Bank loan (including short-term notes and bills payable and corporate bonds)	90,826,107	85,861,250	4,964,857	5.78
Notes payable and accounts payable	86,011,650	81,352,595	4,659,055	5.73
Due within one year or one operating cycle	11,052,679	10,934,042	118,637	1.09
Long-term liabilities				
Other current liabilities	17,393,158	18,907,934	(1,514,776)	(8.01)
Non-current liabilities	24,443,049	37,250,516	(12,807,467)	(34.38)
Long-term borrowings	20,369,472	33,532,103	(13,162,631)	(39.25)
Total liabilities	229,726,643	234,306,337	(4,579,694)	(1.95)
Share capital	18,790,568	18,790,568	—	—
Total equity	84,643,964	81,913,303	2,730,661	3.33

7.1.2 Major Reasons, Impacts and Future Plans about Significant Changes in Consolidated Assets, Liabilities and Equity in the Most Recent Two Years

- (1) Cash and cash equivalents: mainly due to the disposal of investments accounted for using equity method in 2023.
- (2) Other receivables: mainly due to an increase in the retention amount of factoring accounts receivable paid by banks during the year.
- (3) Financial assets at fair value through profit or loss - non-current: mainly due to the annual evaluation adjustment in 2023.
- (4) Non-current liabilities, long-term loans: mainly due to the maturity of part of the long-term borrowings in 2024, which will transfer to long-term borrowings within one year, and early repayment of borrowings in response to capital needs.

7.1.3 Parent Company-Only Financial Status Comparison and Analysis

Unit: NT\$ thousands

Item / Year	2023	2022	Difference	
			Amount	%
Current assets	3,193,546	907,431	2,286,115	251.93
Investments accounted for using the equity method	86,177,073	89,688,324	(3,511,251)	(3.91)
Property, plant and equipment	6,546,483	6,694,412	(147,929)	(2.21)
Total assets	101,161,213	102,390,994	(1,229,781)	(1.20)
Bank loan (including short-term notes and bills payable)	5,279,538	6,903,944	(1,624,406)	(23.53)
Total liabilities	17,516,673	21,334,744	(3,818,071)	(17.90)
Share capital	18,790,568	18,790,568	—	—
Total equity	83,644,540	81,056,250	2,588,290	3.19

7.1.4 Major Reasons, Impacts and Future Plans about Significant Changes in Parent Company-Only Assets, Liabilities, and Equity in the Last Two Years

- (1) Current assets: mainly due to an increase in cash and cash equivalent resulting from the disposal of investments accounted for using equity method in 2023.
- (2) Bank loan (including short-term notes and bills payable): mainly due to the increase in cash from disposal under equity method and repayment of borrowings.

7.2 Financial Performance

7.2.1 Consolidated Statement - Financial Performance Comparison and Analysis

Unit: NT\$ thousands

Item / Year	2023	2022	Difference	
			Amount	%
Operating revenue	671,888,131	775,232,422	(103,344,291)	(13.33)
Operating costs	(646,502,451)	(745,644,021)	99,141,570	(13.30)
Gross profit	25,385,680	29,588,401	(4,202,721)	(14.20)
Operating expenses	(14,990,972)	(14,888,268)	(102,704)	0.69
Operating profit	10,394,708	14,700,133	(4,305,425)	(29.29)
Non-operating income and expenses	(112,500)	(1,989,801)	1,877,301	(94.35)
Income before income tax	10,282,208	12,710,332	(2,428,124)	(19.10)
Income tax expenses	(2,084,471)	(2,132,898)	48,427	(2.27)
Net income	8,197,737	10,577,434	(2,379,697)	(22.50)

7.2.2 Major Reasons and Impacts for Significant Changes in Operating income, Net Operating Profit and Pre-tax Income in the Consolidated Statements in the Most Recent Two Years:

- (1) Net operating income: mainly due to the decrease in gross operating profit in 2023.
- (2) Non-operating income and expenses: mainly due to the increase of investment interest resulting from the disposal of investments accounted for using equity method in 2023.
- (3) Net income: mainly due to the decrease in operating net income in 2023.

7.2.3 Parent Company-Only Statements - Financial Performance Comparison and Analysis

Unit: NT\$ thousands

Item / Year	2023	2022	Difference	
			Amount	%
Operating revenue	7,654,341	12,149,084	(4,494,743)	(37.00)
Operating costs and expenses	(1,582,962)	(1,536,961)	(46,001)	2.99
Gross profit	6,071,379	10,612,123	(4,540,744)	(42.79)
Non-operating income and expenses	2,412,171	64,680	2,347,491	3,629.39
Income before income tax	8,483,550	10,676,803	(2,193,253)	(20.54)
Income tax (expenses) benefits	(374,143)	(164,337)	(209,806)	127.67
Net income	8,109,407	10,512,466	(2,403,059)	(22.86)

7.2.4 Major Reasons and Impacts for Significant Changes in Parent Company-Only Operating Income, Operating Profit, and Income Before Income Tax in the Most Recent Two Years:

- (1) Net operating income, gross profit: mainly due to the decrease in share of profit and loss of affiliated enterprises and joint ventures recognized by the equity method in 2023.
- (2) Non-operating income and expenses: mainly due to the increase of investment interest resulting from the disposal of investments accounted for using equity method.
- (3) Income tax (expenses) benefits: mainly due to the increase in undistributed earnings in 2023.

- (4) Net profit before tax, net profit in the current period: mainly due to the decrease in operating gross profit.

7.2.5 Expected sales volume for the upcoming fiscal year and its impact on the Company's financial operations, along with corresponding strategies:

Since the second half of 2022, the global semiconductor market has undergone changes in supply and demand as a result of the ongoing economic downturn. The recovery momentum has been weakened by inflation, interest rate hikes, geopolitical tensions, and the state of war. As the situation bottoms out and optimism slowly increases in 2023, the reorganization of global supply chains and value chains is imperative.

The Company's primary focuses for 2024 are "global service", "operational optimization", and "service optimization". We will continue to prioritize digital transformation and utilize online platforms and offline teams to meet the business needs of the supply chain. Furthermore, we will explore and develop new business models through Logistics as a Service (LaaS) and Business Process as a Service (BPaaS), while striving to improve post-tax profitability, effectively control operating expenses, and enhance investment management. Our objective is to increase overall profit and contribute to the return on operating working capital (ROWC) and return on equity (ROE) by efficiently managing operational assets and distributing dividends to shareholders. Additionally, we will focus on capital management and optimize resource allocation, expanding both internal growth and external investments to establish a track record of successful investments and a strong reputation, ultimately increasing the Company's profitability.

7.3 Cash Flow

7.3.1 Analysis of Consolidated Cash Flow Changes in the Most Recent Year

Unit: NT\$ thousands

Cash Balance at Beginning of Year	Net Cash Inflow (Outflow) from Operating Activities in the Year	Cash Inflow (Outflow) in the Year	Cash Balance at End of Year	Remedial Measures for Cash Inadequacy	
				Investment Plan	Financial Plan
17,949,659	16,203,554	3,846,686	21,796,345	—	—

- (1) The net cash inflow from operating activities is approximately \$16,203,554 thousand: Primarily generated from operating profits.
- (2) The net cash inflow from investment activities is approximately NT\$4,026,762 thousand: Primarily resulting from the disposal of investments accounted for using the equity method.
- (3) The net cash outflow from fundraising activities is approximately NT\$15,976,855 thousand: Primarily due to loan repayment and dividend distribution.

7.3.2 Analysis of Parent Company-Only Cash Flow Changes in the Most Recent Year

Unit: NT\$ thousands

Cash Balance at Beginning of Year	Net Cash Inflow (Outflow) from Operating Activities in the Year	Cash Inflow (Outflow) in the Year	Cash Balance at End of Year	Remedial Measures for Cash Inadequacy	
				Investment Plan	Financial Plan
92,227	7,037,017	2,643,819	2,736,046	—	—

- (1) The net cash inflow from operating activities is approximately \$7,037,017 thousand: Primarily generated from operating profits.
- (2) The net cash inflow from investment activities is approximately NT\$4,436,465 thousand: Primarily resulting from the disposal of investments accounted for using the equity method.
- (3) The net cash outflow from fundraising activities is approximately NT\$8,829,663 thousand: Primarily due to loan repayment and dividend distribution.

7.3.3 Improvement Plan for Lack of Liquidity: There is no lack of liquidity for WPG Holdings Limited and WPG Group.

7.3.4 Analysis of the Consolidated Cash Liquidity for the Upcoming Year

Unit: NT\$ thousands

Cash Balance at Beginning of Year	Net Cash Inflow (Outflow) from Operating Activities in the Year	Cash Inflow (Outflow) in the Year	Cash Balance at End of Year	Remedial Measures for Cash Inadequacy	
				Investment Plan	Financial Plan
21,796,345	3,072,601	(5,033,239)	16,763,106	—	—

- (1) The net cash inflow from operating activities: Primarily generated from operating profits.
- (2) The net cash outflow from other activities: The net cash outflow from investment and financing activities is primarily attributed to the increase in borrowing to fulfill the growing funding requirements and the payment of dividends.

7.3.5 Analysis of the Parent Company-Only Cash Liquidity for the Upcoming Year

Unit: NT\$ thousands

Cash Balance at Beginning of Year	Net Cash Inflow (Outflow) from Operating Activities in the Year	Cash Inflow (Outflow) in the Year	Cash Balance at End of Year	Remedial Measures for Cash Inadequacy	
				Investment Plan	Financial Plan
2,736,046	7,606,875	714,083	3,450,129	—	—

- (1) The net cash inflow from operating activities: Primarily generated from operating profits.
- (2) The net cash outflow from other activities: The net cash outflow from investment and financing activities is primarily attributed to the payment of dividends.

