

CORETRONIC CORPORATION AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS

WITH

REPORT OF INDEPENDENT ACCOUNTANTS

FOR THE THREE MONTHS ENDED

MARCH 31, 2024 AND 2023

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English Translation of a Report Originally Issued in Chinese

Review Report of Independent Accountants

To Coretronic Corporation

Introduction

We have reviewed the accompanying consolidated balance sheets of Coretronic Corporation (the “Company”) and its subsidiaries as of March 31, 2024 and 2023, the related consolidated statements of comprehensive income for the three-month periods ended March 31, 2024 and 2023, changes in equity and cash flows for the three-month periods ended March 31, 2024 and 2023, and notes to the consolidated financial statements, including the summary of significant accounting policies (together “the consolidated financial statements”). Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, “Interim Financial Reporting” as endorsed and became effective by Financial Supervisory Commission of the Republic of China. 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 Standard on Review Engagements 2410, “Review of Financial Information Performed by the Independent Auditor of the Entity” of 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 conducted in accordance with auditing standards generally accepted in the Republic of China 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 subsidiaries were not reviewed by independent accountants. Those statements reflect total assets of NT\$36,205,476 thousand and NT\$26,647,118 thousand, representing 64.87% and 51.86% of the consolidated total assets, and total liabilities of NT\$6,748,717 thousand and NT\$2,148,009 thousand, representing 22.28% and 7.93% of the consolidated total liabilities as of March 31, 2024 and 2023, respectively; and total comprehensive income of NT\$447,343 thousand and NT\$32,877 thousand, representing 43.00% and 3.66% of the consolidated total comprehensive income for the three-month periods ended March 31, 2024 and 2023, respectively. As explained in Note 6(8), the financial statements of certain associates and joint ventures accounted for using the equity method were not reviewed by independent accountants. Those associates and joint ventures under the equity method amounted to NT\$38,120 thousand and NT\$47,006 thousand as of March 31, 2024 and 2023, respectively. The related shares of loss from the associates and joint ventures under the equity method amounted to NT\$2,867 and NT\$3,108 thousand for the three-month periods ended March 31, 2024 and 2023, respectively. The information related to above subsidiaries, associates and joint ventures accounted for using the equity method disclosed in Note 13 was also not reviewed by independent accountants.

Qualified Conclusion

Based on our reviews, except for the effect of such adjustments, if any, as might have been determined to be necessary had the financial statements of certain insignificant subsidiaries, associates and joint ventures accounted for using the equity method and the information been reviewed by independent accountants described in the preceding paragraph, 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 Company and its subsidiaries as of March 31, 2024 and 2023, and their consolidated financial performance for the three-month periods ended March 31, 2024 and 2023, and cash flows for the three-month periods ended March 31, 2024 and 2023, in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, “Interim Financial Reporting” as endorsed and became effective by Financial Supervisory Commission of the Republic of China.

Kuo, Shao-Pin

Huang, Ming-Ju

Ernst & Young, Taiwan
April 29, 2024

Notice to Readers

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

Accordingly, the accompanying financial statements and report of independent accountants are not intended for use by those who are not informed about the Standards on Auditing of the Republic of China, and their applications in practice. As the financial statements are the responsibility of the management, Ernst & Young cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

English Translation of Consolidated Financial Statements Originally Issued in Chinese

CORETRONIC CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

As of March 31, 2024, December 31, 2023, and March 31, 2023

(Amounts in thousands of New Taiwan Dollars)

ASSETS	Note	March 31, 2024	%	December 31, 2023	%	March 31, 2023	%
Current assets							
Cash and cash equivalents	6(1)	\$ 16,265,071	29.14	\$ 16,555,958	29.77	\$ 11,813,164	22.99
Financial assets at fair value through profit or loss - current	6(2)	698,546	1.25	452,577	0.82	148,662	0.29
Financial assets at amortised cost - current	6(4)	2,353,462	4.22	1,258,522	2.26	2,301,125	4.48
Notes receivable, net	6(5), 6(21)	21,968	0.04	28,264	0.05	24,179	0.05
Trade receivables, net	6(6), 6(21)	8,984,308	16.10	9,885,356	17.78	9,332,986	18.16
Trade receivables - related parties, net	6(6), 6(21), 7	726	-	639	-	431	-
Other receivables	7,8	858,380	1.54	888,419	1.60	1,653,866	3.22
Current tax assets	4, 6(26)	49,058	0.09	39,742	0.07	41,809	0.08
Inventories, net	5,6(7),10	7,434,497	13.32	8,588,936	15.45	8,789,262	17.11
Prepayments		1,085,899	1.95	921,490	1.66	916,316	1.78
Other current assets		153,053	0.27	146,781	0.27	229,711	0.45
Total current assets		<u>37,904,968</u>	<u>67.92</u>	<u>38,766,684</u>	<u>69.73</u>	<u>35,251,511</u>	<u>68.61</u>
Non-current assets							
Financial assets at fair value through other comprehensive income - noncurrent	6(3)	5,559,585	9.96	5,308,046	9.55	4,548,912	8.85
Investments accounted for using the equity method	6(8)	38,120	0.07	40,975	0.07	47,006	0.09
Property, plant and equipment, net	5,6(9), 8,10	9,045,040	16.21	8,431,972	15.16	8,185,664	15.93
Right-of-use assets	6(22)	2,233,975	4.00	1,804,091	3.24	2,128,352	4.14
Investment property, net	6(10), 8	134,108	0.24	136,161	0.24	142,213	0.28
Intangible assets	6(11)	319,188	0.57	310,952	0.56	342,465	0.67
Deferred tax assets	4, 6(26)	339,795	0.61	238,534	0.43	312,734	0.61
Net defined benefit assets - noncurrent, net	6(16)	49,360	0.09	55,891	0.10	36,212	0.07
Other noncurrent assets	8	184,869	0.33	510,598	0.92	387,101	0.75
Total non-current assets		<u>17,904,040</u>	<u>32.08</u>	<u>16,837,220</u>	<u>30.27</u>	<u>16,130,659</u>	<u>31.39</u>
Total assets		<u>\$ 55,809,008</u>	<u>100.00</u>	<u>\$ 55,603,904</u>	<u>100.00</u>	<u>\$ 51,382,170</u>	<u>100.00</u>

(continued)

English Translation of Consolidated Financial Statements Originally Issued in Chinese
CORETRONIC CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
As of March 31, 2024, December 31, 2023, and March 31, 2023
(Amounts in thousands of New Taiwan Dollars)

LIABILITIES AND EQUITY	Note	March 31, 2024	%	December 31, 2023	%	March 31, 2023	%
Current liabilities							
Short-term borrowings	6(12),8	\$ 13,949,651	25.00	\$ 13,512,487	24.30	\$ 7,778,229	15.14
Financial liabilities at fair value through profit or loss - current	6(13)	194,780	0.35	347,557	0.62	75,583	0.15
Hedging financial liabilities - current	6(14)	-	-	-	-	16,138	0.03
Contract liabilities - current	6(20)	881,342	1.58	776,210	1.40	602,621	1.17
Notes payable		353	-	352	-	12,766	0.02
Accounts payable		6,719,729	12.04	7,567,334	13.61	5,330,465	10.37
Accounts payable - related parties	7	15,313	0.03	34,476	0.06	45,485	0.09
Other payables	7	4,900,981	8.78	3,934,309	7.08	5,375,936	10.46
Current tax liabilities	4, 6(26)	749,469	1.34	691,243	1.24	863,614	1.68
Provisions - current	6(17)	507,891	0.91	522,524	0.94	692,674	1.35
Lease liabilities - current	6(22)	184,475	0.33	188,905	0.34	310,244	0.60
Other current liabilities		720,733	1.29	789,580	1.42	826,866	1.61
Current portion of long-term borrowings	6(15),8	130,841	0.23	301,879	0.54	414,839	0.81
Total current liabilities		<u>28,955,558</u>	<u>51.88</u>	<u>28,666,856</u>	<u>51.55</u>	<u>22,345,460</u>	<u>43.48</u>
Non-current liabilities							
Long-term borrowings	6(15),8	114,317	0.20	114,838	0.21	3,308,670	6.44
Deferred tax liabilities	4, 6(26)	124,697	0.22	46,387	0.08	75,124	0.15
Lease liabilities - noncurrent	6(22)	1,015,816	1.82	1,045,656	1.88	1,224,896	2.38
Net defined benefit liabilities - noncurrent	6(16)	42,605	0.08	50,273	0.09	92,775	0.18
Other noncurrent liabilities		35,371	0.07	32,491	0.06	23,249	0.05
Total non-current liabilities		<u>1,332,806</u>	<u>2.39</u>	<u>1,289,645</u>	<u>2.32</u>	<u>4,724,714</u>	<u>9.20</u>
Total liabilities		<u>30,288,364</u>	<u>54.27</u>	<u>29,956,501</u>	<u>53.87</u>	<u>27,070,174</u>	<u>52.68</u>
Equity attributable to owners of the parent							
Share capital							
Common stock	6(18)	3,909,811	7.01	3,909,811	7.03	3,909,811	7.61
Capital surplus	6(18)	2,234,017	4.00	2,507,703	4.51	2,476,069	4.82
Retained earnings	6(18)						
Legal reserve		4,364,561	7.82	4,364,561	7.85	4,121,627	8.02
Special reserve		1,322,902	2.37	1,322,902	2.38	1,276,610	2.49
Unappropriated retained earning		11,002,507	19.71	11,755,209	21.14	10,908,613	21.23
Total retained earnings		<u>16,689,970</u>	<u>29.90</u>	<u>17,442,672</u>	<u>31.37</u>	<u>16,306,850</u>	<u>31.74</u>
Other equity		656,937	1.18	(375,897)	(0.67)	(706,937)	(1.38)
Total equity attributable to owners of the parent		<u>23,490,735</u>	<u>42.09</u>	<u>23,484,289</u>	<u>42.24</u>	<u>21,985,793</u>	<u>42.79</u>
Non-controlling interests	6(18), 6(28)	2,029,909	3.64	2,163,114	3.89	2,326,203	4.53
Total equity		<u>25,520,644</u>	<u>45.73</u>	<u>25,647,403</u>	<u>46.13</u>	<u>24,311,996</u>	<u>47.32</u>
Total liabilities and equity		<u>\$ 55,809,008</u>	<u>100.00</u>	<u>\$ 55,603,904</u>	<u>100.00</u>	<u>\$ 51,382,170</u>	<u>100.00</u>

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

English Translation of Consolidated Financial Statements Originally Issued in Chinese
CORETRONIC CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
For the three months ended March 31, 2024 and 2023
(Amounts in thousands of New Taiwan Dollars, except for earnings per share)

Description	Note	For three months ended March 31			
		2024	%	2023	%
Net sales	6(20), 7	\$ 9,119,593	100.00	\$ 9,570,785	100.00
Operating costs	6(7), 6(11), 6(16), 6(22), 6(23), 7	7,513,314	82.39	7,968,004	83.25
Gross profit		1,606,279	17.61	1,602,781	16.75
Operating expenses	6(11), 6(16), 6(19), 6(21), 6(22), 6(23)				
Selling expenses		466,672	5.12	389,152	4.07
General and administrative expenses		516,380	5.66	497,470	5.20
Research and development expenses		648,879	7.12	663,260	6.93
Expected credit loss (reversal of expected credit loss)		2,729	0.03	(11,163)	(0.12)
Total operating expenses		1,634,660	17.93	1,538,719	16.08
Operating (loss) income		(28,381)	(0.32)	64,062	0.67
Non-operating income and expenses					
Interest income	6(24)	112,784	1.24	89,559	0.94
Other income	6(24)	103,225	1.13	155,408	1.62
Other gains and losses	6(24),10	(26,511)	(0.29)	125,826	1.31
Finance costs	6(24)	(83,612)	(0.92)	(151,900)	(1.59)
Share of loss of associates and joint ventures accounted for using the equity method	6(8)	(2,867)	(0.03)	(3,108)	(0.03)
Total non-operating income and expenses		103,019	1.13	215,785	2.25
Income before income tax		74,638	0.81	279,847	2.92
Income tax expense	4, 6(26)	(88,916)	(0.97)	(86,500)	(0.90)
Net (loss) income		(14,278)	(0.16)	193,347	2.02
Other comprehensive income					
Items that will not be reclassified subsequently to profit or loss					
Unrealized gain from equity instrument investments measured at fair value through other comprehensive income	6(25)	248,392	2.72	654,334	6.83
Income tax related to items that will not be reclassified subsequently to profit or loss	6(25), 6(26)	(952)	(0.01)	(276)	-
Items that may be reclassified subsequently to profit or loss					
Exchange differences on translation of foreign operations	6(25)	807,121	8.85	51,717	0.54
Share of other comprehensive income of associates and joint ventures accounted for using the equity method	6(25)	13	-	(3)	-
Other comprehensive income, net of tax		1,054,574	11.56	705,772	7.37
Total comprehensive income		\$ 1,040,296	11.40	\$ 899,119	9.39
Net income for the periods attributable to :					
Shareholders of the parent	6(27)	\$ 143,237		\$ 252,646	
Non-controlling interests	6(18), 6(28)	\$ (157,515)		\$ (59,299)	
Total comprehensive income (loss) for the periods attributable to :					
Shareholders of the parent		\$ 1,176,071		\$ 956,838	
Non-controlling interests		\$ (135,775)		\$ (57,719)	
Basic Earnings Per Share (in New Taiwan Dollars)	6(27)	\$ 0.37		\$ 0.65	
Diluted Earnings Per Share (in New Taiwan Dollars)	6(27)	\$ 0.36		\$ 0.64	

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

CORETRONIC CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

For the three months ended March 31, 2024 and 2023

(Amounts in thousands of New Taiwan Dollars)

Description	Equity attributable to owners of the parent								Non-controlling interests	Total equity
	Common stock	Capital surplus	Retained earnings			Other equity		Total		
			Legal reserve	Special reserve	Unappropriated retained earnings	Exchange differences on translation of foreign operations	Unrealized gains or losses on financial assets at fair value through other comprehensive income (loss)			
Balance as of January 1, 2023	\$ 3,909,811	\$ 2,808,225	\$ 4,121,627	\$ 1,276,610	\$ 12,024,401	\$ (1,464,373)	\$ 53,244	\$ 22,729,545	\$ 2,350,939	\$ 25,080,484
Acquisition or disposal of the interest of subsidiaries	-	58,830	-	-	-	-	-	58,830	30,010	88,840
Changes in subsidiaries' ownership	-	(5)	-	-	-	-	-	(5)	2,973	2,968
Appropriation and distribution of 2022 earnings:										
Cash dividends	-	-	-	-	(1,368,434)	-	-	(1,368,434)	-	(1,368,434)
Cash distributed from capital surplus	-	(390,981)	-	-	-	-	-	(390,981)	-	(390,981)
Net income (loss) for the three months ended March 31, 2023	-	-	-	-	252,646	-	-	252,646	(59,299)	193,347
Other comprehensive income (loss) for the three months ended March 31, 2023	-	-	-	-	-	50,134	654,058	704,192	1,580	705,772
Total comprehensive income (loss)	-	-	-	-	252,646	50,134	654,058	956,838	(57,719)	899,119
Balance as of March 31, 2023	<u>\$ 3,909,811</u>	<u>\$ 2,476,069</u>	<u>\$ 4,121,627</u>	<u>\$ 1,276,610</u>	<u>\$ 10,908,613</u>	<u>\$ (1,414,239)</u>	<u>\$ 707,302</u>	<u>\$ 21,985,793</u>	<u>\$ 2,326,203</u>	<u>\$ 24,311,996</u>
Balance as of January 1, 2024	\$ 3,909,811	\$ 2,507,703	\$ 4,364,561	\$ 1,322,902	\$ 11,755,209	\$ (1,842,442)	\$ 1,466,545	\$ 23,484,289	\$ 2,163,114	\$ 25,647,403
Changes in subsidiaries' ownership	-	-	-	-	3,318	-	-	3,318	2,570	5,888
Appropriation and distribution of 2023 earnings:										
Cash dividends	-	-	-	-	(899,257)	-	-	(899,257)	-	(899,257)
Cash distributed from capital surplus	-	(273,686)	-	-	-	-	-	(273,686)	-	(273,686)
Net income (loss) for the three months ended March 31, 2024	-	-	-	-	143,237	-	-	143,237	(157,515)	(14,278)
Other comprehensive income for the three months ended March 31, 2024	-	-	-	-	-	785,394	247,440	1,032,834	21,740	1,054,574
Total comprehensive income (loss)	-	-	-	-	143,237	785,394	247,440	1,176,071	(135,775)	1,040,296
Balance as of March 31, 2024	<u>\$ 3,909,811</u>	<u>\$ 2,234,017</u>	<u>\$ 4,364,561</u>	<u>\$ 1,322,902</u>	<u>\$ 11,002,507</u>	<u>\$ (1,057,048)</u>	<u>\$ 1,713,985</u>	<u>\$ 23,490,735</u>	<u>\$ 2,029,909</u>	<u>\$ 25,520,644</u>

