

ENNOSTAR INC. AND SUBSIDIARIES
CONSOLIDATED FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS' REVIEW REPORT
SEPTEMBER 30, 2024 AND 2023

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' REVIEW REPORT

PWCR 24000182

To the Board of Directors and Shareholders of ENNOSTAR Inc.

Introduction

We have reviewed the accompanying consolidated balance sheets of ENNOSTAR Inc. and subsidiaries (the "Group") as at September 30, 2024 and 2023, and the related consolidated statements of comprehensive income for the three-month and nine-month periods then ended, as well as the consolidated statements of changes in equity and of cash flows for the nine-month periods then ended, and notes to the consolidated financial statements, including a summary of material accounting policies. Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with "Regulations Governing the Preparation of Financial Reports by Securities Issuers" and International Accounting Standard 34, "Interim Financial Reporting" that came into effect as endorsed by the Financial Supervisory Commission. Our responsibility is to express a conclusion on these consolidated financial statements based on our reviews.

Scope of review

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

Basis for qualified conclusion

As explained in Note 4(3), the financial statements of certain insignificant consolidated subsidiaries and information disclosed in Note 13 were not reviewed by independent auditors. Total assets of these subsidiaries amounted to NT\$6,378,460 thousand and NT\$6,366,713 thousand, constituting 10.87% and 9.01% of the consolidated total assets as at September 30, 2024 and 2023, respectively, total liabilities amounted to NT\$1,461,293 thousand and NT\$1,093,188 thousand, constituting 11.76% and 6.56% of the consolidated total liabilities as at September 30, 2024 and 2023 respectively, and the total comprehensive income (loss) amounted to NT\$(194,095) thousand, NT\$(137,065) thousand, NT\$(758,929) thousand and NT\$(183,351) thousand, constituting (82.35)%, 31.06%, 74.10% and 6.85% of the consolidated total comprehensive income for the three-month and nine-month periods then ended, respectively. The balance of these investments accounted for using equity method amounting to NT\$2,310,436 thousand and NT\$2,518,597 thousand, respectively, and the comprehensive loss recognized from associates and joint ventures accounted for under the equity method amounting to NT\$64,416 thousand, NT\$425,825 thousand, NT\$208,696 thousand and NT\$646,127 thousand were included.

Qualified conclusion

Except for the adjustments to the consolidated financial statements, if any, as might have been determined to be necessary had the financial statements of certain consolidated subsidiaries been reviewed by independent auditors as described in the *Basis for qualified conclusion* section above, based on our reviews, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Group as at September 30, 2024 and 2023, and of its consolidated financial performance for the three-month and nine-month periods then ended and its consolidated cash flows for the nine-month periods then ended in accordance with the “Regulations Governing the Preparation of Financial Reports by Securities Issuers” and International Accounting Standard 34, “Interim Financial Reporting” that came into effect as endorsed by the Financial Supervisory Commission.

Li, Tien-Yi

Chou, Chien-Hung

For and on behalf of PricewaterhouseCoopers, Taiwan

November 7, 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 audit of 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.

ENNOSTAR INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
SEPTEMBER 30, 2024, DECEMBER 31, 2023 AND SEPTEMBER 30, 2023

(Expressed in thousands of New Taiwan dollars)

(The balance sheets as of September 30, 2024 and 2023 are reviewed, not audited)

Assets	Notes	September 30, 2024		December 31, 2023		September 30, 2023		
		AMOUNT	%	AMOUNT	%	AMOUNT	%	
Current assets								
1100	Cash and cash equivalents	6(1)	\$ 14,379,151	24	\$ 15,563,488	24	\$ 16,830,095	24
1110	Financial assets at fair value through profit or loss - current	6(2)	46,797	-	202,446	-	137,863	-
1136	Current financial assets at amortised cost	6(4) and 8	959,804	2	914,438	2	626,821	1
1150	Notes receivable, net	6(5) and 8	718,165	1	758,666	1	732,690	1
1170	Accounts receivable, net	6(5)	7,993,692	14	7,672,028	12	7,906,479	11
1180	Accounts receivable - related parties, net	7	480,002	1	468,607	1	596,221	1
1200	Other receivables		210,759	-	145,536	-	211,080	-
1210	Other receivables - related parties	7	40,376	-	26,399	-	24,591	-
130X	Inventories	6(6)	4,610,002	8	4,216,492	7	4,464,773	7
1410	Prepayments		575,970	1	564,590	1	618,633	1
1460	Non-current assets held for sale - net	6(12)	99,094	-	94,800	-	-	-
1470	Other current assets		41,634	-	49,026	-	49,936	-
11XX	Current Assets		<u>30,155,446</u>	<u>51</u>	<u>30,676,516</u>	<u>48</u>	<u>32,199,182</u>	<u>46</u>
Non-current assets								
1510	Non-current financial assets at fair value through profit or loss	6(2)	-	-	-	-	78,881	-
1517	Non-current financial assets at fair value through other comprehensive income	6(3)	3,268,451	6	4,198,539	6	4,569,034	6
1535	Non-current financial assets at amortised cost	6(4) and 8	225,907	-	241,961	-	242,266	-
1550	Investments accounted for using equity method	6(7)	3,088,850	5	3,300,127	5	3,408,712	5
1600	Property, plant and equipment	6(8)(11), 7 and 8	16,200,218	28	19,464,972	30	20,872,619	30
1755	Right-of-use assets	6(9)	1,568,078	3	1,671,302	3	1,748,355	2
1760	Investment property, net		653,897	1	646,803	1	682,709	1
1780	Intangible assets	6(10)	1,457,800	2	1,640,602	3	4,775,479	7
1840	Deferred income tax assets		1,748,723	3	1,827,341	3	1,704,050	2
1900	Other non-current assets	8	327,801	1	434,299	1	398,411	1
15XX	Non-current assets		<u>28,539,725</u>	<u>49</u>	<u>33,425,946</u>	<u>52</u>	<u>38,480,516</u>	<u>54</u>
1XXX	Total assets		<u>\$ 58,695,171</u>	<u>100</u>	<u>\$ 64,102,462</u>	<u>100</u>	<u>\$ 70,679,698</u>	<u>100</u>

(Continued)

ENNOSTAR INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
SEPTEMBER 30, 2024, DECEMBER 31, 2023 AND SEPTEMBER 30, 2023

(Expressed in thousands of New Taiwan dollars)

(The balance sheets as of September 30, 2024 and 2023 are reviewed, not audited)

Liabilities and Equity	Notes	September 30, 2024		December 31, 2023		September 30, 2023		
		AMOUNT	%	AMOUNT	%	AMOUNT	%	
Current liabilities								
2100	Short-term borrowings	6(13) and 8	\$ 176,652	-	\$ 747,136	1	\$ 1,770,330	3
2110	Short-term notes and bills payable	6(15) and 8	925,126	2	1,295,140	2	1,008,948	1
2120	Financial liabilities at fair value through profit or loss - current	6(14)	236	-	2,284	-	41,801	-
2150	Notes payable		1,857	-	1,805	-	1,187	-
2170	Accounts payable		2,930,013	5	2,692,899	4	2,759,101	4
2180	Accounts payable - related parties	7	266,487	-	162,909	-	245,307	-
2200	Other payables	6(16)	3,472,322	6	3,810,923	6	4,047,329	6
2230	Current tax liabilities		36,690	-	27,561	-	21,360	-
2280	Current lease liabilities		88,763	-	93,481	-	109,548	-
2320	Long-term liabilities, current portion	6(17) and 8	1,809,566	3	1,789,423	3	1,672,706	2
2399	Other current liabilities - others		384,663	1	298,972	1	392,788	1
21XX	Current Liabilities		<u>10,092,375</u>	<u>17</u>	<u>10,922,533</u>	<u>17</u>	<u>12,070,405</u>	<u>17</u>
Non-current liabilities								
2540	Long-term borrowings	6(17) and 8	495,763	1	1,934,187	3	2,395,342	3
2570	Deferred tax liabilities		287,062	1	462,941	1	421,976	1
2580	Non-current lease liabilities		1,309,508	2	1,409,803	2	1,422,823	2
2600	Other non-current liabilities	6(20)	237,157	-	228,262	-	350,900	1
25XX	Non-current liabilities		<u>2,329,490</u>	<u>4</u>	<u>4,035,193</u>	<u>6</u>	<u>4,591,041</u>	<u>7</u>
2XXX	Total Liabilities		<u>12,421,865</u>	<u>21</u>	<u>14,957,726</u>	<u>23</u>	<u>16,661,446</u>	<u>24</u>
Equity attributable to owners of parent company								
Share capital								
3110	Share capital - common stock	6(21)	7,379,405	13	7,529,405	12	7,547,840	11
Capital surplus								
3200	Capital surplus	6(22)	38,392,788	65	46,447,060	73	46,564,703	66
Retained earnings								
3310	Legal reserve	6(23)	-	-	216,945	-	216,945	-
3320	Special reserve		-	-	154,927	-	154,927	-
3350	Accumulated deficit		(848,632)	(1)	(6,814,704)	(11)	(2,671,513)	(4)
Other equity interest								
3400	Other equity interest	6(24)	72,905	-	(24,296)	-	570,261	1
3500	Treasury shares	6(21)	(135,163)	-	(135,163)	-	(294,810)	(1)
31XX	Equity attributable to owners of the parent		<u>44,861,303</u>	<u>77</u>	<u>47,374,174</u>	<u>74</u>	<u>52,088,353</u>	<u>73</u>
36XX	Non-controlling interest		<u>1,412,003</u>	<u>2</u>	<u>1,770,562</u>	<u>3</u>	<u>1,929,899</u>	<u>3</u>
3XXX	Total equity		<u>46,273,306</u>	<u>79</u>	<u>49,144,736</u>	<u>77</u>	<u>54,018,252</u>	<u>76</u>
Significant contingent liabilities and unrecognized contract commitments								
3X2X	Total liabilities and equity		<u>\$ 58,695,171</u>	<u>100</u>	<u>\$ 64,102,462</u>	<u>100</u>	<u>\$ 70,679,698</u>	<u>100</u>

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

ENNOSTAR INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
THREE MONTHS AND NINE MONTHS ENDED SEPTEMBER 30, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars, except for earnings(loss) per share amounts)
(Unaudited)

Items	Notes	Three months ended September 30				Nine months ended September 30			
		2024		2023		2024		2023	
		AMOUNT	%	AMOUNT	%	AMOUNT	%	AMOUNT	%
4000 Sales revenue	6(25) and 7	\$ 6,691,398	100	\$ 6,159,490	100	\$ 18,880,620	100	\$ 16,731,395	100
5000 Operating costs	6(6)(31)(32) and 7	(5,587,344)	(84)	(5,623,653)	(91)	(16,078,724)	(85)	(16,015,951)	(96)
5900 Operating margin		1,104,054	16	535,837	9	2,801,896	15	715,444	4
5910 Unrealized loss from sales		-	-	58	-	-	-	13	-
5920 Realized profit from sales		-	-	-	-	(13)	-	(26)	-
5950 Net operating margin		1,104,054	16	535,895	9	2,801,883	15	715,431	4
Operating expenses	6(31)(32)								
6100 Selling expenses		(264,180)	(4)	(242,662)	(4)	(733,343)	(4)	(684,037)	(4)
6200 General and administrative expenses		(396,295)	(6)	(424,243)	(7)	(1,235,946)	(6)	(1,296,106)	(7)
6300 Research and development expenses		(623,873)	(9)	(636,695)	(10)	(1,812,918)	(10)	(1,965,479)	(12)
6450 Expected credit profit (loss)		(3,956)	-	(2,974)	-	(9,465)	-	24,301	-
6000 Total operating expenses		(1,288,304)	(19)	(1,306,574)	(21)	(3,791,672)	(20)	(3,921,321)	(23)
6500 Other income and expenses - net	6(26)	60,751	1	6,679	-	80,059	-	29,755	-
6900 Operating loss		(123,499)	(2)	(764,000)	(12)	(909,730)	(5)	(3,176,135)	(19)
Non-operating income and expenses									
7100 Interest income	6(27)	57,275	1	63,757	1	176,160	1	172,778	1
7010 Other income	6(28)	157,834	2	146,676	3	379,642	2	384,929	2
7020 Other gains and losses	6(11)(29) and 7	(942)	-	(38,276)	(1)	(251,658)	(1)	97,983	1
7050 Finance costs	6(30)	(25,368)	-	(54,723)	(1)	(100,789)	-	(145,164)	(1)
7055 Expected credit gains (losses)		(20)	-	4,829	-	(626)	-	(6,315)	-
7060 Share of loss of associates and joint ventures accounted for using equity method	6(7)	(105,486)	(1)	(110,835)	(2)	(316,284)	(2)	(493,761)	(3)
7000 Total non-operating income and expenses		83,293	2	11,428	-	(113,555)	-	10,450	-
7900 Loss before income tax		(40,206)	-	(752,572)	(12)	(1,023,285)	(5)	(3,165,685)	(19)
7950 Income tax (expense) benefit	6(33)	10,765	-	(29,058)	(1)	(98,889)	(1)	(47,753)	-
8200 Loss for the period		(\$ 29,441)	-	(\$ 781,630)	(13)	(\$ 1,122,174)	(6)	(\$ 3,213,438)	(19)

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ENNOSTAR INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
THREE MONTHS AND NINE MONTHS ENDED SEPTEMBER 30, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars, except for earnings(loss) per share amounts)
(Unaudited)

Items	Notes	Three months ended September 30				Nine months ended September 30											
		2024		2023		2024		2023									
		AMOUNT	%	AMOUNT	%	AMOUNT	%	AMOUNT	%								
Other comprehensive income (loss)																	
Components of other comprehensive income that will not be reclassified to profit or loss																	
8311	Gain on remeasurements of defined benefit plans	\$	-	-	\$	-	-	\$	22	-	\$	1,625	-				
8316	Unrealised gain (loss) from investments in equity instruments measured at fair value through other comprehensive income		140,301	2	(107,681)	(1)	(741,153)	(4)	372,035	2			
8320	Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income (loss) that will not be reclassified to profit or loss		(40)	-	817	-	673	-	5,095	-						
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss		(44,611)	(1)	12,831	-	143,373	1	2,000	-					
8310	Components of other comprehensive income (loss) that will not be reclassified to profit or loss		95,650	1	(94,033)	(1)	(597,085)	(3)	380,755	2			
Components of other comprehensive income that will be reclassified to profit or loss																	
8361	Cumulative translation differences of foreign operations		163,692	3	412,844	7	624,494	3	122,707	1							
8370	Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will be reclassified to profit or loss		6,090	-	21,064	-	71,066	1	26,725	-							
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss		(290)	-	508	-	(436)	-	6,246	-					
8360	Components of other comprehensive income that will be reclassified to profit or loss		169,492	3	434,416	7	695,124	4	155,678	1							
8300	Other comprehensive income	\$	265,142	4	\$	340,383	6	\$	98,039	1	\$	536,433	3				
8500	Total comprehensive income (loss)	\$	235,701	4	(\$	441,247)	(7)	(\$	1,024,135)	(5)	(\$	2,677,005)	(16)	
Profit (loss) attributable to:																	
8610	Equity holders of the parent company	\$	7,492	-	(\$	665,295)	(11)	(\$	762,002)	(4)	(\$	2,820,268)	(17)	
8620	Non-controlling interest		(36,933)	-	(116,335)	(2)	(360,172)	(2)	(393,170)	(2)
Comprehensive income(loss) attributable to:																	
8710	Equity holders of the parent company	\$	255,874	4	(\$	359,135)	(6)	(\$	709,124)	(3)	(\$	2,298,821)	(14)	
8720	Non-controlling interest		(20,173)	-	(82,112)	(1)	(315,011)	(2)	(378,184)	(2)
Earnings (loss) per share (NT\$)																	
9750	Total basic earnings (loss) per share	\$	0.01		(\$	0.89)		(\$	1.02)		(\$	3.75)					
9850	Total diluted earnings (loss) per share	\$	0.01		(\$	0.89)		(\$	1.02)		(\$	3.75)					

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

ENNOSTAR INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
NINE MONTHS ENDED SEPTEMBER 30, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

	Equity attributable to owners of the parent											
	Notes	Retained earnings					Other equity interest			Total	Non-controlling interest	Total equity
		Share capital - common stock	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings (accumulated deficit)	Cumulative translation differences of foreign operations	Unrealised gain (loss) from financial assets measured at fair value through other comprehensive income	Treasury shares			
2023												
Balance at January 1, 2023		\$ 7,547,840	\$ 46,421,664	\$ 216,945	\$ 290,598	\$ 147,022	\$ 36,083	\$ 38,927	(\$ 294,810)	\$ 54,404,269	\$ 2,256,727	\$ 56,660,996
Loss for the period		-	-	-	-	(2,820,268)	-	-	-	(2,820,268)	(393,170)	(3,213,438)
Other comprehensive income for the period		-	-	-	-	642	141,522	379,283	-	521,447	14,986	536,433
Total comprehensive income (loss)		-	-	-	-	(2,819,626)	141,522	379,283	-	(2,298,821)	(378,184)	(2,677,005)
Appropriation of 2022 earnings												
Reversal of special reserve		-	-	-	(135,671)	135,671	-	-	-	-	-	-
Changes in ownership interests in subsidiaries accounted for(22) using equity method		-	47,975	-	-	(160,134)	-	-	-	(112,159)	-	(112,159)
Change in equity of associates and joint ventures accounted for using equity method	6(22)	-	72,885	-	-	-	-	-	-	72,885	-	72,885
Difference between consideration and carrying amount of subsidiaries acquired and disposed	6(22)	-	22,128	-	-	-	-	-	-	22,128	-	22,128
Employee Stock Ownership Trust cancellation return	6(22)	-	51	-	-	-	-	-	-	51	-	51
Non-controlling interests		-	-	-	-	-	-	-	-	-	51,356	51,356
Disposal of investments in equity instruments at fair value through other comprehensive income	6(24)	-	-	-	-	25,554	-	(25,554)	-	-	-	-
Balance at September 30, 2023		\$ 7,547,840	\$ 46,564,703	\$ 216,945	\$ 154,927	(\$ 2,671,513)	\$ 177,605	\$ 392,656	(\$ 294,810)	\$ 52,088,353	\$ 1,929,899	\$ 54,018,252
2024												
Balance at January 1, 2024		\$ 7,529,405	\$ 46,447,060	\$ 216,945	\$ 154,927	(\$ 6,814,704)	(\$ 208,746)	\$ 184,450	(\$ 135,163)	\$ 47,374,174	\$ 1,770,562	\$ 49,144,736
Loss for the period		-	-	-	-	(762,002)	-	-	-	(762,002)	(360,172)	(1,122,174)
Other comprehensive income (loss) for the period		-	-	-	-	24	649,963	(597,109)	-	52,878	45,161	98,039
Total comprehensive income (loss)		-	-	-	-	(761,978)	649,963	(597,109)	-	(709,124)	(315,011)	(1,024,135)
Appropriation of 2023 earnings												
Reversal of special reserve		-	-	-	(54,843)	54,843	-	-	-	-	-	-
Legal reserve used to offset accumulated deficits		-	-	(216,945)	-	216,945	-	-	-	-	-	-
Special reserve used to offset accumulated deficits		-	-	-	(100,084)	100,084	-	-	-	-	-	-
Capital surplus used to offset accumulated deficits	6(22)	-	(6,442,833)	-	-	6,442,833	-	-	-	-	-	-
Cash dividends from capital surplus	6(22)	-	(677,646)	-	-	-	-	-	-	(677,646)	-	(677,646)
Changes in ownership interests in subsidiaries accounted for(22) using equity method		-	(399,817)	-	-	-	-	-	-	(399,817)	-	(399,817)
Change in equity of associates and joint ventures accounted for using equity method	6(22)	-	(13,811)	-	-	-	-	-	-	(13,811)	-	(13,811)
Difference between consideration and carrying amount of subsidiaries acquired and disposed	6(22)	-	(19,564)	-	-	(42,308)	-	-	-	(61,872)	-	(61,872)
Employee Stock Ownership Trust cancellation return	6(22)	-	49	-	-	-	-	-	-	49	-	49
Retirement of treasury share	6(21)	(150,000)	(500,650)	-	-	-	-	-	650,650	-	-	-
Purchase of treasury shares	6(21)	-	-	-	-	-	-	-	(650,650)	(650,650)	-	(650,650)
Non-controlling interests		-	-	-	-	-	-	-	-	-	(43,548)	(43,548)
Disposal of investments in equity instruments at fair value through other comprehensive income	6(24)	-	-	-	-	(44,347)	-	44,347	-	-	-	-
Balance at September 30, 2024		\$ 7,379,405	\$ 38,392,788	\$ -	\$ -	(\$ 848,632)	\$ 441,217	(\$ 368,312)	(\$ 135,163)	\$ 44,861,303	\$ 1,412,003	\$ 46,273,306

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

ENNOSTAR INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
NINE MONTHS ENDED SEPTEMBER 30, 2024 AND 2023

(Expressed in thousands of New Taiwan dollars)

(Unaudited)

	Notes	Nine months ended September 30	
		2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before tax		(\$ 1,023,285)	(\$ 3,165,685)
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation	6(8)(9)(31)	3,133,093	3,466,979
Amortization	6(10)(31)	250,231	183,919
Expected credit loss (gain)	12(2)	10,091	(17,986)
Net loss on financial assets at fair value through profit or loss	6(29)	73,622	57,111
Interest expense	6(30)	100,789	145,164
Interest income	6(27)	(176,160)	(172,778)
Compensation cost of share-based payment	6(19)	1,219	-
Dividend income	6(28)	(20,526)	(31,923)
Share of loss of associates and joint ventures accounted for using equity method	6(7)	316,284	493,761
Gain on disposal of property, plant and equipment	6(29)	(127,283)	(152,846)
Loss on disposal of intangible assets	6(29)	580	583
Gain on disposal of non-current assets held for sale	6(29)	(148,692)	-
Loss (gain) on disposal of investments	6(29)	105,590	(18,524)
Impairment loss on non-financial assets	6(11)(29)	304,635	25,589
Gain from lease modification	6(29)	(1,231)	(915)
Intangible assets transferred to expense/expenses transferred to intangible assets	6(10)	250	(3,656)
Property, plant and equipment transferred to expense		-	(2,754)
Unrealized loss from sales		-	(13)
Realized loss from sales		13	26
Other income from recognition of long-term deferred revenues	6(20)	(45,866)	(34,791)
Changes in operating assets and liabilities			
Changes in operating assets			
Financial assets at fair value through profit or loss		5,506	78,935
Notes receivable		68,862	1,150,405
Accounts receivable		(330,331)	(220,646)
Other receivables		(90,117)	(12,288)
Inventories		(318,543)	413,671
Prepayments		(32,686)	15,290
Other current assets		9,357	(28,718)
Changes in operating liabilities			
Financial liabilities at fair value through profit or loss - current		(103,245)	(82,189)
Notes payable		52	(1,745)
Accounts payable		428,676	351,733
Other payables		(178,441)	(382,349)
Other current liabilities		43,670	(47,488)
Other non-current liabilities		(175)	(38,546)
Cash inflow generated from operations		2,255,939	1,991,902
Interest received		180,385	154,966
Dividend received		32,055	31,923
Interest paid		(87,421)	(124,543)
Income tax paid		(75,436)	(44,268)
Net cash flows from operating activities		<u>2,305,522</u>	<u>2,009,980</u>

(Continued)

ENNOSTAR INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
NINE MONTHS ENDED SEPTEMBER 30, 2024 AND 2023

(Expressed in thousands of New Taiwan dollars)

(Unaudited)

	Notes	Nine months ended September 30	
		2024	2023
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Proceeds from disposal of financial assets at fair value through other comprehensive income		\$ 262,499	\$ 252,941
Acquisition of current financial assets at amortised cost		(57,389)	(57,519)
Proceeds from disposal of financial assets at fair value through profit or loss		177,652	49,502
Acquisition of investments accounted for using equity method		-	(297,778)
Proceeds from disposal of investments accounted for using equity method	6(35)	135,552	90,387
Proceeds from disposal of non-current assets held for sale		496,864	-
Acquisition of property, plant and equipment	6(35)	(948,241)	(1,666,429)
Proceeds from disposal of property, plant and equipment	6(35)	724,111	73,340
Decrease in refundable deposits		9,850	25,725
Acquisition of intangible assets	6(35)	(51,830)	(79,253)
Decrease in other financial asset		-	17
(Increase) decrease in other non-current assets		(70,480)	7,442
(Decrease) increase in changes of consolidated entities		(238,761)	27,248
Net cash flows from (used in) investing activities		<u>439,827</u>	<u>(1,574,377)</u>
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
(Decrease) increase in short-term loans	6(36)	(559,895)	458,840
Decrease in short-term notes and bills payable	6(36)	(326,532)	(8,921)
Proceeds from long-term loans	6(36)	-	593,000
Repayment of long-term loans	6(36)	(1,418,281)	(642,981)
(Decrease) increase in guarantee deposits received	6(36)	(1,205)	79,328
Repayment of principal portion of lease liabilities	6(36)	(81,246)	(88,083)
Cash dividends paid	6(23)	(677,646)	-
Purchase of treasury share		(650,650)	-
Acquisition of ownership interests in subsidiaries		(498,694)	-
Change in non-controlling interests		530	-
Employee Stock Ownership Trust cancellation return		3,841	807
Non-controlling interests cash inflow from capital increase of a subsidiary		-	1,700
Net cash flows (used in) from financing activities		<u>(4,209,778)</u>	<u>393,690</u>
Effects of foreign currency exchange		<u>280,092</u>	<u>(126,330)</u>
Net (decrease) increase in cash and cash equivalents		<u>(1,184,337)</u>	<u>702,963</u>
Cash and cash equivalents at beginning of period		<u>15,563,488</u>	<u>16,127,132</u>
Cash and cash equivalents at end of period		<u>\$ 14,379,151</u>	<u>\$ 16,830,095</u>

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

ENNOSTAR INC. AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
NINE MONTHS ENDED SEPTEMBER 30, 2024 AND 2023

(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

1. HISTORY AND ORGANIZATION

ENNOSTAR Inc. (the “Company”) was incorporated on January 6, 2021. The Company’s shares have been traded on the Taiwan Stock Exchange in the Republic of China since the date of its incorporation. The share exchange transaction, wherein the Company was established by Epistar Corporation (“Epistar”) and acquired all issued and outstanding ordinary shares of Epistar and Lextar Electronics Corp. (“Lextar”) by way of share exchange, has been approved both at Epistar’s board meeting on June 18, 2020 and special shareholders’ meeting on August 7, 2020. The share exchange was conducted at an exchange ratio of 1 ordinary share of Epistar and Lextar for 0.5 and 0.275 ordinary share of the Company, respectively. As a result, Epistar and Lextar became wholly-owned subsidiaries of the Company on January 6, 2021, and both of Epistar’s and Lextar’s ordinary shares have been delisted while the ordinary shares of the Company were listed starting from the same date under the symbol “3714”.