7.4 Major Capital Expenditures and Impact on Financial and Business in the Most Recent Year: None.

7.5 Reinvestment Policy and Main Reasons for Profits/Losses and Improvement Plans for the Most Recent Fiscal Year, and Investment Plans for the Coming Year

7.5.1 Reinvestment Analysis

December 31, 2023/ Unit: NT\$ thousands

Item / Description	Closing Balance of Long-term Investment	Business Activities	Profit (loss) for 2023 □ Amount	Main Reasons for Profit or Loss	Improvement Plan	Other Future Investment Plan
World Peace Industrial Co., Ltd.	30,415,934	Agent and sales of electronic / electrical components	1,827,609	Increased investment income due to investees' continued profitability	—	—
Silicon Application Corp.	8,761,469	Sales of computer software, hardware and electronic products	97,326	"	—	—
Asian Information Technology Inc.	7,739,754	Sales of electronic / electrical components	1,043,857	"	—	—
Yosun Industrial Corp.	13,379,904	Sales of electronic / electrical components	741,903	"	—	—
WPG Electronics Limited	334,185	Warehousing services	5,464	"	—	—
WPG Korea Co., Limited	587,445	Agent and sales of electronic / electrical components	(172,772)	Investment loss caused by the loss of the invested business	—	—
WPG Investment Co., Ltd.	2,143,475	Investment company	118,044	Increased investment income due to investees' continued profitability	—	—
WPG Int'l (CI) Limited	7,851,870	Holding company	1,595,768	"	—	—

Item / Description	Closing Balance of Long-term Investment	Business Activities	Profit (loss) for 2023 □ Amount	Main Reasons for Profit or Loss	Improvement Plan	Other Future Investment Plan
Trigold Holdings Limited	1,282,468	Holding company	135,032	〃	—	—
WT Microelectronics Co., Ltd.	11,016,733	Trading company	4,012,142	〃	—	—
WPG ELECTRONICS (HK) LIMITED	525,209	Agent and sales of electronic / electrical components	(295,768)	Investment loss caused by the loss of the invested business	—	—
WPG South Asia Pte. Ltd.	2,124,839	Sales of electronic / electrical components	304,434	Increased investment income due to investees' continued profitability	—	—
WPG EMEA B.V.	13,788	Sales of electronic / electrical components	(69,460)	Investment loss caused by the loss of the invested business	—	—

7.5.2 Investment Policy for the Most Recent Fiscal Year

The Company's reinvestment policy focuses on reinvesting in professional distributors of electronic components, in consideration of the integration of the markets and distributed product line, and enhancement of added value of the services to achieve economy of scale in order to maintain and expand market share and profit continuously.

7.5.3 Investment Plan for the Coming Year

As of the date of the annual report, the Company has no material investment plan.

7.6 Risks Assessment in the Most Recent Year and up to the Date of this Annual Report

Regarding risk management, WPG aims to focus on integrated risk management. Considering the enterprise as a whole, all levels of risk management units shall integrate risk management into regular operation management procedures through systematic risk identification, risk assessment, and risk response and monitoring to achieve organizational goals. All risk management units should also actively engage in various businesses, improve the quality and quantity of revenue, achieve resource allocation optimization, and ensure that appropriate risk awareness and culture are established and maintained throughout the organization at an acceptable level of risk.

7.6.1 Impact of Interest Rate, Exchange Rate, and Inflation on the Company's Profit and Loss and Countermeasures:

- Interest Rate Changes

The Company's financial cost in 2023 was NT\$6,680,457 thousand, an increase of NT\$1,944,222 thousand from 2022. The Company's bank loans are mainly due to an increase in financial costs caused by raise interest rates, and added interest expenses by 41.05%, the Company continues to reduce the impact of the changes in interest rates.

- Exchange Rate Changes

The Company operates internationally, and the main exchange rate risks come from USD and RMB. Foreign exchange risk arises from future commercial transactions, recognized assets and liabilities and net investments in foreign operations. WPG policies require companies in the Group to manage the exchange rate risks of their corresponding functional currencies. The companies in the Group are required to hedge their entire foreign exchange risk exposure via the finance department. In order to manage the exchange rate risk from future commercial transactions and the recognized assets and liabilities, the companies in the Group use forward foreign exchange contracts through the finance department to reduce the impact of exchange rate changes on the Company's gain and loss. The profit on exchange for 2023 was NT\$477,384 thousand, accounting for 5.82% of the net profit for the period.

- Inflation

The main products distributed by the Company are semiconductor components, and the sales territory is mainly in the Asia-Pacific region. The characteristics and prices of the products sold by the Company mostly reflect the market supply and demand status and technological progress, which are updated quickly. Inflation or deflation in the various countries of the Asia-Pacific region has no significant impact on the company's 2023 annual operating results.

7.6.2 Policy regarding High-risk Investments, Highly Leveraged Investments, Loans to Other Endorsements/Guarantees, and Derivatives Transactions, Main Reasons for the Profit (Loss) Generated Thereby, and Response Measures to Be Taken in the Future:

The Company is not engaged in high-risk and high-leveraged investment; and the Company's related procedures for loans to others, endorsement and guarantee and financial derivative transactions are based on the policies and countermeasures specified in the Company's Operational Procedures for Acquisition and Disposal of Assets, Procedures for Lending Funds to Other Parties and Procedures for Endorsements and Guarantees.

- Credit Risk

At present, in order to improve the performance of credit risk monitoring, the Company and its subsidiaries will continue to optimize the management process of credit risk control to achieve the purpose of reducing risk and protecting creditors' rights. The main focuses of credit management are 1. Customer management 2. Credit management 3. Accounts receivable management 4. Risk management. Early warning of customer risks, mastery of customer operating status, reconciliation of accounts receivable, payment and write-off operations are all management priorities.

- Quality Risks of Financial Statement Expression

Establish financial statistics analysis and inspection mechanisms, regularly educate and train accounting personnel to strengthen their understanding of the laws, accounting and taxation, and regularly review internal control mechanisms and operating procedures.

- Risks of Capital Structure and Capital Acquisition Restrictions

Set goals for ratios of capital utilization and strengthen working capital management, etc.

7.6.3 Future Plans and Expected Investments for R&D:

The Company's subsidiaries establish FAE roles to support customers in product testing and design and provide or update optimal solutions for different categories of product applications from time to time to help customers reduce manufacturing costs and improve product efficiency. The research and development expenses as of the first quarter of the current year are NT\$4,348 thousand

7.6.4 Impact of Important Domestic and Foreign Policies and Laws Changes on the Company's Financial and Business, and Countermeasures:

In response to the amendments of corporate governance, the Company Act and related policies by the competent authority, the Company will pay attention to the changes of the relevant laws and regulations continuously and comply with them.

7.6.5 Impact of Technological (including the Risk of Information Security) and Market Changes on the Company's Financial and Business, and Countermeasures:

The company operates in the midstream of the semiconductor component supply chain and adopts strategies such as expanding the product line and increasing customer coverage across various types to respond to the ever-changing semiconductor component supply and demand dynamics driven by rapid technological advancements. Given the intense competition in the industry and the continuous acquisition activities undertaken by domestic and international counterparts to ensure market competitiveness, the company aims to maintain its leading position as the top component distribution channel in the Asia-Pacific region. To achieve this, the company will continue to pursue industry investment holdings and seek strategic alliance partnerships to increase the product line and customer coverage, thereby maintaining and expanding market share.

7.6.6 Impact of the Company's Corporate Image Change on Corporate Crisis Management and Countermeasures:

The company adheres to the principle of professionalism, integrity, and sustainable management, and attaches great importance to corporate image and risk control. There is no major foreseeable crisis.

7.6.7 Expected Benefits, Possible Risks, and Countermeasures for Mergers and Acquisitions:

The Company has no plans for mergers and acquisitions in the most recent year and the most recent quarter.

7.6.8 Expected Benefits, Possible Risks, and Countermeasures for Plants Expansion:

The Company and its subsidiaries are not manufacturers; not applicable.

7.6.9 Risks associated with any Consolidation of Sales or Purchasing Operations and Countermeasures taken:

The Company's customers are extremely dispersed and distributed throughout the Asia-Pacific region. The products produced covered the computer peripherals, communications, consumer electronics, and automotive electronics markets. In the most recent year and the first quarter of this year, the sales amount of a single customer did not exceed 10% of the consolidated revenue; there is no risk of concentrated sales. The Company maintains good long-term relationships with suppliers; sources of supply are stable and normal.

7.6.10 Effect upon and Risk to the Company in the Event a Major Quantity of Shares Belonging to a Director, Supervisor, or Shareholder Holding Greater than a 10 Percent Stake in the Company has been Transferred or has otherwise Changed Hands, and Mitigation Measures being or to be Taken: None.

7.6.11 Effect upon and Risk to Company Associated with Any Change in Governance Personnel or top Management, and Mitigation Measures being or to be Taken: None.

7.6.12 For Any Litigious or Non-litigious Matters, the Company and Its Directors, Supervisors, General Managers, Persons with Actual Responsibility in the Company, and Major

Shareholders Holding More than 10% of the Company's Shares Shall Be Disclosed. If There Has Been Any Substantial Impact upon Shareholders' Equity or Prices for the Company's Securities as a Result of Any Litigation, Non-litigious Proceeding, or Administrative Dispute Involving the Company that Has Been Finalized or Has Remained Pending: None.

7.6.13 Other Important Risks and Countermeasures:

There is no other important risk for WPG Holdings Ltd. in 2023 and as of the date of the annual report.

7.7 Other Material Matters

Measurement and Assumption for Asset and Liability Valuation

7.7.1 Policy for Allowance for Bad Debts - Account Receivable:

For the Group's accounts and bills receivables, after considering all reasonable and supportive information (including forecasts), if the credit risk has not increased significantly since the original recognition, the allowance is measured by the amount of 12-month expected credit losses; if the credit risk has increased significantly since the original recognition, the allowance loss is measured by the expected credit loss amount during the duration; for accounts receivable that do not contain significant financing components, the allowance is measured by the expected credit loss amount during the duration.

For accounts receivable of individual customers, assess whether there is objective evidence that impairment has occurred:

- (1) The customer has major financial difficulties
- (2) The customer has overdue payments
- (3) The customers are likely to declare bankruptcy or undergo financial reorganization.