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

English Translation of Consolidated Financial Statements Originally Issued in Chinese

CORETRONIC CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

For the three months ended March 31, 2024 and 2023

(Amounts in thousands of New Taiwan Dollars)

Description	For the three months ended March 31		Description	For the three months ended March 31	
	2024	2023		2024	2023
Cash flows from operating activities :			Cash flows from investing activities :		
Net income before tax	\$ 74,638	\$ 279,847	(Increase) decrease in financial assets at amortized cost - current	(1,094,940)	2,421,820
Adjustments for:			Acquisition of property, plant and equipment	(760,050)	(371,157)
The profit or loss items which did not affect cash flows:			Proceeds from disposal of property, plant and equipment	65,799	27,191
Expected credit loss (reversal of expected credit loss)	2,729	(11,163)	Acquisition of intangible assets	(28,443)	(5,786)
Depreciation (including investment property and right-of-use assets)	323,580	360,381	Acquisition of land use rights	(122,644)	-
Amortization (including other noncurrent assets)	21,915	22,493	Increase in other noncurrent assets	(1,211)	(7,670)
Finance costs	83,612	151,900	Net cash (used in) provided by investing activities	(1,941,489)	2,064,398
Interest income	(112,784)	(89,559)			
Transfer of property, plant and equipment to expenses	19	-	Cash flows from financing activities:		
Loss (gain) on disposal of property, plant and equipment	13,459	(4,054)	Increase (decrease) in short-term borrowings	437,164	(2,045,620)
Casualty loss	135,032	-	Decrease in long-term borrowings (including current portion of long-term borrowings)	(171,559)	(103,468)
Share-based payment expenses	2,570	2,973	Increase (decrease) in guarantee deposits	2,724	(201)
Share of loss of associates and joint ventures accounted for using the equity method	2,867	3,108	Increase (decrease) in other noncurrent assets	156	(32)
Net gain on financial assets and liabilities at fair value through profit or loss	(398,746)	(368,224)	Cash payment for the principal portion of lease liabilities	(47,109)	(75,777)
Changes in operating assets and liabilities:			Proceeds from disposal of subsidiaries' ownership (without a change of control)	-	90,277
Notes receivable	6,296	5,492	Net cash provided by (used in) financing activities	221,376	(2,134,821)
Trade receivables	897,415	913,916			
Trade receivables - related parties	(87)	99	Effect of exchange rate changes on cash and cash equivalents	688,378	62,720
Other receivables	20,415	(357,374)			
Inventories	1,113,209	1,654,492	Net decrease in cash and cash equivalents	(290,887)	(551,835)
Prepayments	(164,409)	(128,938)	Cash and cash equivalents at the beginning of the period	16,555,958	12,364,999
Other current assets	(6,272)	(34,403)	Cash and cash equivalents at the end of the period	\$ 16,265,071	\$ 11,813,164
Other operating assets	7,988	13,979			
Contract liabilities	103,004	73,375			
Notes payable	1	11,885			
Accounts payable	(847,605)	(1,953,683)			
Accounts payable - related parties	(19,163)	(3,525)			
Other payables	(411,957)	(910,938)			
Provisions - current	(14,633)	41,569			
Other current liabilities	(68,847)	(45,159)			
Net defined benefit assets/liabilities	(1,137)	19,757			
Cash provided by (used in) operating activities	763,109	(351,754)			
Interest received	122,355	151,879			
Interest paid	(84,025)	(159,047)			
Income tax paid	(60,591)	(185,210)			
Net cash provided by (used in) operating activities	740,848	(544,132)			

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

CORETRONIC CORPORATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the three-month periods ended March 31, 2024 and 2023

(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

1. HISTORY AND ORGANIZATION

Coretronic Corporation (“CORE”) was incorporated at Hsinchu Science-based Industrial Park on June 30, 1992 and set up branch offices at Hsinchu Industrial Park and Tainan Science-based Industrial Park on October 17, 1997 and November 16, 2004, respectively. CORE mainly engages in the R&D, production, manufacturing and marketing of projectors, backlight, and FPD-related products. CORE’s ordinary shares were publicly listed on the Taipei Exchange on January 20, 1999.

2. DATE AND PROCEDURES OF AUTHORIZATION OF FINANCIAL STATEMENTS FOR ISSUE

The consolidated financial statements of CORE and its subsidiaries (“the Group”) were authorized for issue in accordance with the resolution of the Board of Directors’ meeting on April 29, 2024.

3. NEWLY ISSUED OR REVISED STANDARDS AND INTERPRETATIONS

(1) Changes in accounting policies resulting from applying for the first time certain standards and amendments

The Group applied for the first time International Financial Reporting Standards, International Accounting Standards, and Interpretations issued, revised or amended, which are recognized by the Financial Supervisory Commission (“the FSC”) and become effective for annual periods beginning on or after January 1, 2024. The adoption of these new standards and amendments had no material impact on the Group.

(2) Standards or interpretations issued, revised or amended, by the International Accounting Standards Board (“the IASB”) which are not endorsed by the FSC, and not yet adopted by the Group as at the end of the reporting period are listed below.

Standards or Interpretations Numbers	New, Revised or Amended Standards and Interpretations	Effective Dates
IFRS 10 and IAS 28	Amendments to Consolidated Financial Statements and Investments in Associates and Joint Ventures	To be determined by the IASB
IFRS 17	Insurance Contracts	January 1, 2023
IAS 21 Amendment	Lack of Exchangeability	January 1, 2025
IFRS 18	Presentation and Disclosure in Financial Statements	January 1, 2027

CORETRONIC CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)

(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

A. IFRS 10 “Consolidated Financial Statements” and IAS 28 “Investments in Associates and Joint Ventures” – Sale or Contribution of Assets between an Investor and its Associate or Joint Ventures

The amendments address the inconsistency between the requirements in IFRS 10 “Consolidated Financial Statements” and IAS 28 “Investments in Associates and Joint Ventures”, in dealing with the loss of control of a subsidiary that is contributed to an associate or a joint venture. IAS 28 restricts gains and losses arising from contributions of non-monetary assets to an associate or a joint venture to the extent of the interest attributable to the other equity holders in the associate or joint ventures. IFRS 10 requires full profit or loss recognition on the loss of control of the subsidiary. IAS 28 was amended so that the gain or loss resulting from the sale or contribution of assets that constitute a business as defined in IFRS 3 between an investor and its associate or joint venture is recognized in full.

IFRS 10 was also amended so that the gain or loss resulting from the sale or contribution of a subsidiary that does not constitute a business as defined in IFRS 3 between an investor and its associate or joint venture is recognized only to the extent of the unrelated investors’ interests in the associate or joint venture.

B. IFRS 17 “Insurance Contracts”

IFRS 17 provides a comprehensive model for insurance contracts, covering all relevant accounting aspects (including recognition, measurement, presentation and disclosure requirements). The core of IFRS 17 is the General (building block) Model. Under this model, on initial recognition, an entity shall measure a group of insurance contracts at the total of the fulfillment cash flows and the contractual service margin. The carrying amount of a group of insurance contracts at the end of each reporting period shall be the sum of the liability for remaining coverage and the liability for incurred claims.

Other than the General Model, the standard also provides a specific adaptation for contracts with direct participation features (the Variable Fee Approach) and a simplified approach (Premium Allocation Approach) mainly for short-duration contracts.

IFRS 17 was issued in May 2017 and it was amended in 2020 and 2021. The amendments include deferral of the date of initial application of IFRS 17 by two years to annual beginning on or after January 1, 2023 (from the original effective date of January 1, 2021); providing additional transition reliefs; simplifying some requirements to reduce the costs of applying IFRS 17 and revising some requirements to make the results easier to explain. IFRS 17 replaces an interim Standard – IFRS 4 Insurance Contracts – from annual reporting periods beginning on or after January 1, 2023.

CORETRONIC CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)

(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

C. Lack of Exchangeability – Amendments to IAS 21

These amendments specify whether a currency is exchangeable into another currency and, when it is not, to determining the exchange rate to use and the disclosures to provide. The amendments apply for annual reporting periods beginning on or after January 1, 2025.

D. IFRS 18 “Presentation and Disclosure in Financial Statements”

The main changes in the new standard are as below:

a. Improved comparability in the statement of profit or loss (income statement)

IFRS 18 requires entities to classify all income and expenses within their statement of profit or loss into one of five categories: operating; investing; financing; income taxes; and discontinued operations. The first three categories are new, to improve the structure of the income statement, and requires all entities to provide new defined subtotals, including operating profit or loss. The improved structure and new subtotals will give investors a consistent starting point for analyzing entities’ performance and make it easier to compare entities.

b. Enhanced transparency of management-defined performance measures

IFRS 18 requires entities to disclose explanations of those entity-specific measures that are related to the income statement, referred to as management-defined performance measures.

c. Useful grouping of information in the financial statements

IFRS 18 sets out enhanced guidance on how to organize information and whether to provide it in the primary financial statements or in the notes. The changes are expected to provide more detailed and useful information. IFRS 18 also requires entities to provide more transparency about operating expenses, helping investors to find and understand the information they need.

IFRS 18 replaces IAS 1 Presentation of Financial Statements. IFRS 18 is effective for annual reporting periods beginning on or after January 1, 2027.

The abovementioned standards and interpretations issued by the IASB have not yet been endorsed by the FSC, and the local effective dates are to be determined by the FSC. As the Group is currently determining the potential impact of the standards and interpretations listed above, it is not practicable to estimate their impacts on the Group at this point in time.

CORETRONIC CORPORATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)
(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(1) Statement of Compliance

The consolidated financial statements of the Group for the three-month periods ended March 31, 2024 and 2023 have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers (“the Regulations”) and IAS 34 “Interim Financial Reporting” which is endorsed and become effective by the FSC.

(2) Basis of Preparation

The consolidated financial statements have been prepared on a historical cost basis, except for financial instruments that have been measured at fair value. The consolidated financial statements are expressed in thousands of New Taiwan Dollars (“NT\$”) unless otherwise stated.

(3) General Description of Reporting Entity

Principles of consolidation

Control is achieved when CORE is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, CORE controls an investee if and only if CORE has:

- A. power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee);
- B. exposure, or rights, to variable returns from its involvement with the investee; and
- C. the ability to use its power over the investee to affect its returns.

When CORE has less than a majority of the voting or similar rights of an investee, CORE considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- A. the contractual arrangement with the other vote holders of the investee;
- B. rights arising from other contractual arrangements;
- C. CORE’s voting rights and potential voting rights.

CORE re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

CORETRONIC CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)

(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

Subsidiaries are fully consolidated from the acquisition date, being the date on which CORE obtains control, and continue to be consolidated until the date that such control ceases. The financial statements of the subsidiaries are prepared for the same reporting period as the parent group, using uniform accounting policies. All intra-group balances, income and expenses, unrealized gains and losses and dividends resulting from intra-group transactions are eliminated in full.

A change in the ownership interest of a subsidiary, without a change of control, is accounted for as an equity transaction.

Total comprehensive income of the subsidiaries is attributed to the owners of the parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

If loses control of a subsidiary, it:

- A. derecognizes the assets (including goodwill) and liabilities of the subsidiary;
- B. derecognizes the carrying amount of any non-controlling interest;
- C. recognizes the fair value of the consideration received;
- D. recognizes the fair value of any investment retained;
- E. recognizes any surplus or deficit in profit or loss; and
- F. reclassifies the parent’s share of components previously recognized in other comprehensive income to profit or loss.

The consolidated entities are as follows:

Entity name	Relationship	Business nature	Percentage of Ownership		
			March 31, 2024	December 31, 2023	March 31, 2023
Tecpoint Limited (“Tecpoint”) and its subsidiaries	Subsidiary	Tecpoint is a holding company and invests in Mainland China. Tecpoint’s joint ventures are the production, manufacturing, marketing and R&D of acrylic plate, light guide plate and backlight module. The joint ventures also provide the after-sales services.	100.00%	100.00%	100.00%

CORETRONIC CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)

(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

Entity name	Relationship	Business nature	Percentage of Ownership		
			March 31, 2024	December 31, 2023	March 31, 2023
Visicorp Limited (“Visicorp”) and its subsidiaries	Subsidiary	Visicorp is a holding company and invests in Mainland China. Visicorp’s joint ventures are the R&D, production and marketing of backlight module and components. The joint ventures also provide after-sales services.	100.00%	100.00%	100.00%
Coretronic (BVI) Investment Corp. (“Coretronic BVI”) and its subsidiaries	Subsidiary	BVI is a holding company and invests in Mainland China. BVI’s joint ventures are the R&D, production, manufacturing and marketing of digital projector, LCD monitor and components. The joint ventures also provide after-sales services.	100.00%	100.00%	100.00%
Sinolink Global Limited (“Sinolink”) and its subsidiaries	Subsidiary	Sinolink is a holding company and invests in Mainland China. Sinolink’s joint ventures are the design, R&D, production and marketing of projectors. The joint ventures also provide the after-sales services for self-produced and non-self-produced products.	100.00%	100.00%	100.00%

CORETRONIC CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)

(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

Entity name	Relationship	Business nature	Percentage of Ownership		
			March 31, 2024	December 31, 2023	March 31, 2023
Young Green Energy Co. (“YGE”) and its subsidiaries	Subsidiary	YGE is engaged in the production, wholesale and retail trade of electronic components, battery, computer and peripheral devices, and electronic material. YGE’s joint ventures are the R&D, production and marketing of transformers, inductors and power supply related products.	99.91%	99.91%	99.91%
Young Optics Inc. (“TYO”) and its subsidiaries	Subsidiary	TYO is engaged in the production, marketing and R&D of electronic components and optical engines and key components. TYO’s joint ventures are the R&D, the production and after-sales services of electronic components, optical modules and components.	32.63%	32.63%	32.93%
Young Lighting Limited (“YLL”) and its subsidiaries	Subsidiary	YLL is a holding company and invests in Mainland China. YLL’s joint ventures are the R&D, production, manufacturing and marketing of backlight module, touch module, LCD module, other optical components and lighting application. YLL’s joint ventures also provide after-sales services.	100.00%	100.00%	100.00%

CORETRONIC CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)

(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

Entity name	Relationship	Business nature	Percentage of Ownership		
			March 31, 2024	December 31, 2023	March 31, 2023
Dynamic Time Investments Limited (“Dynamic Time”)	Subsidiary	Holding Company	100.00%	100.00%	100.00%
Chung Tsen Investment Corp. (“CGT”) and its subsidiaries	Subsidiary	CGT is an investment company for strategic purposes.	100.00%	100.00%	100.00%
Coretronic Intelligent Cloud Service Corporation (“CICS”) and its subsidiaries	Subsidiary	CICS is engaged in intelligent cloud, IT information, intelligent applications of new media and platform development. CICS’s joint ventures are contractor in intelligent building engineering and provide services to customers from various domains.	100.00%	100.00%	100.00%
Coretronic Venture Capital Co. (“CVC”)	Subsidiary	The investment activities of business expansion.	100.00%	100.00%	100.00%