The Company and its subsidiaries (collectively referred herein as the “Group”) are engaged in the research and development, design, manufacturing and sales of EPI wafers and chips of AlGaInP, AlGaAs and InGaN and light-emitting diode packages and modules.

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 November 7, 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 FSC and became effective from 2024 are as follows:

New Standards, Interpretations and Amendments	Effective date Announced by International Accounting Standards Board (IASB)
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.

(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 effective from 2025 are as follows:

New Standards, Interpretations and Amendments	Effective date Announced by IASB
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.	

(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:

New Standards, Interpretations and Amendments	Effective date Announced by IASB
Amendments to IFRS 9 and IFRS 7, 'Amendments to the classification and measurement of financial instruments'	January 1, 2026
Amendments to IFRS 10 and IAS 28, 'Sale or contribution of assets between an investor and its associate or joint venture'	To be determined by IASB
IFRS 17, 'Insurance contracts'	January 1, 2023
Amendments to IFRS 17, 'Insurance contracts'	January 1, 2023
Amendment to IFRS 17, 'Initial application of IFRS 17 and IFRS 9 – comparative information'	January 1, 2023
IFRS 18, 'Presentation and disclosure in financial statements'	January 1, 2027
IFRS 19, 'Subsidiaries without public accountability: disclosures'	January 1, 2027
Annual Improvements to IFRS Accounting Standards—Volume 11	January 1, 2026

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. The quantitative impact will be disclosed when the assessment is complete.

IFRS 18, 'Presentation and disclosure in financial statements'

IFRS 18, 'Presentation and disclosure in financial statements' replaces IAS 1. The standard introduces a defined structure of the statement of profit or loss, disclosure requirements related to management-defined performance measures, and enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes.

4. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below, others are consistent with Note 4 in the consolidated financial statements for the year ended December 31, 2023. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(1) Compliance statement

A. The consolidated financial statements of the Group have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Accounting Standard 34, 'Interim financial reporting' that came into effect as endorsed by the FSC.

B. The consolidated financial statements of the Group should be read together with the 2023 consolidated financial statements of the Group.

(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.
 - (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 compliance 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 judgment 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:
The principles used in the preparation of the financial statements were consistent with those used in the financial statements for the year ended December 31, 2023.
- B. Subsidiaries included in the consolidated financial statements:

Name of Investor	Name of Subsidiary	Main Business Activities	Ownership			Note
			September 30, 2024	December 31, 2023	September 30, 2023	
ENNOSTAR Inc.	Epistar Corporation	Researching, developing, manufacturing and sales of LED wafers and chips	100%	100%	100%	
ENNOSTAR Inc.	Lextar Electronics Corp.	Manufacturing and sales of LED wafers, packages and modules	100%	100%	100%	
ENNOSTAR Inc.	Harvestar Investment Corp.	General investment	100%	100%	100%	Note 3 Note 4
ENNOSTAR Inc.	Calystar Investment Corp.	General investment	100%	100%	100%	Note 3 Note 4 Note 13
ENNOSTAR Inc.	Amengine Corporation	Developing, manufacturing and sales of optical sensing modules	75.96%	75.96%	75.96%	Note 3 Note 4
ENNOSTAR Inc.	Unikorn Semiconductor Corporation	OEM manufacturing of iii-v semiconductors	-	19.53%	19.54%	Note 2 Note 4
ENNOSTAR Inc.	Precistar Investment Corp.	General investment	-	100%	100%	Note 3 Note 13
ENNOSTAR Inc.	Praistar Investment Corp.	General investment	-	100%	100%	Note 3 Note 13
ENNOSTAR Inc.	Manastar Investment Corp.	General investment	-	100%	100%	Note 3 Note 13

Name of Investor	Name of Subsidiary	Main Business Activities	Ownership			Note
			September 30, 2024	December 31, 2023	September 30, 2023	
Harvestar Investment Corp.	Unikorn Semiconductor Corporation	OEM manufacturing of iii-v semiconductors	-	15.45%	15.46%	Note 2 Note 4
Precistar Investment Corp.	Unikorn Semiconductor Corporation	OEM manufacturing of iii-v semiconductors	-	7.08%	7.08%	Note 2 Note 4
Praistar Investment Corp.	Unikorn Semiconductor Corporation	OEM manufacturing of iii-v semiconductors	-	3.98%	3.98%	Note 2 Note 4
Epistar Corporation	Lighting Investment Corp.	General investment	100%	100%	100%	Note 3 Note 4
Epistar Corporation	Epistar JV Holding (BVI) Co., Ltd.	General investment	100%	100%	100%	
Epistar Corporation	SH Optotech Co.,Ltd.	Sales of LED chips	-	49.00%	49.00%	Note 1 Note 3
Epistar Corporation	Unikorn Semiconductor Corporation	OEM manufacturing of iii-v semiconductors	100%	11.89%	11.89%	Note 2 Note 4
Epistar Corporation	GaN Force Corporation	Design, manufacturing and sales of semiconductor materials and modules	64.32%	64.32%	64.32%	Note 3 Note 4 Note 6
Epistar Corporation	Can Yang Investments Limited	General investment	3.53%	3.53%	3.53%	Note 3 Note 4
Epistar JV Holding (BVI) Co., Ltd.	Lite Star JV Holding (BVI) Co., Ltd.	General investment	82.41%	82.41%	82.41%	Note 3 Note 4
Epistar JV Holding (BVI) Co., Ltd.	United LED Corporation Hong Kong Limited	General investment	74.86%	74.86%	74.86%	Note 3 Note 4
Epistar JV Holding (BVI) Co., Ltd.	Episky (Hong Kong) Ltd.	General investment	100%	100%	100%	Note 3 Note 4
Epistar JV Holding (BVI) Co., Ltd.	HUGA Holding (SAMOA) Limited	General investment	100%	100%	100%	Note 3 Note 4
Epistar JV Holding (BVI) Co., Ltd.	Can Yang Investments Limited	General investment	88.21%	87.41%	87.41%	Note 3 Note 4

Name of Investor	Name of Subsidiary	Main Business Activities	Ownership			Note
			September 30, 2024	December 31, 2023	September 30, 2023	
Lite Star JV Holding (BVI) Co., Ltd.	Epicrystal (Hong Kong) Co., Ltd.	General investment	100%	100%	100%	Note 3 Note 4
Epicrystal (Hong Kong) Co., Ltd.	Epicrystal Corporation (ChangZhou) Ltd.	Manufacturing and sales of LED wafers and chips	93.38%	93.38%	93.38%	
United LED Corporation (Hong Kong) Limited	United LED Shan Dong Corporation	Manufacturing and sales of LED wafers and chips	100%	100%	100%	Note 3 Note 4
Episky (Hong Kong) Ltd.	Episky Corporation (Xiamen) Ltd.	Manufacturing and sales of LED chips	100%	100%	100%	
Episky Corporation (Xiamen) Ltd.	Epicrystal Corporation (ChangZhou) Ltd.	Manufacturing and sales of LED wafers and chips	3.31%	3.31%	3.31%	
Episky Corporation (Xiamen) Ltd.	Shenzhen Epikylin Optoelectronics Co.,Ltd.	Sales of LED chips	100%	100%	100%	Note 4
Lighting Investment Corp.	Lighting Investment Ltd.	General investment	100%	100%	100%	Note 3 Note 4
Lighting Investment Corp.	GaNrich Semiconductor Corporation	Design of power components and module for gallium nitride silicon	-	-	89.39%	Note 3 Note 9
Lighting Investment Corp.	Can Yang Investments Limited	General investment	6.87%	6.87%	6.87%	Note 3 Note 4
Lighting Investment Corp.	GaN Force Corporation	Design, manufacturing and sales of semiconductor materials and modules	35.68%	35.68%	35.68%	Note 3 Note 4 Note 6
Lighting Investment Ltd.	Luxlite (HK) Corporation Limited	General investment	100%	100%	100%	Note 3 Note 4 Note 10
Lighting Investment Ltd.	Epistar (Hong Kong) Limited	General investment	-	100%	100%	Note 3 Note 8
Can Yang Investments Limited	Jiangsu Canyang Optoelectronics Ltd.	Manufacturing and sales of LED wafers and chips	100%	100%	100%	Note 3 Note 4
ProLight Opto Technology Corporation	ProLight Opto Holding Corporation	General investment	100%	100%	100%	Note 3 Note 4

Name of Investor	Name of Subsidiary	Main Business Activities	Ownership			Note
			September 30, 2024	December 31, 2023	September 30, 2023	
ProLight Opto Holding Corporation	ProLight Opto Technology Corporation	General investment	100%	100%	100%	Note 3 Note 4
ProLight Opto Technology Corporation	Shanghai Welight Electronic Co., LTD	Wholesale and export and import of LED and related products	100%	100%	100%	Note 3 Note 4
Lextar Electronics Corp.	LEXTAR (SINGAPORE) PTE. LTD.	General investment	100%	100%	100%	
Lextar Electronics Corp.	Liang Li Venture Corp.	General investment	100%	100%	100%	Note 3 Note 4
Lextar Electronics Corp.	Wellypower Optronics Corporation	General investment	100%	100%	100%	Note 3 Note 4
Lextar Electronics Corp.	Apower Optronics Corporation	General investment	100%	100%	100%	Note 3 Note 4
Lextar Electronics Corp.	Wellybond Corporation	General investment	100%	100%	100%	Note 3 Note 4
Lextar Electronics Corp.	Wellybond Optronics (H.K.) Limited	General investment	-	100%	100%	Note 3 Note 7
Lextar Electronics Corp.	Trendylite Corporation	Sales of products	53.84%	100%	100%	Note 3 Note 4 Note 11
Lextar Electronics Corp.	Hexawave, Inc.	Manufacturing and sales of compound semiconductor materials and modules	31.48%	31.52%	31.52%	Note 3 Note 4
Lextar Electronics Corp.	Yenrich Technology Corporation	Manufacturing and sales of electronic component	39.37%	100%	100%	Note 3 Note 12
Lextar Electronics Corp.	ProLight Opto Technology Corporation	Manufacturing and sales of LED packages	9.84%	9.84%	9.84%	Note 3 Note 4
Lextar (Singapore) PTE. LTD., Wellypower Optronics Corporation and Apower Optronics Corporation	Lextar Electronics (Suzhou) Corp.	Manufacturing and sales of LED and modules	100%	100%	100%	
Lextar (Singapore) PTE. LTD.	Lextar Electronics Korea Ltd.	Sale of LED and after-sales service	100%	100%	100%	Note 3 Note 4

Name of Investor	Name of Subsidiary	Main Business Activities	Ownership			Note
			September 30, 2024	December 31, 2023	September 30, 2023	
Liang Li Venture Corp.	ProLight Opto Technology Corporation	Manufacturing and sales of LED packages	9.84%	9.84%	9.84%	Note 3 Note 4
Wellybond Corporation	Vogito Innovation Co., Ltd.	Design, developing, reasearching and sales of health care products	50.00%	50.00%	50.00%	Note 3 Note 4
Wellybond Corporation	ProLight Opto Technology Corporation	Manufacturing and sales of LED packages	31.47%	31.47%	31.47%	Note 3 Note 4
Wellybond Corporation	Hexawave, Inc.	Manufacturing and sales of compound semiconductor materials and modules	31.48%	31.52%	31.52%	Note 3 Note 4
Wellybond Corporation	WellyHertz Electronics Corp.	Manufacturing of electronic component	-	87.46%	84.03%	Note 3 Note 11
Wellybond Corporation	Trendylite Corporation	Sales of products	40.37%	-	-	Note 3 Note 4 Note 11
Lextar Electronics (Suzhou) Corp.	Lextar Electronics (Chuzhou) Corp.	Manufacturing and sales of LED and modules	100%	100%	100%	
Lextar Electronics (Suzhou) Corp.	Chuzhou Bwin Technology Corp.	Developing, manufacturing, sales of metal and plastic technical products	30.50%	29.00%	48.33%	Note 3 Note 5
Lextar Electronics (Chuzhou) Corp.	Chuzhou Bwin Technology Corp.	Developing, manufacturing, sales of metal and plastic technical products	-	66.40%	44.00%	Note 3 Note 5

Note 1: Due to the control over the entity's financial and operational policies, this company is included in the consolidated financial statements. Liquidation has been completed in April, 2024.

Note 2: Due to the reorganization, the shares of Unikorn Semiconductor Corporation originally held by ENNOSTAR Inc., Harvestar Investment Corp., Precistar Investment Corp., and Praistar Investment Corp are now hold by Epistar Corporation. As of September 30, 2024, the shareholding ratios of Epistar Corporation is 100%.

Note 3: The financial statements of the entity as of and for the nine months ended September 30, 2023 were not reviewed by independent auditors as the entity did not meet the definition of significant subsidiary.

Note 4: The financial statements of the entity as of and for the nine months ended September 30, 2024 were not reviewed by independent auditors as the entity did not meet the definition of significant subsidiary.

Note 5: Due to changes in equity, it has been excluded from the consolidated entity since June, 2024.

Note 6: GaN Force Corporation has applied for liquidation in 2023.

Note 7: Wellybond Optronic (H.K) Limited had completed liquidation in June, 2024.

Note 8: Epistar(Hong Kong) Corporation Limited had completed liquidation in September, 2024.

Note 9: Due to the disposal of Garich Semiconductor Corporation's shares, it has been excluded from the consolidated entity since December, 2023.

Note 10: Luxlite (HK) Corporation Limited has applied for liquidation in 2024.

Note 11: Due to the merger of WellyHertz Electronics Corp. into Trendylite Corporation, WellyHertz Electronics Corp. has been excluded from the consolidated entity since May, 2024. The shares of Trendylite Corporation is held by Lextar Electronics Corp. and Wellybond Corporation.

Note 12: Due to not participating in the cash capital increase of Yenrich Technology Corporation, the shareholding ratio has fallen below 50%, it has been excluded from the consolidated entity since June, 2024.

Note 13: Calystar Investment Corp. merged with Precistar Investment Corp., Praistar Investment Corp. and Manastar Investment Corp. in September, 2024.

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 interest that are material to the Group: None.

(4) Employee benefits

Pension cost for the interim period is calculated on a year-to-date basis by using the pension cost rate derived from the actuarial valuation at the end of the prior financial year, adjusted for significant market fluctuations since that time and for significant curtailments, settlements, or other significant one-off events. Also, the related information is disclosed accordingly.

(5) Income tax

The interim period income tax expense is recognised based on the estimated average annual effective income tax rate expected for the full financial year applied to the pretax income of the interim period, and the related information is disclosed accordingly.

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

There was no significant change in the reporting period. Please refer to Note 5 in the consolidated financial statements for the year ended December 31, 2023.

6. DETAILS OF SIGNIFICANT ACCOUNTS

(1) Cash and cash equivalents

	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Cash on hand and petty cash	\$ 1,136	\$ 1,303	\$ 1,402
Checking accounts and demand deposits	2,505,200	4,620,140	3,061,469
Time deposits	11,479,759	10,579,045	13,449,224
Bonds sold under repurchase agreement	393,056	363,000	318,000
	<u>\$ 14,379,151</u>	<u>\$ 15,563,488</u>	<u>\$ 16,830,095</u>

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.

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

Items	September 30, 2024	December 31, 2023	September 30, 2023
Current items:			
Financial assets mandatorily measured at fair value through profit or loss			
Beneficiary certificates	\$ -	\$ -	\$ -
Listed stocks	-	193,439	193,439
Derivatives	46,797	52,303	26
	<u>46,797</u>	<u>245,742</u>	<u>193,465</u>
Valuation adjustment	-	(43,296)	(55,602)
	<u>46,797</u>	<u>202,446</u>	<u>137,863</u>
Non-current items:			
Financial assets mandatorily measured at fair value through profit or loss			
Unlisted stocks	215,484	212,005	275,249
Valuation adjustments	(215,484)	(212,005)	(196,368)
	<u>-</u>	<u>-</u>	<u>78,881</u>
	<u>\$ 46,797</u>	<u>\$ 202,446</u>	<u>\$ 216,744</u>

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

September 30, 2024

Financial instruments	Notional principal (in thousands)	Currency	Maturity date
Forward foreign exchange contract - sell	USD 88,500	USD to NTD	2024.10.01~2025.02.20
Forward foreign exchange contract - sell	USD 45	USD to JPY	2024.10.24~2024.11.22
Forward foreign exchange contract - sell	USD 25,000	USD to RMB	2024.10.30~2025.02.28

December 31, 2023

Financial instruments	Notional principal (in thousands)	Currency	Maturity date
Forward foreign exchange contract - sell	USD 60,100	USD to NTD	2024.01.02~2024.05.17
Forward foreign exchange contract - sell	USD 42	USD to JPY	2024.01.24~2024.02.22
Forward foreign exchange contract - sell	USD 19,000	USD to RMB	2024.01.30~2024.05.17
Forward foreign exchange contract - sell	USD 15,000	RMB to NTD	2024.01.02~2024.02.01

September 30, 2023

Financial instruments	Notional principal (in thousands)	Currency	Maturity date
Forward foreign exchange contract - sell	USD 48,772	USD to NTD	2023.10.02~2024.02.20
Forward foreign exchange contract - sell	USD 52	USD to JPY	2023.11.24
Forward foreign exchange contract - sell	USD 19,000	USD to RMB	2023.10.27~2024.01.30

The Group entered into forward foreign exchange contracts to hedge exchange rate risk of export and import proceeds. However, these forward foreign exchange contracts are not accounted for under hedge accounting.

B. The net income (loss) recognized by the Group amounted to \$55,334, (\$84,709), (\$73,622) and (\$57,111) for the three months and the nine months ended September 30, 2024 and 2023, respectively.

C. Information on credit risk of financial assets at fair value through profit or loss is provided in Notes 12(2) and (3).

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

Items	September 30, 2024	December 31, 2023	September 30, 2023
Non-current items:			
Equity instruments			
Listed stocks	\$ 734,742	\$ 760,319	\$ 962,819
Unlisted stocks	3,380,766	3,525,330	3,542,500
	4,115,508	4,285,649	4,505,319
Valuation adjustment	(847,057)	(87,110)	63,715
	<u>\$ 3,268,451</u>	<u>\$ 4,198,539</u>	<u>\$ 4,569,034</u>

A. The Group has elected to classify 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 \$3,268,451, \$4,198,539 and \$4,569,034 as at September 30, 2024, December 31, 2023 and September 30, 2023, 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:

Equity instruments at fair value through other comprehensive income	Three months ended September 30, 2024	Three months ended September 30, 2023
Fair value change recognized in other comprehensive income (loss)	\$ 140,301	(\$ 107,681)
Dividend income recognized in profit or loss held at end of period	\$ 15,477	\$ 31,658
Equity instruments at fair value through other comprehensive income	Nine months ended September 30, 2024	Nine months ended September 30, 2023
Fair value change recognized in other comprehensive (loss) income	(\$ 741,153)	\$ 372,035
Dividend income recognized in profit or loss held at end of period	\$ 15,600	\$ 31,923

- C. As of September 30, 2024, December 31, 2023 and September 30, 2023, 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 was \$3,268,451, \$4,198,539 and \$4,569,034, respectively.
- D. Information relating to credit risk of financial assets at fair value through other comprehensive income is provided in Notes 12(2) and (3).

(4) Financial assets at amortised cost

<u>Items</u>	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Current items:			
Others	\$ 959,804	\$ 914,438	\$ 626,821
Non-current items:			
Others	\$ 225,907	\$ 241,961	\$ 242,266

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

	<u>Three months ended</u>	<u>Three months ended</u>
	<u>September 30, 2024</u>	<u>September 30, 2023</u>
Interest income	\$ 1,348	\$ 1,290
	<u>Nine months ended</u>	<u>Nine months ended</u>
	<u>September 30, 2024</u>	<u>September 30, 2023</u>
Interest income	\$ 4,352	\$ 2,629

- B. As of September 30, 2024, December 31, 2023 and September 30, 2023, 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 amortised cost held by the Group was \$1,185,711, \$1,156,399 and \$869,087, respectively.

- C. Details of the Group's financial assets at amortised cost pledged to others as collateral are provided in Note 8.

- D. Information relating to credit risk of financial assets at amortised cost is provided in Note 12(2). The counterparties of the Group's investments in certificates of deposit are financial institutions with high credit quality, so the Group expects that the probability of counterparty default is remote.

(5) Notes and accounts receivable

	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Notes receivable	\$ 718,165	\$ 758,666	\$ 732,690
Less: Allowance for uncollectible accounts	<u>-</u>	<u>-</u>	<u>-</u>
	\$ 718,165	\$ 758,666	\$ 732,690
Accounts receivable	\$ 8,013,960	\$ 7,684,183	\$ 7,920,039
Less: Allowance for uncollectible accounts	(20,268)	(12,155)	(13,560)
	<u>\$ 7,993,692</u>	<u>\$ 7,672,028</u>	<u>\$ 7,906,479</u>

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

	September 30, 2024		December 31, 2023	
	Accounts receivable	Notes receivable	Accounts receivable	Notes receivable
Not past due	\$ 7,906,961	\$ 718,165	\$ 7,292,122	\$ 758,666
Up to 30 days	73,014	-	339,486	-
31 to 90 days	8,475	-	28,106	-
91 to 180 days	4,475	-	12,417	-
Over 180 days	21,035	-	12,052	-
	<u>\$ 8,013,960</u>	<u>\$ 718,165</u>	<u>\$ 7,684,183</u>	<u>\$ 758,666</u>

	September 30, 2023	
	Accounts receivable	Notes receivable
Not past due	\$ 7,320,542	\$ 732,690
Up to 30 days	537,601	-
31 to 90 days	37,306	-
91 to 180 days	8,041	-
Over 180 days	16,549	-
	<u>\$ 7,920,039</u>	<u>\$ 732,690</u>

The above ageing analysis was based on past due date.

- B. As of September 30, 2024, December 31, 2023 and September 30, 2023, the Group had outstanding discounted notes receivable amounting to \$413,965, \$369,426 and \$416,422, respectively. The Group has payment obligations when the drawers of the notes refuse to pay for the notes at maturity. However, the credit rating of the aforesaid acceptance bank is extremely high, and the Group judges that the discounted notes receivable meets the requirements for delisting financial assets and will be deducted from notes receivable directly. The liabilities arising on discounted notes receivable are recognized in short-term borrowings, please refer to Note 6(13) for details.
- C. Details of the Group's notes receivable pledged to others as collateral are provided in Note 8.
- D. The Group holds collateral including commercial papers, financial assets, patents as well as machinery and equipment as security for accounts receivable.
- E. As of September 30, 2024, December 31, 2023 and September 30, 2023, 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 notes receivable held by the Group was \$718,165, \$758,666 and \$732,690, respectively; the maximum exposure to credit risk in respect of the amount that best represents the accounts receivable held by the Group was \$7,993,692, \$7,672,028 and \$7,906,479, respectively.
- F. Information on credit risk of accounts receivable and notes receivable is provided in Note 12(2).

(6) Inventories

	September 30, 2024		
	Cost	Allowance for valuation loss	Book value
Raw materials	\$ 1,906,098	(\$ 141,010)	\$ 1,765,088
Work in progress	1,315,051	(199,001)	1,116,050
Finished goods	1,923,497	(194,633)	1,728,864
	<u>\$ 5,144,646</u>	<u>(\$ 534,644)</u>	<u>\$ 4,610,002</u>
	December 31, 2023		
	Cost	Allowance for valuation loss	Book value
Raw materials	\$ 1,490,128	(\$ 152,258)	\$ 1,337,870
Work in progress	1,195,739	(245,530)	950,209
Finished goods	2,268,710	(340,297)	1,928,413
	<u>\$ 4,954,577</u>	<u>(\$ 738,085)</u>	<u>\$ 4,216,492</u>
	September 30, 2023		
	Cost	Allowance for valuation loss	Book value
Raw materials	\$ 1,511,225	(\$ 113,218)	\$ 1,398,007
Work in progress	1,483,176	(345,968)	1,137,208
Finished goods	2,289,890	(360,332)	1,929,558
	<u>\$ 5,284,291</u>	<u>(\$ 819,518)</u>	<u>\$ 4,464,773</u>

The cost of inventories recognised as expense for the three months and nine months ended September 30, 2024 and 2023:

	Three months ended September 30, 2024	Three months ended September 30, 2023
Cost of goods sold	\$ 5,036,763	\$ 4,919,799
Scrap loss	39,549	12,849
Recovery benefits in market value	(13,240)	(20,443)
Loss on idle capacity	606,869	830,889
Other	(82,597)	(119,441)
	<u>\$ 5,587,344</u>	<u>\$ 5,623,653</u>
	Nine months ended September 30, 2024	Nine months ended September 30, 2023
Cost of goods sold	\$ 14,156,836	\$ 13,492,423
Scrap loss	86,215	18,544
(Recovery benefits in market value) loss on market price decline	(192,390)	31,902
Loss on idle capacity	2,189,150	2,605,818
Other	(161,087)	(132,736)
	<u>\$ 16,078,724</u>	<u>\$ 16,015,951</u>

For the three months and nine months ended September 30, 2024, the gain on reversal of decline in market value was caused by the increase in the utilization rate of the Group. For the three months ended September 30, 2023, the gain on reversal of decline in market value was caused by the overall inventory clearance.