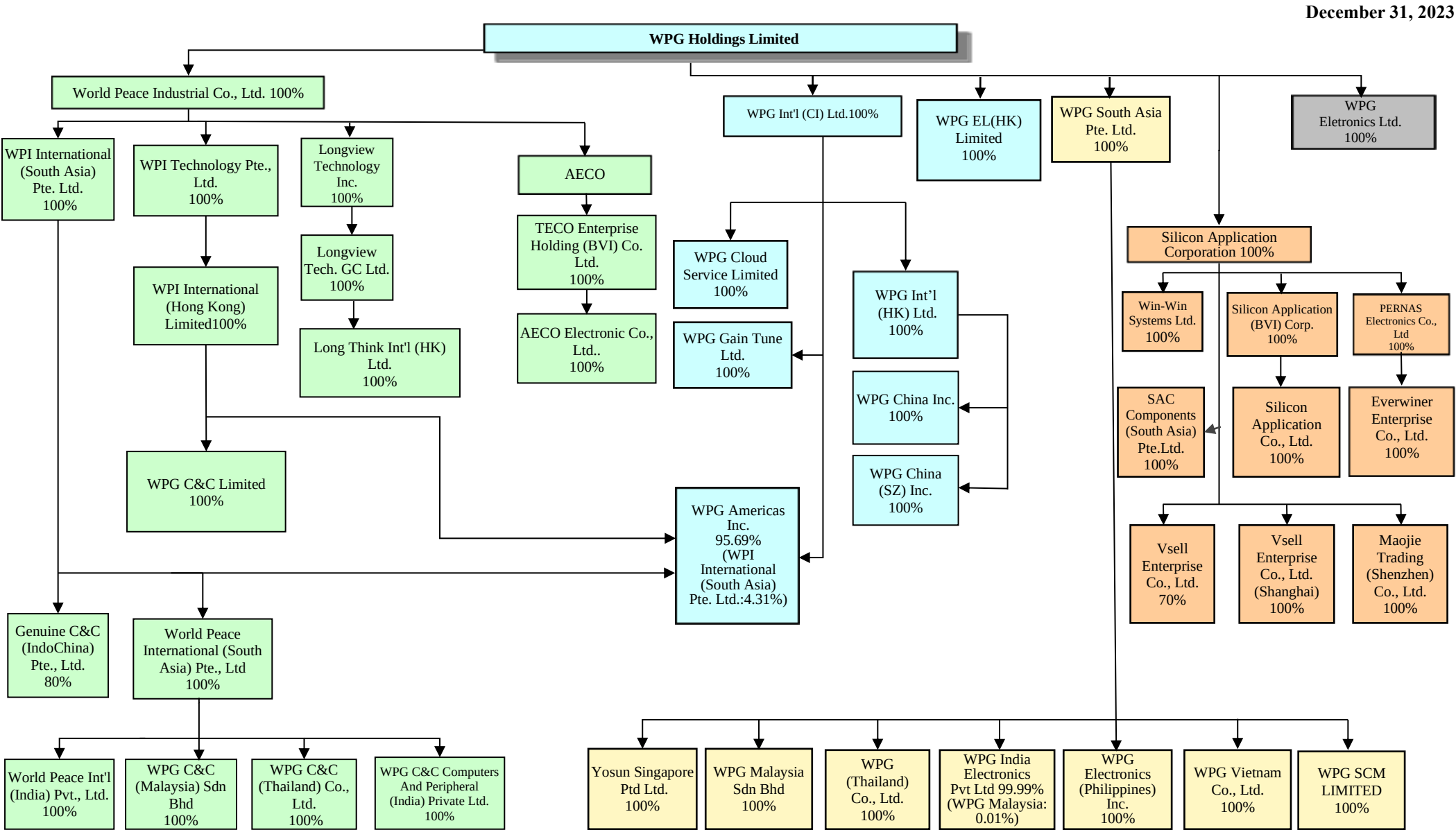
7.7.2 Policy for Provision for Loss on Inventory Devaluation:

Inventories are measured at the lower of cost and net realizable value. Cost is determined using the weighted-average cost method. When comparing the comparative cost and the net realizable price to determine which is lower, the item-by-item comparison method is adopted. The net realizable value refers to the balance of the estimated selling price in the normal course of business less the estimated costs necessary to make the sale.

8. Special Disclosure

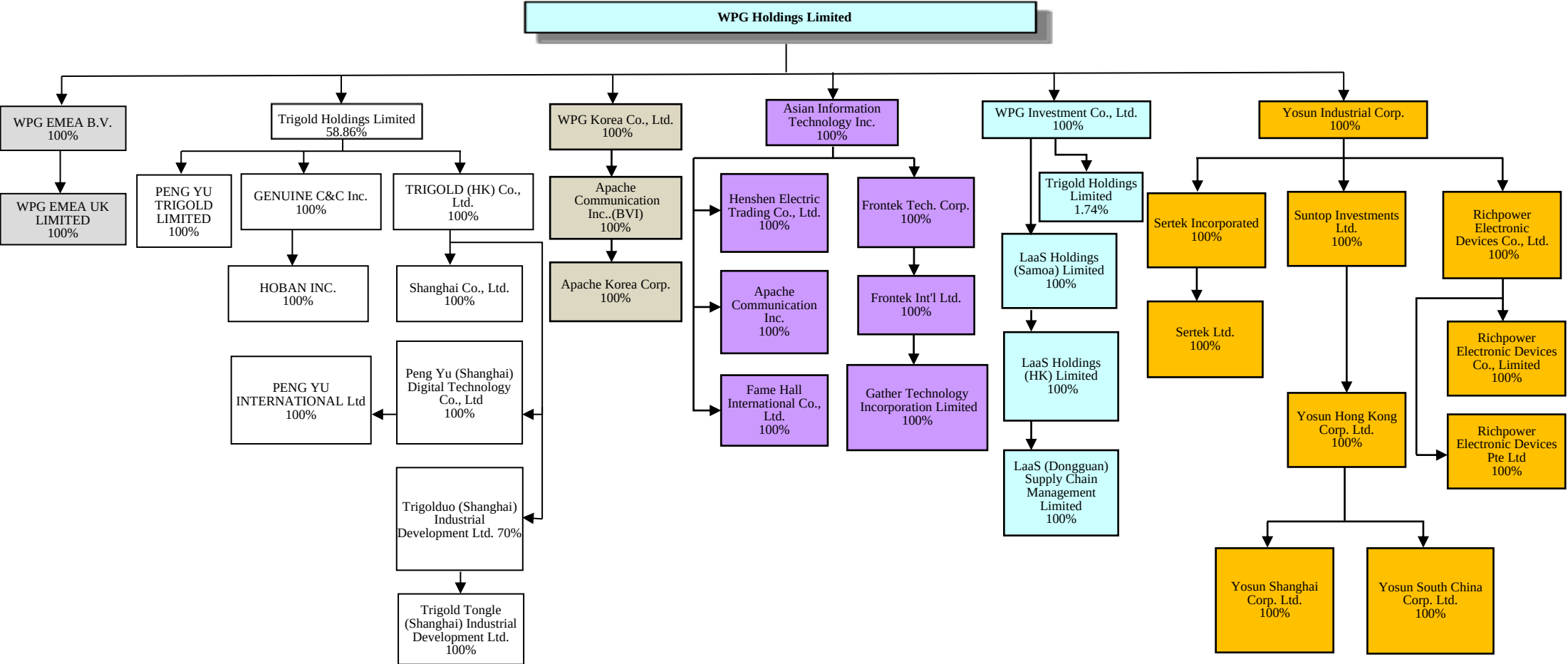
8.1 Subsidiaries Information

8.1.1Subsidiaries Chart



Subsidiaries Chart (continued)

December 31, 2023



8.1.2 List of Subsidiaries Information

December 31, 2023 Unit: NT\$ thousands unless otherwise specified

Name	Date of Incorporation	Address	Paid-in Capital	Business Activities
World Peace Industrial Co., Ltd.	1981/6/3	8th Floor, No. 189, Jingmao 2nd Road, Nangang District, Taipei City	18,475,000	Agent and sales of electronic / electrical components
Silicon Application Corporation	1987/1/21	18th Floor, No. 189, Jingmao 2nd Road, Nangang District, Taipei City	6,770,900	Sales of computer software and electronic products
Asian Information Technology Inc.	1993/7/29	13th Floor, No. 189, Jingmao 2nd Road, Nangang District, Taipei City	6,430,290	Sales of electronic / electrical components
Yosun Industrial Corp.	1980/5/30	16th Floor, No. 189, Jingmao 2nd Road, Nangang District, Taipei City	4,023,103	Sales of electronic / electrical components
WPG Electronics Limited	2002/4/22	22nd Floor, No. 189, Jingmao 2nd Road, Nangang District, Taipei City	330,000	Warehousing
WPG Korea Co., Ltd.	2005/11/8	(Pangyo Innovalley) B-301, 253, Pangyo-ro, Bundang-gu, Seongnam-si, Gyeonggi-do, 13486, Korea	KRW 14,797,470,000	Agent and sales of electronic / electrical components
WPG International (CI) Limited	2007/3/1	P. O. Box 31119 Grand Pavilion , Hibiscus Way , 802 West Bay Road , Grand Cayman , KY1 – 1205 Cayman Islands.	USD 88,252,000	Holding company
WPG Investment Co., Ltd.	1998/7/9	22nd Floor, No. 189, Jingmao 2nd Road, Nangang District, Taipei City	2,100,000	Investment company
Trigold Holdings Limited	2017/9/1	22nd Floor, No. 189, Jingmao 2nd Road, Nangang District, Taipei City	1,005,695	Holding company
WPG ELECTRONICS (HK) LIMITED	1997/6/6	Units 07-11, 15/F, CDW Building, 388 Castle Peak Road, Tsuen Wan, New Territories, Hong Kong	HKD 234,082,000	Agent and sales of electronic / electrical components
WPG South Asia Pte. Ltd.	2006/9/20	No. 10 Upper Aljunied Link #06-07, Singapore 367904	USD 46,609,000	Sales of electronic / electrical components
WPG EMEA B.V.	2021/3/16	Zekeringstraat 42, 1014BT Amsterdam, the Netherlands	USD 5,000,000	Sales of electronic / electrical components
WPG EMEA UK LIMITED	2022/11/28	5 Eghams Court, Boston Drive, Bourne End, England, SL8 5YS, UK	GBP 100,000	Sales of electronic / electrical components

Name	Date of Incorporation	Address	Paid-in Capital	Business Activities
AECO Technology Co., Ltd.	1975/8/8	6th Floor, No. 189, Jingmao 2nd Road, Nangang District, Taipei City	946,000	Agent and sales of electronic / electrical components
WPI Technology Pte. Ltd.	1996/3/15	No. 10 Upper Aljunied Link #06-07, Singapore 367904	USD 83,179,000	Agent and sales of electronic / electrical components
WPI International (South Asia) Pte Ltd	1995/5/4	No. 10 Upper Aljunied Link #06-07, Singapore 367904	USD 34,196,000	Agent and sales of electronic / electrical components
Longview Technology Inc.	1992/1/24	7th Floor, No. 189, Jingmao 2nd Road, Nangang District, Taipei City	339,000	Agent and sales of electronic / electrical components
WPI International (Hong Kong) Limited.	1996/4/16	Units 07-11, 15/F, CDW Building, 388 Castle Peak Road, Tsuen Wan, New Territories, Hong Kong	USD 33,520,000	Agent and sales of electronic / electrical components
			HKD 564,306,000	
Genuine C&C (IndoChina) Pte. Ltd.	2002/5/23	No. 10 Upper Aljunied Link #06-07, Singapore 367904	USD 5,000,000	Agent and sales of electronic / electrical components
World Peace International (South Asia) Pte Ltd	1995/5/17	No. 10 Upper Aljunied Link #06-07, Singapore 367904	USD 21,774,000	Agent and sales of electronic / electrical components
World Peace International (India) Pvt., Ltd.	1997/10/3	Shed No. 26, 2nd Floor, Okhla Industrial Estate, Phase-III, New Delhi, New Delhi - 110020, Delhi, INDIA	INR 3,575,000	Agent and sales of electronic / electrical components
WPG C&C Computers and Peripheral (India) Private Limited	2008/6/4	No.26, 2nd Floor, Okhla Industrial Estate, Phase-III, New Delhi-110020, India.	INR 484,200,000	Agent and sales of electronic / electrical components
WPG C&C (Malaysia) Sdn Bhd	2001/1/26	25-4 & 27-4 , Block D1 , Dataran Prima , Jalan PJU 1/4 , 47301 P.J. , Selangor	MYR 11,250,000	Agent and sales of electronic / electrical components
WPG C&C (Thailand) Co., Ltd.	2006/2/23	No. 9/304 UM Tower, 30th Floor, Ramkhamhaeng Road, Suanlung Sub-district, Suanluang District, Bangkok, Thailand	BAHT 25,750,000	Agent and sales of Information products