CORETRONIC CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)

(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

Entity name	Relationship	Business nature	Percentage of Ownership		
			March 31, 2024	December 31, 2023	March 31, 2023
uCare Medical Electronics Co., Ltd. ("UCM")	Subsidiary	UCM is engaged in R&D, design, production and marketing of intelligent exercise and medical care related software and hardware products.	60.69%	60.69%	60.69%
Champ Vision Display Inc. ("CVD")	Subsidiary	CVD is engaged in R&D, design, production and marketing of innovative intelligent display products and system integration solution.	79.36%	79.36%	80.00%
Calibre UK Ltd. ("CAL")	Subsidiary	CAL is engaged in R&D, design, production and marketing of image processing products.	100.00%	100.00%	100.00%
InnoSpectra Corporation ("ISC")	Subsidiary	ISC is engaged in R&D and marketing of near-infrared spectrum and corresponding solutions.	80.00%	80.00%	80.00%
Coretronic Intelligent Robotics Corporation ("CIRC") and its subsidiaries	Subsidiary	CIRC is engaged in R&D, production and marketing of unmanned aerial vehicle and intelligent robotics.	100.00%	100.00%	100.00%
Coretronic MEMS Corporation ("CMC")	Subsidiary	CMC is engaged in R&D, production and marketing of MEMS sensor, module and corresponding solutions.	100.00%	100.00%	100.00%

CORETRONIC CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)

(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

Entity name	Relationship	Business nature	Percentage of Ownership		
			March 31, 2024	December 31, 2023	March 31, 2023
Coretronic Reality Inc. (“CRI”)	Subsidiary	CRI is engaged in R&D, and marketing of AR (Augmented reality) and MR (Mixed reality) wearable display solutions.	100.00%	100.00%	100.00%
Coretronic Vietnam Co., Ltd.	Subsidiary	Research and development, manufacturing and sales of optical components such as backlight module, LCD module, LCD TV and panel display.	100.00%	100.00%	100.00%
Coretronic Intelligent Logistics Solutions Corporation (“CILS”)	Subsidiary	System integration and application service solutions for intelligent logistics and smart manufacturing.	100.00%	100.00%	100.00%
Coretronic Investment Limited and its subsidiaries	Subsidiary	Coretronic Investment Limited is a holding company and invests in Europe. Coretronic Investment Limited’s subsidiaries are engaged in R&D, design, production and marketing of image processing products.	100.00%	100.00%	100.00%
Coretronic Intelligent Cloud Service Corporation (JP)	Subsidiary	Engaged in intelligent cloud, IT information, intelligent applications of new media and platform development related business of new media.	100.00%	-	-

CORETRONIC CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)

(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

1. Refer to Note 13 for intercompany transactions between consolidated entities. Subsidiaries are fully consolidated in accordance with the Regulations.
2. The significant changes of consolidated entities are described as follows:
 - A. On December 1, 2023, Young Lighting Limited (“YLL”) converted its existing other receivables from Coretronic Investment Limited to investment in Coretronic Investment Limited. After this transaction, 158,808 ordinary shares were issued to YLL, and YLL acquired 61.36% ownership of Coretronic Investment Limited; while CORE’s ownership in Coretronic Investment Limited decreased to 38.64% with 100,000 ordinary shares. As of December 31, 2023, total investment in Coretronic Investment Limited was EUR 100 thousand and US\$ 46,776 thousand, with 258,808 ordinary shares in total. The percentage of ownership in Coretronic Investment Limited, directly and indirectly controlled by CORE, remained 100%.
 - B. In consideration of group operation strategy, in December 2023, Guangzhou Nano Display Co., Ltd. and YLG Optotech (Guangzhou) Limited were absorbed by Coretronic (Guangzhou) Co., LTD. In March 2024, the related deregistration of Guangzhou Nano Display Co., Ltd. and YLG Optotech (Guangzhou) Limited was approved by the government authorities.
 - C. In consideration of group operation strategy, CIRC acquired 100% ownership of CILS by means of shares exchange with the Company on January 1, 2024.
 - D. In February 2024, the Company made an investment to establish a 100% held subsidiary Coretronic Intelligent Cloud Service Corporation (JP) in Japan, in an amount of JPY150,000,000. Coretronic Intelligent Cloud Service Corporation (JP) has been fully consolidated since the investment date.

The financial statements of certain consolidated subsidiaries listed above had not been reviewed by independent accountants. For those unreviewed subsidiaries as of March 31, 2024 and 2023, total assets were NT\$36,205,476 thousand and NT\$26,647,118 thousand, respectively; total liabilities were NT\$6,748,717 thousand and NT\$2,148,009 thousand, respectively; the related total comprehensive income was NT\$447,343 thousand and NT\$32,877 thousand for the three-month periods ended March 31, 2024 and 2023, respectively.

- (4) Apart from the accounting policies which are described below, the same accounting policies of consolidation have been applied in the Group’s consolidated financial statements as those applied in the Group’s consolidated financial statements for the year ended December 31, 2023. For the summary of significant accounting policies, please refer to the Group’s consolidated financial statements for the year ended December 31, 2023.

CORETRONIC CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)

(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

- A. Pension cost for an interim period is calculated on a year-to-date basis by using the actuarially determined pension cost rate at the end of the prior financial year, adjusted and disclosed for significant market fluctuations since that time and for significant curtailments, settlements, or other significant one-off events.
- B. Interim period income tax expense is accrued using the tax rate that would be applicable to expected total annual earnings, that is, the estimated average annual effective income tax rate applied to the pre-tax income of the interim period. The average annual effective income tax rate is estimated by current income tax expenses only. Deferred income tax is recognized and measured according to IAS 12 "Income Tax" and follows the same accounting policies of the Group's annual consolidated financial statements. When income tax rate changes occur in interim period, the effect on deferred income tax is recognized in profit or loss, other comprehensive income or equity at once.

5. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

Apart from what described below, the same significant accounting judgments, estimates and assumptions have been followed in the preparation of CORE's consolidated financial statements for the year ended December 31, 2023. Please refer to the consolidated financial statements for the year ended December 31, 2023 for the summary of significant accounting judgments, estimates and assumptions.

Significant Accrual for Casualty Loss

On March 25, 2024, subsidiary TYO's Xin'an plant rented by Wistron Corporation had a fire accident. According to the lease contract, the lessee, Wistron Corporation, has to restore the plant to the original condition. With a fire damage assessment on building, equipment and inventory, TYO made accrual for casualty loss to the extent of damage level at the lower of carrying amounts or replacement costs. Since the damage assessment includes scene examination, equipment detection, and suppliers' quotations for replacement or maintenance and so on, the uncertainty is higher at this point in time, leading to the final loss amount that may have material differences from the accrual. Please refer to Note 6(7), 6(9), 24(3) and 10 for more details on the fire damage.

CORETRONIC CORPORATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)
(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

6. CONTENTS OF SIGNIFICANT ACCOUNTS

(1) Cash and Cash Equivalents

	March 31, 2024	December 31, 2023	March 31, 2023
Cash on hand, savings and checking accounts	\$5,550,353	\$4,707,516	\$4,883,238
Time deposits	10,557,718	11,848,442	6,869,926
Cash equivalents - repurchase agreements	157,000	-	60,000
Total	<u>\$16,265,071</u>	<u>\$16,555,958</u>	<u>\$11,813,164</u>

(2) Financial Assets at Fair Value through Profit or Loss

	March 31, 2024	December 31, 2023	March 31, 2023
Financial assets mandatorily measured at fair value through profit or loss:			
Derivatives not designated as hedging instruments			
Forward foreign exchange contracts	<u>\$698,546</u>	<u>\$452,577</u>	<u>\$148,662</u>
Current	\$698,546	\$452,577	\$148,662
Noncurrent	-	-	-
Total	<u>\$698,546</u>	<u>\$452,577</u>	<u>\$148,662</u>

Financial assets at fair value through profit and loss were not pledged. Please refer to Note 12 for more details.

(3) Financial Assets at Fair Value through Other Comprehensive Income

	March 31, 2024	December 31, 2023	March 31, 2023
Equity instrument investments measured at fair value through other comprehensive income			
Unlisted companies stocks	<u>\$5,559,585</u>	<u>\$5,308,046</u>	<u>\$4,548,912</u>

CORETRONIC CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)

(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

	March 31, 2024	December 31, 2023	March 31, 2023
Current	\$-	\$-	\$-
Noncurrent	5,559,585	5,308,046	4,548,912
Total	\$5,559,585	\$5,308,046	\$4,548,912

Financial assets at fair value through other comprehensive income were not pledged.

(4) Financial assets measured at amortized cost

	March 31, 2024	December 31, 2023	March 31, 2023
Time deposits (with original maturities of more than six months)	\$2,353,462	\$1,258,522	\$2,301,125
Current	\$2,353,462	\$1,258,522	\$2,301,125
Noncurrent	-	-	-
Total	\$2,353,462	\$1,258,522	\$2,301,125

The Group classified certain financial assets as financial assets measured at amortized cost. Please refer to Note 12 for more details on credit risk.

(5) Notes Receivable

	March 31, 2024	December 31, 2023	March 31, 2023
Notes receivable - arose from operating activities	\$21,968	\$28,264	\$24,179

Notes receivable were not pledged.

The Group adopted IFRS 9 for impairment assessment. Please refer to Note 6(21) for more details on accumulated impairment and refer to Note 12 for more details on credit risk disclosure.

CORETRONIC CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)

(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

(6) Trade Receivables and Trade Receivables - Related Parties

	March 31, 2024	December 31, 2023	March 31, 2023
Trade receivables	\$9,034,861	\$9,932,276	\$9,364,280
Less: allowance for doubtful accounts	(50,553)	(46,920)	(31,294)
Subtotal	8,984,308	9,885,356	9,332,986
Trade receivables from related parties	726	639	431
Total	\$8,985,034	\$9,885,995	\$9,333,417

Trade receivables were not pledged.

Trade receivables are generally on 30 to 150 day terms. The total carrying amounts as of March 31, 2024, December 31, 2023, and March 31, 2023 were NT\$9,035,587 thousand, NT\$9,932,915 thousand and NT\$9,364,711 thousand, respectively. Please refer to Note 6(21) for more details on impairment of trade receivables. Please refer to Note 12 for more details on credit risk management.

The Group entered into factoring contracts without recourse with domestic banks. The bank pays the Group 100% of the accounts receivable factored as consideration. According to the arrangement, if the client of the trade receivables factored delays the payment, the Group shall pay interests to the bank. Upon assignment of the factoring to the bank, the bank undertakes the associated credit risk. However, the Group still issues a promissory note to the bank. If the trade receivables cannot be collected as a result of trade disputes due to factors attributable to the Group, the Group should pay the promissory note in compensation for banks. As of March 31, 2024 and December 31, 2023, March 31, 2023, factored trade receivables of NT\$2,382,214 thousand, NT\$1,535,107 thousand, and NT\$609,019 thousand were derecognized, and annual interest rates for advances from the bank was 1.59%-1.71%, 1.60%-1.64%, and 5.6%, respectively. The credit lines of factoring contracts provided by banks were US\$110,000 thousand as of March 31, 2024, December 31, 2023 and March 31, 2023, respectively.

As of March 31, 2024, December 31, 2023, and March 31, 2023, trade receivables classified as financial assets measured at fair value through profit or loss due to regular factoring without recourse were NT\$3,391,374 thousand, NT\$4,331,883 thousand and NT\$2,747,281 thousand, respectively.

CORETRONIC CORPORATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)
(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

(7) Inventories

	March 31, 2024	December 31, 2023	March 31, 2023
Raw materials and supplies	\$4,706,447	\$6,567,592	\$5,854,276
Work in process	719,662	142,436	594,841
Finished goods	2,008,388	1,878,908	2,340,145
Total	<u>\$7,434,497</u>	<u>\$8,588,936</u>	<u>\$8,789,262</u>

Note: Please refer to Notes 6(24)C and 10 for more details on subsidiary TYO's fire damage.

The cost of inventories recognized in expenses amounted to NT\$7,513,314 thousand and NT\$7,968,004 thousand for the three-month periods ended March 31, 2024 and 2023, including the write-down of inventories and obsolescence loss of NT\$26,496 thousand and NT\$115,019 thousand, respectively.

The allowance of inventories write-down amounted to NT\$582,941 thousand, NT\$561,216 thousand and NT\$637,780 thousand as of March 31, 2024, December 31, 2023, and March 31, 2023, respectively.

No inventories were pledged.

(8) Investments Accounted for Using the Equity Method

Details of investments accounted for using the equity method are as follows:

Investees	March 31, 2024	
	Carrying amount	Percentage of ownership (%)
Investments in associates:		
Eterge Opto-Electronics Co., LTD ("EOE")	<u>\$38,120</u>	18.50%
Investees	December 31, 2023	
	Carrying amount	Percentage of ownership (%)
Investments in associates:		
Eterge Opto-Electronics Co., LTD ("EOE")	<u>\$40,975</u>	18.50%

CORETRONIC CORPORATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)
(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

	March 31, 2023	
Investees	Carrying amount	Percentage of ownership (%)
Investments in associates:		
Eterge Opto-Electronics Co., LTD (“EOE”)	\$47,006	18.50%

The investment in EOE is not individually significant to the Group. The Group recognized share of loss of associates and joint ventures accounted for using the equity method in the amount of NT\$ 2,867 thousand and NT\$ 3,108 thousand for the three-month periods ended of March 31, 2024 and 2023, respectively. The above investments accounted for using the equity method was unreviewed by independent accountants.

The abovementioned associate had no contingent liabilities or capital commitments as of March 31, 2024, December 31, 2023 and March 31, 2023, respectively. No investments accounted for using the equity method held by the Group were pledged to others.

(9) Property, Plant and Equipment

Property, plant and equipment for own-use:

	Land	Buildings	Machinery and equipment	Office fixtures	Transportation equipment	Leasehold improvement	Other equipment	Construction in progress and equipment awaiting inspection	Total
Cost:									
As of January 1, 2024	\$152,422	\$8,764,703	\$4,602,475	\$432,971	\$36,869	\$473,570	\$1,432,033	\$1,396,571	\$17,291,614
Additions	-	218,213	3,984	6,170	89	518	10,452	717,653	957,079
Disposals	-	(29,442)	(303,267)	(5,861)	(9,443)	(105)	(5,610)	-	(353,728)
Transfers	-	1,270,887	7,831	3,253	3,192	-	25,662	(1,312,311)	(1,486)
Exchange differences	(42)	104,432	69,947	6,362	558	11,145	22,783	27,862	243,047
As of March 31, 2024	\$152,380	\$10,328,793	\$4,380,970	\$442,895	\$31,265	\$485,128	\$1,485,320	\$829,775	\$18,136,526
As of January 1, 2023	\$25,620	\$8,587,666	\$5,431,443	\$466,951	\$48,518	\$691,855	\$1,532,621	\$688,798	\$17,473,472
Additions	126,914	63,840	19,359	4,907	-	3,731	12,121	140,142	371,014
Disposals	-	(38)	(357,079)	(8,682)	-	(396)	(6,690)	-	(372,885)
Transfers	-	3,234	(23,894)	(600)	-	3,546	6,252	(38,305)	(49,767)
Exchange differences	(26)	18,778	15,868	1,118	145	2,455	4,314	(1,362)	41,290
As of March 31, 2023	\$152,508	\$8,673,480	\$5,085,697	\$463,694	\$48,663	\$701,191	\$1,548,618	\$789,273	\$17,463,124

CORETRONIC CORPORATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)
(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

	Land	Buildings	Machinery and equipment	Office fixtures	Transportation equipment	Leasehold improvement	Other equipment	Construction in progress and equipment awaiting inspection	Total
Depreciation and Impairment:									
As of January 1, 2024	\$-	\$4,303,799	\$2,778,705	\$340,542	\$27,348	\$356,443	\$1,052,805	\$-	\$8,859,642
Depreciation	-	111,476	105,404	10,565	936	11,673	30,933	-	270,987
Disposals	-	(29,405)	(227,537)	(5,796)	(6,086)	(105)	(5,541)	-	(274,470)
Transfers	-	-	(874)	(264)	-	-	-	-	(1,138)
Fire damage (Note)	-	33,309	50,754	803	-	-	19,625	-	104,491
Exchange differences	-	59,476	39,923	5,212	446	8,565	18,352	-	131,974
As of March 31, 2024	\$-	\$4,478,655	\$2,746,375	\$351,062	\$22,644	\$376,576	\$1,116,174	\$-	\$9,091,486
As of January 1, 2023	\$-	\$3,937,742	\$3,408,354	\$341,435	\$36,114	\$532,927	\$1,124,428	\$19	\$9,381,019
Depreciation	-	103,152	116,902	12,147	799	13,243	31,568	-	277,811
Disposals	-	(12)	(335,512)	(7,515)	-	(396)	(6,313)	-	(349,748)
Transfers	-	-	(44,211)	(1,505)	-	(2,344)	(8,300)	(19)	(56,379)
Exchange differences	-	10,162	9,874	852	149	808	2,912	-	24,757
As of March 31, 2023	\$-	\$4,051,044	\$3,155,407	\$345,414	\$37,062	\$544,238	\$1,144,295	\$-	\$9,277,460
Net carrying amounts as of:									
March 31, 2024	\$152,380	\$5,850,138	\$1,634,595	\$91,833	\$8,621	\$108,552	\$369,146	\$829,775	\$9,045,040
December 31, 2023	\$152,422	\$4,460,904	\$1,823,770	\$92,429	\$9,521	\$117,127	\$379,228	\$1,396,571	\$8,431,972
March 31, 2023	\$152,508	\$4,622,436	\$1,930,290	\$118,280	\$11,601	\$156,953	\$404,323	\$789,273	\$8,185,664

Note: Please refer to Notes 6(24)C and 10 for more details on subsidiary TYO's fire damage.