(7) Investments accounted for using equity method

	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Associates:			
Tyntek Corporation	\$ 1,040,394	\$ 1,027,919	\$ 1,032,013
GCS Holdings, Inc.	778,413	864,280	890,114
LEADSTAR Micro-Crystal Display Corporation (Jiangsu) Ltd.	661,862	628,802	624,953
Changzhou Chemsemi Co., Ltd.	409,418	583,853	668,497
iReach Corporation	47,977	53,262	47,669
Yenrich Technology Corporation	46,450	-	-
TE OPTO CORPORATION	45,390	43,980	43,738
LEDAZ Co., Ltd.	23,836	-	-
Chuzhou Bwin Technology Corp.	15,536	-	-
LEDOLUX Sp. Zo.O.	11,527	11,933	11,329
Interlight Optotech (HK) Co., Limited.	7,758	7,475	10,769
Domi-Star Optoelectronics Corporation	289	311	337
WellyWave Semiconductors Inc.	-	41,771	38,753
JOINT POWER EXPONENT, LTD.	-	36,541	40,540
	<u>\$ 3,088,850</u>	<u>\$ 3,300,127</u>	<u>\$ 3,408,712</u>

A. 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 September 30, 2024, December 31, 2023 and September 30, 2023, the carrying amount of the Group's individually immaterial associates amounted to \$3,088,850, \$3,300,127 and \$3,408,712, respectively.

	<u>Three months ended September 30, 2024</u>	<u>Three months ended September 30, 2023</u>
Attributable to the Group:		
Loss for the period from continuing operations	(\$ 105,486)	(\$ 110,835)
Other comprehensive income	6,035	22,107
Total comprehensive loss	<u>(\$ 99,451)</u>	<u>(\$ 88,728)</u>
Attributable to the Group:		
	<u>Nine months ended September 30, 2024</u>	<u>Nine months ended September 30, 2023</u>
Loss for the period from continuing operations	(\$ 316,284)	(\$ 493,761)
Other comprehensive income	71,571	36,461
Total comprehensive loss	<u>(\$ 244,713)</u>	<u>(\$ 457,300)</u>

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

	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
GCS Holdings, Inc.	\$ 1,032,790	\$ 785,312	\$ 798,233
Tyntek Corporation	<u>1,033,551</u>	<u>838,525</u>	<u>804,714</u>
	<u>\$ 2,066,341</u>	<u>\$ 1,623,837</u>	<u>\$ 1,602,947</u>

C. In the second quarter of 2024, due to not participating in the cash capital increase of Yenrich Technology Corp., the Group lost control over the company. Yenrich Technology Corp. is considered as an associate company since June 2024.

D. In the second quarter of 2023, the Group acquired 92.33% shares of Chuzhou Bwin Technology Corp.. Therefore, the Group has control over it and merged it into the consolidated entity. In the second quarter of 2024, the Group sold 66.4% shares of Chuzhou Bwin Technology Corp., so, Chuzhou Bwin Technology Corp. is considered as an associate company since June 2024.

E. During the first quarter of 2024, the Group disposed all shares of Joint Power Exponext, Ltd.

F. During the second quarter of 2024, the Group disposed all shares of WellyWave Semiconductors Inc.

(8) Property, plant and equipment

	<u>Land</u>	<u>Buildings and structures</u>	<u>Machinery</u>	<u>Office equipment</u>	<u>Leasehold improvements</u>	<u>Others</u>	<u>Construction in progress and equipment to be inspected</u>	<u>Total</u>
At January 1, 2024								
Cost	\$ 1,558,195	\$ 17,837,732	\$ 44,842,113	\$ 400,288	\$ 346,879	\$ 1,885,365	\$ 1,924,246	\$ 68,794,818
Accumulated depreciation and impairment	-	(10,156,640)	(37,040,262)	(321,220)	(276,822)	(1,534,902)	-	(49,329,846)
	<u>\$ 1,558,195</u>	<u>\$ 7,681,092</u>	<u>\$ 7,801,851</u>	<u>\$ 79,068</u>	<u>\$ 70,057</u>	<u>\$ 350,463</u>	<u>\$ 1,924,246</u>	<u>\$ 19,464,972</u>
<u>2024</u>								
Opening net book amount at January 1	\$ 1,558,195	\$ 7,681,092	\$ 7,801,851	\$ 79,068	\$ 70,057	\$ 350,463	\$ 1,924,246	\$ 19,464,972
Additions	-	7,843	74,778	4,752	908	22,813	711,840	822,934
Transfer	-	79,007	1,158,935	11,830	1,055	78,577	(1,329,404)	-
Disposals	-	(561,528)	(34,681)	(34)	(109)	(696)	-	(597,048)
Reclassified to non-current assets held for sale	-	-	(294,951)	(424)	-	-	-	(295,375)
Reclassifications	-	60,808	19,861	-	-	(80,669)	121,911	121,911
Reclassified to investment property	-	(4,323)	-	-	-	-	-	(4,323)
Depreciation charge	-	(638,151)	(2,282,269)	(24,713)	(12,803)	(83,301)	-	(3,041,237)
Impairment loss	-	(13,897)	(290,738)	-	-	-	-	(304,635)
Disposals of subsidiary	-	(55,385)	(92,402)	-	-	(7,312)	(429)	(155,528)
Net exchange differences	-	74,134	100,382	908	427	5,946	6,750	188,547
Closing net book amount at September 30	<u>\$ 1,558,195</u>	<u>\$ 6,629,600</u>	<u>\$ 6,160,766</u>	<u>\$ 71,387</u>	<u>\$ 59,535</u>	<u>\$ 285,821</u>	<u>\$ 1,434,914</u>	<u>\$ 16,200,218</u>
At September 30, 2024								
Cost	\$ 1,558,195	\$ 17,222,792	\$ 44,022,760	\$ 408,436	\$ 350,408	\$ 1,619,664	\$ 1,434,914	\$ 66,617,169
Accumulated depreciation and impairment	-	(10,593,192)	(37,861,994)	(337,049)	(290,873)	(1,333,843)	-	(50,416,951)
	<u>\$ 1,558,195</u>	<u>\$ 6,629,600</u>	<u>\$ 6,160,766</u>	<u>\$ 71,387</u>	<u>\$ 59,535</u>	<u>\$ 285,821</u>	<u>\$ 1,434,914</u>	<u>\$ 16,200,218</u>

	Land	Buildings and structures	Machinery	Office equipment	Leasehold improvements	Others	Construction in progress and equipment to be inspected	Total
At January 1, 2023								
Cost	\$ 1,558,195	\$ 18,091,812	\$ 45,433,185	\$ 542,033	\$ 346,373	\$ 1,734,085	\$ 1,383,127	\$ 69,088,810
Accumulated depreciation and impairment	-	(9,539,687)	(35,440,955)	(450,609)	(258,630)	(1,361,854)	-	(47,051,735)
	<u>\$ 1,558,195</u>	<u>\$ 8,552,125</u>	<u>\$ 9,992,230</u>	<u>\$ 91,424</u>	<u>\$ 87,743</u>	<u>\$ 372,231</u>	<u>\$ 1,383,127</u>	<u>\$ 22,037,075</u>
<u>2023</u>								
Opening net book amount at January 1	\$ 1,558,195	\$ 8,552,125	\$ 9,992,230	\$ 91,424	\$ 87,743	\$ 372,231	\$ 1,383,127	\$ 22,037,075
Additions	-	8,187	45,643	2,847	1,833	27,016	1,795,587	1,881,113
Transfer	-	160,522	1,038,131	15,698	6,416	87,141	(1,307,908)	-
Acquired from business combinations	-	63,127	82,141	-	-	17,934	3,678	166,880
Disposals	-	(5,102)	(26,655)	(116)	-	(3,622)	-	(35,495)
Reclassifications	-	19,040	52,024	(2,080)	-	1,823	61,965	132,772
Reclassified to investment property	-	7,479	-	-	-	-	-	7,479
Depreciation charge	-	(674,590)	(2,530,404)	(26,047)	(18,013)	(108,113)	-	(3,357,167)
Impairment loss	-	(2,173)	(20,198)	-	(3,080)	(138)	-	(25,589)
Net exchange differences	-	27,437	31,610	152	22	4,534	1,796	65,551
Closing net book amount at September 30	<u>\$ 1,558,195</u>	<u>\$ 8,156,052</u>	<u>\$ 8,664,522</u>	<u>\$ 81,878</u>	<u>\$ 74,921</u>	<u>\$ 398,806</u>	<u>\$ 1,938,245</u>	<u>\$ 20,872,619</u>
At September 30, 2023								
Cost	\$ 1,558,195	\$ 18,103,130	\$ 44,235,393	\$ 406,855	\$ 348,579	\$ 1,892,905	\$ 1,938,245	\$ 68,483,302
Accumulated depreciation and impairment	-	(9,947,078)	(35,570,871)	(324,977)	(273,658)	(1,494,099)	-	(47,610,683)
	<u>\$ 1,558,195</u>	<u>\$ 8,156,052</u>	<u>\$ 8,664,522</u>	<u>\$ 81,878</u>	<u>\$ 74,921</u>	<u>\$ 398,806</u>	<u>\$ 1,938,245</u>	<u>\$ 20,872,619</u>

Information about the property, plant and equipment that were pledged to others as collateral is provided in Note 8.

(9) Leasing arrangements—lessee

- The Group leases various assets including land, buildings, machinery, transportation equipment and office equipment. Rental contracts are typically made for periods of 2 to 50 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.
- Short-term leases with a lease term of 12 months or less comprise of buildings, transportation equipment and office equipment. Low-value assets comprise of office equipment.
- The carrying amount of right-of-use assets and the depreciation charge are as follows:

	September 30, 2024	December 31, 2023	September 30, 2023
	Carrying amount	Carrying amount	Carrying amount
Land	\$ 1,425,128	\$ 1,518,217	\$ 1,576,345
Buildings	65,234	58,593	66,068
Machinery	48,004	51,458	58,993
Transportation equipment	5,107	10,413	11,767
Office equipment	24,605	32,621	35,182
	<u>\$ 1,568,078</u>	<u>\$ 1,671,302</u>	<u>\$ 1,748,355</u>

	<u>Three months ended September 30, 2024</u>	<u>Three months ended September 30, 2023</u>
	<u>Depreciation charge</u>	<u>Depreciation charge</u>
Land	\$ 14,556	\$ 16,392
Buildings	4,135	5,813
Machinery	1,922	2,637
Transportation equipment	1,042	1,480
Office equipment	2,474	2,989
	<u>\$ 24,129</u>	<u>\$ 29,311</u>

	<u>Nine months ended September 30, 2024</u>	<u>Nine months ended September 30, 2023</u>
	<u>Depreciation charge</u>	<u>Depreciation charge</u>
Land	\$ 46,119	\$ 49,414
Buildings	14,541	17,545
Machinery	5,685	29,026
Transportation equipment	3,661	4,844
Office equipment	8,016	8,983
	<u>\$ 78,022</u>	<u>\$ 109,812</u>

D. For the three months and the nine months ended September 30, 2024 and 2023, the additions to right-of-use assets were \$76, \$2,153, \$61,406 and \$66,740, respectively.

E. The information on profit and loss accounts relating to lease contracts is as follows:

	<u>Three months ended September 30, 2024</u>	<u>Three months ended September 30, 2023</u>
<u>Items affecting profit or loss</u>		
Interest expense on lease liabilities	\$ 5,394	\$ 5,245
Expense on short-term lease contracts	6,600	12,007
Expense on leases of low-value assets	741	1,400
	<u>Nine months ended September 30, 2024</u>	<u>Nine months ended September 30, 2023</u>

<u>Items affecting profit or loss</u>		
Interest expense on lease liabilities	\$ 17,222	\$ 15,658
Expense on short-term lease contracts	17,415	29,058
Expense on leases of low-value assets	2,389	4,191

F. For the nine months ended September 30, 2024 and 2023, the Group's total cash outflow for leases were \$94,869 and \$120,867, respectively.

(10) Intangible assets

	<u>Patents</u>	<u>Goodwill</u>	<u>Software</u>	<u>Others</u>	<u>Total</u>
At January 1, 2024					
Cost	\$ 2,920,200	\$ 763,034	\$ 633,286	\$ 187,087	\$ 4,503,607
Accumulated amortisation and impairment	(2,206,784)	(8,768)	(518,340)	(129,113)	(2,863,005)
	<u>\$ 713,416</u>	<u>\$ 754,266</u>	<u>\$ 114,946</u>	<u>\$ 57,974</u>	<u>\$ 1,640,602</u>
<u>2024</u>					
Opening net book amount as at January 1	\$ 713,416	\$ 754,266	\$ 114,946	\$ 57,974	\$ 1,640,602
Additions	7,040	-	40,231	-	47,271
Disposals	(580)	-	-	-	(580)
Reclassifications	(250)	-	-	-	(250)
Amortisation charge	(136,099)	-	(39,496)	(9,306)	(184,901)
Disposals of subsidiary	-	-	-	(46,661)	(46,661)
Net exchange differences	<u>1,044</u>	<u>-</u>	<u>258</u>	<u>1,017</u>	<u>2,319</u>
Closing net book amount as at September 30	<u>\$ 584,571</u>	<u>\$ 754,266</u>	<u>\$ 115,939</u>	<u>\$ 3,024</u>	<u>\$ 1,457,800</u>
At September 30, 2024					
Cost	\$ 2,777,661	\$ 763,034	\$ 690,706	\$ 141,443	\$ 4,372,844
Accumulated amortisation and impairment	(2,193,090)	(8,768)	(574,767)	(138,419)	(2,915,044)
	<u>\$ 584,571</u>	<u>\$ 754,266</u>	<u>\$ 115,939</u>	<u>\$ 3,024</u>	<u>\$ 1,457,800</u>

	<u>Patents</u>	<u>Goodwill</u>	<u>Software</u>	<u>Others</u>	<u>Total</u>
At January 1, 2023					
Cost	\$ 2,935,957	\$ 7,087,692	\$ 560,309	\$ 131,859	\$ 10,715,817
Accumulated amortisation and impairment	(2,030,294)	(3,191,092)	(469,307)	(117,541)	(5,808,234)
	<u>\$ 905,663</u>	<u>\$ 3,896,600</u>	<u>\$ 91,002</u>	<u>\$ 14,318</u>	<u>\$ 4,907,583</u>
<u>2023</u>					
Opening net book amount as at January 1	\$ 905,663	\$ 3,896,600	\$ 91,002	\$ 14,318	\$ 4,907,583
Additions – acquired separately	1,992	-	33,859	-	35,851
Additions – acquired through business combinations	-	-	-	12,881	12,881
Disposals	(583)	-	-	-	(583)
Reclassifications	3,708	-	(52)	-	3,656
Amortisation charge	(139,156)	-	(37,774)	(6,989)	(183,919)
Net exchange differences	83	-	-	(73)	10
Closing net book amount as at September 30	<u>\$ 771,707</u>	<u>\$ 3,896,600</u>	<u>\$ 87,035</u>	<u>\$ 20,137</u>	<u>\$ 4,775,479</u>
At September 30, 2023					
Cost	\$ 2,950,997	\$ 7,087,692	\$ 594,235	\$ 144,667	\$ 10,777,591
Accumulated amortisation and impairment	(2,179,290)	(3,191,092)	(507,200)	(124,530)	(6,002,112)
	<u>\$ 771,707</u>	<u>\$ 3,896,600</u>	<u>\$ 87,035</u>	<u>\$ 20,137</u>	<u>\$ 4,775,479</u>

Details of amortisation on intangible assets are as follows:

	<u>Three months ended September 30, 2024</u>	<u>Three months ended September 30, 2023</u>
Operating costs	\$ 22,558	\$ 26,466
Selling expenses	174	243
Administrative expenses	24,425	23,159
Research and development expenses	12,122	13,032
	<u>\$ 59,279</u>	<u>\$ 62,900</u>
	<u>Nine months ended September 30, 2024</u>	<u>Nine months ended September 30, 2023</u>
Operating costs	\$ 66,081	\$ 67,193
Selling expenses	508	454
Administrative expenses	81,642	76,565
Research and development expenses	36,670	39,707
	<u>\$ 184,901</u>	<u>\$ 183,919</u>

(11) Impairment of non-financial assets

A. The Group assessed that production line adjustments and configurations resulted in idling or impairment of certain property, plant and equipment. The Group wrote down the carrying amount of the assets based on the recoverable amount and recognised impairment losses of \$85,433, \$3,218, \$304,635 and \$25,589 for the three months and the nine months ended September 30,

2024 and 2023, respectively. The recoverable amount is the assets' fair value less costs of disposal. The fair value is classified as a level 3 fair value. Details of impairment are as follows:

	Three months ended September 30, 2024	Three months ended September 30, 2023
	<u>Recognised in profit or loss</u>	
Impairment loss – machinery	\$ 85,857	\$ -
Impairment loss – office equipment	(424)	-
Impairment loss – leasehold improvements	-	3,080
Impairment loss – others	-	138
	<u>\$ 85,433</u>	<u>\$ 3,218</u>
	Nine months ended September 30, 2024	Nine months ended September 30, 2023
	<u>Recognised in profit or loss</u>	
Impairment loss – buildings and structure	\$ 13,897	\$ 2,173
Impairment loss – machinery	290,738	20,198
Impairment loss – leasehold improvements	-	3,080
Impairment loss – others	-	138
	<u>\$ 304,635</u>	<u>\$ 25,589</u>

(12) Non-current assets held for sale and discontinued operations

	September 30, 2024	December 31, 2023	September 30, 2023
Property, plant and equipment	<u>\$ 99,094</u>	<u>\$ 94,800</u>	<u>\$ -</u>

A. The Company signed a contract for selling the Shandong factory and land use rights on March 5, 2024, so the amount of property, plant and equipment were recognized as non-current assets held for sale.

B. The Company's Board of Directors resolved to dispose of microelectronic equipment to Global Communication Semiconductors, LLC on April 26, 2024. The asset related to the transaction was recognized as non-current assets held for sale in the second quarter of 2024, and the transaction was completed in the third quarter of 2024.

(13) Short-term borrowings

	September 30, 2024	December 31, 2023	September 30, 2023
Bank borrowings-Unsecured borrowings	\$ 117,598	\$ 565,319	\$ 1,516,012
Liabilities on discounted notes receivable	59,054	181,817	254,318
	<u>\$ 176,652</u>	<u>\$ 747,136</u>	<u>\$ 1,770,330</u>
Interest rate range-NTD	NA	NA	2.05%
Interest rate range-foreign currency	3.20%	3.60%~6.13%	3.09%~6.53%
Interest rate range - discounted notes	1.25%~1.40%	1.24%~1.56%	1.24%~1.72%

As of September 30, 2024, December 31, 2023 and September 30, 2023, Epistar Corporation has endorsements to Ennostar Inc. totalling \$3,250,000, \$3,250,000 and \$3,250,000, respectively.

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

<u>Items</u>	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Current items:			
Derivatives	\$ 236	\$ 2,284	\$ 41,801

The Group entered into contracts relating to derivative financial assets which were not accounted for under hedge accounting, please refer to Note 6(2) for details.

(15) Short-term notes and bills payable

		<u>September 30, 2024</u>		
	<u>Rate (%)</u>	<u>Amount</u>	<u>Name of bank</u>	<u>Collaterals</u>
Payables for bankers' acceptance	-	\$ 925,126	AGRICULTURAL BANK OF CHINA BANK OF JIANGSU BANK OF COMMUNICATIONS FUBON BANK (China) BANK OF CHINA HUI SHANG BANK BANK OF CTBC	Note 8
		<u>December 31, 2023</u>		
	<u>Rate (%)</u>	<u>Amount</u>	<u>Name of bank</u>	<u>Collaterals</u>
Payables for bankers' acceptance	-	\$ 1,295,140	AGRICULTURAL BANK OF CHINA BANK OF JIANGSU BANK OF COMMUNICATIONS	Note 8
		<u>September 30, 2023</u>		
	<u>Rate (%)</u>	<u>Amount</u>	<u>Name of bank</u>	<u>Collaterals</u>
Payables for bankers' acceptance	-	\$ 1,008,948	AGRICULTURAL BANK OF CHINA BANK OF JIANGSU BANK OF COMMUNICATIONS BANK OF CHINA BANK OF CTBC	Note 8

(16) Other payables

<u>Items</u>	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Payables on wages, salaries and bonus	\$ 989,486	\$ 1,238,554	\$ 1,105,727
Payables on machinery and equipment	573,512	683,775	720,412
Payables on processing fees	491,860	386,885	440,327
Payables on consumable goods and equipment repair expense	315,523	354,704	367,258
Payables on personnel expense	271,551	265,078	282,701
Compensation due to employees, directors and supervisors	88,950	88,537	234,415
Payables on gas expense	73,625	71,682	66,172
Payables on intangible assets	46,968	51,527	51,448
Payables on reticle expense	19,962	23,614	23,829
Payables on insurance expense	7,784	2,231	2,880
Others	593,101	644,336	752,160
	<u>\$ 3,472,322</u>	<u>\$ 3,810,923</u>	<u>\$ 4,047,329</u>

(17) Long-term borrowings

<u>Type of borrowings</u>	<u>Borrowing period and repayment term</u>	<u>September 30, 2024</u>
Bank borrowings		
Unsecured borrowings	Before September 15, 2025	\$ 304,643
Unsecured borrowings	Before September 15, 2025	348,700
Unsecured borrowings	Before September 15, 2025	200,000
Unsecured borrowings	Before September 15, 2025	267,426
Unsecured borrowings	Before November 15, 2025	305,088
Unsecured borrowings	Before February 15, 2026	369,435
Unsecured borrowings	Before May 15, 2026	138,111
Unsecured borrowings	Before April 15, 2027	125,676
Secured borrowings	Before June 12, 2028	56,250
Secured borrowings	Before June 30, 2029	190,000
		<u>2,305,329</u>
Less: Current portion of long-term borrowings		(<u>1,809,566</u>)
		<u>\$ 495,763</u>
Interest rate range		<u>0.925%~1.905%</u>

Type of borrowings	Borrowing period and repayment term	December 31, 2023
Bank borrowings		
Unsecured borrowings	Before September 15, 2025	\$ 533,126
Unsecured borrowings	Before May 15, 2026	200,261
Unsecured borrowings	Before September 15, 2025	610,225
Unsecured borrowings	Before November 15, 2025	501,216
Unsecured borrowings	Before September 15, 2025	350,000
Unsecured borrowings	Before September 15, 2025	467,996
Unsecured borrowings	Before February 15, 2026	543,286
Unsecured borrowings	Before April 15, 2027	150,000
Secured borrowings	Before June 30, 2029	200,000
Secured borrowings	Before June 12, 2028	67,500
Secured borrowings	Before March 15, 2028	100,000
		<u>3,723,610</u>
Less: Current portion of long-term borrowings		(<u>1,789,423</u>)
		<u>\$ 1,934,187</u>
Interest rate range		<u>0.8%~1.78%</u>

Type of borrowings	Borrowing period and repayment term	September 30, 2023
Bank borrowings		
Unsecured borrowings	Before September 15, 2025	\$ 609,287
Unsecured borrowings	Before May 15, 2026	220,978
Unsecured borrowings	Before September 15, 2025	697,400
Unsecured borrowings	Before November 15, 2025	537,299
Unsecured borrowings	Before September 15, 2025	400,000
Unsecured borrowings	Before September 15, 2025	534,852
Unsecured borrowings	Before February 15, 2026	546,982
Unsecured borrowings	Before April 15, 2027	150,000
Secured borrowings	Before March 15, 2028	100,000
Secured borrowings	Before June 30, 2029	200,000
Secured borrowings	Before June 12, 2028	71,250
		<u>4,068,048</u>
Less: Current portion of long-term borrowings		(<u>1,672,706</u>)
		<u>\$ 2,395,342</u>
Interest rate range		<u>0.8%~1.78%</u>

Pursuant to the bank loan agreements with KGI Bank and Mega Bank, the Company and its subsidiaries should meet certain financial covenants which are calculated based on each of their annual audited consolidated financial statements or semi-annual reviewed consolidated financial statements. The Company and its subsidiaries agreed to maintain the current ratio, debt ratio, debt service coverage ratio and net tangible assets as defined in financial covenants.