Name	Date of Incorporation	Address	Paid-in Capital	Business Activities
WPG C&C Limited	2002/7/19	Units 07-11, 15/F, CDW Building, 388 Castle Peak Road, Tsuen Wan, New Territories, Hong Kong	USD 6,500,000	Agent and sales of Information products
WPG C&C Shanghai Co., Ltd.	2005/1/13	3688 Jindu Rd, Minhang District, Shanghai Xinzhuang Industrial Zone, Shanghai, China	USD 7,700,000	Sales of electronic/electrical products
Long Think International Co., Ltd. (Note 1)	2010/3/19	5th Floor, No. 189, Jingmao 2nd Road, Nangang District, Taipei City	—	Agent and sales of electronic / electrical components
Longview Technology GC Limited	2012/5/10	Commence Chambers, P.O Box 2208, Road Town, Tortola, British Virgin Islands	USD 11,300,000	Holding company
Long Think Int'l (HK) Ltd.	1991/5/14	Units 07-11, 15/F, CDW Building, 388 Castle Peak Road, Tsuen Wan, New Territories, Hong Kong	HKD 78,000,000	Agent and sales of electronic / electrical components
Silicon Application (BVI) Corp.	1997/6/17	Portcullis Chambers, 4th Floor, Ellen Skelton Building, 3076 Sir Francis Drake Highway, Road Town, Tortola, British Virgin Islands	USD 22,000,000	Holding company
Silicon Application Co., Ltd.	2000/2/14	Units 07-11, 15/F, CDW Building, 388 Castle Peak Road, Tsuen Wan, New Territories, Hong Kong	HKD 110,000,000	Sales of computer software and electronic products
Win-Win Systems Ltd.	2000/6/20	Intershore Chambers, P.O. Box 4342, Road Town, Tortola, British Virgin Islands	USD 765,000	Holding company
SAC Components (South Asia) Pte. Ltd.	2012/4/25	No. 10 Upper Aljunied Link #06-07, Singapore 367904	USD 3,500,000	Sales of computer software and electronic products
Pernas Electronic Co., Ltd.	1984/2/14	18th Floor, No. 189, Jingmao 2nd Road, Nangang District, Taipei City	900,000	Agent and sales of electronic / electrical components
Everwiner Enterprise Co., Ltd.	1998/3/31	18th Floor, No. 189, Jingmao 2nd Road, Nangang District, Taipei City	370,000	Agent and sales of electronic / electrical components
Apache Communication Inc.	1998/3/9	10th Floor, No. 189, Jingmao 2nd Road, Nangang District, Taipei City	2,193,000	Sales of electronic materials
Henshen Electric Trading Co., Ltd.	1978/7/7	13th Floor, No. 189, Jingmao 2nd Road, Nangang District, Taipei City	200,000	Sales of electronic materials

Name	Date of Incorporation	Address	Paid-in Capital	Business Activities
Frontek Technology Corporation	1985/12/10	10th Floor, No. 189, Jingmao 2nd Road, Nangang District, Taipei City	2,800,000	Sales of electronic materials
Fame Hall International Co., Ltd.	1998/12/7	P.O. Box 2208,Road Town, Tortola, British Virgin Islands	USD 4,703,000	Investment company
Frontek International Limited	2002/6/4	P.O. Box 2208,Road Town, Tortola, British Virgin Islands	USD 2,970,000	Investment company
Gather Technology Incorporation Limited	2002/8/9	Room 903, 9th Floor, Enterprise Plaza Tower 2, 9 Sheung Yuet Road, Kowloon Bay, Hong Kong	HKD 22,800,000	Sales of electronic / electrical components
Richpower Electronic Devices Co., Ltd.	2005/1/13	14th Floor, No. 189, Jingmao 2nd Road, Nangang District, Taipei City	1,209,000	Sales of electronic / electrical components
Sertek Incorporated.	1983/3/23	15th Floor, No. 189, Jingmao 2nd Road, Nangang District, Taipei City	948,281	Sales of electronic / electrical components
Sertek Limited	1988/12/2	Room 901 Yip Fung Building,2-12 D'Aguilar Street, Central, Hong Kong	HKD 19,500,000	Sales of electronic / electrical components
Suntop Investments Limited	1997/7/18	The Grand Pavilion Commercial Centre, Oleander Way, 802 West Bay Road, P.O. Box 32052, Grand Cayman, KY1-1208, Cayman Islands	USD 29,200,000	Investment company
Richpower Electronic Devices Co., Limited	1998/5/27	Units 7-11, 15/F, CDW Building, 388 Castle Peak Road, Tsuen Wan, New Territories, Hong Kong	HKD 63,000,000	Sales of electronic/electrical products
Richpower Electronic Devices Pte., Ltd.	2004/8/6	No. 10 Upper Aljunied Link #06-07, Singapore 367904	USD 61,000	Sales of electronic/electrical products
Yosun Hong Kong Corp. Ltd.	1995/4/13	Units 7-11, 15/F, CDW Building, 388 Castle Peak Road, Tsuen Wan, New Territories, Hong Kong	HKD 303,220,000	Sales of electronic / electrical components
Yosun Shanghai Corp. Ltd.	2002/4/24	Rm 529, 5F., No. 88, Taigu Rd, China (Shanghai) Pilot Free Trade Zone	USD 7,700,000	Warehouse business and sales of electronic components
Yosun South China Corp. Ltd.	1999/10/12	Room 903 & 904, 9F., No.2, Cadre Group Center, No.168, Tongsha Road, Xili Town, Nanshan District, Shenzhen	USD 4,300,000	Sales of electronic / electrical components

Name	Date of Incorporation	Address	Paid-in Capital	Business Activities
Apache Communication Inc.(B.V.I.)	2000/1/4	Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, British Virgin Islands.	USD 2,795,000	Investment company
Apache Korea Corp.	2003/8/8	(Pangyo Innovalley)B-301,253, Pangyo-ro, Bundang-gu, Seongnam-si, Gyeonggi-do, 13486, Korea	KRW 1,054,910,000	Sales of electronic / electrical components
WPG International (Hong Kong) Limited	2007/6/5	Units 07-11, 15/F, CDW Building, 388 Castle Peak Road, Tsuen Wan, New Territories, Hong Kong	USD 66,223,000	Holding company
WPG Americas Inc.	2006/5/16	1735 TECHNOLOGY DRIVE, SUITE 770, SAN JOSE, CA 95110	USD 66,100,000	Agent and sales of electronic / electrical components
WPG Cloud Service Ltd.	2012/9/4	Units 07-11, 15/F, CDW Building, 388 Castle Peak Road, Tsuen Wan, New Territories, Hong Kong	USD 2,157,000	General trading
WPG Gain Tune Ltd.	1986/2/18	Units 07-11, 15/F, CDW Building, 388 Castle Peak Road, Tsuen Wan, New Territories, Hong Kong	USD 1,000,000	Agent and sales of electronic / electrical components
WPG China Inc.	1995/3/16	B part, 6F., Jialisl Building, No.191, Rijing Rd, Pudong, Shanghai Pilot Free Trade Zone, Shanghai, China	USD 58,280,000	Agent and sales of electronic / electrical components
WPG China (SZ) Inc.	2000/7/7	3-5 F. & 8F. & 12-14 F., No.2, Kai Da Er Building, No.168, Tongsha Road, Xili Street, Nanshan District, Shenzhen, P.R.C	HKD 37,000,000	Sales of computer software and electronic products
WPG Malaysia Sdn Bhd	1995/10/18	25-4 & 27-4, Block D1, Dataran Prima, Jalan PJU 1/41, 47301 Petaling Jaya, Selangor, Malaysia.	MYR 1,011,000	Agent and sales of electronic / electrical components
WPG (Thailand) Co., Ltd.	1995/11/28	No. 9/303-4 UM Tower, 30th Floor, Ramkhamhaeng Road, Suanlung Sub-district, Suanluang District, Bangkok, Thailand	BAHT 10,372,000	Agent and sales of electronic / electrical components
WPG India Electronics Pvt Ltd	2011/3/4	No.26, 2nd Floor, Okhla Industrial Estate, Phase-III, New Delhi-110020, India.	INR 159,100,000	Agent and sales of electronic / electrical components

Name	Date of Incorporation	Address	Paid-in Capital	Business Activities
WPG Electronics (Philippines) Inc.	1999/9/2	Unit 501 Richville Corporate Centre, #1314 Commerce Ave. Ext., Madrigal Business Park, Ayala Alabang, Muntinlupa, 1780 Philippines	PHP 1,000,000	Agent and sales of electronic / electrical components
WPG Vietnam Company Limited	2019/10/25	22 Street 16, Tan Hung, Him Lam District 7, Ho Chi Minh City Vietnam	USD 100,000	Agent and sales of electronic / electrical components
WPG SCM Limited	2001/12/12	Units 07-11, 15/F., CDW Building, 388 Castle Peak Road, Tsuen Wan, N.T., Hong Kong	USD 1,641,000	Agent and sales of electronic / electrical components
Yosun Singapore Pte Ltd.	1991/2/14	No. 10 Upper Aljunied Link #06-07, Singapore 367904	USD 20,715,000	Sales of electronic / electrical components
Teco Enterprise Holding (BVI) Co., Ltd.	2002/4/19	Commence Chambers P.O.Box 2208 Road	USD 12,610,000	Investment company
AECO Electronic Co., Ltd.	2002/5/2	Units 07-11, 15/F, CDW Building, 388 Castle Peak Road, Tsuen Wan, New Territories, Hong Kong	HKD 98,280,000	Trading of electronic/electrical products
HOBAN INC.	1999/4/10	3F., No. 36, Ln. 66, Ruiguang Rd., Neihu Dist., Taipei City	200,000	E-commerce company operating B2C and O2O businesses
Genuine C&C Holding Inc. (Seychelles) (Note 2)	2011/6/22	No.4, Franky Building, Providence Industrial Estate, Mahe, Seychelles	—	Holding company
Peng Yu (Shanghai) Digital Technology Co., Ltd.	2014/5/30	Rm 517, 5F., No. 88, Taigu Rd, China (Shanghai) Pilot Free Trade Zone	RMB 22,500,000	Sales of electronic/electrical products
WPG TRIGOLD (HK) Ltd.	2017/11/6	UNITS 07-11, 15/F CDW BLDG 388 CASTLE PEAK RD TSUEN WAN HONG KONG	HKD 155,200,000	Holding company
GENUINE C&C Inc.	1988/11/30	No. 36, Ln. 66, Ruiguang Rd., Neihu Dist., Taipei City	795,695	Computer & Peripherals
PENG YU INTERNATIONAL Ltd	2017/3/28	UNITS 07-11, 15/F CDW BLDG 388 CASTLE PEAK RD TSUEN WAN HONG KONG	USD 10,000	Sales of electronic/electrical products
Trigolduo (Shanghai) Industrial Development Ltd.	2019/1/31	Rm 701, No. 37, Aly. 1555, Jin Sha Jiang West Rd, Jiading Dist., Shanghai, China	RMB 20,000,000	Children's indoor theme park
Trigold Tongle (Shanghai) Industrial Development Ltd.	2019/3/25	F302, No. 1569, Mu Dan Jiang Lu, Baoshan Dist., Shanghai, China	RMB 1,500,000	Children's indoor theme park