Please refer to Note 8 for more details on property, plant and equipment under pledge.

(10) Investment Property

Investment property held by the group is for own-use. The Group signed the commercial property lease contracts with periods of 3 years, including clauses to enable upward revision of the rental charge on an annual basis according to prevailing market conditions.

CORETRONIC CORPORATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)
(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

	Buildings	
Cost:		
As of January 1, 2024	\$244,538	
Additions from acquisitions	-	
As of March 31, 2024	\$244,538	
As of January 1, 2023	\$244,538	
Additions from acquisitions	-	
As of March 31, 2023	\$244,538	
Depreciation and Impairment:		
As of January 1, 2024	\$108,377	
Depreciation	2,053	
As of March 31, 2024	\$110,430	
As of January 1, 2023	\$100,307	
Depreciation	2,018	
As of March 31, 2023	\$102,325	
Net carry amount as of:		
March 31, 2024	\$134,108	
December 31, 2023	\$136,161	
March 31, 2023	\$142,213	
	Three months ended March 31	
	2024	2023
Rental income from investment property	\$9,232	\$3,196
Less: Direct operating expenses from investment property generating rental income	(2,053)	(2,018)
Total	\$7,179	\$1,178

CORETRONIC CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)

(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

Information about the investment property that was pledged to others as collaterals is provided in Note 8.

Investment properties held by the Group are not measured at fair value but for which the fair value is disclosed. The fair value measurements of the investment properties are categorized with Level 3. The fair value has been determined based on valuations performed by an independent appraiser. The valuation method used is discount cash-flow analysis method, and the inputs used are discount rates and growth rates:

	March 31, 2024	December 31, 2023	March 31, 2023
Fair value of the investment property	\$304,500	\$304,500	\$288,200
Discount rates	4.595%	4.595%	4.345%
Growth rates	0.4%	0.4%	0.4%

(11) Intangible Assets

	Patents	Software	IPs	Goodwill	Other	Total
Cost:						
As of January 1, 2024	\$242,745	\$264,670	\$94,942	\$5,940	\$64,268	\$672,565
Additions	5,850	16,931	-	-	5,662	28,443
Disposals	-	(365)	-	-	-	(365)
Transfer	-	82	-	-	-	82
Exchange differences	(12)	345	-	-	1,372	1,705
As of March 31, 2024	\$248,583	\$281,663	\$94,942	\$5,940	\$71,302	\$702,430
As of January 1, 2023	\$242,775	\$280,361	\$94,942	\$5,940	\$46,707	\$670,725
Additions	-	2,224	-	-	3,562	5,786
Disposals	-	(22,612)	-	-	(3,204)	(25,816)
Transfer	-	(6)	-	-	-	(6)
Exchange differences	(7)	573	-	-	273	839
As of March 31, 2023	\$242,768	\$260,540	\$94,942	\$5,940	\$47,338	\$651,528

CORETRONIC CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)

(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

	Patents	Software	IPs	Goodwill	Other	Total
Amortization and Impairment:						
As of January 1, 2024	\$72,110	\$162,244	\$77,066	\$5,940	\$44,253	\$361,613
Amortization	6,656	10,427	1,039	-	2,917	21,039
Disposals	-	(365)	-	-	-	(365)
Exchange differences	(12)	221	-	-	746	955
As of March 31, 2024	<u>\$78,754</u>	<u>\$172,527</u>	<u>\$78,105</u>	<u>\$5,940</u>	<u>\$47,916</u>	<u>\$383,242</u>
As of January 1, 2023	\$48,963	\$157,649	\$71,343	\$5,940	\$28,321	\$312,216
Amortization	4,377	10,991	2,603	-	3,983	21,954
Disposals	-	(22,612)	-	-	(3,204)	(25,816)
Exchange differences	(6)	424	-	-	291	709
As of March 31, 2023	<u>\$53,334</u>	<u>\$146,452</u>	<u>\$73,946</u>	<u>\$5,940</u>	<u>\$29,391</u>	<u>\$309,063</u>
Net carrying amount as of:						
March 31, 2024	<u>\$169,829</u>	<u>\$109,136</u>	<u>\$16,837</u>	<u>\$-</u>	<u>\$23,386</u>	<u>\$319,188</u>
December 31, 2023	<u>\$170,635</u>	<u>\$102,426</u>	<u>\$17,876</u>	<u>\$-</u>	<u>\$20,015</u>	<u>\$310,952</u>
March 31, 2023	<u>\$189,434</u>	<u>\$114,088</u>	<u>\$20,996</u>	<u>\$-</u>	<u>\$17,947</u>	<u>\$342,465</u>

Amortization expense of intangible assets:

	Three months ended March 31	
	2024	2023
Operating costs	\$2,728	\$5,507
Selling expenses	2,324	2,359
General and administrative expenses	4,211	4,424
Research and development expenses	11,776	9,664
Total	<u>\$21,039</u>	<u>\$21,954</u>

(12) Short-Term Borrowings

	March 31, 2024	December 31, 2023	March 31, 2023
Unsecured bank loans	<u>\$13,949,651</u>	<u>\$13,512,487</u>	<u>\$7,778,229</u>
Interest rates (%)	<u>0.65%~3.32%</u>	<u>1.60%~2.55%</u>	<u>1.7%~5.55%</u>

CORETRONIC CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)

(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

The Group's unused short-term lines of credits amounted to NT\$35,281,788 thousand, NT\$34,125,026 thousand, and NT\$39,095,125 thousand as of March 31, 2024, December 31, 2023 and March 31, 2023, respectively. Please refer to Note 8 for time deposits guaranteed for the lines of credit of certain short-term borrowings.

(13) Financial Liabilities at fair value through profit or loss

	March 31, 2024	December 31, 2023	March 31, 2023
Financial liabilities mandatorily measured at fair value through profit or loss:			
Derivatives not designated as hedging instruments - current			
Forward exchange contracts	\$194,780	\$347,557	\$75,583
Current	\$194,780	\$347,557	\$75,583
Non-current	-	-	-
Total	\$194,780	\$347,557	\$75,583

(14) Hedging financial liabilities

	March 31, 2024	December 31, 2023	March 31, 2024
Forward exchange contracts	\$-	\$-	\$16,138
Current	\$-	\$-	\$16,138
Non-current	-	-	-
Total	\$-	\$-	\$16,138

CORETRONIC CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)

(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

(15) Long-Term Borrowings

Details of long-term borrowings are as follows:

Lenders	March 31, 2024	Interest Rate (%)	Maturity date and terms of repayment
Secured long-term borrowings from First bank	\$128,963	1.85%	Principle is repaid in 8 quarterly payments from February 19, 2023.
Secured long-term borrowings from Hua Nan Commercial bank	112,900	1.84%	Principle is repaid in 14 quarterly payments from August 10, 2025.
Long-term borrowings from Sumitomo Mitsui Bank	3,295	1.60%	Government subsidizes interest for the first three years. Principle is repaid in 54 monthly payments from July 20, 2021.
Less: Current portion	<u>(130,841)</u>		
Total	<u><u>\$114,317</u></u>		

Lenders	December 31, 2023	Interest Rate (%)	Maturity date and terms of repayment
Secured long-term borrowings from First bank	\$299,950	1.85%	Principle is repaid in 8 quarterly payments from February 19, 2023.
Secured long-term borrowings from Hua Nan Commercial bank	112,900	1.84%	Principle is repaid in 14 quarterly payments from August 10, 2025.
Long-term borrowings from Sumitomo Mitsui Bank	3,867	1.60%	Government subsidizes interest for the first three years. Principle is repaid in 54 monthly payments from July 20, 2021.
Less: Current portion	<u>(301,879)</u>		
Total	<u><u>\$114,838</u></u>		

CORETRONIC CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)

(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

Lenders	March 31, 2023	Interest Rate (%)	Maturity date and terms of repayment
Secured long-term borrowings from First bank	\$524,913	1.85%	Principle is repaid in 8 quarterly payments from February 19, 2023.
Secured long-term borrowings from Hua Nan Commercial bank	60,000	1.71%	Principle is repaid in 14 quarterly payments from July 25, 2021.
Secured long-term borrowings from Hua Nan Commercial bank	125,000	1.69%	Principle is repaid in 14 quarterly payments from July 25, 2021.
Secured long-term borrowings from Hua Nan Commercial bank	12,500	1.71%	Principle is repaid in 14 quarterly payments from July 25, 2021.
Long-term borrowings from Sumitomo Mitsui Bank	5,596	1.60%	Government subsidizes the interests for the first three years. Principle is repaid in 54 monthly payments from July 20, 2021.
Syndicated loan of 9 Banks - unsecured bank loans	3,000,000	1.96%	Revolving credit. Renewable every three month. Credit has not been fully utilized.
Less: Arrangement Fee	(4,500)		
Current portion	(414,839)		
Total	<u>\$3,308,670</u>		

The Group's unused long-term lines of credits amounted to NT\$6,974,200 thousand, NT\$7,474,200 thousand and NT\$4,200,000 thousand as of March 31, 2024, December 31, 2023 and March 31, 2023, respectively. Please refer to Note 8 for property, plant, and equipment and investment properties pledged as collateral for long-term loans.

(16) Post-Employment Benefits

Defined contribution plan

Pension expenses under the defined contribution plan for the three-month periods ended March 31, 2024 and 2023 were NT\$83,758 thousand and NT\$91,938 thousand, respectively.

CORETRONIC CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)

(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

Defined benefits plan

Pension expenses under the defined benefits plan for the three-month periods ended March 31, 2024 and 2023 were NT\$4 thousand and NT\$143 thousand, respectively.

(17) Provisions

	Warranties
As of January 1, 2024	\$522,524
Arising during the period	78,618
Utilized during the period	(100,150)
Exchange differences	6,899
As of March 31, 2024	\$507,891
Current	\$507,891
Non-current	-
As of March 31, 2024	\$507,891
As of January 1, 2023	\$651,105
Arising during the period	131,250
Utilized during the period	(88,733)
Exchange differences	(948)
As of March 31, 2023	\$692,674
Current	\$692,674
Non-current	-
As of March 31, 2023	\$692,674

Warranties

A provision is recognized for expected warranty claims on products sold, based on past experience, management's judgement and other known factors.

CORETRONIC CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)

(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

(18) Equities

A. Common stock

CORE's authorized capital was NT\$10,000,000 thousand as of March 31, 2024, December 31, 2023, and March 31, 2023, respectively (including NT\$700,000 thousand reserved for exercise of share warrants, preferred shares with warrants and corporate bonds with warrants), each at a par value of NT\$10, divided into 1,000,000 thousand shares. CORE's issued capital was NT\$3,909,811 thousand, each at a par value of NT\$10, divided into 390,981 thousand shares, as of March 31, 2024, December 31, 2023 and March 31, 2023. Each share has one voting right and a right to receive dividends.

B. Capital surplus

	March 31, 2024	December 31, 2023	March 31, 2023
Additional paid-in capital	\$983,513	\$1,257,199	\$1,257,199
The differences between the fair value of the consideration paid or received from acquiring or disposing subsidiaries and the carrying amounts of the subsidiaries	1,173,750	1,173,750	1,152,137
Changes in ownership interests in subsidiaries	74,904	74,904	64,883
Changes from investments in associates and joint ventures accounted for using the equity method	1,850	1,850	1,850
Total	\$2,234,017	\$2,507,703	\$2,476,069

According to the Company Act, the capital reserve shall not be used except for covering losses of the company. When a company incurs no loss, it may distribute the capital reserves related to the income derived from the issuance of new shares at a premium or income from endowments received by the Company. The distribution could be made in cash to its shareholders in proportion to the number of shares being held by each of them.

CORETRONIC CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)

(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

C. Retained earnings and dividend policies:

According to the Articles of Incorporation, current year's earnings shall be distributed in the following order:

- (a) Payment of all taxes and dues;
- (b) Offset accumulated losses in previous years, if any;
- (c) Legal reserve, which is 10% of leftover profits. However, this restriction does not apply in the event that the amount of the accumulated legal reserve equals or exceeds CORE's total capital stock;
- (d) Allocation or reverse of special reserve as required by law or government authorities;
- (e) The remaining net profits and the retained earnings from previous years will be allocated as shareholders' dividend. The Board of Directors will prepare a distribution proposal and submit the same to the shareholders' meeting for review and approval by a resolution.

CORE authorizes the distributable dividends and bonuses in whole or in part may be paid in cash after a resolution has been adopted by a majority vote at a meeting of the board of directors attended by two-thirds of the total number of directors, and in addition thereto a report of such distribution shall be submitted to the shareholders' meeting. CORE authorizes the distributable legal reserve and capital reserve in whole or in part may be paid in cash after a resolution has been adopted by a majority vote at a meeting of the board of directors attended by two-thirds of the total number of directors; and in addition thereto a report of such distribution shall be submitted to the shareholders' meeting.

According to the Company Act and CORE's Article of Incorporation, the policy of the dividend distribution should reflect factors such as the capital and financial structures, operating, earnings, the industrial features and cycles etc. The dividend could be paid in the form of shares or cash. In the consideration of the factors such as financial, sales and operating conditions, if the distribution of cash dividends is determined, the cash dividends should account for at least 10% of the total distribution based on the CORE's Article of Incorporation. If CORE incurs no earnings or considers the factors such as financial conditions, sales and operations, the dividend could be paid by whole or partial legal reserve in accordance with the Company Act and CORE's Article of Incorporation.

According to Company Act, CORE needs to set aside amount to legal reserve unless where such legal reserve amounts to the total authorized capital. The legal reserve can be used to offset the deficit of CORE. If CORE incurs no loss, it may distribute the portion of legal serve which exceeds 25% of the paid-in capital by issuing new shares or by cash in proportion to the number of shares being held by each of the shareholders.