(18) Pensions

- A. (a) The Company and its domestic subsidiaries have defined benefit pension plans in accordance with the Labor Standards Law, covering all regular employees for services provided prior to July 1, 2005, and employees who choose to remain in the defined benefit pension plan subsequent to the enforcement of the Labor Pension Act on July 1, 2005. Under the defined benefit pension plan, employees are entitled to two base points for every year of service for the first 15 years and one base point for each additional year thereafter, up to a maximum of 45 base points. The pension payment to employees is computed based on years of service and average salaries or wages of the last nine months prior to approved retirement. The Company contributes an amount equal to 2% of salaries and wages paid each month to a pension fund. The pension fund is administered by a pension fund monitoring committee and deposited under the Committee's name in the Bank of Taiwan.
- Also, the Company would assess the balance in the aforementioned labor pension reserve account by the end of December 31, every year. If the account balance is insufficient to pay the pension calculated by the aforementioned method, to the employees expected to be qualified for retirement next year, the Company will make contributions to cover the deficit by next March.
- (b) For the aforementioned pension plan, the Group recognised pension costs of \$74, \$189, \$222 and \$500 for the three months and the nine months ended September 30, 2024 and 2023 respectively.
- (c) Expected contributions to the defined benefit pension plans of the Company for the year ending September 30, 2025 amount to \$9,361.
- B. (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 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 Group's mainland China subsidiaries have funded defined contribution plans. Monthly contributions to an independent fund administered by the government in accordance with the pension regulations in the People's Republic of China (PRC) are based on a certain percentage stipulated by the government. Other than the monthly contributions, the Group does not have further obligations.
- (c) The pension costs under the defined contribution pension plans of the Group for the three months and the nine months ended September 30, 2024 and 2023 were \$96,982, \$92,692, \$298,597 and \$277,533, respectively.

(19) Share-based payment

A. Employee stock options:

(a) For the nine months ended September 30, 2024, the share-based payment arrangements are as follows:

<u>Type of arrangement</u>	<u>Grant date</u>	<u>Quantity granted (thousand shares)</u>	<u>Vesting conditions</u>
Employee stock option- United LED Corporation Hong Kong Limited	2010.08.01	1,500	Note 1
Employee stock option- Unikorn Semiconductor Corporation	2022.05.06	9,518	Note 2
Employee stock option- Unikorn Semiconductor Corporation	2023.04.27	1,482	Note 2
Employee stock option- Hexawave, Inc.	2022.08.10	3,000	Note 3
Employee stock option- Hexawave, Inc.	2023.04.25	500	Note 3

Note 1: 30% upon completion of 1 year's service; 60% upon completion of 2 years' service; 100% upon completion of 3 years' service.

Note 2: For 1 and 2 years from the date of issuance of stock options, the employees could exercise the stock options of 50% and 50% of the shares, respectively, which was based on the employees' individual performance indicators. Employees of the subsidiary Unikorn Semiconductor Corporation, waived all their stock options in the second quarter of 2024.

Note 3: Employees were able to exercise 30%, 30% and 40% of their stock options after 1 year, 2 years and 3 years from the grant date, respectively.

(b) Details of the share-based payment arrangements are as follows:

	<u>2024</u>		<u>2023</u>	
	<u>No. of shares (in thousands)</u>	<u>Weighted-average exercise price (in US dollars)</u>	<u>No. of shares (in thousands)</u>	<u>Weighted-average exercise price (in US dollars)</u>
Options outstanding from beginning to the end of the period - United LED Corporation Hong Kong Limited	<u>1,049</u>	\$ 0.0001	<u>1,049</u>	\$ 0.0001
Options exercisable at end of the period - United LED Corporation Hong Kong Limited	<u>1,049</u>		<u>1,049</u>	

	2024		2023	
	No. of shares (in thousands)	Weighted-average exercise price (in NTD)	No. of shares (in thousands)	Weighted-average exercise price (in NTD)
Options outstanding from beginning of the period - Unikorn Semiconductor Corporation	5,688	\$ 5	9,136	\$ 5
Options granted - Unikorn Semiconductor Corporation	-		1,482	
Options exercised - Unikorn Semiconductor Corporation	-		(3,912)	
Options forfeited - Unikorn Semiconductor Corporation	(5,688)	5	(469)	
Options outstanding at end of the period - Unikorn Semiconductor Corporation	<u>-</u>		<u>6,237</u>	5
Options exercisable at end of the period - Unikorn Semiconductor Corporation	<u>-</u>		<u>571</u>	5

	2024		2023	
	No. of shares (in thousands)	Weighted-average exercise price (in NTD)	No. of shares (in thousands)	Weighted-average exercise price (in NTD)
Options outstanding from beginning of the period - Hexawave, Inc.	3,134	\$ 10	3,000	\$ 10
Options granted - Hexawave, Inc.	-		500	
Options exercised - Hexawave, Inc.	(53)		(366)	
Options outstanding at end of the period - Hexawave, Inc.	<u>3,081</u>	10	<u>3,134</u>	10
Options exercisable at end of the period - Hexawave, Inc.	<u>1,531</u>	10	<u>534</u>	10

B. Expenses incurred on share-based payment transactions are shown below:

	Three months ended September 30, 2024	Three months ended September 30, 2023
Equity-settled	\$ <u>428</u>	\$ <u>799</u>
	Nine months ended September 30, 2024	Nine months ended September 30, 2023
Equity-settled	\$ <u>1,219</u>	\$ <u>2,203</u>

(20) Long-term deferred revenue (shown under “Other non-current liabilities”)

	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Deferred government grants revenue	\$ 138,552	\$ 162,246	\$ 155,934
Deferred technical services revenue	<u>5,597</u>	<u>6,576</u>	<u>6,914</u>
	<u>\$ 144,149</u>	<u>\$ 168,822</u>	<u>\$ 162,848</u>

The Company and subsidiaries obtained government grants for acquisitions of equipment, technology investments and research projects and recognized such grants as revenue over the economic lives of those assets. Government grants revenue recognized for the three months and the nine months ended September 30, 2024 and 2023 were \$18,547, \$27,449, \$64,239 and \$69,591 (shown under “Other income and expenses-net” and “Other revenue”), respectively.

(21) Share capital

A. As of September 30, 2024, the Company’s authorized capital was \$15,000,000, consisting of 1,500,000 thousand shares of ordinary stock (including 50,000 thousand shares reserved for employee stock options), and the paid-in capital was \$7,379,405 with a par value of \$10 (in dollars) per share.

Movements of the Company’s outstanding ordinary shares are as follows (expressed in thousands of shares):

	<u>2024</u>	<u>2023</u>
At January 1	751,658	751,658
Purchase of treasury shares	(15,000)	-
At September 30	<u>736,658</u>	<u>751,658</u>

B. The stockholders at their annual stockholders’ meeting on May 31, 2022 adopted a resolution to raise additional cash through private placement with the effective date set on July 8, 2022, which will be used for capital expenditure of constructing/building a 6-inch wafer plant for Micro LEDs and purchasing the equipment related to epitaxy and LED chips, etc. The resolution led to the issuance of 70,000 thousand shares of ordinary shares at a price of NT\$51.82 per share for a total amount of \$3,627,400 through private placement and had been registered. Pursuant to the Securities and Exchange Act of the ROC, the common shares raised through the private placement are subject to certain transfer restrictions and cannot be listed on the stock exchange until three years after they have been issued and have applied for retroactive handling of public issuance procedures. Other than these restrictions, the rights and obligations of the ordinary shares raised through the private placement are the same as other issued common shares.

C. Treasury shares

(a) Reason for share reacquisition and movements in the number of the Company’s treasury shares are as follows:

(Unit: share in thousands/ dollars in thousands)

	<u>2024</u>					
<u>Reason for reacquisition</u>	<u>At January 1</u>	<u>Increase</u>	<u>Decrease</u>	<u>At September 30</u>	<u>Book value</u>	
Held by subsidiaries	1,282	-	-	1,282	\$	135,163
Maintain the company's credit and shareholders' rights	-	15,000 (	15,000)	-		-

Reason for reacquisition	At January 1	Increase	Decrease	At September 30	Book value
Held by subsidiaries	1,282	-	-	1,282	\$ 135,163
Redemption of shares held by objecting shareholders	1,844	-	-	1,844	159,647

- (b) Pursuant to the R.O.C. Securities and Exchange Act, the number of shares bought back as treasury share should not exceed 10% of the number of the Company's issued and outstanding shares and the amount bought back should not exceed the sum of retained earnings, paid-in capital in excess of par value and realised capital surplus.
- (c) Pursuant to the R.O.C. Securities and Exchange Act, treasury shares should not be pledged as collateral and is not entitled to dividends before it is reissued.
- (d) Pursuant to the rules governing share repurchase by the Group, treasury shares should be reissued to the employees within three years from the reacquisition date and shares not reissued within the three-year period are to be retired. Treasury shares to enhance the Company's credit rating and the stockholders' equity should be retired within six months of acquisition.
- (e) The retirement procedure of the 15,000 treasury shares that were purchased for maintain the Company's credit and stockholders' rights had been completed, and the registration had been completed on October 15, 2024.

D. Information of the Company's shares held by subsidiaries is as follows:

	September 30, 2024	December 31, 2023	September 30, 2023
Lighting Investment Corp.	1,282 thousand shares	1,282 thousand shares	1,282 thousand shares
Book value	\$ 135,163	\$ 135,163	\$ 135,163
Fair value	\$ 58,220	\$ 59,374	\$ 56,296
Epistar Corporation	-	-	1,844 thousand shares
Book value	\$ -	\$ -	\$ 159,647
Fair value	\$ -	\$ -	\$ 80,930

(22) Capital surplus

Pursuant to the Company Act, capital surplus, including additional paid-in capital in excess of par and donation, shall be exclusively used to cover accumulated deficit or to issue new stock or cash to shareholders in proportion to their ownership when the Company has no accumulated deficit. However, pursuant to the R.O.C. Securities and Exchange Act, capital surplus arising from paid-in capital in excess of par value on issuance of common stock and donations can be capitalized once a year, provided that the Company has no accumulated deficit and the amount to be capitalized does not exceed 10% of the paid-in capital.

	<u>Share premium</u>	<u>Treasury share transactions</u>	<u>Changes in ownership interests in subsidiaries accounted for using equity method</u>	<u>Change in net equity of associates and joint ventures accounted for using equity method</u>
At January 1, 2024	\$ 45,765,290	\$ 86,753	\$ 381,275	\$ 213,742
Cash dividends	(677,646)	-	-	-
Offset deficit	(6,442,833)	-	-	-
Change in equity of associates and joint ventures accounted for using equity method	-	-	-	(13,811)
Difference between consideration and carrying amount of subsidiaries acquired or disposed	-	-	(19,564)	-
Changes in ownership interests in subsidiaries accounted for using equity method	-	(85,575)	(314,242)	-
Retirement of treasury shares	(769,879)	269,229	-	-
Employee stock ownership trust cancellation return	49	-	-	-
At September 30, 2024	<u>\$ 37,874,981</u>	<u>\$ 270,407</u>	<u>\$ 47,469</u>	<u>\$ 199,931</u>

	<u>Share premium</u>	<u>Treasury share transactions</u>	<u>Changes in ownership interests in subsidiaries accounted for using equity method</u>	<u>Change in net equity of associates and joint ventures accounted for using equity method</u>
At January 1, 2023	\$ 45,877,291	\$ 114,876	\$ 275,200	\$ 154,297
Change in equity of associates and joint ventures accounted for using equity method	-	-	-	72,885
Difference between consideration and carrying amount of subsidiaries acquired and disposed	-	-	22,128	-
Changes in ownership interests in subsidiaries accounted for using equity method	-	755	47,220	-
Employee stock ownership trust cancellation return	-	51	-	-
At September 30, 2023	<u>\$ 45,877,291</u>	<u>\$ 115,682</u>	<u>\$ 344,548</u>	<u>\$ 227,182</u>

(23) Retained earnings

A. In accordance with the Company's Articles of Incorporation, 10% of current year's earnings, after paying all taxes and dues and covering prior years' losses, shall be appropriated as legal reserve until the total equals the issued share capital. Special reserve shall be appropriated or reversed when needed. The remaining earnings along with the prior years' accumulated

unappropriated earnings are considered as distributable earnings, and shall be distributed by the Board of Directors. When issuing new shares, the distribution shall be submitted through a resolution at the shareholders' meeting. If the distribution is in cash, it shall be resolved by the Board of Directors. The distribution shall be based on the proportion of shares held by each shareholder.

- B. The Company appropriates earnings based on the factors such as current and future investment environment, capital needs, domestic and overseas competition and capital budget, along with the consideration of shareholders' interest and capital adequacy. The appropriation of cash dividends shall not be lower than 10% of the total dividend appropriated to shareholders.
- C. Except for covering accumulated deficit or issuing new stocks or cash to shareholders in proportion to their share ownership, the legal reserve shall not be used for any other purpose. The use of legal reserve for the issuance of stocks or cash to shareholders in proportion to their share ownership is permitted, provided that the distribution of the reserve is limited to the portion in excess of 25% of the Company's paid-in capital.
- D. 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 special reserve is reversed accordingly and could be included in the distributable earnings.
- E. The appropriations of 2023 loss and dividends had been proposed by the shareholders' meeting on May 24, 2024. It was decided to offset the loss with capital surplus and distribute cash dividends of \$677,646 (0.9 dollar per share).
- F. The appropriations of 2022 earnings had been approved in the shareholders' meeting on May 31, 2023, and decided not to distribute cash dividends.

(24) Other equity items

	2024		
	Currency translation	Unrealized gain or loss	Total
At January 1	(\$ 208,746)	\$ 184,450	(\$ 24,296)
Revaluation - gross	-	(740,487)	(740,487)
Revaluation - tax	-	143,378	143,378
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	44,347	44,347
Currency translation			
–Group	650,399	-	650,399
–Tax on Group	(436)	-	(436)
At September 30	<u>\$ 441,217</u>	<u>(\$ 368,312)</u>	<u>\$ 72,905</u>
	2023		
	Currency translation	Unrealized gain or loss	Total
At January 1	\$ 36,083	\$ 38,927	\$ 75,010
Revaluation - gross	-	377,283	377,283
Revaluation - tax	-	2,000	2,000
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	(25,554)	(25,554)
Currency translation			
–Group	135,276	-	135,276
–Tax on Group	6,246	-	6,246
At September 30	<u>\$ 177,605</u>	<u>\$ 392,656</u>	<u>\$ 570,261</u>

(25) Operating revenue

	<u>Three months ended</u> <u>September 30, 2024</u>	<u>Three months ended</u> <u>September 30, 2023</u>
Revenue from contracts with customers:		
Sales revenue	\$ 6,593,234	\$ 6,094,605
Services revenue	58,972	27,667
Other operating revenue	39,192	37,218
	<u>\$ 6,691,398</u>	<u>\$ 6,159,490</u>
	<u>Nine months ended</u> <u>September 30, 2024</u>	<u>Nine months ended</u> <u>September 30, 2023</u>
Revenue from contracts with customers:		
Sales revenue	\$ 18,616,683	\$ 16,552,915
Services revenue	138,476	71,560
Other operating revenue	125,461	106,920
	<u>\$ 18,880,620</u>	<u>\$ 16,731,395</u>

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 and geographical regions:

Three months ended September 30, 2024	Epi/Chip	Packages/ Modules	Other	Total
Sales revenue	\$ 4,273,622	\$ 2,146,096	\$ 173,516	\$ 6,593,234
Services revenue	-	-	58,972	58,972
Other operating revenue	-	-	39,192	39,192
				<u>\$ 6,691,398</u>
Three months ended September 30, 2023	Epi/Chip	Packages/ Modules	Other	Total
Sales revenue	\$ 3,983,648	\$ 1,888,461	\$ 222,496	\$ 6,094,605
Services revenue	-	-	27,667	27,667
Other operating revenue	-	-	37,218	37,218
				<u>\$ 6,159,490</u>
Nine months ended September 30, 2024	Epi/Chip	Packages/ Modules	Other	Total
Sales revenue	\$ 12,194,526	\$ 5,807,667	\$ 614,490	\$ 18,616,683
Services revenue	-	-	138,476	138,476
Other operating revenue	-	-	125,461	125,461
				<u>\$ 18,880,620</u>

Nine months ended September 30, 2023	Epi/Chip	Packages/ Modules	Other	Total
Sales revenue	\$ 10,796,968	\$ 5,142,263	\$ 613,684	\$ 16,552,915
Services revenue	-	-	71,560	71,560
Other operating revenue	-	-	106,920	106,920
				<u>\$ 16,731,395</u>

(26) Other income and expenses— net

	Three months ended September 30, 2024	Three months ended September 30, 2023
Other income		
Royalty and technical income	\$ 53,121	(\$ 2,009)
Government grants revenue	7,630	8,688
Total	<u>\$ 60,751</u>	<u>\$ 6,679</u>
	Nine months ended September 30, 2024	Nine months ended September 30, 2023
Other income		
Royalty income	\$ 54,850	\$ 884
Government grants revenue	25,209	28,871
Total	<u>\$ 80,059</u>	<u>\$ 29,755</u>

(27) Interest income

	Three months ended September 30, 2024	Three months ended September 30, 2023
Interest income from bank deposits	\$ 54,294	\$ 62,009
Other interest income	2,981	1,748
	<u>\$ 57,275</u>	<u>\$ 63,757</u>
	Nine months ended September 30, 2024	Nine months ended September 30, 2023
Interest income from bank deposits	\$ 167,811	\$ 168,975
Other interest income	8,349	3,803
	<u>\$ 176,160</u>	<u>\$ 172,778</u>

(28) Other income

	Three months ended September 30, 2024	Three months ended September 30, 2023
Rental revenue	\$ 66,201	\$ 49,579
Dividend income	20,403	31,658
Government grant revenues	10,917	18,761
Other income-other	60,313	46,678
	<u>\$ 157,834</u>	<u>\$ 146,676</u>

	<u>Nine months ended</u> <u>September 30, 2024</u>	<u>Nine months ended</u> <u>September 30, 2023</u>
Rental income	\$ 162,664	\$ 156,785
Dividend income	20,526	31,923
Government grant revenues	39,030	40,720
Other income-other	157,422	155,501
	<u>\$ 379,642</u>	<u>\$ 384,929</u>
 (29) <u>Other gains and losses</u>		
	<u>Three months ended</u> <u>September 30, 2024</u>	<u>Three months ended</u> <u>September 30, 2023</u>
Gain on disposal of property, plant and equipment	\$ 13,883	\$ 22,428
Gain on disposal of non-current assets held for sale	141,483	-
Loss on disposal of intangible assets	(421)	-
Gain (loss) on disposal of investments	19,033	(19,187)
Profit from lease modification	18	71
Net currency exchange (loss) gain	(96,107)	87,177
Net gain (loss) on financial assets at fair value through profit or loss	55,334	(84,709)
Impairment loss on non-financial assets	(85,433)	(3,218)
Miscellaneous losses	(48,732)	(40,838)
	<u>(\$ 942)</u>	<u>(\$ 38,276)</u>
	<u>Nine months ended</u> <u>September 30, 2024</u>	<u>Nine months ended</u> <u>September 30, 2023</u>
Gain on disposal of property, plant and equipment	\$ 127,283	\$ 152,846
Gain on disposal of non-current assets held for sale	148,692	-
Loss on disposal of intangible assets	(580)	(583)
(Loss) gain on disposal of investments	(105,590)	18,524
Profit from lease modification	1,231	915
Net currency exchange gain	78,689	125,017
Net loss on financial assets at fair value through profit or loss	(73,622)	(57,111)
Impairment loss on non-financial assets	(304,635)	(25,589)
Miscellaneous losses	(123,126)	(116,036)
	<u>(\$ 251,658)</u>	<u>\$ 97,983</u>
 (30) <u>Finance costs</u>		
	<u>Three months ended</u> <u>September 30, 2024</u>	<u>Three months ended</u> <u>September 30, 2023</u>
Interest expense	\$ 10,088	\$ 34,321
Other interest expense	15,280	20,402
	<u>\$ 25,368</u>	<u>\$ 54,723</u>

	Nine months ended September 30, 2024	Nine months ended September 30, 2023
Interest expense	\$ 40,045	\$ 89,337
Other interest expense	60,744	55,827
	<u>\$ 100,789</u>	<u>\$ 145,164</u>

(31) Expenses by nature

	Three months ended September 30, 2024	Three months ended September 30, 2023
Employee benefit expenses	\$ 1,882,677	\$ 1,988,904
Depreciation (Note)	\$ 994,296	\$ 1,153,091
Amortisation charges on intangible assets	\$ 124,609	\$ 62,900

	Nine months ended September 30, 2024	Nine months ended September 30, 2023
Employee benefit expenses	\$ 5,805,330	\$ 5,846,792
Depreciation (Note)	\$ 3,133,093	\$ 3,466,979
Amortisation charges on intangible assets	\$ 250,231	\$ 183,919

Note: Depreciation amounting to \$26,885, \$13,055, \$72,423 and \$41,274 were recognized as miscellaneous expenses for the three months and the nine months ended September 30, 2024 and 2023, respectively.

(32) Employee benefit expenses

	Three months ended September 30, 2024	Three months ended September 30, 2023
Wages and salaries	\$ 1,568,761	\$ 1,673,917
Labor and health insurance expenses	98,562	117,502
Pension costs	97,111	92,881
Other personnel expenses	118,243	104,604
	<u>\$ 1,882,677</u>	<u>\$ 1,988,904</u>

	Nine months ended September 30, 2024	Nine months ended September 30, 2023
Wages and salaries	\$ 4,841,972	\$ 4,902,638
Labor and health insurance expenses	307,267	361,173
Pension costs	298,334	278,033
Other personnel expenses	357,757	304,948
	<u>\$ 5,805,330</u>	<u>\$ 5,846,792</u>

- A. According to the Articles of Incorporation of the Company, the Company shall distribute employees' compensation and directors' remuneration based on 0.1%~15% and no higher than 2% of the distributable profit of the current year, respectively. If the Company has accumulated deficit, earnings should be reserved to cover losses.
- B. For the three months and the nine months ended September 30, 2024 and 2023, the employees' compensation and directors' remuneration was not estimated, because the Company incurred a loss during this period.
- C. The Company had been approved by the Board of Directors on February 23, 2023, not to distribute directors' remuneration for 2022. The difference of \$790 between the directors' remuneration account and the proposed distribution amount has been listed as profit and loss for

2023.

D. Information about employees' compensation and directors' remuneration of the Company as resolved by the Board of Directors will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

(33) Income tax

A. Income tax (benefit) expense

(a) Components of income tax (benefit) expense :

	<u>Three months ended</u> <u>September 30, 2024</u>	<u>Three months ended</u> <u>September 30, 2023</u>
Current tax:		
Current tax on profits for the period	\$ 5,149	\$ 22,167
Tax withheld at source from foreign income	6,844	588
Prior year income tax underestimation	<u>1,393</u>	<u>276</u>
Total current tax	<u>13,386</u>	<u>23,031</u>
Deferred tax:		
Origination and reversal of temporary differences	(<u>24,151</u>)	<u>6,027</u>
Total deferred tax	(<u>24,151</u>)	<u>6,027</u>
Income tax (benefit) expense	<u>(\$ 10,765)</u>	<u>\$ 29,058</u>
	<u>Nine months ended</u> <u>September 30, 2024</u>	<u>Nine months ended</u> <u>September 30, 2023</u>
Current tax:		
Current tax on profits for the period	\$ 49,281	\$ 19,563
Tax withheld at source from foreign income	15,939	1,092
Prior year income tax (overestimation) underestimation	(<u>15,219</u>)	<u>6,834</u>
Total current tax	<u>50,001</u>	<u>27,489</u>
Deferred tax:		
Origination and reversal of temporary differences	<u>48,888</u>	<u>20,264</u>
Total deferred tax	<u>48,888</u>	<u>20,264</u>
Income tax expense	<u>\$ 98,889</u>	<u>\$ 47,753</u>

(b) The income tax relating to components of other comprehensive loss (income) is as follows:

	<u>Three months ended</u> <u>September 30, 2024</u>	<u>Three months ended</u> <u>September 30, 2023</u>
Change in fair value of financial assets at fair value through other comprehensive income	\$ 44,658	(\$ 12,856)
Currency translation differences	228	(257)
Share of other comprehensive income of associates	<u>15</u>	<u>(226)</u>
Total	<u>\$ 44,901</u>	<u>(\$ 13,339)</u>

	Nine months ended September 30, 2024	Nine months ended September 30, 2023
Change in fair value of financial assets at fair value through other comprehensive income	(\$ 143,505)	(\$ 2,126)
Currency translation differences	395	(1,479)
Share of other comprehensive income of associates	168	(4,641)
Remeasurement of defined benefit obligations	<u>5</u>	<u>-</u>
Total	<u>(\$ 142,937)</u>	<u>(\$ 8,246)</u>

B. The Company's income tax returns through 2022 have been assessed and approved by the Tax Authority. Income tax returns of the Company's significant subsidiaries, Epistar and Lextar through 2022 have been assessed and approved by the Tax Authority.