Name	Date of Incorporation	Address	Paid-in Capital	Business Activities
PENG YU TRIGOLD LIMITED	2021/1/6	UNITS 07-11, 15/F CDW BLDG 388 CASTLE PEAK RD TSUEN WAN HONG KONG	USD 2,000,000	Sales of electronic/electrical products
LaaS Holdings (Samoa) Limited	2020/6/2	Portcullis Chambers, P.O.BOX 1225, Apia, Samoa	USD 40,060,000	Holding company
LaaS Holdings (HK) Limited	2020/6/30	806-807, 8/F, One Pacific Place, 88 Queensway, Hong Kong	USD 40,050,000	Holding company
LaaS (Dongguan) Supply Chain Management Limited	2020/8/2	Room 701, Block 5, No.2 Bao Shui Huan Road, Shatian Town, Dongguan City, Guangdong Province	USD 40,000,000	Smart warehousing value- added service industry
Vsell Enterprise Co., Ltd.	1994/2/4	3F, No. 162, Daye Rd., Beitou Dist., Taipei, Taiwan	200,000	Agent and sales of electronic / electrical components
Maojie Trading (Shenzhen) Co., Ltd.	2008/01/30	Rm 403, Block A, Zhengtai Lai Chuangke Park, Yintian Creative Park, Yitian Community, Xixiang Street, Baoan District, Shenzhen China	HKD 6,000,000	Agent and sales of electronic / electrical components
Vsell Enterprise Co., Ltd. (Shanghai)	2003/11/07	Rm 1208, No. 35, Rijing Rd, China (Shanghai) Pilot Free Trade Zone	USD 6,800,000	Agent and sales of electronic / electrical components

Note 1: Long Think International Co., Ltd. has completed the final accounting for dissolution in December 2022, and has completed liquidation for dissolution on January 30, 2024.

Note 2: Genuine C&C Holding Inc. (Seychelles) completed liquidation proceedings on March 29, 2023.

8.1.3The Shareholders in Common of Companies Presumed to have a Relationship of Control and Subordination: None.

8.1.4Business Scope of WPG and Its Subsidiaries:

In order to facilitate seamless integration between various affiliated entities and the group's internal information systems and warehouse logistics management systems, the group has implemented a comprehensive information management system internally. This system enables the group to promptly respond to and fulfill customer demands in different regions, ensuring timely responsiveness and supply fulfillment.

8.1.5 The allocation of tasks among the respective affiliated companies is described as shown in the following diagram:

R&D	Procurement (Manufacturing End)	Production	Procurement (Sales End)	Sales	After-sales / Support Service	Service
Logistics						
General Administration Management						
Upstream Supplier	WPI AECO Long Think Int'l (HK) Ltd. WPI (South Asia) Genuine C&C (IndoChina) WPG C&C (Thailand) WPG C&C (Malaysia) WPI (India) WPG C&C (India) WPI International (HK) Limited AECO Electronic Co., Ltd. WPI Technology LVT SAC SAC (South Asia) PERNAS Electronics Co., Ltd Silicon Application Co., Ltd. Everwiner Enterprise Co., Ltd.		Vsell Enterprise Co., Ltd. Vsell Enterprise Co., Ltd. (Shanghai) Maojie Trading (Shenzhen) Co., Ltd. AIT Apache Communication Inc. Frontek Tech. Corp. Henshen Electric Trading Co., Ltd. Gather Technology Incorporation Limited YS Sertek Incorporated Richpower Electronic Devices Co., Ltd. Richpower International Yosun Hong Kong Yosun Shanghai Corp. Ltd. Yosun South China Corp. Ltd. WPG China WPG China (SZ) WPG EL(HK) Limited	WPGA WPGK Apache Korea WPG SA Yosun Singapore GENUINE C&C Inc. Peng Yu (Shanghai) Digital Technology Co., Ltd WPG SCM LIMITED PENG YU INTERNATIONAL Ltd WPG C&C Shanghai Co., Ltd. Trigolduo Shanghai Industrial Development Ltd Xintongle Shanghai Industrial Development Ltd PENG YU TRIGOLD LIMITED WPG EMEA WPG EMEA UK Other distribution group affiliates	WPG Malaysia WPGEL (Philippines) WPG (Thailand) WPG India Electronics WPG Vietnam	Intra-group service - Group operation management and headquarters building use management services WPG Holdings - Group warehouse management/Logistics and business end support services WPG Electronics WPG EL(HK) Limited WPG SA WPG China WPG China (SZ) LaaS (Dongguan) Supply Chain Management Limited - Group operation management services Trigold Holdings Limited Out-of-group services HOBAN INC.

(1) Rosters of Directors, Supervisors, and Presidents of WPG's Subsidiaries

December 31, 2023

Name	Title	Name or Representative	Shareholding	
			Number of Shares	Shareholding Ratio
World Peace Industrial Co., Ltd.	Chairman Director Director Director Director Supervisor	Mike Chang (Representative of WPG Holdings Limited) Ken Hsu (Representative of WPG Holdings Limited) Simon Huang (Representative of WPG Holdings Limited) Eric Ho (Representative of WPG Holdings Limited) Michael Chen (Representative of WPG Holdings Limited) Cliff Yuan (Representative of WPG Holdings Limited)	WPG holds 1,847,500,000 shares	100.00%
Silicon Application Corp.	Chairman Director Director and CEO Director Director Supervisor	K.Y. Chen (Representative of WPG Holdings Limited) Simon Huang (Representative of WPG Holdings Limited) Jimmy Chen (Representative of WPG Holdings Limited) Mike Chang (Representative of WPG Holdings Limited) Y. S. Lin (Representative of WPG Holdings Limited) Cliff Yuan (Representative of WPG Holdings Limited)	WPG holds 677,090,000 shares	100.00%
Asian Information Technology Inc.	Chairman Director Director Director Director Supervisor	Michael Sheu (Representative of WPG Holdings Limited) Mike Chang (Representative of WPG Holdings Limited) Jackie Hsu (Representative of WPG Holdings Limited) Simon Huang (Representative of WPG Holdings Limited) Vincent Lin (Representative of WPG Holdings Limited) Cliff Yuan (Representative of WPG Holdings Limited)	WPG holds 643,029,000 shares	100.00%
Yosun Industrial Corp.	Chairman Director Director Director Director Supervisor	K.D. Tseng (Representative of WPG Holdings Limited) Simon Huang (Representative of WPG Holdings Limited) Mike Chang (Representative of WPG Holdings Limited) Mitchell Ho (Representative of WPG Holdings Limited) Louis Chang (Representative of WPG Holdings Limited) Cliff Yuan (Representative of WPG Holdings Limited)	WPG holds 402,310,300 shares	100.00%
WPG Electronics Limited	Chairman Director Director Supervisor	Simon Huang (Representative of WPG Holdings Limited) Albert Yang (Representative of WPG Holdings Limited) Frank Yeh (Representative of WPG Holdings Limited) Cliff Yuan (Representative of WPG Holdings Limited)	WPG holds 33,000,000 shares	100.00%
WPG South Asia Pte. Ltd.	Director Director Director	Tan Say Chong Chai Kim Yin Huang Wei-Hsiang (Simon Huang)	WPG Holdings Limited holds 64,035,653 shares	100.00%

Name	Title	Name or Representative	Shareholding	
			Number of Shares	Shareholding Ratio
WPG Korea Co., Ltd.	Representative Director Director Director Supervisor	Kwak, Choong-Pyo Huang Wei-Hsiang (Simon Huang) Chai Kim Yin Yuan, Hsing-Wen (Cliff Yuan)	WPG holds 2,959,494 shares	100.00%
WPG International (CI) Limited	Director Director	Simon Huang Cliff Yuan	WPG holds 88,251,659 shares	100.00%
WPG Investment Co., Ltd.	Chairman Director Director Supervisor	Simon Huang (Representative of WPG Holdings Limited) Cliff Yuan (Representative of WPG Holdings Limited) Lucia Tai (Representative of WPG Holdings Limited) Wade Chiu (Representative of WPG Holdings Limited)	WPG holds 210,000,000 shares	100.00%
Trigold Holdings Limited	Chairman Director Director Director / President Independent Director Independent Director Independent Director	Simon Huang (Representative of WPG Holdings Limited) C.D. Yeh K.D. Tseng (Representative of WPG Holdings Limited) Benson Chang (Representative of WPG Holdings Limited) Ching Hui Kuo Shih Chieh Chen Yung Hong Yu	WPG holds 59,195,189 shares WPG Investment Co., Ltd. holds 1,749,979 shares	58.86% 1.74%
WPG ELECTRONICS (HK) LIMITED	Director Director Director	Simon Huang Arthur Jaw Mike Chang	WPG holds 234,081,858 shares	100.00%
WPG EMEA B.V	Director Director Supervisor	Chai Kim Yin Edwin Gabriel Henri Maria Prevoo YUAN Hsing Wen	WPG Holding Limited holds 5,000,000 shares	100.00%
WPG EMEA UK LIMITED	Director Director Director	Chai Kim Yin Yao Su Mei Nigel Watts	WPG EMEA B.V holds 100,000 shares	WPG EMEA B.V holds 100%
AECO Technology Co., Ltd.	Chairman Director Director Supervisor	Ken Hsu (Representative of World Peace Industrial Co., Ltd.) Michael Chen (Representative of World Peace Industrial Co., Ltd.) Eric Ho (Representative of World Peace Industrial Co., Ltd.) Libra Yao (World Peace Industrial Co., Ltd.)	World Peace Industrial Co., Ltd. holds 94,600,000 shares	100.00%
WPI Technology Pte. Ltd.	Director Director Director	Chang Jung Kang Mike Chang CHAI KIM YIN KY Chai Yao Su-Mei Libra Yao	World Peace Industrial Co., Ltd. holds 83,179,435 shares	100.00%