CORETRONIC CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)

(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

Following the adoption of TIFRS, the FSC issued Order No. Financial-Supervisory-Securities-Corporate-1010012865 on April 6, 2012, which sets out the following provisions for compliance:

Once upon a public company's first-time adoption of the TIFRS, for any unrealized revaluation gains and cumulative translation adjustments (gains) recorded to shareholders' equity that the company elects to transfer to retained earnings by application of the exemption under IFRS 1, CORE shall set aside an equal amount of special reserve. Following a company's adoption of the TIFRS for the preparation of its financial reports, when distributing distributable earnings, it shall set aside to special reserve, from the profit/loss of the current period and the undistributed earnings from the previous period, an amount equal to other net deductions from shareholders' equity for the current fiscal year, provided that if the company has already set aside special reserve according to the requirements in the preceding point, it shall set aside supplemental special reserve based on the difference between the amount already set aside and other net deductions from shareholders' equity. For any subsequent reversal of other net deductions from shareholders' equity, the amount reversed may be distributed.

The special reserve of the first adoption of the TIFRS as of March 31, 2024, December 31, 2023 and March 31, 2023 amounted to NT\$1,188,383 thousand, NT\$1,188,383 thousand and NT\$1,276,610 thousand, respectively.

Details of the 2023 and 2022 earnings distribution and dividends per share are as follows:

	<u>Appropriation of earnings</u>		<u>Dividends per share (NT\$)</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Legal reserve	\$147,670	\$242,934		
Special reserve	(134,519)	134,519		
Common stock – cash dividend	899,257	1,368,434	\$2.3	\$3.5

Based on the authorization from the Articles of Incorporation as mentioned above, the distributions of cash dividends were resolved by the Board of Director's meetings on March 18, 2024 and March 13, 2023, respectively. Other earning distributions have yet to be resolved by the shareholders' meetings on June 14, 2024 and June 14, 2023, respectively.

In addition, the Board of Directors in the meetings on March 18, 2024 and March 13, 2023, respectively, also resolved to distribute the paid-in capital in excess of par-common stock by cash in the amount of NT\$273,686 thousand (NT\$0.7 per share) and NT\$390,981 thousand (NT\$1 per share).

CORETRONIC CORPORATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)
(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

Please refer to Note 6(23) for further details on employees' compensation and remuneration to directors and supervisors.

D. Non-controlling interests:

	Three months ended March 31	
	2024	2023
Beginning balance	\$2,163,114	\$2,350,939
Loss attributable to non-controlling interests	(157,515)	(59,299)
Other comprehensive income attributable to non-controlling interests, net of tax:		
Exchange differences on translation of foreign operations	21,740	1,580
Acquisition or disposal of the interest of subsidiaries	-	30,010
Changes in subsidiaries' ownership	2,570	2,973
Ending balance	\$2,029,909	\$2,326,203

(19) Share-based payment plans

Certain employees of the Group are entitled to share-based payments as part of their remuneration. Services are provided by the employees in return for the equity instruments granted. These plans are accounted for as equity-settled share-based payment transactions.

Share-based payment plans of subsidiaries

On April 28, 2022 Board of Directors of Optoma Holding Limited resolved to issue 4,624,008 common shares for the exercise of employee stock options and restricted stocks plan for employees of Optoma Holding Limited and its subsidiaries.

Each unit of employee stock options is eligible to subscribe for one common share of Optoma Holding Limited. New shares will be issued when employees exercise such options. Holders may exercise the stock options for a certain period of time and proportion two years after the employee stock options are granted. The total outstanding granted stock options were 2,384,950 units as of March 31, 2024. The fair value of options granted was EUR 1,026 thousand, and the grant date was April 28, 2022.

CORETRONIC CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)

(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

The fair value of each new common share granted for the restricted stocks plan is EUR2.02 with exercise price of EUR1.99. As of March 31, 2024 total granted and outstanding restricted stocks were 1,118,308 shares with the fair value of EUR 34 thousand. The restricted stocks plan for employee allows the new shares released in proportion according to the vesting condition. The issued but unvested employee restricted shares are still entitled to dividend distribution. If employees resign during the vesting period, the Optoma Holding Limited will redeem unvested shares with the consideration of the original issuing price, and employees need not to pay back dividends obtained.

The compensation cost was recognized under the fair value method and the Black-Scholes Option Pricing model to estimate the fair value of options granted. Assumptions used in calculating the fair value are disclosed as follows:

	Share-based payment plan of subsidiaries
Expected dividend yield (%)	0.00%
Expected volatility (%)	35.1%
Risk free interest rate (%)	2.96%
Expected life (Years)	2 years

The expected life of the share options is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may also not necessarily be the actual outcome.

Share-based compensation expenses recognized for the three-month periods ended March 31, 2024 and 2023 was NT\$2,570 thousand and NT\$2,973 thousand, respectively.

(20) Sales

	Three months ended March 31	
	2024	2023
Contract revenue from customers		
Sale of goods	\$8,519,024	\$9,053,515
Revenue arising from rendering of services	466,417	396,284
Other operating revenues	134,152	120,986
Total	<u>\$9,119,593</u>	<u>\$9,570,785</u>

CORETRONIC CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)

(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

Analysis of contracts revenue from customers during the periods is as follows:

A. Revenue of Segments

For the three-month period ended March 31, 2024

	Energy – saving products segment	Image products and brand segment	Optical component segment	Other segment	Elimination	Total
Sale of goods	\$4,076,617	\$3,649,684	\$534,761	\$416,335	\$(158,373)	\$8,519,024
Revenue arising from						
rendering of services	13,213	20,102	25,369	491,809	(84,076)	466,417
Other operating revenues	43,964	37,561	-	52,627	-	134,152
Total	\$4,133,794	\$3,707,347	\$560,130	\$960,771	\$(242,449)	\$9,119,593
The timing of revenue recognition:						
At a point in time	\$4,133,794	\$3,707,347	\$535,120	\$960,771	\$(242,449)	\$9,094,583
Over time	-	-	25,010	-	-	25,010
Total	\$4,133,794	\$3,707,347	\$560,130	\$960,771	\$(242,449)	\$9,119,593

For the three-month period ended March 31, 2023

	Energy – saving products segment	Image products and brand segment	Optical component segment	Other segment	Elimination	Total
Sale of goods	\$4,045,309	\$4,021,050	\$693,116	\$554,388	\$(260,348)	\$9,053,515
Revenue arising from						
rendering of services	83,326	18,900	36,477	337,596	(80,015)	396,284
Other operating revenues	33,903	54,121	-	34,687	(1,725)	120,986
Total	\$4,162,538	\$4,094,071	\$729,593	\$926,671	\$(342,088)	\$9,570,785
The timing of revenue recognition:						
At a point in time	\$4,162,538	\$4,094,071	\$721,789	\$926,671	\$(342,088)	\$9,562,981
Over time	-	-	7,804	-	-	7,804
Total	\$4,162,538	\$4,094,071	\$729,593	\$926,671	\$(342,088)	\$9,570,785

CORETRONIC CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)

(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

B. Contract balance

Contract liabilities – current

	March 31, 2024	December 31, 2023	March 31, 2023	January 1 2023
Sale of goods	\$473,545	\$404,307	\$293,435	\$276,621
Revenue arising from rendering of services	3,899	2,502	16,336	7,451
Other operating revenues	403,898	369,401	292,850	245,174
Total	\$881,342	\$776,210	\$602,621	\$529,246

The contract liabilities balances resulted from the difference between the satisfaction of the performance obligation and the customers' payment. For the three-month periods ended March 31, 2024 and 2023, the Group recognized NT\$254,086 thousand and NT\$160,617 thousand, respectively, in revenues from the contract liabilities balance at the beginning of the period as performance obligations were satisfied.

C. Transaction price allocated to unsatisfied performance obligations

As of March 31, 2024 and 2023, there is no need to provide relevant information of the unsatisfied performance obligations as the contracts with customers about the sales of goods are all satisfied within one year.

D. Cost of assets from acquisition or performance of customer contracts.

None.

(21) Expected credit loss

	Three months ended March 31	
	2024	2023
Operating expenses –expected credit loss (gain)		
Trade receivables	\$2,729	\$(11,163)

The Group measures trade receivables (including notes receivable and trade receivables) at an amount equal to lifetime expected credit losses. The assessment of the Group's loss allowance as of March 31, 2024, December 31, 2023, and March 31, 2023, is as follows:

The Group considers the grouping of trade receivables by counterparties' credit rating, geographical region and insurance, to measure its loss allowance by using a provision matrix. Details are as below:

CORETRONIC CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)

(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

As of March 31, 2024

Group A

	Past due						Total
	Not past due	1 to 30 days	31 to 60 days	61 to 90 days	91 to 120 days	More than 121 days	
Gross carrying amount	\$670,260	\$146,411	\$11,867	\$4,431	\$1,751	\$27,640	\$862,360
Loss ratio	0%	0.2%	0.5%	3%	5%	10%	
Expected credit losses	-	(909)	(424)	(1,192)	(358)	(19,884)	(22,767)
Subtotal	\$670,260	\$145,502	\$11,443	\$3,239	\$1,393	\$7,756	\$839,593

Group B

	Past due						Total
	Not past due	1 to 30 days	31 to 60 days	61 to 90 days	91 to 120 days	More than 121 days	
Gross carrying amount	\$7,054,797	\$1,090,334	\$21,357	\$1,259	\$1,740	\$25,708	\$8,195,195
Loss ratio	0%	0-2%	5%	30%	50%	100%	
Expected credit losses	-	(37)	(999)	(377)	(880)	(25,493)	(27,786)
Subtotal	\$7,054,797	\$1,090,297	\$20,358	\$882	\$860	\$215	\$8,167,409

As of December 31, 2023

Group A

	Past due						Total
	Not past due	1 to 30 days	31 to 60 days	61 to 90 days	91 to 120 days	More than 121 days	
Gross carrying amount	\$730,673	\$197,272	\$17,386	\$5,267	\$7,855	\$21,444	\$979,897
Loss ratio	0%	0.2%	0.5%	3%	5%	10%	
Expected credit losses	-	(1,000)	(1,587)	(485)	(785)	(18,923)	(22,780)
Subtotal	\$730,673	\$196,272	\$15,799	\$4,782	\$7,070	\$2,521	\$957,117

CORETRONIC CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)

(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

Group B

	Past due						Total
	Not past due	1 to 30 days	31 to 60 days	61 to 90 days	91 to 120 days	More than 121 days	
Gross carrying amount	\$8,765,132	\$173,820	\$13,508	\$4,653	\$3,275	\$20,894	\$8,981,282
Loss ratio	0%	0-2%	5%	30%	50%	100%	
Expected credit losses	-	(23)	(314)	(1,331)	(1,578)	(20,894)	(24,140)
Subtotal	<u>\$8,765,132</u>	<u>\$173,797</u>	<u>\$13,194</u>	<u>\$3,322</u>	<u>\$1,697</u>	<u>\$-</u>	<u>\$8,957,142</u>

As of March 31, 2023

Group A

	Past due						Total
	Not past due	1 to 30 days	31 to 60 days	61 to 90 days	91 to 120 days	More than 121 days	
Gross carrying amount	\$702,724	\$87,333	\$10,672	\$5,999	\$4,430	\$29,894	\$841,052
Loss ratio	0%	0.2%	0.5%	3%	5%	10%	
Expected credit losses	-	(414)	(56)	(183)	(234)	(5,844)	(6,731)
Subtotal	<u>\$702,724</u>	<u>\$86,919</u>	<u>\$10,616</u>	<u>\$5,816</u>	<u>\$4,196</u>	<u>\$24,050</u>	<u>\$834,321</u>

Group B

	Past due						Total
	Not past due	1 to 30 days	31 to 60 days	61 to 90 days	91 to 120 days	More than 121 days	
Gross carrying amount	\$8,118,582	\$323,989	\$54,266	\$8,987	\$890	\$41,124	\$8,547,838
Loss ratio	0%	0-2%	5%	30%	50%	100%	
Expected credit losses	-	(1,435)	(1,435)	(1,309)	(18)	(20,366)	(24,563)
Subtotal	<u>\$8,118,582</u>	<u>\$322,554</u>	<u>\$52,831</u>	<u>\$7,678</u>	<u>\$872</u>	<u>\$20,758</u>	<u>\$8,523,275</u>

The movement of provision for impairment of trade receivables during the period is as follows:

CORETRONIC CORPORATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)
(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

	<u>Trade receivables</u>
As of January 1, 2024	\$46,920
Addition for the current period	2,729
Exchange differences	904
As of March 31, 2024	<u>\$50,553</u>
As of January 1, 2023	\$42,363
Addition for the current period	10,871
Write-offs	(5,970)
Exchange differences	(344)
As of December 31, 2023	<u>\$46,920</u>
As of January 1, 2023	\$42,363
Reversal for the current period	(11,163)
Exchange differences	94
As of March 31, 2023	<u>\$31,294</u>

(22) Leases

A. Group as lessee

The Group leases various properties: land (including land use rights), buildings, machinery and equipment, and transportation equipment. These leases have terms between one and fifty-five years.

The effects that leases have on the financial position, financial performance and cash flows of the Group are as follows:

(a) Amounts recognized in the balance sheet

i. Right-of-use asset

The carrying amount of right-of-use assets

	<u>March 31,</u> <u>2024</u>	<u>December 31,</u> <u>2023</u>	<u>March 31,</u> <u>2023</u>
Land (including land use rights)	\$1,965,662	\$1,506,177	\$1,650,778
Buildings	242,153	272,066	447,130
Transportation equipment	23,905	23,177	28,460
Office fixtures	2,255	2,671	1,984
Total	<u>\$2,233,975</u>	<u>\$1,804,091</u>	<u>\$2,128,352</u>

CORETRONIC CORPORATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)
(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

During the three-month periods ended March 31, 2024 and 2023, the additions to right-of-use assets of the Group amounted to NT\$508,790 thousand and NT\$78,775 thousand, respectively.

ii. Lease liability

	March 31, 2024	December 31, 2023	March 31, 2023
Current	\$184,475	\$188,905	\$310,244
Non-current	1,015,816	1,045,656	1,224,896
Total	<u>\$1,200,291</u>	<u>\$1,234,561</u>	<u>\$1,535,140</u>

Please refer to Note 6(24)D. for the interest on lease liability recognized during the three-month periods ended March 31, 2024 and 2023, and Note 12(5) for the maturity analysis for lease liabilities.

(b) Amounts recognized in the statement of profit or loss

Depreciation charge for right-of-use assets

	Three months ended March 31	
	2024	2023
Land (including land use rights)	\$12,201	\$15,649
Buildings	33,797	59,439
Transportation equipment	4,273	5,122
Office fixtures	152	342
Other equipment	117	-
Total	<u>\$50,540</u>	<u>\$80,552</u>

(c) Income and costs relating to leasing activities

	Three months ended March 31	
	2024	2023
The expense relating to short-term leases	\$4,711	\$10,775
The expense relating to leases of low-value assets (excluding the expense relating to short-term leases of low-value assets)	2,068	2,858
Total	<u>\$6,779</u>	<u>\$13,633</u>

CORETRONIC CORPORATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)
(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

(d) Cash outflow relating to leasing activities

During the three-month periods ended March 31, 2024 and 2023, the Group's total cash outflows for leases amounted to NT\$62,340 thousand and NT\$102,389 thousand, respectively.

(e) Other information relating to leasing activities

i. Variable lease payments

Some of the Group's building lease agreements contain variable payment terms that are linked to actual usage condition. The amount links to certain percentage of actual usage of underlying asset. The changes in variable lease payments are linked to actual usage and it is very common for entering contracts with variable lease payments in the industry of the Group. As such variable lease payments do not meet the definition of lease payments, and those payments are not included in the measurement of the assets and liabilities.

ii. Extension and termination options

Extension and termination options are included in a number of property and equipment leases across the Group's property rental agreements. In determining the lease term, the non-cancellable period for which the Group has the right to use an underlying asset, together with both periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option. These options are used to maximize operational flexibility in terms of managing contracts. The Group would reassess the lease term when significant issue or change occur.

iii. Residual value guarantees

To optimize lease costs during the contract period, the Group doesn't provide residual value guarantees in relation to rental agreements, and therefore no residual value guarantees are recorded in lease liability.