(34) Earnings (loss) per share

	<u>Three months ended September 30, 2024</u>		
	<u>Amount after tax</u>	<u>Weighted average number of outstanding ordinary shares (share in thousands)</u>	<u>Earnings per share (in dollars)</u>
<u>Basic earnings and diluted earnings per share</u> Profit attributable to ordinary shareholders of the parent	<u>\$ 7,492</u>	<u>736,658</u>	<u>\$ 0.01</u>
	<u>Three months ended September 30, 2023</u>		
	<u>Amount after tax</u>	<u>Weighted average number of outstanding ordinary shares (share in thousands)</u>	<u>Loss per share (in dollars)</u>
<u>Basic loss and diluted loss per share</u> Loss attributable to ordinary shareholders of the parent	<u>(\$ 665,295)</u>	<u>751,658</u>	<u>(\$ 0.89)</u>
	<u>Nine months ended September 30, 2024</u>		
	<u>Amount after tax</u>	<u>Weighted average number of outstanding ordinary shares (share in thousands)</u>	<u>Loss per share (in dollars)</u>
<u>Basic loss and diluted loss per share</u> Loss attributable to ordinary shareholders of the parent	<u>(\$ 762,002)</u>	<u>743,675</u>	<u>(\$ 1.02)</u>
	<u>Nine months ended September 30, 2023</u>		
	<u>Amount after tax</u>	<u>Weighted average number of outstanding ordinary shares (share in thousands)</u>	<u>Loss per share (in dollars)</u>
<u>Basic loss and diluted loss</u> Loss attributable to ordinary shareholders of the parent	<u>(\$ 2,820,268)</u>	<u>751,658</u>	<u>(\$ 3.75)</u>

(35) Supplemental cash flow information

A. Investing activities with partial cash payments

	<u>Nine months ended September 30, 2024</u>	<u>Nine months ended September 30, 2023</u>
Purchase of property, plant and equipment	\$ 822,934	\$ 1,881,113
Add: Opening balance of payable on equipment	683,775	948,327
Less: Ending balance of payable on equipment	(577,373)	(720,412)
Less: Net cash changes of prepayment for equipment	<u>18,905</u>	<u>(442,599)</u>
Cash paid during the period	<u>\$ 948,241</u>	<u>\$ 1,666,429</u>

	<u>Nine months ended September 30, 2024</u>	<u>Nine months ended September 30, 2023</u>
Purchase of intangible assets	\$ 47,271	\$ 48,604
Add: Opening balance of payables (including non-current portion)	51,527	92,418
Less: Ending balance of payables (including non-current portion)	<u>(46,968)</u>	<u>(61,769)</u>
Cash paid during the period	<u>\$ 51,830</u>	<u>\$ 79,253</u>

B. Investing activities with partial cash received

	<u>Nine months ended September 30, 2024</u>	<u>Nine months ended September 30, 2023</u>
Sale of property, plant and equipment	\$ 724,331	\$ 73,292
Add: Opening balance of receivables	32	48
Less: Ending balance of receivables	<u>(252)</u>	<u>-</u>
Cash collected during the period	<u>\$ 724,111</u>	<u>\$ 73,340</u>

C. Cash received from disposal of ownership interests in subsidiaries and associates

	<u>Nine months ended September 30, 2024</u>	<u>Nine months ended September 30, 2023</u>
Disposal proceeds	\$ 135,552	\$ 955
Add: Opening balance of receivables	<u>-</u>	<u>89,432</u>
Net cash provided by disposal of subsidiaries and associates	<u>\$ 135,552</u>	<u>\$ 90,387</u>

(36) Changes in liabilities from financing activities

	Short-term borrowing	Short-term notes and bills payable	Long-term borrowing	Lease liabilities	Guarantee deposits received	Liabilities from financing activities gross
At January 1, 2024	\$ 747,136	\$ 1,295,140	\$ 3,723,610	\$ 1,503,284	\$ 26,403	\$ 7,295,573
Changes in cash flow from financing activities	(559,895)	(326,532)	(1,418,281)	(81,246)	(1,205)	(2,387,159)
Effect of interest	-	-	-	17,222	-	17,222
Changes in other non-cash items	(22,225)	(78,621)	-	(42,643)	46,122	(97,367)
Impact of changes in foreign exchange rate	11,636	35,139	-	1,654	999	49,428
At September 30, 2024	<u>\$ 176,652</u>	<u>\$ 925,126</u>	<u>\$ 2,305,329</u>	<u>\$ 1,398,271</u>	<u>\$ 72,319</u>	<u>\$ 4,877,697</u>
						Liabilities from financing activities gross
	Short-term borrowing	Short-term notes and bills payable	Long-term borrowing	Lease liabilities	Guarantee deposits received	
At January 1, 2023	\$ 1,203,495	\$ 775,294	\$ 4,118,016	\$ 1,585,187	\$ 51,217	\$ 7,733,209
Changes in cash flow from financing activities	458,840	(8,921)	(49,981)	(88,083)	79,328	391,183
Effect of interest	-	-	-	15,655	-	15,655
Changes in other non-cash items	84,227	240,400	13	19,650	-	344,290
Impact of changes in foreign exchange rate	23,768	2,175	-	(38)	470	26,375
At September 30, 2023	<u>\$ 1,770,330</u>	<u>\$ 1,008,948</u>	<u>\$ 4,068,048</u>	<u>\$ 1,532,371</u>	<u>\$ 131,015</u>	<u>\$ 8,510,712</u>

7. RELATED PARTY TRANSACTIONS

(1) Names of related parties and relationship

<u>Names of related parties</u>	<u>Relationship with the Group</u>
LEDAZ Co., Ltd.	Associates
Yenrich Technology Corporation	Associates (Note 1)
LEADSTAR Micro-Crystal Display Corporation (Jiangsu) Ltd.	Associates
WellyWave Semiconductors Inc.	Associates
Changzhou Chemsemi Co., Ltd.	Associates
iReach Corporation	Associates
Chuzhou Bwin Technology Corp.	Associates (Note 2)
Tyntek Corporation	Associates
GCS Holdings, Inc.	Associates
AUO (Vietnam) Company Limited	Other related parties
D-Tech Optoelectronics, Inc.	Other related parties
Global Communication Semiconductors, LLC	Other related parties
Seoul Semiconductor Co., Ltd.	Other related parties
AUO (Kunshan) Co., Ltd.	Other related parties
AUO Corporation	Other related parties
AUO (Xiamen) Co., Ltd.	Other related parties
AUO (Suzhou) Co., Ltd.	Other related parties
AUO Crystal Corp.	Other related parties
AUO Megainsight Smart Manufacturing (Suzhou) Corp., Ltd	Other related parties
Anhui Intematix Lighting Co., Ltd.	Other related parties

Names of related parties	Relationship with the Group
Intermate Co., Ltd. (Suzhou)	Other related parties
Bridgelux Optoelectronics (Xiamen) Co., Ltd.	Other related parties (Note 3)
KAISTAR Lighting (Xiamen) Co., Ltd	Other related parties
Darwin Precisions Corporation	Other related parties
Darwin Precision (Xiamen) Corporation	Other related parties
AUO Display Plus Corporation	Other related parties
Fortech Electronics (Suzhou) Co., Ltd.	Other related parties
Play Nitride Display Co., Ltd.	Other related parties

Note 1: Since June, 2024, due to the change of shareholding ratio, the relationship with this company changed from a consolidated company to an associate.

Note 2: Since April, 2023, the relationship with this company changed from a related party to a consolidated company through the Company gaining control over it. In June 2024, due to the sale of equity, the Group lost control and the entity transition to an associate.

Note 3: Since December, 2023, KAISTAR Lighting (Xiamen) Co., Ltd. has been renamed Bridgelux Optoelectronics (Xiamen) Co., Ltd.

(2) Significant related party transactions and balances

A. Operating revenue:

	<u>Three months ended</u> <u>September 30, 2024</u>	<u>Three months ended</u> <u>September 30, 2023</u>
Other related parties	\$ 187,077	\$ 209,652
Associates	<u>139,502</u>	<u>182,369</u>
Total	<u>\$ 326,579</u>	<u>\$ 392,021</u>
	<u>Nine months ended</u> <u>September 30, 2024</u>	<u>Nine months ended</u> <u>September 30, 2023</u>
Other related parties	\$ 657,755	\$ 589,733
Associates	<u>414,801</u>	<u>499,939</u>
Total	<u>\$ 1,072,556</u>	<u>\$ 1,089,672</u>

All product sales prices and payment terms have no significant difference between related parties and third parties.

B. Purchases:

	<u>Three months ended</u> <u>September 30, 2024</u>	<u>Three months ended</u> <u>September 30, 2023</u>
Other related parties	\$ 1,340	\$ 832
Associates	<u>110,461</u>	<u>44,623</u>
Total	<u>\$ 111,801</u>	<u>\$ 45,455</u>

	Nine months ended September 30, 2024	Nine months ended September 30, 2023
Other related parties	\$ 2,895	\$ 3,252
Associates	<u>261,808</u>	<u>162,674</u>
Total	<u>\$ 264,703</u>	<u>\$ 165,926</u>

All product purchases prices and payment terms have no significant difference between related parties and third parties.

C. Receivables from related parties (Notes receivable and accounts receivable):

	September 30, 2024	December 31, 2023	September 30, 2023
Other related parties	\$ 285,247	\$ 273,003	\$ 319,155
Associates	<u>194,755</u>	<u>195,604</u>	<u>277,066</u>
Total	<u>\$ 480,002</u>	<u>\$ 468,607</u>	<u>\$ 596,221</u>

The receivables from related parties arise mainly from sale transactions. The receivables are unsecured in nature and bear no interest.

D. Other receivables from related parties:

	September 30, 2024	December 31, 2023	September 30, 2023
Other related parties	\$ 26,815	\$ 22,789	\$ 21,160
Associates	<u>13,561</u>	<u>3,610</u>	<u>3,431</u>
Total	<u>\$ 40,376</u>	<u>\$ 26,399</u>	<u>\$ 24,591</u>

The other receivables from related parties arise mainly from rent and service.

E. Payables from related parties:

	September 30, 2024	December 31, 2023	September 30, 2023
Other related parties	\$ 1,505	\$ 579	\$ 946
Associates	<u>264,982</u>	<u>162,330</u>	<u>244,361</u>
Total	<u>\$ 266,487</u>	<u>\$ 162,909</u>	<u>\$ 245,307</u>

The payables to related parties arise mainly from purchase transactions. The payables bear no interest.

F. Property transactions:

(a) Acquisition of property, plant and equipment:

	Three months ended September 30, 2024		Three months ended September 30, 2023	
	Acquisition proceeds	Accrued payable	Acquisition proceeds	Accrued payable
Play Nitride Display Co., Ltd	\$ 130,990	\$ 115,279	\$ 217,780	\$ 9,030
Other related parties	17	-	-	-
Associates	<u>5,671</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 136,678</u>	<u>\$ 115,279</u>	<u>\$ 217,780</u>	<u>\$ 9,030</u>

	Nine months ended September 30, 2024		Nine months ended September 30, 2023	
	Acquisition proceeds	Accrued payable	Acquisition proceeds	Accrued payable
Play Nitride Display Co., Ltd	\$ 133,335	\$ 115,279	\$ 233,680	\$ 9,030
Other related parties	995	-	25,348	-
Associates	5,671	-	-	-
	<u>\$ 140,001</u>	<u>\$ 115,279</u>	<u>\$ 259,028</u>	<u>\$ 9,030</u>

(b) Disposal of property, plant and equipment:

	Three months ended September 30, 2024		Three months ended September 30, 2023	
	Acquisition proceeds	Gain (loss) on disposal	Acquisition proceeds	Gain (loss) on disposal
Global Communication Semiconductors, LLC	\$ 436,400	\$ 141,430	\$ -	\$ -
Associates	240	240	-	-
	<u>\$ 436,640</u>	<u>\$ 141,670</u>	<u>\$ -</u>	<u>\$ -</u>

	Nine months ended September 30, 2024		Nine months ended September 30, 2023	
	Acquisition proceeds	Gain (loss) on disposal	Acquisition proceeds	Gain (loss) on disposal
Global Communication Semiconductors, LLC	\$ 436,400	\$ 141,430	\$ -	\$ -
Associates	240	240	2,000	615
	<u>\$ 436,640</u>	<u>\$ 141,670</u>	<u>\$ 2,000</u>	<u>\$ 615</u>

(c) Acquisition of financial assets

	Accounts	No. of shares		Three months and nine months ended September 30, 2024
		(thousands)	Objects	Consideration
GCS Holdings, Inc.	Investments accounted for using equity method	131,400	Stock	<u>\$ 450,000</u>

For the three months and nine months ended September 30, 2023: None.

(3) Key management compensation

	<u>Three months ended</u> <u>September 30, 2024</u>	<u>Three months ended</u> <u>September 30, 2023</u>
Salaries and other short-term employee benefits	\$ 78,838	\$ 37,211
Post-employment benefits	836	600
Total	<u>\$ 79,674</u>	<u>\$ 37,811</u>

	<u>Nine months ended</u> <u>September 30, 2024</u>	<u>Nine months ended</u> <u>September 30, 2023</u>
Salaries and other short-term employee benefits	\$ 159,639	\$ 129,897
Post-employment benefits	2,235	21,852
Total	<u>\$ 161,874</u>	<u>\$ 151,749</u>

8. PLEGDED ASSETS

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

<u>Pledged assets</u>	<u>Book value</u>			<u>Purpose</u>
	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>	
Bank deposits (shown in "Current financial assets at amortised cost and non-current financial assets at amortised cost")	\$ 485,368	\$ 624,542	\$ 441,883	Payables for bankers' acceptance
Time deposits (Shown in "Current financial assets at amortised cost, non-current financial assets at amortised cost and other non-current assets")	378,843	435,686	381,920	Lease deposit, performance bond, security for provisional attachment, customer deposit, long-term borrowings, payables for bankers' acceptances
Notes receivable	14,145	526,390	577,854	Payables for bankers' acceptance
Land, building and structures	324,933	546,693	547,416	Long-term borrowings
Machinery and office equipment	439,552	116,739	206,334	Long-term borrowings, short-term borrowings, loan
	<u>\$ 1,642,841</u>	<u>\$ 2,250,050</u>	<u>\$ 2,155,407</u>	

9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED CONTRACT COMMITMENTS

Capital expenditure contracted for at the balance sheet date but not yet incurred is as follows:

	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Property, plant and equipment	<u>\$ 636,117</u>	<u>\$ 539,403</u>	<u>\$ 645,611</u>

10. SIGNIFICANT DISASTER LOSS

None.

11. SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

None.

12. OTHERS

(1) Capital risk management

The Group's capital management policy is established taking into account the industry characteristics, the Group's future development and changes in external environments. The Group plans the working capital, capital expenditures, investments and dividends required for the future based on the capital management policy, makes financial analysis, and examines its capital structure periodically and makes appropriate adjustments to ensure that every company within the Group may grow and operate indefinitely.

(2) Financial instruments

A. Financial instruments by category

	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
<u>Financial assets</u>			
Financial assets at fair value through profit or loss			
Financial assets mandatorily measured at fair value through profit or loss	\$ 46,797	\$ 202,446	\$ 216,744
Financial assets at fair value through other comprehensive income			
Designation of equity instrument	3,268,451	4,198,539	4,569,034
Financial assets at amortised cost			
Cash and cash equivalents	14,379,151	15,563,488	16,830,095
Financial assets at amortised cost	1,185,711	1,156,399	869,087
Notes receivable	718,165	758,666	732,690
Accounts receivable	7,993,692	7,672,028	7,906,479
Accounts receivable - due from related parties	480,002	468,607	596,221
Other receivables	210,759	145,536	211,080
Other receivables - due from related parties	40,376	26,399	24,591
Guarantee deposits paid	41,940	53,731	53,925
	<u>\$ 28,365,044</u>	<u>\$ 30,245,839</u>	<u>\$ 32,009,946</u>

	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
<u>Financial liabilities</u>			
Financial liabilities at fair value through profit and loss			
Financial liabilities held for trading	\$ 236	\$ 2,284	\$ 41,801
Financial liabilities at amortised cost			
Short-term borrowings	176,652	747,136	1,770,330
Short-term notes and bills payable	925,126	1,295,140	1,008,948
Notes payable	1,857	1,805	1,187
Accounts payable	2,930,013	2,692,899	2,759,101
Accounts payable to related parties	266,487	162,909	245,307
Other payables	3,472,322	3,810,923	4,047,329
Long-term borrowings (including current portion)	2,305,329	3,723,610	4,068,048
Long-term accounts payable	3,861	-	10,321
Guarantee deposits received	72,319	26,403	131,015
	<u>\$ 10,154,202</u>	<u>\$ 12,463,109</u>	<u>\$ 14,083,387</u>
Lease liabilities (including current portion)	<u>\$ 1,398,271</u>	<u>\$ 1,503,284</u>	<u>\$ 1,532,371</u>

B. Financial 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. The purpose of risk management is to minimise potential adverse effects arising from uncertainty on the Group's financial performance. The Group hedges foreign exchange rate by undertaking forward exchange contracts and exchange rate options; it also undertakes interest rate exchange contracts to convert future variable cash flows into fixed ones. The derivatives undertaken by the Group are used exclusively for hedging purposes and not as trading or speculative instruments.
- (b) Risk management is carried out by treasury and finance departments of the Group under policies approved by the Board of Directors. Treasury and finance departments of the Group identifies, evaluates and hedges financial risks in close co-operation 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. Significant financial risks and degrees of financial risks

(a) Market risk

Foreign exchange risk

- i. The Group operates internationally and is exposed to exchange rate risk arising from the transactions of the Company and its subsidiaries used in various functional currency, primarily with respect to the USD, RMB and JPY. Exchange rate risk arises from future commercial transactions and recognised assets and liabilities.

- ii. Management has set up a policy to require the Group 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.
- iii. The Group's businesses involve some non-functional currency operations (the functional currency of the Company and certain subsidiaries is NTD while that of other subsidiaries are USD and RMB). The information on assets and liabilities denominated in foreign currencies whose values would be materially affected by the exchange rate fluctuations is as follows:

September 30, 2024			
(Foreign currency: functional currency)	Foreign currency amount (in thousands)	Exchange rate	Book value (in thousands of NTD)
<u>Financial assets</u>			
<u>Monetary items</u>			
USD:NTD	\$ 190,478	31.6500	\$ 6,028,629
RMB:NTD	115,990	4.5230	524,623
<u>Non-monetary items</u>			
USD:NTD	57,823	31.6500	1,830,098
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD:NTD	41,111	31.6500	1,301,163
RMB:NTD	138,036	4.5230	624,337
December 31, 2023			
(Foreign currency: functional currency)	Foreign currency amount (in thousands)	Exchange rate	Book value (in thousands of NTD)
<u>Financial assets</u>			
<u>Monetary items</u>			
USD:NTD	\$ 222,823	30.7050	\$ 6,841,780
RMB:NTD	264,844	4.3270	1,145,980
<u>Non-monetary items</u>			
USD:NTD	140,991	30.7050	4,329,129
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD:NTD	65,689	30.7050	2,016,981
RMB:NTD	146,380	4.3270	633,386

September 30, 2023

	Foreign currency amount (in thousands)	Exchange rate	Book value (in thousands of NTD)
(Foreign currency: functional currency)			
<u>Financial assets</u>			
<u>Monetary items</u>			
USD:NTD	\$ 219,845	32.2700	\$ 7,094,398
RMB:NTD	297,445	4.4150	1,313,220
<u>Non-monetary items</u>			
USD:NTD	112,303	32.2700	3,624,018
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD:NTD	97,771	32.2700	3,155,070
RMB:NTD	179,537	4.4150	792,656

iv. Please refer to the following table for the details of unrealized exchange gain (loss) arising from significant foreign exchange variation on the monetary items held by the Group.

Nine months ended September 30, 2024

	Unrealized exchange gain (loss)		
	Foreign currency amount (in thousands)	Exchange rate	Book value (in thousands of NTD)
(Foreign currency: functional currency)			
<u>Financial assets</u>			
<u>Monetary items</u>			
USD:NTD	\$ -	31.6500	(\$ 62,830)
RMB:NTD	-	4.5230	1,255
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD:NTD	-	31.6500	26,307

Nine months ended September 30, 2023

Unrealized exchange gain (loss)

	Foreign currency		Book value (in thousands of NTD)
	amount (in thousands)	Exchange rate	
(Foreign currency: functional currency)			
<u>Financial assets</u>			
<u>Monetary items</u>			
USD:NTD	\$ -	32.2700	\$ 235,747
RMB:NTD	-	4.4150	12,126
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD:NTD	-	32.2700	(190,026)
RMB:NTD	-	4.4150	(7,096)

v. Analysis of foreign currency market risk arising from significant foreign exchange variation:

Nine months ended September 30, 2024

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:NTD	1%	\$ 60,286	\$ -	-
RMB:NTD	1%	5,246		-
<u>Non-monetary items</u>				
USD:NTD	1%	-		18,301
<u>Financial liabilities</u>				
<u>Monetary items</u>				
USD:NTD	1%	(13,012)		-
RMB:NTD	1%	(6,243)		-

Nine months ended September 30, 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:NTD	1%	\$ 70,944	\$	-
RMB:NTD	1%	13,132		-
<u>Non-monetary items</u>				
USD:NTD	1%	-		36,240
<u>Financial liabilities</u>				
<u>Monetary items</u>				
USD:NTD	1%	(31,551)		-
RMB:NTD	1%	(7,927)		-

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, 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. The Group's investments in equity securities comprise shares and open-end funds issued by the domestic 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 10% with all other variables held constant, post-tax profit for the nine months ended September 30, 2024 and 2023 would have increased/decreased by \$4,656 and \$17,494, 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 \$326,845 and \$456,903, respectively, as a result of other comprehensive income classified as equity investment at fair value through other comprehensive income.

Cash flow and interest rate risk

- i. The Group's interest rate risk arises from bank deposits, short-term borrowings and long-term borrowings. Borrowings issued at variable rates expose the Group to cash flow interest rate risk which is partially offset by cash and cash equivalents held at variable rates. Borrowings issued at fixed rates expose the Group to fair value interest rate risk. The Group's borrowings at variable rate were denominated in the USD, RMB and NTD.
- ii. Based on the simulations performed on sensitivity analysis for interest rate risk, the maximum impact on post-tax profit of a 0.1% shift would be increased/decreased of \$11,897 and \$10,992 for the nine months ended September 30, 2024 and 2023, respectively. The simulation is done on a quarterly basis to ensure that the potential maximum loss is within the limit set by the management.

(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 debt instruments stated at amortised cost.
- ii. The Group adopts the assumptions that the default occurs when the contract payments are overdue for 90 days.
 - iii. The Group adopts the following assumptions under IFRS 9 to assess whether there has been a significant increase in credit risk on that instrument since initial recognition: If the contract payments were past due over 30 days based on the terms, there has been a significant increase in credit risk on that instrument since initial recognition.
 - iv. The following indicators are used to determine whether the credit impairment of debt instruments has occurred:
 - (i) It becomes probable that the issuer will enter bankruptcy or other financial reorganization due to their financial difficulties;
 - (ii) The disappearance of an active market for that financial asset because of financial difficulties;
 - (iii) Default or delinquency in interest or principal repayments;
 - (iv) Adverse changes in national or regional economic conditions that are expected to cause a default.
 - v. The Group classifies customers' accounts receivable in accordance with credit rating of customer. The Group applies the simplified approach using provision matrix, loss rate methodology to estimate expected credit loss under the provision matrix basis.
 - 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. As of September 30, 2024, December 31, 2023 and September 30, 2023, the Group's written-off financial assets that are still under recourse procedures all amounted to \$949,854, \$949,859 and \$949,859, respectively.
 - vii. The Group used the forecastability to adjust historical and timely information to assess the default possibility of accounts receivable and other receivables. As of September 30, 2024, December 31, 2023 and September 30, 2023, the provision matrix, loss rate methodology is as follows:

	Not past due	Up to 30 days past due	31~90 days past due	91~180 days past due	Over 180 days past due	Total
<u>September 30, 2024</u>						
Expected loss rate	0%	0~15.6%	0~100%	0~64.76%	0~100%	
Total book value	\$ 9,347,626	\$ 79,524	\$ 9,130	\$ 4,849	\$ 98,476	\$ 9,539,605
Loss allowance	\$ -	\$ 548	\$ 1,265	\$ 1,742	\$ 93,056	\$ 96,611
	Not past due	Up to 30 days past due	31~90 days past due	91~180 days past due	Over 180 days past due	Total
<u>December 31, 2023</u>						
Expected loss rate	0~5%	0~5%	0~56%	0~100%	0~100%	
Total book value	\$ 8,676,416	\$ 350,446	\$ 28,390	\$ 13,568	\$ 89,653	\$ 9,158,473
Loss allowance	\$ 55	\$ 189	\$ 830	\$ 2,338	\$ 83,825	\$ 87,237
	Not past due	Up to 30 days past due	31~90 days past due	91~180 days past due	Over 180 days past due	Total
<u>September 30, 2023</u>						
Expected loss rate	0~1%	0~12%	0~69%	0~100%	0~100%	
Total book value	\$ 8,848,955	\$ 569,178	\$ 38,494	\$ 9,465	\$ 93,618	\$ 9,559,710
Loss allowance	\$ 20	\$ 107	\$ 3,405	\$ 1,909	\$ 83,208	\$ 88,649

	<u>Individual provision</u>	<u>Group provision</u>	<u>Total</u>
<u>September 30, 2024</u>			
Expected loss rate	100%	0%~100%	
Total book value	\$ 69,215	\$ 9,470,390	\$ 9,539,605
Loss allowance	<u>\$ 69,215</u>	<u>\$ 27,396</u>	<u>\$ 96,611</u>
<u>December 31, 2023</u>			
Expected loss rate	100%	0%~100%	
Total book value	\$ 68,089	\$ 9,090,384	\$ 9,158,473
Loss allowance	<u>\$ 67,978</u>	<u>\$ 19,259</u>	<u>\$ 87,237</u>
<u>September 30, 2023</u>			
Expected loss rate	100%	0%~100%	
Total book value	\$ 68,084	\$ 9,491,626	\$ 9,559,710
Loss allowance	<u>\$ 67,978</u>	<u>\$ 20,671</u>	<u>\$ 88,649</u>

viii. Movements in relation to the Group applying the simplified approach to provide loss allowance for accounts receivable, and other receivables are as follows:

	<u>2024</u>	
	<u>Accounts receivable (including notes receivable)</u>	<u>Other receivables</u>
At January 1	\$ 12,155	\$ 75,082
Provision for impairment	9,465	626
Disposal of subsidiaries	(1,889)	-
Effect of exchange rate changes	537	635
At September 30	<u>\$ 20,268</u>	<u>\$ 76,343</u>
	<u>2023</u>	
	<u>Accounts receivable (including notes receivable)</u>	<u>Other receivables</u>
At January 1	\$ 936,561	\$ 110,123
Acquired from business combination	12	-
(Reversal of) provision for impairment	(24,301)	6,315
Write-offs	(898,634)	(41,349)
Effect of exchange rate changes	(78)	-
At September 30	<u>\$ 13,560</u>	<u>\$ 75,089</u>

(c) Liquidity risk

i. Cash flow forecasting is performed in the operating entities of the Group and aggregated by Group treasury. Group treasury monitors rolling forecasts of the Group's 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 on any of its borrowing facilities. Such forecasting takes into consideration the Group's debt financing plans, covenant compliance, compliance with internal balance sheet ratio targets and external regulatory or legal requirements.

ii. Surplus cash are invested in interest bearing current accounts, time deposits and money market deposits, with appropriate maturities or sufficient liquidity to provide sufficient headroom and meet the above-mentioned forecasts. As of September 30, 2024, December 31, 2023 and September 30, 2023, the Group held money market position of \$15,338,955, \$16,477,926 and \$17,456,916, respectively, and those are expected to readily generate cash inflows for managing liquidity risk.

iii. The Group has the following undrawn borrowing facilities:

	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Floating rate:			
Expiring within one year	\$ 8,525,826	\$ 12,950,154	\$ 11,945,464
Expiring beyond one year	<u>14,194,912</u>	<u>14,098,784</u>	<u>14,062,701</u>
	<u>\$ 22,720,738</u>	<u>\$ 27,048,938</u>	<u>\$ 26,008,165</u>

iv. The table below shows analysis of the Group's non-derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

Non-derivative financial liabilities:

September 30, 2024	<u>Less than 1 year</u>	<u>Between 1 and 5 years</u>	<u>Between 5 and 7 years</u>	<u>Over 7 years</u>
Short-term borrowings	\$ 176,652	\$ -	\$ -	\$ -
Short-term notes and bills payable	925,126	-	-	-
Notes payable	1,857	-	-	-
Accounts payable (including related parties)	3,196,500	-	-	-
Other payables	3,472,322	-	-	-
Lease liabilities	109,219	349,838	142,809	1,041,358
Long-term borrowings (including current portion)	1,823,783	506,193	-	-
Long-term payables (including current portion)	-	3,861	-	-
Guarantee deposits received	65,792	1,926	-	4,601

Non-derivative financial liabilities:

December 31, 2023	<u>Less than 1 year</u>	<u>Between 1 and 5 years</u>	<u>Between 5 and 7 years</u>	<u>Over 7 years</u>
Short-term borrowings	\$ 747,136	\$ -	\$ -	\$ -
Short-term notes and bills payable	1,295,140	-	-	-
Notes payable	1,805	-	-	-
Accounts payable (including related parties)	2,855,808	-	-	-
Other payables	3,810,923	-	-	-
Lease liabilities	111,084	382,126	152,899	1,124,076
Long-term borrowings (including current portion)	1,802,648	1,869,490	109,473	-
Guarantee deposits received	19,876	1,926	-	4,601

Non-derivative financial liabilities:

September 30, 2023	<u>Less than 1 year</u>	<u>Between 1 and 5 years</u>	<u>Between 5 and 7 years</u>	<u>Over 7 years</u>
Short-term borrowings	\$ 1,770,330	\$ -	\$ -	\$ -
Short-term notes and bills payable	1,008,948	-	-	-
Financial liabilities at fair value through profit or loss	41,801	-	-	-
Notes payable	1,187	-	-	-
Accounts payable (including related parties)	3,004,408	-	-	-
Other payables	4,047,329	-	-	-
Lease liabilities	127,786	381,578	153,807	1,142,293
Long-term borrowings (including current portion)	1,685,628	2,339,142	114,544	-
Long-term payables (including current portion)	-	10,401	-	-
Guarantee deposits received	125,748	666	-	4,601

v. The Group does not expect the timing of the estimated cash outflows through the maturity date analysis will be significantly earlier, or expect the actual cash flow amount will be significantly different.

(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: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. A market is regarded as active where a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The fair value of the Group's investment in listed stocks and beneficiary certificates 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 or indirectly. The fair value of the Group's investment in convertible bonds and most derivative instruments is included in Level 2.

Level 3: Unobservable inputs for the asset or liability. The fair value of the Group's investment in equity investment without active market is included in Level 3.

B. Financial instruments not measured at fair value

(a) Except for those listed in the table below, the carrying amounts of cash and cash equivalents, notes receivable, accounts receivable, other receivables, refundable deposits, other financial assets, short-term borrowings, short-term notes and bills payable, notes payable, accounts payable, other payables, lease liabilities, long-term accounts payable and guarantee deposits received are approximate to their fair value.

	<u>September 30, 2024</u>			
		<u>Fair value</u>		
	<u>Book value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Financial liabilities:				
Long-term borrowings (including current portion)	<u>\$ 2,305,329</u>	<u>\$ -</u>	<u>\$ 2,182,353</u>	<u>\$ -</u>

	December 31, 2023			
	Book value	Fair value		
		Level 1	Level 2	Level 3
Financial liabilities:				
Long-term borrowings				
(including current portion)	\$ 3,723,610	\$ -	\$ 3,736,188	\$ -

	September 30, 2023			
	Book value	Fair value		
		Level 1	Level 2	Level 3
Financial liabilities:				
Long-term borrowings				
(including current portion)	\$ 4,068,048	\$ -	\$ 4,081,050	\$ -

(b) The methods and assumptions of fair value estimate are as follows:

Long-term borrowings: They are measured at present value, which is calculated based on the cash flow expected to be paid and discounted using a market rate prevailing at balance sheet date.

C. The related information of financial instruments measured at fair value by level on the basis of the nature, characteristics and risks of the assets and liabilities at September 30, 2024, December 31, 2023 and September 30, 2023 is as follows:

(a) The related information of natures of the assets and liabilities is as follows:

September 30, 2024	Level 1	Level 2	Level 3	Total
Assets				
<u>Recurring fair value measurements</u>				
Financial assets at fair value through profit or loss				
Derivatives	\$ -	\$ 46,797	\$ -	\$ 46,797
Financial assets at fair value through other comprehensive income				
Equity securities	1,052,666	-	2,215,785	3,268,451
Total	<u>\$ 1,052,666</u>	<u>\$ 46,797</u>	<u>\$ 2,215,785</u>	<u>\$ 3,315,248</u>
Liabilities				
<u>Recurring fair value measurements</u>				
Financial liabilities at fair value through profit or loss				
Derivatives	\$ -	\$ 236	\$ -	\$ 236

December 31, 2023	Level 1	Level 2	Level 3	Total
Assets				
<u>Recurring fair value measurements</u>				
Financial assets at fair value through profit or loss				
Equity securities	\$ 150,143	\$ -	\$ -	\$ 150,143
Derivatives	-	52,303	-	52,303
Financial assets at fair value through other comprehensive income				
Equity securities	1,097,312	-	3,101,227	4,198,539
Total	\$ 1,247,455	\$ 52,303	\$ 3,101,227	\$ 4,400,985
Liabilities				
<u>Recurring fair value measurements</u>				
Financial liabilities at fair value through profit or loss				
Derivatives	\$ -	\$ 2,284	\$ -	\$ 2,284
September 30, 2023				
	Level 1	Level 2	Level 3	Total
Assets				
<u>Recurring fair value measurements</u>				
Financial assets at fair value through profit or loss				
Equity securities	\$ 137,837	\$ -	\$ 78,881	\$ 216,718
Derivatives	-	26	-	26
Financial assets at fair value through other comprehensive income				
Equity securities	1,114,324	-	3,454,710	4,569,034
Total	\$ 1,252,161	\$ 26	\$ 3,533,591	\$ 4,785,778
Liabilities				
<u>Recurring fair value measurements</u>				
Financial liabilities at fair value through profit or loss				
Derivatives	\$ -	\$ 41,801	\$ -	\$ 41,801

- (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 stocks	Closed-end fund	Open-end fund
Market quoted price	Closing price	Closing price	Net asset value

- ii. Except for financial instruments with active markets, the fair value of other financial instruments is measured by using valuation techniques or by reference to counterparty quotes. The fair value of financial instruments measured by using valuation techniques can be referred to current fair value of instruments with similar terms and characteristics in substance, discounted cash flow method or other valuation methods, including calculated by applying model using market information available at the consolidated balance sheet date.

- iii. When assessing non-standard and low-complexity financial instruments, for example, debt instruments without active market and 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. For high-complexity financial instruments, the fair value is measured by using self-developed valuation model based on the valuation method and technique widely used within the same industry. The valuation model is normally applied to derivative financial instruments, debt instruments with embedded derivatives or securitised instruments. Certain inputs used in the valuation model are not observable at market, and the Group must make reasonable estimates based on its assumptions. The effect of unobservable inputs to the valuation of financial instruments is provided in Note 12(3)5.
- 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, for example, model risk or liquidity risk and etc. In accordance with the Group's management policies and relevant control procedures relating to the valuation models used for fair value measurement, management believes adjustment to valuation is necessary in order to reasonably represent the fair value of financial and non-financial instruments at the consolidated balance sheet. The inputs and pricing information used during valuation are carefully assessed and adjusted based on current market conditions.
- (c) The following chart is the movement of Level 3 for the nine months ended September 30, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
	<u>Financial instruments</u>	<u>Financial instruments</u>
At January 1	\$ 3,101,227	\$ 3,348,606
Gains recognised in profit or loss	-	11,933
(Losses) gains recognised in other comprehensive income	(726,615)	216,111
Disposals	(277,018)	(43,059)
Effect of exchange rate changes	118,191	-
At September 30	<u>\$ 2,215,785</u>	<u>\$ 3,533,591</u>

- D. Treasury department 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, confirming the resource of information independent, reliable and in line with other resources and represented as the exercisable price, and frequently calibrating valuation model, performing back-testing, updating inputs used to the valuation model and making any other necessary adjustments to the fair value.

E. 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:

	Fair value at September 30, 2024	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instrument:					
Unlisted stocks	\$ 2,157,029	Market comparable companies	Price to book ratio multiple	NA	The higher the multiple, the higher the fair value.
			Discount for lack of marketability	20% ~ 30%	The higher the discount for lack of marketability, the lower the fair value.
Unlisted stocks	56,256	Market comparable companies	Equity value multiple (P/B ratio) on September 30, 2024	2.03	The higher the equity value multiple, the higher the fair value.
			Liquidity discount ratio on September 30, 2024	30.00%	The higher the liquidity discount ratio, the lower the fair value.
Unlisted stocks	2,500	Net asset value	N/A	-	N/A
	Fair value at December 31, 2023	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instrument:					
Unlisted stocks	\$ 3,057,591	Market comparable companies	Price to book ratio multiple	NA	The higher the multiple, the higher the fair value.
			Discount for lack of marketability	20% ~30%	The higher the discount for lack of marketability, the lower the fair value.
Unlisted stocks	41,136	Market comparable companies	Equity value multiple (P/B ratio) on December 31, 2023	1.40	The higher the equity value multiple, the higher the fair value.
			Liquidity discount ratio on December 31, 2023	26.69%	The higher the liquidity discount ratio, the lower the fair value.
Unlisted stocks	2,500	Net asset value	N/A	-	N/A
	Fair value at September 30, 2023	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instrument:					
Unlisted shares	\$ 3,490,147	Market comparable companies	Price to book ratio multiple	NA	The higher the multiple, the higher the fair value.
			Discount for lack of marketability	20% ~30%	The higher the discount for lack of marketability, the lower the fair value.
Unlisted shares	40,944	Market comparable companies	Equity value multiple (P/B ratio) on September 30, 2023	1.37	The higher the equity value multiple, the higher the fair value.
			Liquidity discount ratio on September 30, 2023	25.08%	The higher the liquidity discount ratio, the lower the fair value.
Unlisted shares	2,500	Net asset value	N/A	-	N/A

F. The Group 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 of profit or loss or of other comprehensive income from financial assets and liabilities categorised within Level 3 if the inputs used to valuation models have changed:

		September 30, 2024					
		Recognised in profit or loss		Recognised in other comprehensive income			
	<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 instrument	Multiple	±1%	\$ -	\$ -	\$ 22,158	(\$ 22,158)
		December 31, 2023					
		Recognised in profit or loss		Recognised in other comprehensive income			
	<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 instrument	Multiple	±1%	\$ -	\$ -	\$ 31,012	(\$ 31,012)
		September 30, 2023					
		Recognised in profit or loss		Recognised in other comprehensive income			
	<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 instrument	Multiple	±1%	\$ 789	(\$ 789)	\$ 34,547	(\$ 34,547)

13. SUPPLEMENTARY DISCLOSURES

(1) Significant transactions information

- A. Loans to others: Please refer to table 1.
- B. Provision of endorsements and guarantees to others: Please refer to table 2.
- C. Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures): Please refer to table 3.
- D. Acquisition or sale of the same security with the accumulated cost exceeding NT \$300 million or 20% paid-in capital or more: table 4
- E. Acquisition of real estate reaching NT\$300 million or 20% of paid-in capital or more: None.
- F. Disposal of real estate reaching NT\$300 million or 20% of paid-in capital or more: Please refer to table 5.
- G. Purchases or sales of goods from or to related parties reaching NT\$100 million or 20% of paid-in capital or more: Please refer to table 6.
- H. Receivables from related parties reaching NT\$100 million or 20% of paid-in capital or more: Please refer to table 7.
- I. Trading in derivative instruments undertaken during the reporting periods: please refer to Notes 6(2) and 12(3).
- J. Significant inter-company transactions during the reporting periods: Please refer to table 8.

(1) Information on investees

Names, locations and other information of investee companies (not including investees in Mainland China) : Please refer to table 9.

(4) Information on investments in Mainland China

A. Basic information: Please refer to table 10.

B. Significant transactions, either directly or indirectly through a third area, with investee companies in the Mainland Area: Please refer to table 11.

(5) Major shareholders information

Major shareholders information: Please refer to table 12.

14. SEGMENT INFORMATION

(1) General information:

The Group is engaged in the research and development, design, manufacturing and sales of EPI wafers and chips of AlGaInP, AlGaAs and InGaN and LED packages and modules. The Chief Operating Decision-Maker assesses performance by each operating result of each sub-group within the consolidated report.

(2) Segment information

The accounting policy of operating segments is provided in Note 4. The Chief Operating Decision-Maker assesses the performance of the operating segments based on the financial statements of operating segments. The measurement of profit is based on the income from continuing operations.

(3) Information about segment profit or loss, assets and liabilities:

The segment information provided to the Chief Operating Decision-Maker for the reportable segments and reconciliations is as follows:

Nine months ended September 30, 2024

	<u>Epistar Group</u>	<u>Lextar Group</u>	<u>Others</u>	<u>Consolidated</u>
Revenues from external customers	\$ 12,012,679	\$ 6,596,229	\$ 271,712	\$ 18,880,620
Segment loss	(329,292)	(143,579)	(649,303)	(1,122,174)

September 30, 2024

Segment assets	41,966,254	12,191,069	4,537,848	58,695,171
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Nine months ended September 30, 2023

	<u>Epistar Group</u>	<u>Lextar Group</u>	<u>Others</u>	<u>Consolidated</u>
Revenues from external customers	\$ 10,397,408	\$ 5,928,663	\$ 405,324	\$ 16,731,395
Segment loss	(2,324,175)	(6,019)	(883,244)	(3,213,438)

September 30, 2023

Segment assets	51,554,161	13,554,031	5,571,506	70,679,698
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ENNOSTAR INC. AND SUBSIDIARIES

Loans to others

Nine months ended September 30, 2024

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 nine months ended 30-Sep-24	Balance at 30-Sep-24	Actual amount drawn down	Interest rate	Nature of loan	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			
0	ENNOSTAR Inc.	Unikorn Semiconductor Corporation	Other receivables-related parties	Y	\$ 500,000	\$ -	\$ -	2.15%	Short-term financing	\$ -	Working capital	\$ -	None	\$ -	\$ 4,486,130	\$ 13,458,391	Note 1
1	Epistar Corporation	Unikorn Semiconductor Corporation	Other receivables-related parties	Y	800,000	800,000	600,000	1.91%	Short-term financing	-	Working capital	-	1.Machine and additions 2.Promissory Note	800,000	3,153,481	9,460,443	Note 2
2	Epicrystal (Changzhou) Ltd.	Jiangsu Canyang Optoelectronics Ltd.	Other receivables-related parties	Y	350,400	-	-	3.45%~3.65%	Short-term financing	-	Working capital	-	None	-	1,754,796	1,754,796	Note 3
2	Epicrystal (Changzhou) Ltd.	Episky Corporation (Xiamen) Ltd	Other receivables-related parties	Y	818,100	814,140	814,140	3.45%	Short-term financing	-	Working capital	-	Promissory Note	814,140	1,754,796	1,754,796	Note 3
3	EPISTAR JV HOLDING (BVI) CO., LTD.	Epistar Corporation	Other receivables-related parties	Y	862,443	446,265	446,265	5.77%~5.82%	Short-term financing	-	Working capital	-	Promissory Note	446,265	3,362,471	3,362,471	Note 4
4	Lighting Investment Ltd.	EPISTAR JV HOLDING(BVI) CO., LTD.	Other receivables-related parties	Y	508,943	189,900	189,900	5.73%~5.95%	Short-term financing	-	Working capital	-	Promissory Note	189,900	726,518	726,518	Note 5
5	Luxlite (HK) Corporation Limited	EPISTAR JV HOLDING(BVI) CO., LTD.	Other receivables-related parties	Y	140,805	-	-	5.95%	Short-term financing	-	Working capital	-	None	-	302,365	302,365	Note 5
6	United LED Shan Dong Corporation	Episky Corporation (Xiamen) Ltd.	Other receivables-related parties	Y	145,440	144,736	-	Markup on short-term cost of capital	Short-term financing	-	Working capital	-	Promissory Note	144,736	151,501	151,501	Note 6
7	Lextar Electronics Corporation	Yenrich Technology Corporation	Other receivables-related parties	Y	250,000	-	-	Markup on short-term cost of capital	Short-term financing	-	Working capital	-	None	-	880,513	2,641,538	Note 7
7	Lextar Electronics Corporation	Unikorn Semiconductor Corporation	Other receivables-related parties	Y	500,000	-	-	2.17%	Short-term financing	-	Working capital	-	None	-	880,513	2,641,538	Note 7

No.	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the nine months ended 30-Sep-24	Balance at 30-Sep-24	Actual amount drawn down	Interest rate	Nature of loan	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			
7	Lextar Electronics Corporation	Trendylite Corporation	Other receivables-related parties	Y	25,000	\$ -	\$ -	Markup on short-term cost of capital	Short-term financing	\$ -	Working capital	\$ -	None	\$ -	\$ 880,513	\$ 2,641,538	Note 7
8	Lextar Electronics (Suzhou) Corp	Chuzhou Bwin Technology Corp.	Other receivables-related parties	Y	44,870	-	-	3.55%	Short-term financing	-	Working capital	-	None	-	1,588,711	3,971,777	Note 8
9	Lextar Electronics (Chuzhou) Corp.	Episky Corporation (Xiamen) Ltd.	Other receivables-related parties	Y	909,000	904,600	-	3.45%	Short-term financing	-	Working capital	-	Promissory Note	904,600	3,908,654	3,908,654	Note 5

Note 1: Limit on loans granted by Ennostar Inc., the ceiling to total loans granted is 30% of its net asset and to a single party is 10% of its net asset.

Note 2: Limit on loans granted by Epistar Corporation, the ceiling to total loans granted is 30% of its net asset and to a single party is 10% of its net asset.

Note 3: Limit on loans granted by the subsidiary of Epistar, Epicrystal (Changzhou), limit on total loans is 40% of the Epicrystal (Changzhou)'s net asset, and to a single party is 40% of the Epicrystal (Changzhou)'s net asset.

Note 4: Limit on loans granted by Epistar JV, the ceiling to total loans granted is 40% of its net asset and to a single party is 40% of its net asset.

Note 5: Limit on loans granted by Lighting,Luxlite (HK) and Lextar Electronics (Chuzhou) Corp. to parent company and a fellow subsidiary that is 100% controlled by the parent company located outside Taiwan, limit on total loans is net asset of the Company, and to a single party is net asset of the Company.The maximum term of the financing is three years.

Note 6: Limit on loans granted by the subsidiary of Epistar, United LED Shan Dong Corporation, limit on total loans is 40% of the United LED Shan Dong Corporation's net asset, and to a single party is 40% of the United LED Shan Dong Corporation's net asset.

Note 7: Limit on loans granted by Lextar Electrouics Corp., the ceiling to total loans granted is 30% of its net asset and to a single party is 10% of its net asset.

Note 8: Limit on loans granted by the subsidiary of Lextar Electronics Corporation, Lextar (Suzhou), limit on total loans is net asset of Lextar (Suzhou) and 30% of the net asset based on the latest financial statements of Ennostar Inc., and to a single party is 40% of its net net asset, and 10% of the net asset based on the latest financial statements of Ennostar Inc..

ENNOSTAR INC. AND SUBSIDIARIES
Provision of endorsements and guarantees to others
Nine months ended September 30, 2024

Table 2

Expressed in thousands of NTD
(Except as otherwise indicated)

Number (Note 1)	Endorser/ guarantor	Party being endorsed/guaranteed Company name	Relationship with the endorser/ guarantor (Note 2)	Limit on endorsements/ guarantees provided for a single party (Note 3)	Maximum outstanding endorsement/ guarantee amount as of September 30, 2024	Outstanding endorsement/ guarantee amount at September 30, 2024	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 (Note 3)	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
1	Epistar Corporation	ENNOSTAR Inc.	3	\$ 9,460,443	\$ 3,250,000	\$ 3,250,000	\$ -	\$ -	10.31	\$ 9,460,443	N	Y	N	Note 3

Note 1: The numbers filled in for the endorsements/guarantees provided by the Company or subsidiaries are as follows:

- (1) The Company is '0'.
- (2) The subsidiaries are numbered in order starting from '1'.

Note 2: Relationship between the endorser/guarantor and the party being endorsed/guaranteed is classified into the following seven categories; fill in the number of category each case belongs to:

- (1) Having business relationship.
- (2) The endorser/guarantor parent company owns directly or indirectly more than 50% voting shares of the endorsed/guaranteed subsidiary.
- (3) The endorser/guarantor parent company and its subsidiaries jointly own directly or indirectly more than 50% voting shares of the endorsed/guaranteed company.
- (4) The endorsed/guaranteed parent company directly or indirectly owns more than 90% voting shares of the endorser/guarantor subsidiary.
- (5) Mutual guarantee of the trade as required by the construction contract.
- (6) Due to joint venture, each shareholder provides endorsements/guarantees to the endorsed/guaranteed company in proportion to its ownership.
- (7) Companies in the same industry provide among themselves joint and several security for a performance guarantee of a sales contract for pre-construction homes pursuant to the Consumer Protection Act for each other.

Note3: In accordance with the Epistar's Procedures for Provision of endorsements and guarantees to others: the ceiling on total endorsements/guarantees is 30% of the Company's net asset, and the limit on endorsements/guarantees to a single party is 30% of its net asset.