Name	Title	Name or Representative	Shareholding	
			Number of Shares	Shareholding Ratio
WPI International (South Asia) Pte Ltd	Director Director Director	Chai Kim Yin Chang Jung Kang Mike Chang Yao Su-Mei Libra Yao	World Peace Industrial Co., Ltd. holds 34,196,393 shares	100.00%
Longview Technology Inc.	Chairman / President Director Director Supervisor	Ken Hsu (Representative of World Peace Industrial Co., Ltd.) Eric Ho (Representative of World Peace Industrial Co., Ltd.) Michael Chen (Representative of World Peace Industrial Co., Ltd.) Libra Yao (World Peace Industrial Co., Ltd.)	World Peace Industrial Co., Ltd. holds 33,900,000 shares	100.00%
WPI International (Hong Kong) Limited.	Director Director Director	Eric Ho Ken Hsu Michael Chen	WPI Technology Pte. Ltd. holds 4,087,084,000 shares	100.00%
Genuine C&C (Indochina) Pte. Ltd.	Director Director Director	Tan Yew Teck Tan Sze Chuarn Chai Kim Yin	WPI Intl (SA) holds 5,359,370 shares	80.00%
World Peace International (South Asia) Pte Ltd	Director Director Director	Tan Yew Teck Chai Kim Yin Chang Jung Kang (Mike Chang)	WPI Intl (SA) holds 34,314,692 shares	100.00%
World Peace International (India) Pvt., Ltd.	Director Director Director Director	Chai Kim Yin Rick Tan Jason Saw Kashinath Karekar	World Peace Int'l (SA) holds 3,575,058 shares	100.00%
WPG C&C Computers and Peripheral (India) Private Limited	Director Director Director	Tan Sze Chuarn Rajeev Bajpai Chai Kim Yin	World Peace Int'l (SA) holds 48,420,000 shares	100.00%
WPG C&C (Malaysia) Sdn Bhd	Director Director Director Director	Tan Sze Chuarn Chai Kim Yin Wendy Tiong Siew Ling Hia Bun Ching	World Peace Int'l (SA) holds 11,250,000 shares	100.00%
WPG C&C (Thailand) Co., Ltd.	Director Director Director	Chai Kim Yin Tan Sze Chuarn Sopanarat Sintavanon	1,000 shares 1,000 shares 360,000 shares Lumphuan Srisurat(staff) holds 150,000 shares World Peace Int'l (SA) holds 488,000 shares	0.10% 0.10% 36.00% 15.00% 48.80%

Name	Title	Name or Representative	Shareholding	
			Number of Shares	Shareholding Ratio
WPG C&C Limited	Director Director Director	Ho Hsiang Chou (Eric Ho) Hsu Chu Hung (Ken Hsu) Chen Ting Tsung (Michael Chen)	WPI International (HK) holds 6,500,000 shares	100.00%
WPG C&C Shanghai Co., Ltd.	Chairman and legal representative Director Director Supervisor	Jack Tsao Simon Huang Benson Chang C.C. Tsao	- (Note 1)	WPG TRIGOLD (HK) Ltd. Holds 100%
Long Think International Co., Ltd. (Note 2)	Chairman Director Director Supervisor	Ken Hsu (Representative of Longview Technology Inc.) Eric Ho (Representative of Longview Technology Inc.) Michael Chen (Representative of Longview Technology Inc.) Libra Yao (Representative of Longview Technology Inc.)	- (Note 2)	— %
Longview Technology GC Limited	Director	Ken Hsu	Longview holds 11,300,000 shares	100.00%
Long Think Int'l (HK) Ltd.	Director Director Director	Ken Hsu Eric Ho Michael Chen	Longview Technology GC holds 780,000,000 shares	100.00%
Silicon Application (BVI) Corp.	Chairman	Chen Kou Yuan (K.Y. Chen)	Silicon Application Corp. holds 22,000,000 shares	100.00%
Silicon Application Co., Ltd.	Director Director Director	Chen Kou Yuan (K.Y. Chen) Su Tein Jye (T. J. Su) Chen Ming-Chih (Jimmy Chen)	Silicon Application (BVI) Corp. holds 100,000,000 shares	100.00%
Win-Win Systems Ltd.	Chairman	Chen Kou Yuan (K.Y. Chen)	Silicon Application Corp. holds 765,000 shares	100.00%
SAC Components (South Asia) Pte. Ltd.	Director Director Director Director	Chen Kou Yuan (K.Y. Chen) Chen Ming Chih (Jimmy Chen) Tan Yew Teck Chai Kim Yin	Silicon Application Corp. holds 3,500,000 shares	100.00%
Pernas Electronic Co., Ltd.	Chairman Director Director Supervisor	K.Y. Chen (Representative of Silicon Application Corp.) Jimmy Chen (Representative of Silicon Application Corp.) Jason Wu (Representative of Silicon Application Corp.) Y. S. Lin (Representative of Silicon Application Corp.)	Silicon Application Corp. holds 90,000,000 shares	100.00%

Name	Title	Name or Representative	Shareholding	
			Number of Shares	Shareholding Ratio
Everwiner Enterprise Co., Ltd.	Chairman Director Director Supervisor	K.Y. Chen (Representative of Pernas Electronic Co., Ltd.) Jimmy Chen (Representative of Pernas Electronic Co., Ltd.) Jason Wu (Representative of Pernas Electronic Co., Ltd.) Y. S. Lin (Representative of Pernas Electronic Co., Ltd.)	Pernas holds 37,000,000 shares	100.00%
Apache Communication Inc.	Chairman Director Director Supervisor	Michael Sheu (Representative of Asian Information Technology Inc.) Vincent Lin (Representative of Asian Information Technology Inc.) Jackie Hsu (Representative of Asian Information Technology Inc.) Carrie Huang (Representative of Asian Information Technology Inc.)	Asian Information Technology holds 219,300,000 shares	100.00%
Henshen Electric Trading Co., Ltd.	Chairman Director Director Supervisor	Michael Sheu (Representative of Asian Information Technology Inc.) Vincent Lin (Representative of Asian Information Technology Inc.) Jackie Hsu (Representative of Asian Information Technology Inc.) Carrie Huang (Representative of Asian Information Technology Inc.)	Asian Information Technology holds 20,000,000 shares	100.00%
Frontek Technology Corporation	Chairman Director Director Supervisor	Michael Sheu (Representative of Asian Information Technology Inc.) Vincent Lin (Representative of Asian Information Technology Inc.) Jackie Hsu (Representative of Asian Information Technology Inc.) Carrie Huang (Representative of Asian Information Technology Inc.)	Asian Information Technology holds 280,000,000 shares	100.00%
Fame Hall International Co., Ltd.	Director Director	Jackie Hsu Carrie Huang	Asian Information Technology holds 4,703,107 shares	100.00%
Frontek International Limited	Director Director	Jackie Hsu Carrie Huang	Frontek Technology holds 2,970,000 shares	100.00%
Gather Technology Incorporation Limited	Director Director Director	Michael Sheu Jackie Hsu Vincent Lin	Jackie Hsu holds 1 share Frontek International holds 22,799,999 shares	100.00%
Richpower Electronic Devices Co., Ltd.	Chairman / President Director Director Supervisor	K.D. Tseng (Representative of Yosun Industrial Corp.) Mitchell Ho (Representative of Yosun Industrial Corp.) Louis Chang (Representative of Yosun Industrial Corp.) Anlon Liu (Representative of Yosun Industrial Corp.)	Yosun Industrial Corp. holds 120,900,000 shares	100.00%
Sertek Incorporated.	Chairman / President Director Director Supervisor	K.D. Tseng (Representative of Yosun Industrial Corp.) Mitchell Ho (Representative of Yosun Industrial Corp.) Louis Chang (Representative of Yosun Industrial Corp.) Anlon Liu (Representative of Yosun Industrial Corp.)	Yosun Industrial Corp. holds 94,828,100 shares	100.00%
Sertek Limited	Director Director	K.D. Tseng Louis Chang	Sertek holds 19,500,000 shares	100.00%

Name	Title	Name or Representative	Shareholding	
			Number of Shares	Shareholding Ratio
Suntop Investments Limited	Director	K.D. Tseng (Representative of Yosun Industrial Corp.)	Yosun Industrial Corp. holds 29,200,000 shares	100.00%
Richpower Electronic Devices Co., Limited	Director Director	K.D. Tseng Mitchell Ho	Richpower holds 63,000,000 shares	100.00%
Richpower Electronic Devices Pte., Ltd.	Director Director	Ho, Peng-Hsiung (Mitchell Ho) Chai Kim Yin	Richpower holds 10,000 shares	100.00%
Yosun Hong Kong Corp. Ltd.	Director Director	K.D. Tseng Louis Chang	Suntop Investments holds 295,270,000 shares	100.00%
Yosun Shanghai Corp. Ltd.	Chairman and legal representative Director Director	Jack Chen Jerry Wu Leo Wang	- (Note 1)	Yosun HK holds 100.00%
Yosun South China Corp. Ltd.	Chairman and legal representative Director Director	William Ou Steven Liang David Lee	- (Note 1)	Yosun HK holds 100.00%
Apache Communication Inc.(B.V.I.)	Director	WPG Korea Co., Ltd.	WPG Korea holds 2,795,000 shares	100.00%
Apache Korea Corp.	Representative Director Director Director Supervisor	Kwak, Choong-Pyo Lim, Seung-Hwan Park, Jae-Hyun Li, Gang	Apache Communication Inc.holds 210,982 shares	100.00%
WPG International (Hong Kong) Limited	Director Director	Simon Huang Cliff Yuan	WPG International (CI) Limited holds 513,543,960 shares	100.00%
WPG Americas Inc.	Director Director Director Director Director	Yao Su-Mei (Libra Yao) Chang Jung Kang (Mike Chang) Huang Wei-Hsiang (Simon Huang) Richard J. Davis Kim Yin Chai	WPI International (South Asia) Pte Ltd Holds 6,100,000 shares WPI International (HK) holds 4,000,000 shares WPG International (CI) Limited Holds 224,000,000 shares	2.60% 1.71% 95.69%