CORETRONIC CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)

(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

B. Group as lessor

Please refer to Note 6(10) for details on the Group's owned investment properties and investment properties held by the Group as right-of-use assets. Leases of owned investment properties are classified as operating leases as they do not transfer substantially all the risks and rewards incidental to ownership of underlying assets.

No finance lease contracts were signed.

	Three months ended	
	March 31	
	2024	2023
Lease income for operating leases		
Income relating to fixed lease payments and variable lease payments that depend on an index or a rate	\$12,235	\$10,054

Please refer to Note 6(10) for relevant disclosure of investment properties for operating leases which is required by IFRS 16. For operating leases entered by the Group, the undiscounted lease payments to be received and a total of the amounts for the remaining periods are as follows:

	March 31, 2024	December 31, 2023	March 31, 2023
Not later than one year	\$45,052	\$45,474	\$28,468
Later than one year but not later than two years	44,202	44,293	1,140
Later than two years but not later than three years	33,061	43,917	778
Later than three years but not later than four years	492	492	492
Later than four years but not later than five years	369	492	492
Over five years	-	-	369
Total	\$123,176	\$134,668	\$31,739

CORETRONIC CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)

(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

(23) Summary Statement of Employee Benefits, Depreciation and Amortization Expenses by Function

Function Items	Three months ended March 31					
	2024			2023		
	Operating Cost	Operating expenses	Total amount	Operating Cost	Operating expenses	Total amount
Employee benefits expense	\$560,339	\$1,104,230	\$1,664,569	\$724,796	\$1,109,507	\$1,834,303
Salaries	452,002	933,732	1,385,734	593,947	953,839	1,547,786
Labor and health insurance	33,935	86,087	120,022	39,420	87,013	126,433
Pension	33,320	50,442	83,762	42,766	49,315	92,081
Other employee benefits expense	41,082	33,969	75,051	48,663	19,340	68,003
Depreciation	233,042	83,071	316,113	256,532	96,334	352,866
Amortization	2,764	18,348	21,112	4,101	16,667	20,768

According to the Articles of Incorporation of the Company, 10% to 20% of profit of the current year is distributable as employees compensation. However, the Company's accumulated losses shall have been covered. CORE may, by a resolution adopted by a majority vote at a meeting of Board of Directors attended by two-thirds of the total number of directors, have the profit distributable as employees compensation in the form of shares or in cash; and thereto a report of such distribution is submitted to the shareholders' meeting. The Articles of Incorporation are to be amended in the shareholders' meeting. Information on the Board of Directors' resolution regarding the employees compensation and remuneration to directors and supervisors can be obtained from the "Market Observation Post System" on the website of the TWSE.

CORE accrued employees compensation based on a specific rate of profit for the three-month periods ended March 31, 2024 and 2023. The amounts of employees compensation were NT\$15,850 thousand and NT\$42,620 thousand for the three-month periods ended March 31, 2024 and 2023, respectively. If the Board of Directors resolved to distribute employees compensation in the form of stocks, the number of stocks distributed was calculated based on the closing price one day earlier than the date of resolution. If the estimated amounts differ from the actual distribution resolved by the Board of Directors, CORE will recognize the change as an adjustment in the profit or loss in the subsequent period.

CORETRONIC CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)

(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

A resolution was approved at a Board of Directors' meeting held on February 26, 2024 to distribute NT\$201,440 thousand in cash as employees compensation. There was no material difference between the resolution and the estimated amount for the year ended December 31, 2023.

There was no material difference between the estimated amount and the actual distribution of the employee bonuses for the year ended December 31, 2022.

(24) Non-Operating Income and Expenses

A. Interest income

	Three months ended March 31	
	2024	2023
Financial assets measured at amortized cost	\$112,784	\$89,559

B. Other income

	Three months ended March 31	
	2024	2023
Government grants income	\$20,461	\$47,097
Rental income	12,235	10,054
Other	70,529	98,257
Total	\$103,225	\$155,408

C. Other gains and losses

	Three months ended March 31	
	2024	2023
Net gain on financial assets at fair value through profit or loss (Note a)	\$164,548	\$194,324
Gain on lease modification	3,348	4,253
Net (loss) gain on disposal of property, plant and equipment	(13,459)	4,054
Foreign exchange loss, net	(31,788)	(69,229)
Casualty loss (Note b)	(135,032)	-
Other losses	(14,128)	(7,576)
Total	\$(26,511)	\$125,826

Note a: Balances were arising from financial assets mandatorily measured at fair value through profit or loss.

CORETRONIC CORPORATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)
(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

Note b: Due to the fire accident, subsidiary TYO recognized damage loss for inventories, property, plant and equipment. Please refer to Note 10 for more details.

D. Finance cost

	Three months ended	
	March 31	
	2024	2023
Interest on borrowings from bank	\$75,160	\$153,293
Interest on lease liabilities	8,452	12,979
Hedge ineffectiveness recognized in profit or loss	-	(14,372)
Total	\$83,612	\$151,900

(25) Components of Other Comprehensive Income

For the three-month period ended March 31, 2024

	Arising during the period	Income tax income (expense)	Other comprehensive income, net of tax
Not to be reclassified to profit or loss:			
Unrealized gain (loss) from equity instrument investments measured at fair value through other comprehensive income	\$248,392	\$(952)	\$247,440
To be reclassified to profit or loss in subsequent periods:			
Exchange differences on translation of foreign operations	807,121	-	807,121
Share of the other comprehensive income of associates accounted for using the equity method	13	-	13
Total of other comprehensive income	\$1,055,526	\$(952)	\$1,054,574

CORETRONIC CORPORATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)
(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

For the three-month period ended March 31, 2023

	Arising during the period	Income tax income (expense)	Other comprehensive income, net of tax
Not to be reclassified to profit or loss:			
Unrealized gain (loss) from equity instrument investments measured at fair value through other comprehensive income	\$654,334	\$(276)	\$654,058
To be reclassified to profit or loss in subsequent periods:			
Exchange differences on translation of foreign operations	51,717	-	51,717
Share of the other comprehensive loss of associates accounted for using the equity method	(3)	-	(3)
Total of other comprehensive income	<u>\$706,048</u>	<u>\$(276)</u>	<u>\$705,772</u>

(26) Income Tax

The major components of income tax expense (income) are as follows:

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)

(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

Income tax expense (income) recognized in profit or loss

	Three months ended March 31	
	2024	2023
Current income tax expense (income):		
Current income tax expense	\$107,785	\$47,402
Adjustments in respect of current income tax of prior periods	(560)	(3,413)
Deferred tax expense (income):		
Deferred tax expense relating to origination and reversal of temporary differences	(30,841)	72,985
Deferred tax arising from write-down or reversal of write-down of deferred tax asset	12,532	(30,697)
Other	-	223
Total income tax expense	\$88,916	\$86,500

Income tax relating to components of other comprehensive income

	Three months ended March 31	
	2024	2023
Deferred income tax expense:		
Unrealized loss from equity instruments investments measured at fair value through other comprehensive income	\$(952)	\$(276)

The risk exposure of Pillar Two income tax

Coretronic Vietnam Co., Ltd., Coretronic Investment Limited and its subsidiaries and Coretronic Intelligent Cloud Service Corporation (JP), the subsidiaries of CORE, are operating in jurisdictions where the Pillar Two legislation has been enacted or substantively enacted. The legislation will gradually come into effect or be implemented in the aforementioned jurisdictions beginning from 2024. Coretronic Vietnam Co., Ltd., Coretronic Investment Limited and its subsidiaries had not significant current tax expense related to the Pillar Two legislation for the three-month period ended March 31, 2024. While the legislation is not yet in effect in the jurisdiction where Coretronic Intelligent Cloud Service Corporation (JP) is operating as of March 31, 2024, Coretronic Intelligent Cloud Service Corporation (JP) is not exposed to the income tax arising from the legislation. The Group is currently assessing the impact by Pillar Two legislation on the future financial performance.

CORETRONIC CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)

(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

The assessment of income tax returns

As of March 31, 2024, the assessment of the income tax returns of the Group and its subsidiaries is as follows:

	<u>The assessment of income tax returns</u>
CORE	Assessed and approved up to 2021
TYO	Assessed and approved up to 2021
Optoma Technology Corporation	Assessed and approved up to 2022
CGT	Assessed and approved up to 2022
Tsen Ming Investment	Assessed and approved up to 2022
YGE	Assessed and approved up to 2022
Rays Optics	Assessed and approved up to 2021
CICS	Assessed and approved up to 2021
CVC	Assessed and approved up to 2022
UCM	Assessed and approved up to 2021
ISC	Assessed and approved up to 2022
CVD	Assessed and approved up to 2022
CIRC	Assessed and approved up to 2021
CRI	Assessed and approved up to 2022
CMC	Assessed and approved up to 2021
NPT	Assessed and approved up to 2021
CILS	Assessed and approved up to 2021
Optoma Corporation	Assessed and approved up to 2022

(27) Earnings Per Share

Basic earnings per share amounts are calculated by dividing net income for the period attributable to ordinary equity holders of the parent company by the weighted-average number of ordinary shares outstanding during the period.

Diluted earnings per share amounts are calculated by dividing the net profit attributable to ordinary equity holders of the parent entity (after adjusting for interest on the convertible preference shares) by the weighted average number of ordinary shares outstanding during the period plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

CORETRONIC CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)

(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

	Three months ended March 31	
	2024	2023
A. Basic earnings per share		
Profit attributable to ordinary shareholders of the parent (in thousand NT\$)	\$143,237	\$252,646
Weighted average number of ordinary shares outstanding for basic earnings per share (in thousands)	390,981	390,981
Basic earnings per share (NT\$)	\$0.37	\$0.65
B. Diluted earnings per share		
Profit attributable to ordinary shareholders of the parent after dilution (in thousand NT\$)	\$143,237	\$252,646
Weighted average number of ordinary shares outstanding for basic earnings per share (in thousands)	390,981	390,981
Effect of dilution:		
Employee bonus—stock (in thousand)	1,862	4,909
Weighted average number of ordinary shares outstanding after dilution (in thousand)	392,843	395,890
Diluted earnings per share (NT\$)	\$0.36	\$0.64

There have been no other transactions involving ordinary shares or potential ordinary shares between the reporting date and the date the financial statements were authorized for issue.

(28) Subsidiaries that have Material Non-Controlling Interests

Financial information of subsidiaries that have material non-controlling interests is provided below:

Percentage of equity interest held by non-controlling interests:

Subsidiary	Country of incorporation and operation	March 31, 2024	December 31, 2023	March 31, 2023
Young Optics Inc	Taiwan	67.37%	67.37%	67.07%

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)

(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

	March 31, 2024	December 31, 2023	March 31, 2023
Accumulated balance of material non-controlling interests Young Optics, Inc.	\$1,882,804	\$2,018,650	\$2,169,035

	Three months ended March 31	
	2024	2023
Loss allocated to material non-controlling interest Young Optics, Inc.	\$(154,533)	\$(56,797)

The summarized financial information of these subsidiaries is provided below. This information is based on the amount before inter-company transactions.

Summarized information of profit or loss for the three-month period ended March 31, 2024:

	Young Optics Inc.
Operating revenue	\$560,130
Loss for the period from continuing operations	(229,388)
Total comprehensive loss for the period	(201,597)

Summarized information of profit or loss for the three-month periods ended March 31, 2023:

	Young Optics Inc.
Operating revenue	\$792,592
Loss for the period from continuing operations	(85,619)
Total comprehensive loss for the period	(83,487)

Summarized information of financial position as of March 31, 2024:

	Young Optics Inc.
Current assets	\$1,850,705
Non-current assets	2,369,263
Current liabilities	(968,425)
Non-current liabilities	(457,058)

CORETRONIC CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)

(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

Summarized information of financial position as of December 31, 2023:

	<u>Young Optics Inc.</u>
Current assets	\$2,191,077
Non-current assets	2,525,579
Current liabilities	(1,262,359)
Non-current liabilities	(458,215)

Summarized information of financial position as of March 31, 2023:

	<u>Young Optics Inc.</u>
Current assets	\$2,499,036
Non-current assets	2,693,902
Current liabilities	(1,279,798)
Non-current liabilities	(684,180)

Summarized cash flow information for the three-month period ended March 31, 2024:

	<u>Young Optics Inc.</u>
Operating activities	\$49,192
Investing activities	(17,526)
Financing activities	(183,849)
Net decrease in cash and cash equivalents	(136,533)

Summarized cash flow information for three-month period ended March 31, 2023:

	<u>Young Optics Inc.</u>
Operating activities	\$56,614
Investing activities	(107,738)
Financing activities	(160,488)
Net decrease in cash and cash equivalents	(207,219)

CORETRONIC CORPORATION AND SUBSIDIARIES
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7. Related Party Transactions

(1) Related Party Name and Categories

Related Party Name	Related Party Categories
Etergo Opto-Electronics Co., LTD (“EOE”)	Associate
Chi Hua Fitness Co., LTD. (“CHI HUA”)	Substantive related party
Dongtai Qidian Electronic Technology Co., Ltd (“DONGTAI QIDIAN”)	Substantive related party
Hannstar Display Corporation (“HANNSTAR”)	Entity which has significant influence over CORE

(2) Significant transactions with related parties

A. Sales

	Three months ended March 31	
	2024	2023
DONGTAI QIDIAN	\$1,389	\$430

The sales price to the above related parties was determined by mutual agreement based on the market rates. The payment terms are not significantly different between related parties and third-party customers. The receivables-related parties were not pledged, bearing no interest and were paid in cash. The trade receivables-related parties also were not guaranteed.

B. Purchases

	Three months ended March 31	
	2024	2023
HANNSTAR	\$38,869	\$56,605
EOE	422	20,399
DONGTAI QIDIAN	-	34
Total	\$39,291	\$77,038

The purchase price to the above related parties was determined by mutual agreement based on the market rates. The payment terms from the related party suppliers are comparable with third party suppliers and are between 60 to 90 days.

CORETRONIC CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)

(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

C. Trade Receivables from Related Parties

	March 31, 2024	December 31, 2023	March 31, 2023
DONGTAI QIDIAN	\$726	\$639	\$431

D. Other Receivables to Related Parties

	March 31, 2024	December 31, 2023	March 31, 2023
HANNSTAR	\$321	\$969	\$-

E. Accounts Payable to Related Parties

	March 31, 2024	December 31, 2023	March 31, 2023
HANNSTAR	\$14,992	\$34,476	\$26,983
EOE	321	-	18,502
Total	\$15,313	\$34,476	\$45,485

F. Other Payable to Related Parties

	March 31, 2024	December 31, 2023	March 31, 2023
HANNSTAR	\$2,016	\$197	\$-
EOE	972	1,036	667
Total	\$2,988	\$1,233	\$667

G. Key Management Personnel Compensation

	Three months ended March 31	
	2024	2023
Short-term employee benefits	\$35,447	\$44,405
Post-employment benefits	506	499
Share-based payment	796	1,045
Total	\$36,749	\$45,949

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8. Assets Pledged as Collateral

The following assets of the Group pledged as collateral:

Assets pledged as collateral	Carrying amount			Purpose of pledge
	March 31, 2024	December 31, 2023	March 31, 2023	
Buildings (including investment property)	\$701,880	\$712,324	\$743,656	Collateral for long-term borrowings
Time deposits (presented as “Other receivables”)	50,076	48,133	47,728	Customs import guarantee
Time deposits (presented as “Other receivables”)	36,885	36,885	36,885	Lease execution deposits
Time deposits (presented as “Other noncurrent assets”)	22,694	23,087	20,787	Lease execution deposits
Time deposits (presented as “Other noncurrent assets”)	1,108	1,107	1,094	Customs import guarantee
Time deposits (presented as “Other receivables s”)	-	-	365,400	Collateral for short-term borrowings
Bank deposits (presented as “Other receivables”)	-	-	14	Export tax guarantee
Total	\$812,643	\$821,536	\$1,215,564	

9. Commitments and Contingencies

A. Amount available under unused letters of credit as of March 31, 2024 was NT\$12,414 thousand.

B. The Group appointed contractors to build a new plant in Phu My 3 Specialized Industrial Park in Vietnam, and the total construction contract cost was VND1,875,845,475 thousand (approximately NT\$2,419,858 thousand). As of March 31, 2024, the Group has invested and paid VND 1,327,530,505 thousand (approximately NT\$1,712,597 thousand), and recognized it under buildings, construction in progress and equipment awaiting inspection.