ENNOSTAR INC. AND SUBSIDIARIES
Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures)
September 30, 2024

Table 3

Expressed in thousands of NTD
(Except as otherwise indicated)

Securities held by	Marketable securities	Relationship with the securities issuer	General ledger account	As of September 30, 2024				
				Number of shares	Book value	Ownership (%)	Fair value	Footnote
Harvestar Investment Corp.	Amengine Corporation (Preferred stock)	Controlled by the same entity	Non-current investments in equity instruments at fair value through other comprehensive income	500,000	\$ 2,500	-	\$ 2,500	
Epistar Corporation	E&E Japan Co.Ltd. (Stock)	None	Non-current investments in equity instruments at fair value through other comprehensive income	140	2,143	17.07	2,143	
Epistar Corporation	NATEC CORPORATION (Stock)	None	Non-current investments in equity instruments at fair value through other comprehensive income	120,000	1,748	7.50	1,748	
Epistar Corporation	Esleds Co.,Ltd. (Stock)	None	Non-current investments in equity instruments at fair value through other comprehensive income	1,000	148	10.00	148	
Epistar Corporation	Lynk Labs,Inc. (Stock)	None	Non-current investments in equity instruments at fair value through other comprehensive income	92,523	-	7.39	-	
Epistar Corporation	Advanced Photoelectronic Technology Limited (Stock)	None	Non-current investments in equity instruments at fair value through other comprehensive income	1,339,235	194,398	13.68	194,398	
Epistar Corporation	Dominant Opto Technologies Sdn. Bhd. (Stock)	None	Non-current investments in equity instruments at fair value through other comprehensive income	35,000,000	693,942	10.00	693,942	
Epistar Corporation	XENIO CORPORATION (Stock)	None	Non-current financial assets at fair value through profit or loss	7,878	-	0.06	-	

Table 3-1

				As of September 30, 2024				
Securities held by	Marketable securities	Relationship with the securities issuer	General ledger account	Number of shares	Book value	Ownership (%)	Fair value	Footnote
Epistar Corporation	Play Nitride Inc. (Stock)	None	Non-current investments in equity instruments at fair value through other comprehensive income	9,137,338	\$ 619,146	8.53	\$ 619,146	
Epistar Corporation	OSTENDO TECHNOLOGIES, INC. (Stock)	None	Non-current financial assets at fair value through profit or loss	67,500	-	0.04	-	
Epistar Corporation	PHECDA TECHNOLOGY CO., LTD	None	Non-current investments in equity instruments at fair value through other comprehensive income	600,000	-	2.11	-	
Epistar Corporation	ELIT FINE CERAMICS CO., LTD.	None	Non-current financial assets at fair value through profit or loss	2,200,000	-	4.49	-	
Epistar Corporation	Nanocrystal Technology Inc.	None	Non-current financial assets at fair value through profit or loss	6,000,000	-	11.11	-	
Epistar JV Holding (BVI) Co., Ltd.	Bridgelux Optoelectronics (Xiamen) Co., Ltd.(Stock)	None	Non-current investments in equity instruments at fair value through other comprehensive income	56,316,532	1,051,800	18.77	1,051,800	
Episky Corporation(Xiamen) Ltd.	China Firstar Optoelectronic Materials Co., Ltd. (Stock)	None	Non-current investments in equity instruments at fair value through other comprehensive income	cash RMB7,500,000	-	15.00	-	
Episky Corporation(Xiamen) Ltd.	APT Electronics Co., Ltd.(Stock)	None	Non-current investments in equity instruments at fair value through other comprehensive income	4,678,240	53,322	0.94	53,322	
Episky Corporation(Xiamen) Ltd.	China Crystal Technologies Co., Ltd.(Stock)	None	Non-current investments in equity instruments at fair value through other comprehensive income	8,064,516	-	3.72	-	

Table 3-2

				As of September 30, 2024				
Securities held by	Marketable securities	Relationship with the securities issuer	General ledger account	Number of shares	Book value	Ownership (%)	Fair value	Footnote
Lighting Investment Corp.	Oree Advanced Illumination Solutions, Inc. (Stock)	None	Non-current financial assets at fair value through profit or loss	79,407	\$ -	5.00	\$ -	
Lighting Investment Corp.	TERA XTAL TECHNOLOGY CORPORATION (Stock)	None	Non-current financial assets at fair value through profit or loss	795,000	-	0.42	-	
Lighting Investment Corp.	XENIO SYSTEMS, INC (Stock)	None	Non-current financial assets at fair value through profit or loss	16,463	-	0.13	-	
Lighting Investment Corp.	FormoLight Technologies, Inc. (Stock)	None	Non-current investments in equity instruments at fair value through other comprehensive income	2,038,230	15,632	10.00	15,632	
Lighting Investment Corp.	Advanced Photoelectronic Technology Limited (Stock)	None	Non-current investments in equity instruments at fair value through other comprehensive income	562,018	81,580	5.74	81,580	
Lighting Investment Corp.	EDISON OPTO CORPORATION (Stock)	None	Non-current investments in equity instruments at fair value through other comprehensive income	10,069,388	246,700	7.01	246,700	
Lighting Investment Corp.	LEDIMOND OPTO CORPORATION (Stock)	None	Non-current investments in equity instruments at fair value through other comprehensive income	1,100,000	8,779	16.92	8,779	
Lighting Investment Corp.	iReach Corporation (Preferred stock)	Investments accounted for using equity method of Epistar Corporation	Non-current investments in equity instruments at fair value through other comprehensive income	370,000	1,891	-	1,891	
Lighting Investment Corp.	ENNOSTAR Inc. (Stock)	Parent company of Epistar Corporation	Current financial assets at fair value through profit or loss	1,282,377	58,220	0.17	58,220	Note1

Table 3-3

				As of September 30, 2024				
Securities held by	Marketable securities	Relationship with the securities issuer	General ledger account	Number of shares	Book value	Ownership (%)	Fair value	Footnote
Lighting Investment Ltd.	Verticle Inc. (Stock)	None	Non-current financial assets at fair value through profit or loss	582,983	\$ -	3.00	\$ -	
Lighting Investment Ltd.	Achrolux Inc. (Stock)	None	Non-current financial assets at fair value through profit or loss	987,500	-	6.91	-	
Lighting Investment Ltd.	Play Nitride Inc. (Stock)	None	Non-current investments in equity instruments at fair value through other comprehensive income	2,757,082	186,820	2.57	186,820	
Lighting Investment Ltd.	Advanced Photoelectronic Technology Limited (Stock)	None	Non-current investments in equity instruments at fair value through other comprehensive income	200,000	29,031	2.04	29,031	
HUGA Holding (SAMOA) Ltd.	China Crystal Technologies Co.,Ltd.(Stock)	None	Non-current investments in equity instruments at fair value through other comprehensive income	17,741,935	-	8.19	-	
Jiangsu Canyang Optoelectronics Ltd	C-Star (Yangzhou) Technology Co., Ltd	None	Non-current investments in equity instruments at fair value through other comprehensive income	cash RMB5,000,000	22,615	5.00	22,615	
Wellybond Corporation	WELLYSUN INC. (Stock)	None	Non-current investments in equity instruments at fair value through other comprehensive income	2,400,000	56,256	5.22	56,256	
Shenzhen Epikylin Optoelectronics Co.,Ltd.	LANKE ELECTRONIC CO.,LTD	None	Non-current investments in equity instruments at fair value through other comprehensive income	cash RMB1,351,030.69	-	1.31	-	

Note 1: Transferred from the Epistar's stocks held as treasury shares.

Table 3-4

ENNOSTAR INC. 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

Nine months ended September 30, 2024

Table 4

Expressed in thousands of NTD

(Except as otherwise indicated)

Investor	Marketable securities (Note 1)	General ledger account	Counterparty (Note 2)	Relationship with the investor (Note 2)	Balance as at January 1, 2024		Addition (Note 3)		Disposal (Note 3)			Balance as at September 30, 2024		
					Number of shares	Amount	Number of shares	Amount	Number of shares	Selling price	Book value	Gain (loss) on disposal	Number of shares	Amount
ENNOSTAR Inc.	Epistar Corporation	Investments accounted for using equity method	Epistar Corporation	Subsidiaries	1,116,479,188	\$ 38,607,380	90,600,000	\$2,627,400	-	\$ -	\$ -	\$ -	1,207,079,188	\$ 41,234,780
Epistar Corporation	Unikorn Semiconductor Corporation	Investments accounted for using equity method	ENNOSTAR Inc., Harvestar Investment Corp., Precistar Investment Corp., Praistar Investment Corp., GCS Holdings, Inc. and employees	Parent company, sister company, Associates and employees	40,000,000	826,083	296,485,000	514,742	-	-	-	-	336,485,000	1,340,825

Note 1: Marketable securities in the table refer to stocks, bonds, beneficiary certificates and other related derivative securities.

Note 2: Fill in the columns the counterparty and relationship if securities are accounted for using equity method; otherwise leave the columns blank.

Note 3: Aggregate purchases and sales amounts should be calculated separately at their market values to verify whether they individually reach NT\$300 million or 20% of paid-in capital or more.

ENNOSTAR INC. AND SUBSIDIARIES

Disposal of real estate reaching NT\$300 million or 20% of paid-in capital or more

Nine months ended September 30, 2024

Table 5

Expressed in thousands of NTD

(Except as otherwise indicated)

Real estate disposed by	Real estate	Transaction date or date of the event	Date of acquisition	Book value	Disposal amount	Status of collection of proceeds	Gain (loss) on disposal	Counterparty	Relationship with the seller	Reason for disposal	Basis or reference used in setting the price	Other commitments
Epistar Corporation	The building and its ancillary facilities located at No. 27 Keyan Road, Zhunan Township, Miaoli County	2024/1/19	2022/7/15	\$ 566,000	\$ 670,000	According to the agreement of both parties	\$ 104,000	Polaris Biopharmaceuticals, Inc.	Non-related party	After integrating the group's Taiwan factory space, it plans to replace the planned new factory in Zhunan with the existing Epistar's factory to revitalize assets and improve the group's asset utilization efficiency.	Based on a experts' appraisal reports and market conditions surrounding the transaction subject matter.	None
Unikorn Semiconductor Corporation	Factory facilities and machinery	2024/4/26	2012 to 2024	294,970	436,400	According to the agreement of both parties	141,430	Global Communication Semiconductors, LLC	Associate	Taking into consideration work-division and enhancing the Group's operational performance, Unikorn Semiconductor Corporation focused on the development of optoelectronics industry.	Based on the carrying amount of Unikorn Semiconductor Corporation's assets and experts' appraisal reports.	None

Note 1: The appraisal result should be presented in the 'Basis or reference used in setting the price' column if the real estate disposed of should be appraised pursuant to the regulations.

Note 2: Paid-in capital referred to herein is the paid-in capital of parent company. In the case that shares were issued with no par value or a par value other than NT\$10 per share, the 20 % of paid-in capital shall be replaced by 10% of equity attributable to owners of the parent in the calculation.

Note 3: Date of the event referred to herein is the date of contract signing, date of payment, date of execution of a trading order, date of title transfer, date of board resolution, or other date that can confirm the counterparty and the monetary amount of the transaction, whichever is earlier.

ENNOSTAR INC. AND SUBSIDIARIES

Purchases or sales of goods from or to related parties reaching NT\$100 million or 20% of paid-in capital or more

Nine months ended September 30, 2024

Table 6

Expressed in thousands of NTD
(Except as otherwise indicated)

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction		Percentage of total purchases (sales)	Credit term	Differences in transaction terms		Notes/accounts receivable (payable)		Footnote
			Purchases (sales)	Amount			Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	
Episky Corporation (Xiamen) Ltd.	Shenzhen Epikylin Optoelectronics Co.,Ltd.	Note 1	Sales	(\$ 303,476)	(7)	90 days after month-end closing	Normal	Normal	\$ -	-	
Episky Corporation (Xiamen) Ltd.	Epistar Corporation	Note 1	Sales	(402,183)	(9)	90 days after month-end closing	Normal	Normal	152,977	6	
Episky Corporation (Xiamen) Ltd.	Lextar Electronics (Chuzhou) Corp.	Note 1	Sales	(169,214)	(4)	90 days after month-end closing	Normal	Normal	34,946	1	
Epistar Corporation	Episky Corporation (Xiamen) Ltd.	Note 1	Sales	(824,066)	(9)	90 days after month-end closing	Normal	Normal	339,119	8	
Epistar Corporation	LEDAZ Co., Ltd.	Note 1	Sales	(195,473)	(2)	120 days after month-end closing	Normal	Normal	82,478	2	
Epistar Corporation	Lextar Electronics Corp.	Note 1	Sales	(133,095)	(1)	90 days after month-end closing	Normal	Normal	37,754	1	
Epicrystal (ChangZhou) Co., Ltd.	Jiangsu Canyang Optoelectronics Ltd.	Note 1	Sales	(345,045)	(18)	90 days after month-end closing	Normal	Normal	160,349	9	
Epicrystal (ChangZhou) Co., Ltd.	Epistar Corporation	Note 1	Sales	(594,520)	(30)	90 days after month-end closing	Normal	Normal	304,338	17	
Epicrystal (ChangZhou) Co., Ltd.	Episky Corporation (Xiamen) Ltd.	Note 1	Sales	(1,158,642)	(59)	180 days after month-end closing	Normal	Normal	1,091,731	63	
Jiangsu Canyang Optoelectronics Ltd.	Episky Corporation (Xiamen) Ltd.	Note 1	Sales	(813,963)	(62)	120 days after month-end closing	Normal	Normal	448,800	62	
Jiangsu Canyang Optoelectronics Ltd.	Epicrystal (ChangZhou) Co., Ltd.	Note 1	Sales	(493,452)	(37)	90 days after month-end closing	Normal	Normal	235,552	33	

Table 6-1

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction				Differences in transaction terms		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)	
Shenzhen Epikylin Optoelectronics Co.,Ltd.	Episky Corporation (Xiamen) Ltd.	Note 1	Sales	(\$ 137,391)	(23)	120 days after month-end closing	Normal	Normal	\$ 139,205	69	
Lextar Electronics Corp.	AUO (Suzhou) Co., Ltd.	Other related parties	Sales	(194,895)	(5)	120 days after month-end closing	Normal	Normal	106,039	8	
Lextar Electronics Corp.	Fortech Electronics (Suzhou) Co., Ltd.	Other related parties	Sales	(195,454)	(5)	120 days after month-end closing	Normal	Normal	100,216	7	
Lextar Electronics (Chuzhou) Corp.	Lextar Electronics Corp.	Note 1	Sales	(1,987,815)	(47)	120 days after month-end closing	Normal	Normal	1,021,162	54	
Episky Corporation (Xiamen) Ltd.	Jiangsu Canyang Optoelectronics Ltd.	Note 1	Purchases	813,963	20	120 days after month-end closing	Normal	Normal	(448,800)	(20)	
Episky Corporation (Xiamen) Ltd.	Shenzhen Epikylin Optoelectronics Co.,Ltd.	Note 1	Purchases	137,391	3	120 days after month-end closing	Normal	Normal	(139,205)	(6)	
Episky Corporation (Xiamen) Ltd.	Epistar Corporation	Note 1	Purchases	824,066	21	90 days after month-end closing	Normal	Normal	(339,119)	(15)	
Episky Corporation (Xiamen) Ltd.	Epicrystal (ChangZhou) Co., Ltd.	Note 1	Purchases	1,158,642	29	180 days after month-end closing	Normal	Normal	(1,091,731)	(49)	
Epistar Corporation	Episky Corporation (Xiamen) Ltd.	Note 1	Purchases	402,183	8	90 days after month-end closing	Normal	Normal	(152,977)	(11)	
Epistar Corporation	Epicrystal (ChangZhou) Co., Ltd.	Note 1	Purchases	594,520	12	90 days after month-end closing	Normal	Normal	(304,338)	(21)	
Epicrystal (ChangZhou) Co., Ltd.	Jiangsu Canyang Optoelectronics Ltd.	Note 1	Purchases	493,452	35	90 days after month-end closing	Normal	Normal	(235,552)	(49)	
Jiangsu Canyang Optoelectronics Ltd.	Epicrystal (ChangZhou) Co., Ltd.	Note 1	Purchases	345,045	35	90 days after month-end closing	Normal	Normal	(160,349)	(58)	
Shenzhen Epikylin Optoelectronics Co.,Ltd.	Episky Corporation (Xiamen) Ltd.	Note 1	Purchases	303,476	76	90 days after month-end closing	Normal	Normal	-	-	
Lextar Electronics Corp.	Lextar Electronics (Chuzhou) Corp.	Note 1	Purchases	1,987,815	71	120 days after month-end closing	Normal	Normal	(1,021,162)	(77)	
Lextar Electronics Corp.	Epistar Corporation	Note 1	Purchases	133,095	5	90 days after month-end closing	Normal	Normal	(37,754)	(3)	

Table 6-2

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction			Differences in transaction terms		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)
Lextar Electronics Corp.	Tyntek Corporation	Note 1	Purchases	\$ 160,195	6	120 days after month-end closing	Normal	Normal	(\$ 77,209) (	6)
Lextar Electronics (Chuzhou) Corp.	Episky Corporation (Xiamen) Ltd.	Note 1	Purchases	169,214	5	90 days after month-end closing	Normal	Normal	(34,946) (	2)
Lextar Electronics (Chuzhou) Corp.	Chuzhou Bwin Technology Corp.	Note 1	Purchases	146,451	5	OA 60 days~OA 120 days	Normal	Normal	(18,011) (	1)

Note 1: Investee company accounted for using equity method directly and indirectly.

Table 6-3

ENNOSTAR INC. AND SUBSIDIARIES

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

September 30, 2024

Table 7

Expressed in thousands of NTD
(Except as otherwise indicated)

Creditor	Counterparty	Relationship with the counterparty	Balance as at September 30, 2024			Turnover rate	Overdue receivables		Amount collected subsequent to the balance sheet date	Allowance for doubtful debts
			Accounts receivable	Other receivable	Total		Amount	Action taken		
Episky Corporation (Xiamen) Ltd.	Epistar Corporation	Note 3	\$ 152,977	\$ 55,354	\$ 208,331	3.29	\$ -	-	\$ -	\$ -
Shenzhen Epikylin Optoelectronics Co.,Ltd.	Episky Corporation (Xiamen) Ltd.	Note 3	139,205	-	139,205	2.62	138,110	-	-	-
Epistar Corporation	Episky Corporation (Xiamen) Ltd.	Note 3	339,119	5,345	344,464	2.87	3,311	-	54,327	-
Epistar Corporation	Unikom Semiconductor Corporation	Note 3	4,721	625,538	630,259	0.13	-	-	13,436	-
Epicrystal Corporation (ChangZhou) Ltd.	Jiangsu Canyang Optoelectronics Ltd.	Note 3	160,349	131	160,480	1.36	-	-	-	-
Epicrystal Corporation (ChangZhou) Ltd.	Epistar Corporation	Note 3	304,338	-	304,338	2.55	22,409	Note 1	153,912	-
Epicrystal Corporation (ChangZhou) Ltd.	Episky Corporation (Xiamen) Ltd.	Note 3	1,091,731	816,481	1,908,212	0.96	-	-	-	-
Jiangsu Canyang Optoelectronics Ltd.	Episky Corporation (Xiamen) Ltd.	Note 3	448,800	-	448,800	1.70	-	-	105,874	-
Jiangsu Canyang Optoelectronics Ltd.	Epicrystal Corporation (ChangZhou) Ltd.	Note 3	235,552	-	235,552	2.59	-	-	-	-
Epistar JV Holding (BVI)Co.,Ltd.	Epistar Corporation	Note 3	-	455,521	455,521	-	-	-	-	-
Lighting Investment Ltd.	Epistar JV Holding (BVI)Co.,Ltd.	Note 3	-	204,604	204,604	-	-	-	-	-
Lextar Electronics Corp.	AUO (Suzhou) Co., Ltd.	Other related parties	106,039	-	106,039	4.90	-	-	27,433	-
Lextar Electronics Corp.	Fortech Electronics (Suzhou) Co., Ltd.	Other related parties	100,216	-	100,216	5.19	-	-	21,854	-
Lextar Electronics (Chuzhou) Corp.	Lextar Electronics Corp.	Note 3	1,021,162	554	1,021,716	5.18	55,411	Note 2	238,130	-

Note 1: All the overdue amounts are being actively collected. Epicrystal Corporation (ChangZhou) Ltd. has recovered \$22,409 overdue from Epistar Corporation after the balance sheet date.

Note 2: All the overdue amounts are being actively collected. Lextar Electronics (Chuzhou) Corp. has recovered \$53,493 overdue from Lextar Electronics Corp. after the balance sheet date.

Note 3: Investee company accounted for using equity method directly and indirectly.

ENNOSTAR INC.AND SUBSIDIARIES
Significant inter-company transactions during the reporting periods
Nine months ended September 30, 2024

Table 8

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	ENNOSTAR Inc.	Lextar Electronics Corp.	1	Other sales	\$ 133,171	Based on contract terms	0.01
0	ENNOSTAR Inc.	Epistar Corporation	1	Other sales	269,048	Based on contract terms	0.01
1	Epistar Corporation	Episky Corporation (Xiamen) Ltd.	3	Sales	824,066	Conducted in the ordinary course of business with terms similar to those with third parties	0.04
1	Epistar Corporation	Lextar Electronics Corp.	3	Sales	133,095	Conducted in the ordinary course of business with terms similar to those with third parties	0.01
1	Epistar Corporation	Episky Corporation (Xiamen) Ltd.	3	Accounts receivable	339,119	Conducted in the ordinary course of business with terms similar to those with third parties	0.01
1	Epistar Corporation	Unikorn Semiconductor Corporation	3	Other receivable	625,538	Based on contract terms	0.01
2	Episky Corporation (Xiamen) Ltd.	Shenzhen Epikylin Optoelectronics Co.,Ltd.	3	Sales	303,476	Conducted in the ordinary course of business with terms similar to those with third parties	0.02
2	Episky Corporation (Xiamen) Ltd.	Epistar Corporation	3	Sales	402,183	Conducted in the ordinary course of business with terms similar to those with third parties	0.02
2	Episky Corporation (Xiamen) Ltd.	Lextar Electronics (Chuzhou) Corp.	3	Sales	169,214	Conducted in the ordinary course of business with terms similar to those with third parties	0.01
2	Episky Corporation (Xiamen) Ltd.	Epistar Corporation	3	Accounts receivable	152,977	Conducted in the ordinary course of business with terms similar to those with third parties	0.00

Table 8-1

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	Epicrystal Corporation (ChangZhou) Ltd.	Jiangsu Canary Optoelectronics Ltd.	3	Sales	\$ 345,045	Conducted in the ordinary course of business with terms similar to those with third parties	0.02
3	Epicrystal Corporation (ChangZhou) Ltd.	Epistar Corporation	3	Sales	594,520	Conducted in the ordinary course of business with terms similar to those with third parties	0.03
3	Epicrystal Corporation (ChangZhou) Ltd.	Episky Corporation (Xiamen) Ltd.	3	Sales	1,158,642	Conducted in the ordinary course of business with terms similar to those with third parties	0.06
3	Epicrystal Corporation (ChangZhou) Ltd.	Jiangsu Canary Optoelectronics Ltd.	3	Accounts receivable	160,349	Conducted in the ordinary course of business with terms similar to those with third parties	0.00
3	Epicrystal Corporation (ChangZhou) Ltd.	Epistar Corporation	3	Accounts receivable	304,338	Conducted in the ordinary course of business with terms similar to those with third parties	0.01
3	Epicrystal Corporation (ChangZhou) Ltd.	Episky Corporation (Xiamen) Ltd.	3	Accounts receivable	1,032,676	Conducted in the ordinary course of business with terms similar to those with third parties	0.02
3	Epicrystal Corporation (ChangZhou) Ltd.	Episky Corporation (Xiamen) Ltd.	3	Other receivable	816,481	Based on contract terms	0.01
4	Jiangsu Canary Optoelectronics Ltd.	Episky Corporation (Xiamen) Ltd.	3	Sales	813,963	Conducted in the ordinary course of business with terms similar to those with third parties	0.04
4	Jiangsu Canary Optoelectronics Ltd.	Epicrystal Corporation (ChangZhou) Ltd.	3	Sales	493,452	Conducted in the ordinary course of business with terms similar to those with third parties	0.03
4	Jiangsu Canary Optoelectronics Ltd.	Episky Corporation (Xiamen) Ltd.	3	Accounts receivable	448,800	Conducted in the ordinary course of business with terms similar to those with third parties	0.01

Table 8-2

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	
4	Jiangsu Canyang Optoelectronics Ltd.	Epicrystal Corporation (ChangZhou) Ltd.	3	Accounts receivable	\$ 235,552	Conducted in the ordinary course of business with terms similar to those with third parties	0.00
5	Shenzhen Epikylin Optoelectronics Co.,Ltd.	Episky Corporation (Xiamen) Ltd.	3	Sales	137,391	Conducted in the ordinary course of business with terms similar to those with third parties	0.01
5	Shenzhen Epikylin Optoelectronics Co.,Ltd.	Episky Corporation (Xiamen) Ltd.	3	Accounts receivable	139,205	Conducted in the ordinary course of business with terms similar to those with third parties	0.00
6	Epistar JV Holding (BVI)Co.,Ltd.	Epistar Corporation	3	Other receivable	455,521	Based on contract terms	0.01
7	Lighting Investment Ltd.	Epistar JV Holding (BVI)Co.,Ltd.	3	Other receivable	204,604	Based on contract terms	0.00
8	Lextar Electronics (Chuzhou) Corp.	Lextar Electronics Corp.	3	Sales	1,987,815	Conducted in the ordinary course of business with terms similar to those with third parties	0.11
8	Lextar Electronics (Chuzhou) Corp.	Lextar Electronics Corp.	3	Accounts receivable	1,021,162	Conducted in the ordinary course of business with terms similar to those with third parties	0.02

Note 1: Parent company is '0'.The subsidiaries are numbered in order starting from '1'.

Note 2: Relationship between transaction company and counterparty is classified into the following three categories; fill in the number of category each case belongs to (If transactions between parent company and subsidiaries or between subsidiaries refer to the same transaction, it is not required to disclose twice. For example, if the parent company has already disclosed its transaction with a subsidiary, then the subsidiary is not required to disclose the transaction; for transactions between two subsidiaries, if one of the subsidiaries has disclosed the transaction, then the other is not required to disclose the transaction.):

- (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: Disclosure of the transactions over 100 million New Taiwan dollars only and the related party transactions for counterparty are not disclosed.