Name	Title	Name or Representative	Shareholding	
			Number of Shares	Shareholding Ratio
WPG Cloud Service Ltd.	Director Director Director	Simon Huang Mike Chang Frank Yeh	WPG International (CI) Limited holds 2,157,130 shares	100.00%
WPG Gain Tune Ltd.	Director Director Director	Mike Chang Frank Yeh Cliff Yuan	WPG International (CI) Limited holds 77,500,000 shares	100.00%
WPG China Inc.	Director and legal representative Director Director Supervisor	Arthur Jaw Simon Huang Mike Chang Cliff Yuan	- (Note 1)	WPG International (HK) holds 100%
WPG China (SZ) Inc.	Director and legal representative Director Director Supervisor	Arthur Jaw Simon Huang Mike Chang Cliff Yuan	- (Note 1)	WPG International (HK) holds 100%
WPG Malaysia Sdn Bhd	Director Director Director Director	Chai Kim Yin Hia Bun Ching Tan Say Chong Wong Boon Hee	WPG South Asia Pte.Ltd. holds 1,010,800 shares	100.00%
WPG (Thailand) Co., Ltd.	Director Director	Chai Kim Yin Sopanarat Sintavanon	WPG South Asia Pte.Ltd. holds 40,451 shares Chai Kim Yin holds 5,186 shares Sopanarat Sintavanon (staff) holds 31,116 shares Lumphuan Srisurat(staff) holds 21,781 shares Tan Say Chong holds 5,186 shares	100.00%
WPG India Electronics Pvt Ltd	Director Director Director	Chai Kim Yin Tan Say Chong Karekar Kashinath Arvind	WPG South Asia Pte. Ltd. holds 15,909,990 shares WPG Malaysia Sdn. Bhd. holds 10 shares	99.99% 0.01%

Name	Title	Name or Representative	Shareholding	
			Number of Shares	Shareholding Ratio
WPG Electronics (Philippines) Inc.	Director Director Director Director Director Director	Tan Say Chong Nelissa Senido Eulalio R. Villanueva Aquino, Eduardo Jr. Chai Kim Yin	100 shares	1.00%
			2,000 shares	20.00%
			2,000 shares	20.00%
			2,000 shares	20.00%
			100 shares	1.00%
			WPG South Asia Pte.Ltd. holds 3,800 shares	38.00%
WPG Vietnam Company Limited	Director Director Director Director	Chai Kim Yin Tan Say Chong Hia Bun Ching	50,000 shares	
			49,000 shares	50.00%
			1,000 shares	49.00%
			WPG South Asia Pte.Ltd. holds 100,000 shares	1.00%
WPG SCM Limited	Director Director	Chai Kim Yin Chang Jung Kang (Mike Chang)	WPG South Asia Pte. Ltd. holds 12,800,000 shares	100.00%
Yosun Singapore Pte Ltd.	Director Director Director	Chai Kim Yin Tan Yew Teck Saw Cheow Hin	WPG South Asia Pte.Ltd. holds 31,900,375 shares	100.00%
Teco Enterprise Holding (BVI) Co., Ltd.	Director	Ken Hsu	AECO holds 12,610,000 shares	100.00%
AECO Electronic Co., Ltd.	Director Director	Ken Hsu Michael Chen	Teco Enterprise Holding(BVI) holds 98,280,000 shares	100.00%
HOBAN INC.	Chairman Director Director Supervisor	C.D. Yeh (Representative of GENUINE C&C Inc.) Pan Yun-Hsuan (Representative of GENUINE C&C Inc.) Ming Shan Hsieh (Representative of GENUINE C&C Inc.) C.C. Tsao (Representative of GENUINE C&C Inc.)	GENUINE C&C Inc. holds 20,000,000 shares	100.00%
Genuine C&C Holding Inc. (Seychelles) (Note 3)	Director Director	Simon Huang C.D. Yeh	- (Note 3)	— %
Peng Yu (Shanghai) Digital Technology Co., Ltd.	Chairman and legal representative Director Director Supervisor	Jack Tsao (Representative of TRIGOLD (HK) Co., Ltd.) Simon Huang (Representative of TRIGOLD (HK) Co., Ltd.) Benson Chang (Representative of TRIGOLD (HK) Co., Ltd.) C.C. Tsao (Representative of TRIGOLD (HK) Co., Ltd.)	- (Note 1)	TRIGOLD (HK) Co., Ltd. holds 100%

Name	Title	Name or Representative	Shareholding	
			Number of Shares	Shareholding Ratio
TRIGOLD (HK) Co., Ltd.	Director Director	Simon Huang C.C. Tsao	Trigold Holdings Limited holds 155,200,000 shares	100.00%
GENUINE C&C Inc.	Chairman / President Director Director Director Supervisor	C.D. Yeh (Representative of Trigold Holdings Limited) Simon Huang (Representative of Trigold Holdings Limited) Benson Chang (Representative of Trigold Holdings Limited) Kung Tung Yeh (Representative of Trigold Holdings Limited) C.C. Tsao (Representative of Trigold Holdings Limited)	Trigold Holdings Limited holds 79,569,450 shares	100.00%
PENG YU INTERNATIONAL Ltd	Director Director	Eason Yeh Jack Tsao	Peng Yu (Shanghai) Digital Technology Co., Ltd. holds 10,000 shares	100.00%
Trigolduo (Shanghai) Industrial Development Ltd.	Chairman Director Director Supervisor	Roger Chung Simon Huang Rong Mao Wang C.C. Tsao	- (Note 1)	TRIGOLD (HK) Co., Ltd. holds 70%
Trigold Tongle (Shanghai) Industrial Development Ltd.	Chairman Director Director Supervisor	Xiang Li Roger Chung Britney Liu Han Wen Ku	- (Note 1)	Trigolduo (Shanghai) Industrial Development Ltd. holds 100%
PENG YU TRIGOLD LIMITED	Director Director Director	Jack Tsao Benson Chang Ping Yin Tan	Trigold Holdings Limited holds 2,000,000 shares	100.00%
LaaS Holdings (Samoa) Limited	Director Director	Simon Huang Cliff Yuan	WPG Investment Co., Ltd. holds 40,060,000 shares	100.00%
LaaS Holdings (HK) Limited	Director Director	Simon Huang Cliff Yuan	LaaS Holdings (Samoa) Limited holds 40,050,000 shares	100.00%
LaaS (Dongguan) Supply Chain Management Limited	Chairman and legal representative Director Director Supervisor	Arthur Jaw Simon Huang Frank Yeh Cliff Yuan	- (Note 1)	LaaS Holdings (HK) Limited holds 100.00%

Name	Title	Name or Representative	Shareholding	
			Number of Shares	Shareholding Ratio
Vsell Enterprise Co., Ltd.	Chairman Director Director Supervisor	Jimmy Chen (Representative of Silicon Application Corp.) Y. S. Lin (Representative of Silicon Application Corp.) Sunny Liu (Representative of Silicon Application Corp.) Lawrance Chang	Silicon Application Corp. holds 14,000,000 shares	70.00%
Maojie Trading (Shenzhen) Co., Ltd.	Director and legal representative Director Director Supervisor	Frank Ting (Representative of Silicon Application Corp.) Jimmy Chen (Representative of Silicon Application Corp.) Sunny Liu (Representative of Silicon Application Corp.) Lawrance Chang (Representative of Silicon Application Corp.)	- (Note 1)	100.00%
Vsell Enterprise Co., Ltd. (Shanghai)	Director and legal representative Director Director Supervisor	Frank Ting (Representative of Silicon Application Corp.) Jimmy Chen (Representative of Silicon Application Corp.) Sunny Liu (Representative of Silicon Application Corp.) Lawrance Chang (Representative of Silicon Application Corp.)	- (Note 1)	100.00%

Note 1: Not applicable for limited companies with unissued shares.

Note 2: In December 2022, Long-Think International Co., Ltd. was dissolved and liquidated, and the liquidation completion date was set on January 30, 2024.

Note 3: Genuine C&C Holding Inc. (Seychelles) has completed liquidation process on March 29, 2023.

8.1.6Operational Highlights of each affiliated companies

December 31, 2023; Unit: NT\$ thousands

Name	Currency	Capital amount	Total assets	Total liabilities	Net worth	Operating revenue	Operating income	Profit (after tax)	Earnings per share after tax (NT\$)
World Peace Industrial Co., Ltd.	NTD	18,475,000	75,859,371	45,431,018	30,428,353	138,357,639	531,156	1,827,609	0.99
Silicon Application Corp.	NTD	6,770,900	36,420,246	27,658,777	8,761,469	67,807,376	564,486	97,326	0.14
Asian Information Technology Inc.	NTD	6,430,290	25,527,174	17,787,420	7,739,754	42,398,096	533,819	1,043,857	1.62
Yosun Industrial Corp.	NTD	4,023,103	23,316,377	13,680,162	9,636,216	28,187,901	226,637	741,903	1.84
WPG Electronics Limited	NTD	330,000	589,509	257,435	332,073	182,488	10,523	5,464	0.17
WPG Korea Co., Ltd.	NTD	352,378	1,694,829	1,107,385	587,445	4,395,206	(56,877)	(172,772)	(58.38)
WPG International (CI) Limited	NTD	2,709,767	7,952,017	34,248	7,917,769	—	(431)	1,595,768	18.08
WPG Investment Co., Ltd.	NTD	2,100,000	2,146,475	3,000	2,143,475	—	(738)	118,044	0.56
Trigold Holdings Limited	NTD	1,005,695	2,605,818	499,259	2,106,559	210,496	163,840	135,032	1.34
WPG South Asia Pte. Ltd.	NTD	1,431,126	3,662,032	2,165,550	1,496,482	3,304,718	(25,382)	31,893	0.50
WPG ELECTRONICS (HK) LIMITED	NTD	919,708	12,254,554	11,729,345	525,209	27,993,751	265,035	(295,768)	(1.26)
WPG EMEA B.V.	NTD	153,525	76,551	53,188	23,363	158,613	(60,240)	(59,737)	(11.95)
WPG EMEA UK LIMITED	NTD	3,884	710	6,553	(5,843)	54,967	(9,831)	(9,723)	(97.23)
AECO Technology Co., Ltd.	NTD	946,000	1,097,408	63,263	1,034,146	4,617	(3,461)	16,551	0.17
TECO Enterprise Holding (BVI) CO., Ltd.	NTD	387,190	865,460	—	865,460	—	—	26,231	2.08
AECO Electronic Co., Ltd.	NTD	386,142	868,175	2,843	865,332	—	(881)	26,229	0.27
WPI Technology Pte. Ltd.	NTD	2,554,025	35,183,969	5,789,999	29,393,970	20,091,463	311,951	1,674,248	20.13
WPI International (South Asia) Pte Ltd	NTD	1,050,000	988,219	6,537	981,682	2,460,110	2,435	9,934	0.29
Longview Technology Inc.	NTD	339,000	607,453	60,112	547,341	—	(3,105)	11,214	0.33