CORETRONIC CORPORATION AND SUBSIDIARIES

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(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

C. One of the equipment suppliers filed a complaint in Taiwan Hsinchu District Court against subsidiary TYO, one of CORE's subsidiaries, for the dispute in a procurement contract, alleging that TYO failed to pay NT\$10,061 thousand. In the first instance trial, the original request for compensation was revised down to NT\$9,370 thousand. On February 23, 2024, the two parties reached a settlement in Taiwan Hsinchu District Court and on March 22, 2024, TYO had paid NT\$3,000 thousand to the equipment supplier, which already agreed to waive any claims against TYO. Consequently, this case was closed.

10. Losses due to Major Disasters

On March 25, 2024, subsidiary TYO had a fire accident in the plant for rent, leading to a fire damage on building, equipment and inventory. TYO estimated a preliminary loss of NT\$ 135,032 thousand, which was recognized under non-operating loss for the three-month period ended March 31, 2024 (please refer to Note 5 for the loss estimation). In addition, TYO has insured property and business interruption insurance. Since insurance claim process is in progress, no insurance recoveries were recognized.

11. Significant Subsequent Events

None.

12. Others

(1) Categories of Financial Instruments

	March 31, 2024	December 31, 2023	March 31, 2023
<u>Financial assets</u>			
Financial assets at fair value through profit or loss:			
Mandatorily measured at fair value through profit or loss (Note 1)	\$4,089,920	\$4,784,460	\$2,895,943
Financial assets at fair value through other comprehensive income	5,559,585	5,308,046	4,548,912
Financial assets measured at amortized cost (Note 2)	25,111,585	24,305,295	22,396,294
Total	\$34,761,090	\$34,397,801	\$29,841,149

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(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

	March 31, 2024	December 31, 2023	March 31, 2023
<u>Financial liabilities</u>			
Financial liabilities at amortized cost:			
Short-term borrowings	\$13,949,651	\$13,512,487	\$7,778,229
Accounts payable (including related parties)	6,735,395	7,602,162	5,388,716
Other payables	4,900,981	3,934,309	5,375,936
Lease liability (including current and noncurrent)	1,200,291	1,234,561	1,535,140
Long-term borrowings (including current portion)	245,158	416,717	3,723,509
Subtotal	<u>27,031,476</u>	<u>26,700,236</u>	<u>23,801,530</u>
Financial liabilities at fair value through profit or loss:			
Mandatorily measured at fair value through profit or loss	194,780	347,557	75,583
Hedging financial liabilities - current	-	-	16,138
Total	<u>\$27,226,256</u>	<u>\$27,047,793</u>	<u>\$23,893,251</u>

Note 1: As of March 31, 2024, December 31, 2023, and March 31, 2023, the financial assets measured at fair value through profit or loss, including trade receivables, were NT\$3,391,374 thousand, NT\$4,331,883 thousand, and NT\$2,747,281 thousand respectively. Please refer to Note 6(6) for more details.

Note 2: Include cash and cash equivalents (excluding cash on hand), notes receivable, trade receivables (including related parties), other receivables and other noncurrent assets.

(2) Financial Risk Management Objectives and Policies

The Group's principal financial risk management objective is to manage the market risk, credit risk and liquidity risk related to its operating activities. The Group identifies, measures and manages the aforementioned risks based on the Group's policy and risk appetite.

CORETRONIC CORPORATION AND SUBSIDIARIES

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(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

The Group has established appropriate policies, procedures and internal controls for financial risk management. Before entering into significant transactions, due approval process by the Board of Directors and Audit Committee must be carried out based on related protocols and internal control procedures. The Group complies with its financial risk management policies at all times.

(3) Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of the changes in market prices. Market prices comprise currency risk, interest rate risk and other price risk.

In practice, it is rarely the case that a single risk variable will change independently from other risk variables; there are usually interdependencies between risk variables. However, the sensitivity analysis disclosed below does not take into account the interdependencies between risk variables.

Foreign currency risk

The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense are denominated in a different currency from the Group's functional currency) and the Group's net investments in foreign subsidiaries.

The Group has certain foreign currency receivables to be denominated in the same foreign currency with certain foreign currency payables, therefore natural hedge is received. Furthermore, as net investments in foreign subsidiaries are for strategic purposes, they are not hedged by the Group.

The foreign currency sensitivity analysis of the possible change in foreign exchange rates on the Group's profit is performed on significant monetary items denominated in foreign currencies as at the end of the reporting period. The Group's foreign currency risk is mainly related to the volatility in the exchange rates for USD. The information of the sensitivity analysis is as follows:

When NTD appreciates or depreciates against USD by 1%, the profit for the three-month periods ended March 31, 2024 and 2023 is decreased/increased by NT\$72,743 thousand and NT\$42,681 thousand, while equity is decreased/increased by NT\$314,243 thousand and NT\$291,094 thousand, respectively.

CORETRONIC CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)

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Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's loans, bank borrowings with fixed and variable interest rates.

The interest rate sensitivity analysis is performed on items exposed to interest rate risk as of the end of the reporting period, including investments with variable interest rate, and bank borrowings with variable interest rate, and interest rate swaps. At the reporting date, an increase/decrease of 1% of interest rate in a reporting period could cause the profit for the three-month periods ended March 31, 2024 and 2023 to decreased/increased by NT\$38,779 thousand and NT\$28,857 thousand, respectively.

Equity price risk

The fair value of the Group's listed and unlisted equity securities is susceptible to market price risk arising from uncertainties about future values of the investment securities. The Group's listed equity securities are classified under held for trading financial assets or available-for-sale financial assets. The Group manages the equity price risk through diversification and placing limits on individual and total equity instruments. Reports on the equity portfolio are submitted to the Group's senior management on a regular basis. The Group's Board of Directors reviews and approves all equity investment decisions.

For the three-month periods ended March 31, 2024 and 2023, an increase/decrease of 1% in the price of the unlisted equity securities classified as equity instrument at fair value through other comprehensive income could increase/decrease by NT\$55,596 thousand and NT\$45,489 thousand on the equity attributable to the Group, respectively.

(4) Credit Risk Management

Credit risk is the risk that counterparty will not meet its obligations under a contract, leading to a financial loss. The Group is exposed to credit risk from operating activities (primarily for trade receivables and notes receivables) and from its financing activities, including bank deposits and other financial instruments.

Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and controls relating to customer credit risk management. Credit limits are established for all customers based on their financial position, rating from credit rating agencies, historical experience, prevailing economic condition and the Group's internal rating criteria, etc. Certain customer's credit risk will also be managed by taking credit enhancing procedures, such as requesting for prepayment or insurance.

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As of March 31, 2024, December 31, 2023, and March 31, 2023, receivables from top ten customers represented 98%, 87% and 86% of the total trade receivables of the Group, respectively. The credit concentration risk of other accounts receivables was insignificant.

Credit risk from balances with banks, fixed income securities and other financial instruments is managed by the Group's treasury in accordance with the Group's policy. The Group only transacts with counterparties approved by the internal control procedures, which are banks and financial institutions, companies and government entities with good credit rating and with no significant default risk. Consequently, there is no significant credit risk for these counter parties.

(5) Liquidity Risk Management

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of cash and cash equivalents, highly liquid equity investments, bank borrowings and convertible bonds. The table below summarizes the maturity profile of the Group's financial liabilities based on the contractual undiscounted payments and contractual maturity. The payment amount includes the contractual interest. The undiscounted payment relating to borrowings with variable interest rates is extrapolated based on the estimated interest rate yield curve as of the end of the reporting period.

Non-derivative financial liabilities

	Less than 1 year	1 to 3 years	3 to 5 years	Over 5 years	Total
As of March 31, 2024					
Borrowings	\$14,143,854	\$64,466	\$57,402	\$-	\$14,265,722
Accounts payable (including related parties)	6,735,395	-	-	-	6,735,395
Other payables (including related parties)	4,900,981	-	-	-	4,900,981
Lease liability	197,027	229,829	129,862	932,977	1,489,695
As of December 31, 2023					
Borrowings	\$13,844,209	\$57,502	\$65,751	\$-	\$13,967,462
Accounts payable (including related parties)	7,602,162	-	-	-	7,602,162
Other payables (including related parties)	3,944,309	-	-	-	3,944,309
Lease liability	200,743	255,550	137,171	937,855	1,531,319

CORETRONIC CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)

(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

	Less than 1				Total
	year	1 to 3 years	3 to 5 years	Over 5 years	
As of March 31, 2023					
Borrowings	\$8,246,124	\$3,716,251	\$-	\$-	\$11,962,375
Accounts payable (including related parties)	5,388,716	-	-	-	5,388,716
Other payables (including related parties)	5,375,936	-	-	-	5,375,936
Lease liability	323,063	332,489	153,413	1,082,220	1,891,185

Derivative financial liabilities

	Less than 1 year	1 to 3 years	Total
	As of March 31, 2024		
Inflows	\$-	\$-	\$-
Outflows	194,780	-	194,780
Net	\$194,780	\$-	\$194,780

As of December 31, 2023			
Inflows	\$-	\$-	\$-
Outflows	347,557	-	347,557
Net	\$347,557	\$-	\$347,557

As of March 31, 2023			
Inflows	\$-	\$-	\$-
Outflows	91,721	-	91,721
Net	\$91,721	\$-	\$91,721

The table above contains the undiscounted net cash flows of derivative financial liabilities.

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(6) Reconciliation of Liabilities Arising from Financing Activities

Reconciliation of liabilities for the three-month period ended March 31, 2024:

	Short-term borrowings	Long-term borrowings	Leases liabilities	Guarantee deposits received	Other liabilities- noncurrent	Total liabilities from financing activities
As of January 1, 2024	\$13,512,487	\$416,717	\$1,234,561	\$28,784	\$3,707	\$15,196,256
Cash flows	437,164	(171,559)	(47,109)	2,724	156	221,376
Additional leases	-	-	4,668	-	-	4,668
Exchange differences	-	-	8,171	-	-	8,171
As of March 31, 2024	\$13,949,651	\$245,158	\$1,200,291	\$31,508	\$3,863	\$15,430,471

Reconciliation of liabilities for the three-month period ended March 31, 2023:

	Short-term borrowings	Long-term borrowings	Leases liabilities	Guarantee deposits received	Other liabilities- noncurrent	Total liabilities from financing activities
As of January 1, 2023	\$9,823,849	\$3,826,977	\$1,613,090	\$19,775	\$3,707	\$15,287,398
Cash flows	(2,045,620)	(103,468)	(75,777)	(201)	(32)	(2,225,098)
Additional leases	-	-	(3,113)	-	-	(3,113)
Exchange differences	-	-	940	-	-	940
As of March 31, 2023	\$7,778,229	\$3,723,509	\$1,535,140	\$19,574	\$3,675	\$13,060,127

(7) Fair Value of Financial Instruments

A. The methods and assumptions applied in determining the fair value of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following methods and assumptions were used by the Group to measure or disclose the fair values of financial assets and financial liabilities:

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- (a)The carrying amount of cash and cash equivalents, trade receivables, short-term borrowings, trade payable and other current liabilities approximate their fair value due to their short maturities.
- (b)For financial assets and liabilities traded in an active market with standard terms and conditions, their fair value is determined based on market quotation price at the reporting date.
- (c)The fair value of derivatives which are not options and without market quotations, is determined based on the counterparty prices or discounted cash flow analysis using interest rate yield curve for the contract period. Fair value of option-based derivative financial instruments is obtained using on the counterparty prices or appropriate option pricing model or other valuation method.
- (d)The fair value of long-term borrowings without active market is determined by using valuation techniques. Therefore, the fair value is estimated using the present value of the expected cash flows. The assumption of interest rate and discount rate mainly is measured by similar financial instruments.

B. Fair value of financial instruments measured at amortized cost

The carrying amount of the Group's financial assets and liabilities measured at amortized cost approximate their fair value.

C. Fair value measurement hierarchy for financial instruments

Please refer to Note 12(9) for fair value measurement hierarchy for financial instruments of the Group.

(8) Derivative Instruments

The related information for derivative financial instruments not yet settled is as follows:

Forward currency contracts

The Group entered into forward currency contracts to manage its exposure to financial risk, but these contracts are not designated as hedging instruments. The table below lists the information related to forward currency contracts:

Item (by contract)	Notional Amount	Contract Period
As of March 31, 2024		
Forward currency contract		
Selling forward currency contracts	USD 550,500 thousand	From April 2024 to June 2024
Buying forward currency contracts	USD 650,000 thousand	From April 2024 to December 2024
Selling forward currency contracts	CAD 1,100 thousand	From April 2024 to June 2024

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Item (by contract)	Notional Amount	Contract Period
As of December 31, 2023		
Forward currency contract		
Selling forward currency contracts	USD 732,500 thousand	From January 2024 to March 2024
Buying forward currency contracts	USD 685,500 thousand	From January 2024 to October 2024
Selling forward currency contracts	CAD 1,500 thousand	From January 2024 to May 2024

As of March 31, 2023

Forward currency contract		
Selling forward currency contracts	USD 717,500 thousand	From April 2023 to September 2023
Buying forward currency contracts	USD 804,500 thousand	From April 2023 to September 2023
Selling forward currency contracts	CAD 1,200 thousand	From April 2023 to May 2023

Hedging forward currency contracts

Group's partial net investments in foreign operations were in EUR. The Group entered into forward currency contracts to manage its exposure to currency exchange rate risk, and these contracts are designated as hedging instruments. The table below lists the information related to hedging forward currency contracts:

Hedging instruments	Notional Amount	Contract Period	
As of March 31, 2023			
Forward currency contract			
Selling forward currency contracts	EUR 27,000 thousand	April 2023	
		Carrying Amount of the Hedging	
Hedging instruments/ Hedged	Line Item in	Instrument	
items	Balance Sheet	Assets	Liabilities
As of March 31, 2023			
Hedges of net investments in	Hedging financial		
foreign operations	liabilities - current	\$-	\$16,138

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Hedging instruments/ Hedged items	Changes in Fair Value of Hedging Instruments Used for Calculating Hedge Ineffectiveness for the Current Period	Changes in Fair Value of Hedged items Used for Calculating Hedge Ineffectiveness for the Current Period	Carrying Amount of Other Equity		Change in the Value of the Hedging Instrument Recognized in Other Comprehensive Income	Hedge Ineffectiveness Recognized in Profit or Loss
			Hedge Accounting Is Continuously Applicable	Hedge Accounting Is No Longer Applicable		
Hedges of net investments in foreign operations						
As of December 31,						
2023	\$(22,558)	\$22,558	\$-	\$(77,742)	\$(36,669)	\$12,928
As of March 31,						
2023	\$(14,074)	\$14,074	\$(16,138)	\$-	\$(71,002)	\$14,372

(9) Fair Value Measurement Hierarchy

A. Fair value measurement hierarchy

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, based on the lowest level input that is significant to the fair value measurement as a whole. Level 1, 2 and 3 inputs are described as follows:

Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities that the entity can access at the measurement date

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3 – Unobservable inputs for the asset or liability

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Group determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorization at the end of each reporting period.