ENNOSTAR INC. AND SUBSIDIARIES

Information on investees

Nine months ended September 30, 2024

Table 9

Expressed in thousands of NTD

(Except as otherwise indicated)

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at September 30, 2024			Net profit (loss) of the investee for the nine months ended September 30, 2024	Investment income (loss) recognised by the Company for the nine months ended September 30, 2024	Footnote
				Balance as at September 30, 2024	Balance as at December 31, 2023	Number of shares	Ownership (%)	Book value			
ENNOSTAR Inc.	Epistar Corporation	Taiwan	Researching, developing, manufacturing and sales of LED wafers and chips	\$ 41,234,780	\$ 38,607,380	1,207,079,188	100.00	\$ 31,476,591	(\$ 314,323)	(\$ 269,450)	
ENNOSTAR Inc.	Lextar Electronics Corp.	Taiwan	Manufacturing and sales of LED wafers, packages and modules	11,724,646	11,724,646	514,916,380	100.00	10,076,242	(90,634)	(130,180)	
ENNOSTAR Inc.	Harvestar Investment Corp.	Taiwan	General investment	1,150,000	1,150,000	115,000,000	100.00	612,742	(132,995)	(132,995)	
ENNOSTAR Inc.	Tyntek Corporation	Taiwan	Research and development, manufacture, sales of gallium arsenide, infrared, light-emitting diode, laser diode, phototransistor, photodiode, single crystal, epitaxy and chip, and concurrent research and development, manufacture and sales of electro-optical system of export-import trade	584,583	584,583	23,799,000	7.92	629,391	126,199	11,717	Note 1
ENNOSTAR Inc.	Amengine Corporation	Taiwan	Developing, manufacturing and sales of optical sensing modules	40,212	40,212	6,922,000	75.96	4,552	(13,089)	(9,942)	
ENNOSTAR Inc.	GCS Holdings, Inc.	Cayman Islands	OEM manufacturing of GaAs / InP / GaN / SiC wafers for RF and optoelectronics	431,990	431,990	9,028,000	8.07	276,245	(188,160)	(39,540)	Note 1

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at September 30, 2024					Footnote
				Balance as at September 30, 2024	Balance as at December 31, 2023	Number of shares	Ownership (%)	Book value	Net profit (loss) of the investee for the nine months ended September 30, 2024	Investment income (loss) recognised by the Company for the nine months ended September 30, 2024	
ENNOSTAR Inc.	Calystar Investment Corp.	Taiwan	General investment	\$ 440,000	\$ 440,000	45,355,925	100.00	\$ 361,617	(\$ 24,916)	(\$ 24,916)	
ENNOSTAR Inc.	Unikorn Semiconductor Corporation	Taiwan	Original equipment manufacturer of III-V semiconductor	-	783,132	-	-	-	(684,133)	(119,775)	
ENNOSTAR Inc.	Precistar Investment Corp.	Taiwan	General investment	-	480,000	-	-	-	(45,498)	(45,498)	
ENNOSTAR Inc.	Praistar Investment Corp.	Taiwan	General investment	-	270,000	-	-	-	(25,618)	(25,618)	
ENNOSTAR Inc.	Manastar Investment Corp.	Taiwan	General investment	-	1,000	-	-	-	(64)	(64)	
Harvestar Investment Corp.	GCS Holdings, Inc.	Cayman Islands	OEM manufacturing of GaAs / InP / GaN / SiC wafers for RF and optoelectronics	433,099	433,099	9,013,000	8.05	326,772	(188,160)	(39,539)	Note 1
Harvestar Investment Corp.	Tyntek Corporation	Taiwan	Research and development, manufacture, sales of gallium arsenide, infrared, light-emitting diode, laser diode, phototransistor, photodiode, single crystal, epitaxy and chip, and concurrent research and development, manufacture and sales of electro-optical system of export-import trade	263,864	263,864	13,089,000	4.35	260,464	126,199	5,656	Note 1
Harvestar Investment Corp.	Unikorn Semiconductor Corporation	Taiwan	Original equipment manufacturer of III-V semiconductor	-	444,785	-	-	-	(684,133)	(99,145)	
Precistar Investment Corp.	Unikorn Semiconductor Corporation	Taiwan	Original equipment manufacturer of III-V semiconductor	-	476,300	-	-	-	(684,133)	(45,434)	

Table 9-2

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at September 30, 2024					Footnote
				Balance as at September 30, 2024	Balance as at December 31, 2023	Number of shares	Ownership (%)	Book value	Net profit (loss) of the investee for the nine months ended September 30, 2024	Investment income (loss) recognised by the Company for the nine months ended September 30, 2024	
Calystar Investment Corp.	GCS Holdings, Inc.	Cayman Islands	OEM manufacturing of GaAs / InP / GaN / SiC wafers for RF and optoelectronics	\$ 265,135	\$ 265,135	6,500,000	5.81	\$ 174,516	(\$ 188,160)	(\$ 28,506)	Note 1
Calystar Investment Corp.	Tyntek Corporation	Taiwan	Research and development, manufacture, sales of gallium arsenide, infrared, light-emitting diode, laser diode, phototransistor, photodiode, single crystal, epitaxy and chip, and concurrent research and development, manufacture and sales of electro-optical system of export-import trade	151,238	151,238	8,094,000	2.69	145,827	126,199	3,498	Note 1
Praistar Investment Corp.	Unikorn Semiconductor Corporation	Taiwan	Original equipment manufacturer of III-V semiconductor	-	268,000	-	-	-	(684,133)	(25,540)	
Unikorn Semiconductor Corporation	GCS Holdings, Inc.	Cayman Islands	OEM manufacturing of GaAs / InP / GaN / SiC wafers for RF and optoelectronics	1,051	1,051	20,000	0.02	880	(188,160)	(3)	Note 1
Epistar Corporation	iReach Corporation	Taiwan	Manufacturing, sales, packaging and module design of semiconductor light emitting devices	70,000	70,000	7,000,000	34.30	47,977	(29,772)	(6,886)	
Epistar Corporation	Epistar JV Holding (BVI) Co.,Ltd.	British Virgin Islands	General investment	14,960,129	14,960,129	48,278	100.00	8,291,805	(159,920)	(244,502)	
Epistar Corporation	Lighting Investment Corp.	Taiwan	General investment	1,561,814	1,561,814	191,478,518	100.00	1,698,568	84,101	85,251	
Epistar Corporation	Unikorn Semiconductor Corporation	Taiwan	Original equipment manufacturer of III-V semiconductor	1,340,825	826,083	336,485,000	100.00	(103,298)	(684,133)	(105,174)	
Epistar Corporation	TE OPTO CORPORATION	Taiwan	Sales of LED chips	9,200	9,200	920,000	40.00	45,390	9,733	3,893	
Epistar Corporation	GaN Force Corporation	Taiwan	Design, manufacturing and sales of semiconductor materials and modules	77,700	77,700	1,118,600	64.32	701	35	23	

Table 9-3

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at September 30, 2024					Footnote
				Balance as at September 30, 2024	Balance as at December 31, 2023	Number of shares	Ownership (%)	Book value	Net profit (loss) of the investee for the nine months ended September 30, 2024	Investment income (loss) recognised by the Company for the nine months ended September 30, 2024	
Epistar Corporation	Tyntek Corporation	Taiwan	Research and development, manufacture, sales of gallium arsenide, infrared, light-emitting diode, laser diode, phototransistor, photodiode, single crystal, epitaxy and chip, and concurrent research and development, manufacture and sales of electro-optical system of export-import trade	\$ 1,243	\$ 1,243	50,000	0.02	\$ 1,187	\$ 126,199	\$ 21	Note 1
Epistar Corporation	Can Yang Investments Limited	Hong Kong	General investment	66,745	66,745	2,679,063	3.53	61,743	87,585	3,087	
Epistar JV Holding (BVI) Co.,Ltd.	HUGA Holding (SAMOA) Limited	Samoa	General investment	334,967	334,967	12,551,035	100.00	3,504	85	85	
Epistar JV Holding (BVI) Co.,Ltd.	Lite Star JV Holding (BVI) CO., Ltd.	British Virgin Islands	General investment	3,408,835	3,408,835	10,882	82.41	3,376,342 (	94,241) (	77,664)	
Epistar JV Holding (BVI) Co.,Ltd.	United LED Corporation Hong Kong Limited	Hong Kong	General investment	2,029,760	2,029,760	67,000,165	74.86	280,787	14,251	10,668	
Epistar JV Holding (BVI) Co.,Ltd.	Episky (Hong Kong) Ltd.	Hong Kong	General investment	2,124,096	2,124,096	cash USD68,000,000	100.00	1,876,568 (	170,433) (	170,433)	
Epistar JV Holding (BVI) Co.,Ltd.	Can Yang Investments Limited	Hong Kong	General investment	4,391,621	4,385,900	67,045,899	88.21	1,545,022	87,585	77,271	
Lighting Investment Ltd.	LEDAZ CO., Ltd.	Korea	Engineering service of LED	48,166	48,166	88,460	28.13	15,910	25,225	1,644	
Lighting Investment Ltd.	Interlight Optotech (HK) Co.,Limited.	Hong Kong	Sales of LED packages	12,806	12,806	429,000	30.00	7,758	177	53	
Lighting Investment Ltd.	Luxlite (HK) Corporation Limited	Hong Kong	General investment	133,979	133,979	3,800,000	100.00	305,313	2,985	2,985	
Lite Star JV Holding (BVI) Co.,Ltd.	Epicrystal (Hong Kong) Co. Ltd.	Hong Kong	General investment	4,403,034	4,403,034	146,600,000	100.00	4,096,572 (	89,827) (	89,827)	
Lighting Investment Corp.	LEDAZ CO., Ltd.	Korea	Engineering service of LED	23,993	23,993	44,065	14.01	7,926	25,225	5,852	

Table 9-4

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at September 30, 2024					Footnote
				Balance as at September 30, 2024	Balance as at December 31, 2023	Number of shares	Ownership (%)	Book value	Net profit (loss) of the investee for the nine months ended September 30, 2024	Investment income (loss) recognised by the Company for the nine months ended September 30, 2024	
Lighting Investment Corp.	Lighting Investment Ltd.	British Virgin Islands	General investment	\$ 152,701	\$ 152,701	45,643	100.00	\$ 777,140	\$ 25,772	\$ 25,772	
Lighting Investment Corp.	Can Yang Investments Limited	Hong Kong	General investment	72,436	72,436	5,218,605	6.87	120,330	87,585	6,017	
Lighting Investment Corp.	LEDOLUX Sp.Zo.O.	Poland	Assembling and sales of LED bulbs	133,455	133,455	156,994	60.00	11,527 (	1,791) (	1,075)	
Lighting Investment Corp.	Tyntek Corporation	Taiwan	Research and development, manufacture, sales of gallium arsenide, infrared, light-emitting diode, laser diode, phototransistor, photodiode, single crystal, epitaxy and chip, and concurrent research and development, manufacture and sales of electro-optical system of export-import trade	1,276	1,276	50,000	0.02	780	126,199	22	Note 1
Lighting Investment Corp.	GaN Force Corporation	Taiwan	Design, manufacturing and sales of semiconductor materials and modules	641	641	620,400	35.68	709	35	12	
Lighting Investment Corp.	Domi-Star Optoelectronics Corporation	Taiwan	Design and sales of LED lighting product	490	490	49,000	49.00	289 (	45) (	22)	
Episky Corporation (Xiamen) Ltd	Epicrystal (ChangZhou) Co., Ltd.	China	Manufacturing and sales of LED wafers and chips	147,472	147,472	cash USD5,200,000	3.31	145,209 (	96,195) (	3,184)	
Epicrystal (ChangZhou) Co., Ltd.	Changzhou Chemsemi Co., Ltd.	China	OEM manufacturing of compound semiconductor RFID wafers and optoelectronic wafers	469,590	469,590	cash RMB63,685,809	10.44	409,418 (	1,890,119) (	197,404)	
Episky Corporation (Xiamen) Ltd	LEADSTAR Micro-Crystal Display Corporation (JiangSu) Ltd.	China	Developing, manufacturing and sales of LED packages, modules and related applications	164,862	164,862	cash RMB38,800,000	9.70	141,619	23,011	2,013	
Episky Corporation (Xiamen) Ltd	Shenzhen Epikylin Optoelectronics Co.,Ltd.	China	Sales of LED chips	43,770	43,770	cash RMB10,000,000	100.00	216,085 (	18,073) (	18,073)	

Table 9-5

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at September 30, 2024					Footnote
				Balance as at September 30, 2024	Balance as at December 31, 2023	Number of shares	Ownership (%)	Book value	Net profit (loss) of the investee for the nine months ended September 30, 2024	Investment income (loss) recognised by the Company for the nine months ended September 30, 2024	
Lextar Electronics Corp.	LEXTAR (SINGAPORE) PTE. LTD.	Singapore	General investment	\$ 2,709,310	\$ 2,709,310	90,270,000	100.00	\$ 2,726,242	(\$ 4,936)	(\$ 4,936)	
Lextar Electronics Corp.	Wellypower Optronics Corporation	British Virgin Islands	General investment	44,898	44,898	5,153,061	100.00	179,719	(270)	(270)	
Lextar Electronics Corp.	Apower Optronics Corporation	British Virgin Islands	General investment	381,638	381,638	31,600,000	100.00	1,291,460	(2,781)	(2,781)	
Lextar Electronics Corp.	Liang Li Venture Corp.	Taiwan	General investment	175,374	175,374	18,000,000	100.00	108,726	(5,813)	(5,813)	
Lextar Electronics Corp.	Wellybond Corporation	Taiwan	General investment	746,484	746,484	75,000,000	100.00	447,714	(36,859)	(36,859)	
Lextar Electronics Corp.	Trendylite Corporation	Taiwan	Sales of products	20,874	20,874	3,150,000	53.84	32,042	(3,690)	(2,310)	
Lextar Electronics Corp.	Hexawave, Inc.	Taiwan	Manufacturing and sales of compound semiconductor materials and modules	147,506	147,506	12,716,000	31.48	23,098	(57,848)	(18,971)	
Lextar Electronics Corp.	Yenrich Technology Corporation	Taiwan	Manufacturing and sales of electronic component	505,487	580,487	7,538,471	39.37	46,450	(91,723)	(81,612)	
Lextar Electronics Corp.	ProLight Opto Technology Corporation	Taiwan	Manufacturing and sales of LED packages	99,081	99,081	6,700,000	9.84	70,474	(61,022)	(6,002)	
Lextar Electronics Corp.	Tyntek Corporation	Taiwan	Research and development, manufacture, sales of gallium arsenide, infrared, light-emitting diode, laser diode, phototransistor, photodiode, single crystal, epitaxy and chip, and concurrent research and development, manufacture and sales of electro-optical system of export-import trade	1,304	1,304	50,000	0.02	922	126,199	(60)	Note 1
LEXTAR (SINGAPORE) PTE. LTD.	Lextar Electronics Korea Ltd.	Korea	Sale of LED and aftersales service	3,025	3,025	22,000	100.00	5,429	387	387	

Table 9-6

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at September 30, 2024					Footnote
				Balance as at September 30, 2024	Balance as at December 31, 2023	Number of shares	Ownership (%)	Book value	Net profit (loss) of the investee for the nine months ended September 30, 2024	Investment income (loss) recognised by the Company for the nine months ended September 30, 2024	
LEXTAR (SINGAPORE) PTE. LTD.	Aurora International Lighting Corporation Limited	Hong Kong	Sales of lighting	\$ 204,136	\$ 204,136	2,000,000	20.00	\$ -	(\$ 27,180)	\$ -	
Wellybond Corporation	Vogito Innovation Co., Ltd.	Taiwan	Design, developing, researching and sales of health care products	1,000	1,000	100,000	50.00	4,727	3,146	1,573	
Wellybond Corporation	Hexawave, Inc.	Taiwan	Manufacturing and sales of compound semiconductor materials and modules	147,494	147,494	12,715,000	31.48	23,097	(57,848)	(18,970)	
Wellybond Corporation	WellyHertz Electronics Corp.	Taiwan	Manufacturing of electronic products	-	51,400	-	-	-	(4,432)	(3,877)	
Wellybond Corporation	Trendylite Corporation	Taiwan	Sales of products	18,312	-	2,361,538	40.37	24,021	(3,690)	(1,207)	
Wellybond Corporation	ProLight Opto Technology Corporation	Taiwan	Manufacturing and sales of LED packages	313,670	313,670	21,417,000	31.47	225,275	(61,022)	(19,186)	
Wellybond Corporation	Tyntek Corporation	Taiwan	Research and development, manufacture, sales of gallium arsenide, infrared, light-emitting diode, laser diode, phototransistor, photodiode, single crystal, epitaxy and chip, and concurrent research and development, manufacture and sales of electro-optical system of export-import trade	1,288	1,288	50,000	0.02	907	126,199	(61)	Note 1
Liang Li Venture Corp.	ProLight Opto Technology Corporation	Taiwan	Manufacturing and sales of LED packages	96,604	96,604	6,700,000	9.84	70,474	(61,022)	(6,002)	

Table 9-7

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at September 30, 2024				Net profit (loss) of the investee for the nine months ended September 30, 2024	Investment income (loss) recognised by the Company for the nine months ended September 30, 2024	Footnote
				Balance as at September 30, 2024	Balance as at December 31, 2023	Number of shares	Ownership (%)	Book value				
Liang Li Venture Corp.	Tyntek Corporation	Taiwan	Research and development, manufacture, sales of gallium arsenide, infrared, light-emitting diode, laser diode, phototransistor, photodiode, single crystal, epitaxy and chip, and concurrent research and development, manufacture and sales of electro-optical system of export-import trade	\$ 1,293	\$ 1,293	50,000	0.02	\$ 916	\$ 126,199	(\$ 58)	Note 1	
Hexawave, Inc.	WellyWave Semiconductors Inc.	Taiwan	Manufacturing and sales of compound semiconductor materials and modules	-	49,000	-	-	-	(18,257)	(6,353)		
ProLight Opto Technology Corporation	Prolight Opto Holding Corporation	Seychelles	General investment	4,402	4,402	150,000	100.00	619	3,148	3,148		
Prolight Opto Holding Corporation	ProLight Opto Technology Corporation	Seychelles	General investment	4,403	4,403	150,000	100.00	646	3,148	3,148		
Lextar Electronics (Suzhou) Corp.	Lextar Electronics (Chuzhou) Corp.	China	Manufacturing and sales of LED and modules	3,094,825	3,094,825	cash RMB700,000,000	100.00	3,908,654	49,588	49,588		
Lextar Electronics (Suzhou) Corp.	Chuzhou Bwin Technology Corp.	China	Developing, manufacturing, sales of metal and plastic technical products.	138,913	130,726	cash RMB30,500,000	30.50	15,536	(70,052)	(21,036)		
Lextar Electronics (Chuzhou) Corp.	Chuzhou Bwin Technology Corp.	China	Developing, manufacturing, sales of metal and plastic technical products.	-	244,748	-	-	-	(70,052)	(32,992)		

Note 1: The group holds two seats on the Board of Directors, which indicates that the Group has significant influence over the investee. Accordingly, the Group listed the investee as an associate.

ENNOSTAR INC. AND SUBSIDIARIES
Information on investments in Mainland China
Nine months ended September 30, 2024

Table 10

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 Mainland China as of January 1, 2024	Amount remitted from Taiwan to Mainland China/ Amount remitted back to Taiwan for the nine months ended September 30, 2024		Accumulated amount of remittance from Taiwan to Mainland China as of September 30, 2024	Net income of investee for the nine months ended September 30, 2024	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the nine months ended September 30, 2024	Book value of investments in Mainland China as of September 30, 2024	Accumulated amount of investment income remitted back to Taiwan as of September 30, 2024	Footnote
					Remitted to Mainland China	Remitted back to Taiwan							
LEADSTAR Micro-Crystal Display Corporation (JiangSu) Ltd.	Developing, manufacturing and sales of LED packages, modules and related applications	\$ 1,809,200	1	\$ 583,428	\$ -	\$ -	\$ 583,428	\$ 23,011	33.63	\$ 1,806	\$ 520,243	\$ -	2(3)、6
Episky Corporation (Xiamen) Ltd.	Manufacturing and sales of LED chips	2,152,200	2	2,124,096	-	-	2,124,096	(170,433)	100.00	(170,433)	1,876,561	-	2(3)
United LED Shan Dong Corporation	Manufacturing and sales of LED wafers and chips	2,658,600	2	1,824,844	-	-	1,824,844	14,001	74.86	10,481	294,199	-	2(3)
Epicrystal Corporation (ChangZhou) Ltd.	Manufacturing and sales of LED wafers and chips	4,969,050	2	3,423,550	-	-	3,423,550	(96,195)	76.95	(74,026)	3,375,984	-	2(1)
Luxlite (Shenzhen) Corporation Limited	Sales of LED chips	94,950	2	48,687	-	-	48,687	-	-	-	-	57,480	2(1)
Bridgelux Optoelectronic (Xiamen) Co.,Ltd.	Manufacturing and sales of LED wafers, chips, packages and modules	1,356,900	2	1,461,593	-	-	1,461,593	-	18.77	-	33,232	-	2(3)

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, 2024	Amount remitted from Taiwan to Mainland China/ Amount remitted back to Taiwan for the nine months ended September 30, 2024		Accumulated amount of remittance from Taiwan to Mainland China as of September 30, 2024	Net income of investee for the nine months ended September 30, 2024	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the nine months ended September 30, 2024	Book value of investments in Mainland China as of September 30, 2024	Accumulated amount of investment income remitted back to Taiwan as of September 30, 2024	Footnote
					Remitted to Mainland China	Remitted back to Taiwan							
APT Electronics Co., Ltd.	Developing, manufacturing and sale of LED extension and chip, module and light instrument	\$ 2,254,746	3	\$ 296,108	-	-	\$ 296,108	-	9.65	-	-	-	2(3)
China Crystal Technologies Co.,Ltd.	Developing, manufacturing and sale of gallium arsenide unit crystal and chips	979,683	2	96,084	-	-	96,084	-	8.19	-	-	-	2(3)
Jiangsu Canyang Optoelectronics Ltd.	Manufacturing and sales of LED wafers and chips	6,076,800	2	2,592,697	5,721	-	2,598,418	(5,649)	98.61	(5,570)	1,783,434	-	2(3)
Lextar Electronics (Suzhou) Corp.	Manufacturing and sales of LED and modules	3,722,205	2	3,585,860	-	-	3,585,860	(10,499)	100.00	(10,499)	3,971,776	-	2(2)
Shanghai Welight Electronic Co., LTD.	Wholesale and export and import of LED and related electronic products	4,695	2	4,695	-	-	4,695	2,954	51.15	1,511	672	-	2(3)

Table 10-2

Company name	Accumulated amount of remittance from Taiwan to Mainland China as of September 30, 2024	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
ENNOSTAR Inc.	\$ 436,383	\$ 306,962	\$ 44,861,303
Epistar Corporation	\$ 12,791,581	\$ 13,209,653	\$ 31,534,811
Lextar Electronics Corp.	\$ 3,737,600	\$ 4,198,743	\$ 8,805,128

Note 1: The investments are classified in three types; they are numbered as follows:

1. Direct investment in Mainland China companies;
2. Through investing in an existing company in the third area, which then invested in the investee in Mainland China.
3. Other ways.

Note 2: Investment income or loss in this period:

The bases for recognition of investment income or loss are classified into four types; they are numbered as follows:

1. The financial statements that are reviewed by the international accounting firm which has a cooperative relationship with the R.O.C. accounting firm;
2. The financial statements that are reviewed by the R.O.C. parent company's independent auditors;
3. The financial statements that are not reviewed by the independent auditors;
4. Others.

Note 3: The amount disclosed was based on Investment Commission, MOEA Regulation No. 09704604680 announced on August 29, 2008.

Note 4: The numbers in the table shall be expressed in NTD. Foreign currencies shall be translated into NTD at the exchange rate prevailing on the financial reporting date.

Note 5: The 'amounts' are expressed in thousands of New Taiwan dollars.

Note 6: In September 2023, Yenrich Technology Corporation transferred all the equity interests in LEADSTAR Micro-Crystal Display Corporation (Jiangsu) Ltd. to ENNOSTAR Inc. Pursuant to the Jing-Shen-II-Zi Letter No.11200120910 on September 11, 2023, the original approval of the investment of Yenrich Technology Corporation was cancelled as the transfer of LEADSTAR Micro-Crystal Display Corporation (Jiangsu) Ltd. was implemented and approved by the Investment Commission. ENNOSTAR Inc. acquired the equity interests in EADSTAR Micro-Crystal Display Corporation (Jiangsu) Ltd. in the amount of NT\$ 306,962 thousand, which was the investment amount of Yenrich Technology Corporation as originally approved by the Investment Commission.

Note 7: Ningbo Formosa Epitaxy Incorporation, and Lextar Electronics (Xiamen) Co., Ltd. had cancelled business registration and remitted the remaining amount of liquidation in 2020 and 2023, respectively. The above mentioned amount has not yet been remitted back from the third area to Taiwan.

Note 8: Due to the capital reduction and disposal of all the shares, Huarui (Huizhou) Co., Ltd. remitted back the investment amount in 2018. Due to the deregistration, UFECO Technology Inc. remitted back the remaining amount of liquidation in 2020. The above mentioned amount was remitted back to Taiwan but is pending to apply to the Investment Commission of MOEA for approval.

ENNOSTAR INC. AND SUBSIDIARIES

Significant transactions conducted with investees in Mainland China directly or indirectly through other companies in the third areas

Nine months ended September 30, 2024

Table 11

Expressed in thousands of NTD
(Except as otherwise indicated)

Investee in Mainland China	Sale (purchase)		Property transaction		Accounts receivable (payable)		Provision of endorsements/guarantees or collaterals			Financing			
	Amount	%	Amount	(loss) gain	Balance at September 30, 2024	%	Balance at September 30, 2024	Purpose	Maximum balance during the nine months ended September 30, 2024	Balance at September 30, 2024	Interest rate	Interest during the nine months ended September 30, 2024	Others
Episky Corporation (Xiamen) Ltd.	\$ 824,066	6.65	\$ 75,802	17,951	\$ 339,119	0.81	\$ -	-	\$ -	\$ -	-	\$ -	-
Episky Corporation (Xiamen) Ltd.	(402,183)	(3.25)	-	-	(152,977)	(0.36)	-	-	-	-	-	-	-
Epicrystal (ChangZhou) Co., Ltd.	(594,520)	(4.80)	19,235	7,964	(304,338)	(0.73)	-	-	-	-	-	-	-
Lextar Electronics (Chuzhou) Corp.	(1,987,815)	(30.13)	-	-	(1,021,162)	(8.38)	-	-	-	-	-	-	-

Note 1: Disclosure of the transactions over 100 million New Taiwan dollars only

ENNOSTAR INC. AND SUBSIDIARIES

Major Shareholders Information

September 30, 2024

Table 12

Major Shareholders	Shareholding	
	Number of Shares Held	Shareholding Ratio
AUO Corporation	93,568,898	12.42