Name	Currency	Capital amount	Total assets	Total liabilities	Net worth	Operating revenue	Operating income	Profit (after tax)	Earnings per share after tax (NT\$)
WPI International (Hong Kong) Limited.	NTD	3,246,391	64,432,519	35,488,682	28,943,837	185,348,669	2,511,172	1,404,517	0.34
Genuine C&C (IndoChina) Pte. Ltd.	NTD	153,525	295,714	55,542	240,172	408,005	7,541	15,788	2.36
World Peace International (South Asia) Pte Ltd	NTD	668,568	8,822,224	5,008,482	3,813,742	28,209,597	149,159	2,051	0.06
World Peace International (India) Pvt., Ltd.	NTD	1,320	144,643	77,618	67,025	268,871	(57,560)	23,418	6.55
WPG C&C Computers and Peripheral (India) Private Limited	NTD	178,834	1,471,928	1,183,060	288,869	3,259,391	68,956	6,982	0.14
WPG C&C (Malaysia) Sdn Bhd	NTD	75,159	84,532	4,476	80,056	773,281	5,547	10,964	0.97
WPG C&C (Thailand) Co., Ltd.	NTD	23,119	55,016	13,267	41,749	158,591	4,915	3,489	3.49
WPG C&C Limited	NTD	199,583	297,602	333	297,269	—	(932)	9,888	1.52
WPG C&C Shanghai Co., Ltd.	NTD	236,429	1,705,102	1,052,803	652,299	4,965,940	44,735	44,808	Note 1
Long Think International Co., Ltd. (Note 4)	NTD	—	17	17	—	—	(1)	4,723	—
Longview Technology GC Limited	NTD	346,967	592,138	251	591,888	—	(163)	15,927	1.41
Long Think Int'l (HK) Ltd.	NTD	306,462	594,217	2,098	592,119	—	(980)	16,089	0.02
Silicon Application (BVI) Corp.	NTD	675,510	1,913,475	—	1,913,475	—	—	93,313	4.24
Silicon Application Co., Ltd.	NTD	432,190	1,968,228	59,040	1,909,188	88,555	(26,283)	93,315	0.93
Win-Win Systems Ltd.	NTD	23,489	27,930	—	27,930	—	—	1,158	1.51
SAC Components (South Asia) Pte. Ltd.	NTD	107,468	133,949	9,757	124,193	116,613	(2,145)	601	0.17
Pernas Electronic Co., Ltd.	NTD	900,000	3,061,112	1,735,108	1,326,004	4,810,406	32,140	75,135	0.83
Everwiner Enterprise Co., Ltd.	NTD	370,000	3,436,088	2,710,875	725,212	7,183,412	170,501	77,613	2.10
Apache Communication Inc.	NTD	2,193,000	6,992,938	4,703,222	2,289,716	26,332,608	282,513	285,118	1.30

Name	Currency	Capital amount	Total assets	Total liabilities	Net worth	Operating revenue	Operating income	Profit (after tax)	Earnings per share after tax (NT\$)
Henshen Electric Trading Co., Ltd.	NTD	200,000	305,217	87,062	218,155	638,223	(2,298)	1,063	0.05
Frontek Technology Corporation	NTD	2,800,000	14,993,300	11,957,730	3,035,570	28,857,304	360,597	225,264	0.80
Fame Hall International Co., Ltd.	NTD	144,409	283,999	—	283,999	—	(155)	(1,788)	(0.38)
Frontek International Limited	NTD	91,194	140,109	—	140,109	—	(155)	5,043	1.70
Gather Technology Incorporation Limited	NTD	89,761	130,285	877	129,408	45,167	(944)	4,673	0.20
Richpower Electronic Devices Co., Ltd.	NTD	1,209,000	7,246,828	4,466,045	2,780,782	13,887,965	339,631	274,369	2.27
Sertek Incorporated.	NTD	948,281	3,260,876	1,611,186	1,649,690	11,524,225	327,932	278,810	2.94
Sertek Limited	NTD	76,616	85,244	458	84,786	—	(60)	2,144	0.11
Suntop Investments Limited	NTD	896,586	5,214,119	4	5,214,115	—	(979)	(46,229)	(1.58)
Richpower Electronic Devices Co., Limited	NTD	247,527	8,808,705	5,871,998	2,936,707	22,188,823	256,950	131,532	2.09
Richpower Electronic Devices Pte., Ltd.	NTD	1,879	251,424	1,484	249,940	—	(389)	10,251	1,025.08
Yosun Hong Kong Corp. Ltd.	NTD	1,191,351	17,247,285	12,263,650	4,983,635	40,234,513	260,113	41,877	0.14
Yosun Shanghai Corp. Ltd.	NTD	236,429	5,142,200	4,858,569	283,631	5,025,240	(86,152)	(91,121)	Note 1
Yosun South China Corp. Ltd.	NTD	132,032	221,232	551	220,681	—	(138)	3,972	Note 1
Apache Communication Inc.(B.V.I.)	NTD	85,820	87,728	—	87,728	—	—	2,101	0.75
Apache Korea Corp.	NTD	25,121	75,813	18	75,795	—	(270)	2,101	9.96
WPG International (Hong Kong) Limited	NTD	2,033,377	6,429,978	12,242	6,417,736	—	(104)	1,474,722	2.87
WPG Americas Inc.	NTD	2,029,601	10,263,741	8,731,837	1,531,904	24,529,395	422,962	128,809	0.55
WPG Cloud Service Ltd.	NTD	66,235	42,380	173	42,207	—	(747)	(747)	(0.35)
WPG Gain Tune Ltd.	NTD	30,705	30,169	320	29,849	—	(1,561)	(1,036)	(0.01)
WPG China Inc.	NTD	1,789,487	8,725,200	3,725,774	4,999,425	9,795,532	(1,324,342)	1,482,017	Note 1

Name	Currency	Capital amount	Total assets	Total liabilities	Net worth	Operating revenue	Operating income	Profit (after tax)	Earnings per share after tax (NT\$)
WPG China (SZ) Inc.	NTD	145,373	5,192,510	3,938,441	1,254,069	10,670,340	(1,404,465)	7,173	Note 1
WPG Malaysia Sdn Bhd	NTD	6,753	46,878	20,489	26,389	65,016	3,291	2,849	2.82
WPG (Thailand) Co., Ltd.	NTD	9,312	3,391,710	3,344,504	47,205	3,909,458	27,225	24,373	234.98
WPG India Electronics Pvt Ltd	NTD	58,762	111,878	21,015	90,863	32,928	7,491	7,757	0.49
WPG Electronics (Philippines) Inc.	NTD	557	9,693	1,164	8,529	—	(4,402)	1,873	187.27
WPG Vietnam Company Limited	NTD	3,071	4,498	2,698	1,800	10,729	631	497	4.97
WPG SCM Limited	NTD	50,384	2,195,358	1,499,153	696,205	6,183,907	39,930	30,959	2.42
Yosun Singapore Pte Ltd.	NTD	636,060	3,568,042	2,697,104	870,938	11,134,871	346,101	204,234	6.40
HOBAN INC.	NTD	200,000	110,060	32,893	77,167	211,113	(9,074)	(8,686)	(0.59)
Peng Yu (Shanghai) Digital Technology Co., Ltd.	NTD	97,358	187,726	117	187,609	(4)	(221)	6,110	Note 1
WPG TRIGOLD (HK) Ltd.	NTD	609,781	1,135,290	563	1,134,727	—	(642)	21,341	0.14
GENUINE C&C Inc.	NTD	795,695	3,982,439	2,899,161	1,083,278	11,512,014	16,462	3,022	0.04
PENG YU INTERNATIONAL Ltd	NTD	307	271,237	661	270,576	66,792	(5,738)	2,788	278.83
Trigolduo (Shanghai) Industrial Development Ltd.	NTD	86,540	66,101	101,689	(35,588)	49,806	(30,919)	(40,540)	Note 1
Trigold Tongle (Shanghai) Industrial Development Ltd.	NTD	6,491	10,873	22,934	(12,061)	8,943	(1,849)	(2,855)	Note 1
PENG YU TRIGOLD LIMITED	NTD	61,410	1,727,821	1,435,597	292,224	7,615,531	206,359	143,417	71.71
LaaS Holdings (Samoa) Limited	NTD	1,230,042	830,132	—	830,132	—	(99)	54,918	1.37
LaaS Holdings (HK) Limited	NTD	1,229,735	830,418	410	830,008	—	(136)	55,017	1.37
LaaS (Dongguan) Supply Chain Management Limited	NTD	1,228,200	2,004,639	1,175,472	829,167	502,437	104,926	55,148	Note 1
Vsell Enterprise Co., Ltd.	NTD	200,000	2,809,915	2,362,275	447,640	4,057,407	269,208	164,947	8.25
Maojie Trading (Shenzhen) Co., Ltd.	NTD	23,574	65,780	39,635	26,146	194,093	2,277	1,886	Note 1

Name	Currency	Capital amount	Total assets	Total liabilities	Net worth	Operating revenue	Operating income	Profit (after tax)	Earnings per share after tax (NT\$)
Vsell Enterprise Co., Ltd. (Shanghai)	NTD	208,794	564,683	321,919	242,764	539,424	19,040	14,118	Note 1

Note 1: Not applicable for limited companies with unissued shares.

Note 2: It is filled based on the financial information in individual statements that have been audited by the appointed accountants.

Note 3: The exchange rates for translating each currency into Taiwan dollars were based on the Bank of Taiwan's USD exchange rate of 30.705, HKD exchange rate of 3.929, and Korean won 0.023813 at the end of December 12, 2023. The U.S. dollar to RMB exchange rate at the end of December 12, 2023 was 7.096141. The average exchange rates in 2023 were USD exchange rate of 31.177339, HKD exchange rate of 3.982254, and Korean won exchange rate of 0.023883. The average exchange rate in 2023 for US dollars against RMB was 7.096561.

Note 4: Long Think International Co., Ltd. has completed the final accounting for dissolution in December 2022, and has completed liquidation for dissolution on January 30, 2024.

8.1.7For consolidated financial statements of affiliated companies, please refer to Pages 159 to 310.

8.1.8Report on the relationship with the controlling company: This Company is not a subsidiary company and is not applicable.

8.2 In the most recent fiscal year up to the date of publication date of this annual report, the handling of private placement securities should disclose the date and amount approved by the Shareholders' Meeting or the Board of Directors, the basis and rationality of the price setting, the method of selecting a specific person, the necessary reasons for private placement and self-equity. From the time the payment or price is fully received to the completion of the capital utilization plan, the capital utilization situation and plan execution progress of private placement securities: None.

8.3 In the most recent fiscal year up to the date of publication date of this annual report, subsidiaries holding or disposing of the Company's shares: None.

8.4 Other necessary additional explanations: None.

8.5 In the most recent fiscal year up to the date of publication date of this annual report, matters that have a significant impact on shareholders' equity or securities prices as stipulated in Paragraph 3, subparagraph 2 of Article 36 of the Securities and Exchange Act:

Major resolutions adopted by the Shareholders' Meeting and the Board of Directors in the most recent fiscal year up to the publication date of this annual report, please refer to Pages 85 to 86.



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