B. Fair value measurement hierarchy of the Group's assets and liabilities

The Group does not have assets that are measured at fair value on a non-recurring basis. Fair value measurement hierarchy of the Group's assets and liabilities measured at fair value on a recurring basis is as follows:

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	March 31, 2024			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value:				
Financial assets at fair value through profit or loss				
Forward currency contract	\$-	\$698,546	\$-	\$698,546
Equity instrument measured at fair value through other comprehensive income	-	-	5,559,585	5,559,585
Liabilities measured at fair value:				
Financial liabilities at fair value through profit or loss				
Forward currency contract	-	194,780	-	194,780
	December 31, 2023			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value:				
Financial assets at fair value through profit or loss				
Forward currency contract	\$-	\$452,577	\$-	\$452,577
Equity instrument measured at fair value through other comprehensive income	-	-	5,308,046	5,308,046
Liabilities measured at fair value:				
Financial liabilities at fair value through profit or loss				
Forward currency contract	-	347,557	-	347,557

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	March 31, 2023			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value:				
Financial assets at fair value through profit or loss				
Forward currency contract	\$-	\$148,662	\$-	\$148,662
Equity instrument measured at fair value through other comprehensive income				
	-	-	4,548,912	4,548,912
Liabilities measured at fair value:				
Financial liabilities at fair value through profit or loss				
Forward currency contract	-	75,583	-	75,583
Hedging financial liabilities				
Forward currency contract	-	16,138	-	16,138

Transfers between the Level 1 and Level 2 during the period

During the three-month periods ended March 31, 2024 and 2023, there were no transfers between Level 1 and Level 2 fair value measurements.

Change in reconciliation for fair value measurements in Level 3

Reconciliation for fair value measurements in Level 3 of the fair value hierarchy for movements during the period is as follows:

	Assets
	At fair value through other comprehensive income
	Stock
As of January 1, 2024:	\$5,308,046
Total gains and losses recognized for the three-month period ended March 31, 2024:	
Amount recognized in OCI (presented in “unrealized gains from equity instruments investments measured at fair value through other comprehensive income”)	247,440
Tax effect	952
Exchange differences	3,147
As of March 31, 2024	\$5,559,585

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	Assets
	At fair value through other comprehensive income
	Stock
As of January 1, 2023:	\$3,895,009
Total gains and losses recognized for the three-month period ended March 31, 2023:	
Amount recognized in OCI (presented in “unrealized gains from equity instruments investments measured at fair value through other comprehensive income”)	654,058
Tax effect	276
Exchange differences	(431)
As of March 31, 2023	\$4,548,912

Information on significant unobservable inputs to valuation

Description of significant unobservable inputs to valuation of recurring fair value measurements categorized within Level 3 of the fair value hierarchy is as follows:

As of March 31, 2024

	Valuation techniques	Significant unobservable inputs	Quantitative information	Relationship between inputs and fair value	Sensitivity of the input to fair value
Financial assets :					
At fair value through other comprehensive income					
Stock	Asset-Based Approach	Not Applicable	-	-	-
	Market Approach	P/E ratio of similar companies	1.85	The higher the P/E ratio of similar companies, the higher the fair value estimated	10% increase (decrease) in the P/E ratio of similar entities would result in increase /decrease in equity by NT\$5,881 thousand/ NT\$5,881 thousand.

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Valuation techniques	Significant unobservable inputs	Quantitative information	Relationship between inputs and fair value	Sensitivity of the input to fair value
Market Approach	P/E ratio of similar companies	2.90	The higher the P/E ratio of similar companies, the higher the fair value estimated	10% increase (decrease) in the P/E ratio of similar companies would result in increase /decrease in equity by NT\$4,326 thousand/ NT\$4,326 thousand.

As of December 31, 2023

	Valuation techniques	Significant unobservable inputs	Quantitative information	Relationship between inputs and fair value	Sensitivity of the input to fair value
Financial assets :					
At fair value through other comprehensive income					
Stock	Asset-Based Approach	Not Applicable	-	-	-
	Market Approach	P/E ratio of similar companies	1.75	The higher the P/E ratio of similar companies, the higher the fair value estimated	10% increase (decrease) in the P/E ratio of similar entities would result in increase /decrease in equity by NT\$5,312 thousand/ NT\$5,312 thousand.
	Market Approach	P/E ratio of similar companies	2.84	The higher the P/E ratio of similar companies, the higher the fair value estimated	10% increase (decrease) in the P/E ratio of similar entities would result in increase /decrease in equity by NT\$4,692 thousand/ NT\$4,692 thousand.

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As of March 31, 2023

	Valuation techniques	Significant unobservable inputs	Quantitative information	Relationship between inputs and fair value	Sensitivity of the input to fair value
Financial assets :					
At fair value through other comprehensive income					
Stock	Asset-Based Approach	Not Applicable	-	-	-
	Market Approach	P/E ratio of similar companies	1.9	The higher the P/E ratio of similar companies, the higher the fair value estimated	10% increase (decrease) in the P/E ratio of similar entities would result in increase /decrease in equity by NT\$5,537 thousand/ NT\$5,537 thousand.
	Market Approach	P/E ratio of similar companies	2.69	The higher the P/E ratio of similar companies, the higher the fair value estimated	10% increase (decrease) in the P/E ratio of similar companies would result in increase /decrease in equity by NT\$3,523 thousand/ NT\$3,523 thousand.

Valuation process used for fair value measurements categorized within Level 3 of the fair value hierarchy

The Group's Assets Management Center (AMC) is responsible for validating the fair value measurements and ensuring that the results of the valuation are in line with market conditions, based on independent and reliable inputs which are consistent with other information, and represent exercisable prices. AMC analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Group's accounting policies at each reporting date.

C. Fair value measurement hierarchy of the Group's assets and liabilities not measured at fair value but for which the fair value is disclosed:

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	March 31, 2024			
	Level 1	Level 2	Level 3	Total
Financial assets not measured at fair value but for which the fair value is disclosed: Investment properties (please refer to Note 6(10))	\$-	\$-	\$304,500	\$304,500

	December 31, 2023			
	Level 1	Level 2	Level 3	Total
Financial assets not measured at fair value but for which the fair value is disclosed: Investment properties (please refer to Note 6(10))	\$-	\$-	\$304,500	\$304,500

	March 31, 2023			
	Level 1	Level 2	Level 3	Total
Financial assets not measured at fair value but for which the fair value is disclosed: Investment properties (please refer to Note 6(10))	\$-	\$-	\$288,200	\$288,200

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(10) Significant Assets and Liabilities Denominated in Foreign Currencies

Information regarding the significant assets and liabilities denominated in foreign currencies is listed below:

	March 31, 2024		
	Foreign currencies	Exchange rate	NTD thousand
<u>Financial assets</u>			
Monetary item:			
USD	\$1,069,454	32.00	\$34,222,528
JPY	403,000	0.2115	85,235
GBP	1,233	40.3904	49,801
CNY	1,306	4.4280	5,783
EUR	32	34.4854	1,104
Non-monetary items:			
USD	\$3,641	32.00	\$116,517
<u>Financial liabilities</u>			
Monetary items:			
USD	\$842,132	32.00	\$26,948,224
JPY	84,634	0.2115	17,900
CNY	244	4.4280	1,080
December 31, 2023			
	Foreign currencies	Exchange rate	NTD thousand
<u>Financial assets</u>			
Monetary item:			
USD	\$1,152,045	30.705	\$35,373,542
JPY	400,772	0.2172	87,048
GBP	1,232	39.15	48,231
EUR	36	33.98	1,223
CNY	212	4.3263	917
Non-monetary items:			
USD	\$3,838	30.705	\$117,830

CORETRONIC CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)

(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

	Foreign currencies	Exchange rate	NTD thousand
<u>Financial liabilities</u>			
Monetary items:			
USD	\$1,000,493	30.705	\$30,720,138
JPY	103,930	0.2172	22,574
EUR	13	33.98	442
CNY	26	4.3263	112
March 31, 2023			
	Foreign currencies	Exchange rate	NTD thousand
<u>Financial assets</u>			
Monetary item:			
USD	\$885,310	30.45	\$26,957,690
JPY	359,150	0.2288	82,174
GBP	1,232	37.67	46,409
CNY	223	4.4312	1,032
Non-monetary items:			
USD	\$3,456	30.45	\$105,240
<u>Financial liabilities</u>			
Monetary items:			
USD	\$1,025,478	30.45	\$31,225,805
JPY	97,755	0.2288	22,366
CNY	1,014	4.4312	4,493

The Group's entities functional currencies are various, and hence is not able to disclose the information of exchange gains and losses of monetary financial assets and liabilities by each significant assets and liabilities denominated in foreign currencies. The net foreign exchange loss was NT\$31,788 thousand and NT\$69,229 thousand for the three-month periods ended March 31, 2024 and 2023, respectively.

CORETRONIC CORPORATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)
(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

(11) Capital Management

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximize shareholder value. The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust dividend payment to shareholders, return capital to shareholders or issue new shares.

13. Additional Disclosures

(1) The following are additional disclosures for the Group and its affiliates:

- A. Endorsement/Guarantee provided to others for the three-month period ended March 31, 2024: Please refer to Attachment 1.
- B. Financing provided to others for the three-month period ended March 31, 2024: Please refer to Attachment 1-1.
- C. Securities held as of March 31, 2024 (excluding subsidiaries, associates and joint venture): Please refer to Attachment 2, 2-1.
- D. Individual securities acquired or disposed of with accumulated amount exceeding the lower of NT\$300 million or 20 percent of the capital stock for the three-month period ended March 31, 2024: Please refer to Attachment 10.
- E. Acquisition of individual real estate with amount exceeding the lower of NT\$300 million or 20 percent of the capital stock for the three-month period ended March 31, 2024: None.
- F. Disposal of individual real estate with amount exceeding the lower of NT\$300 million or 20 percent of the capital stock for the three-month period ended March 31, 2024: None.
- G. Related party transactions for purchases and sales amounts exceeding the lower of NT\$100 million or 20 percent of the capital stock for the three-month period ended March 31, 2024: Please refer to Attachment 3, 3-1.
- H. Receivables from related parties with amounts exceeding the lower of NT\$100 million or 20 percent of capital stock as of March 31, 2024: Please refer to Attachment 4, 4-1.

CORETRONIC CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)

(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

I. The business relationship between the parent and the subsidiaries and significant transactions between them: Please refer to Attachment 5.

J. Financial instruments and derivative transactions: Please refer to Note 6(2), Note 6(13), Note 6(14), Note 12(1), Note 12(5), Note 12(8) and Attachment 8.

(2) Information on Investees

A. Relevant information on investees when the investees have significant influence or direct or indirect control: Please refer to Attachments 6, 6-1, 6-2 and 6-3.

B. When the investees have significant influence or direct or indirect control, the above items from A to I shall be disclosed: Please refer to Attachments 1-1, 1-2, 2-1, 3-1, 4-1.

C. Financial instruments and derivative transactions: Please refer to Attachment 8.

(3) Investment in Mainland China

A. Investee company name, main businesses and products, total amount of capital, method of investment, accumulated inflow and outflow of investments from Taiwan, percentage of ownership, investment income (loss), carrying amount of investments, cumulated inward remittance of earnings and limits on investment in Mainland China: Please refer to Attachment 7, 7-1.

B. Directly or indirectly significant transactions with the investees in Mainland China: please refer to Attachment 5.

(4) Information on major shareholders

Please refer to Attachment 9.

14. Segment information

(1) General Information

A. The Group's reportable segments are organized into business units based on their products and services, and that they will be available for managing units to earn revenues and incur expense. Every unit needs unique technologies and marketing strategies, and the Group's chief operating decision maker manages every unit individually. The Group determined its reportable segments based on the Group's internal reports.

CORETRONIC CORPORATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)
(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

B. The Group has three reportable segments:

- (a) Energy-saving products segments: mainly engaged in the R&D design, manufacturing and marketing of backlighting, panel modules, medical displays and energy-efficient lighting equipment.
- (b) Image products and brand segments: mainly engaged in the R&D design, manufacturing and marketing of projector and brand management.
- (c) Optical components segments: mainly engaged in the R&D, production and marketing of projection-related applications of optics related components.

No operating segments have been aggregated to form the above reportable operating segments.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss and is measured based on accounting policies consistent with those in the consolidated financial statements. However, financial cost, income and income taxes are managed on a group basis and are not allocated to operating segments.

Transfer prices between operating segment are on an arm's length basis in a manner similar to transactions with third parties.

(2) Segment Income, Assets and Liabilities Information

	For the three months ended March 31, 2024						Total
	Energy - saving products segment	Image products and brand segment	Optical components segment	Subtotal	Other segment (Note A)	Adjustment and elimination (Note B)	
Revenue							
Net revenue from							
external customers	\$4,128,130	\$3,707,100	\$441,509	\$8,276,739	\$842,854	\$-	\$9,119,593
Net revenue from sales							
among intersegments	5,664	247	118,621	124,532	117,917	(242,449)	-
Total revenue	<u>\$4,133,794</u>	<u>\$3,707,347</u>	<u>\$560,130</u>	<u>\$8,401,271</u>	<u>\$960,771</u>	<u>\$(242,449)</u>	<u>\$9,119,593</u>
Segment income (loss)	<u>\$151,276</u>	<u>\$254,147</u>	<u>\$(241,634)</u>	<u>\$163,789</u>	<u>\$(170,721)</u>	<u>\$81,570</u>	<u>\$74,638</u>
Segment Assets (Note C)	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>	<u>\$55,983,021</u>	<u>\$55,983,021</u>

CORETRONIC CORPORATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)
(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

	For the three months ended March 31, 2023						
	Energy - saving products segment	Image products and brand segment	Optical components segment	Subtotal	Other segment (Note A)	Adjustment and elimination (Note B)	Total
Revenue							
Net revenue from							
external customers	\$4,149,069	\$4,084,789	\$623,593	\$8,857,451	\$713,334	\$-	\$9,570,785
Net revenue from sales							
among intersegments	13,469	9,282	106,000	128,751	213,337	(342,088)	-
Total revenue	\$4,162,538	\$4,094,071	\$729,593	\$8,986,202	\$926,671	\$(342,088)	\$9,570,785
Segment income (loss)	\$135,780	\$380,940	\$(68,266)	\$448,454	\$(140,577)	\$(28,030)	\$279,847
Segment Assets (Note C)	\$-	\$-	\$-	\$-	\$-	\$51,382,170	\$51,382,170

Note A: Nine operating segments did not meet the quantitative thresholds for reportable segments for the three-month periods ended March 31, 2024 and 2023, respectively. They have been combined into other segments.

Note B: Inter-segment revenues is eliminated on consolidation and recorded under the “adjustment and elimination” column, all other adjustments and eliminations are disclosed below.

Note C: If the measurements of the asset were not provided to the decision makers, the amount of the assets to be disclosed by every segment may be expressed as zero and listed as group assets.

	Three months ended March 31	
	2024	2023
Net income of reportable segment	\$163,789	\$448,454
Loss of other segments	(170,721)	(140,577)
Unallocated amount:		
Interest income	112,784	89,559
Interest expense	(83,612)	(151,900)
Gain on financial assets at fair value through profit or loss, net	164,548	194,324
Exchange loss, net	(31,788)	(69,229)
Others	(80,362)	(90,784)
Income before income tax	\$74,638	\$279,847

ATTACHMENT 1 (Endorsement/Guarantee provided to others for the year ended March 31, 2024)

(Amounts in Thousands of New Taiwan Dollars)

No.	Endorsor/guarantor	Receiving party		Limit of guarantee/endorsement amount for receiving party	Maximum balance for the period	Ending balance	Actual amount provided	Amount of endorsement/guarantee collateralized by properties	Percentage of accumulated guarantee amount to net worth from the latest financial statements	Limit of total guarantee/endorsement amount	Guarantee provided by parent company	Guarantee provided by a subsidiary	Guarantee provided to subsidiary in Mainland China
		Company name	Relationship										
0	Coretronic Corporation	Coretronic Technology (BRVT)	Sub-subsiary	\$ 11,742,145 (Note a)	\$ 2,646,400	\$ 2,646,400	\$ 816,733	\$ -	11.27%	\$ 23,484,289 (Note b)	Yes	No	No
0	Coretronic Corporation	Coretronic Vietnam	Subsidiary	11,742,145 (Note a)	1,474,786	982,400	566,892	-	4.18%	23,484,289 (Note b)	Yes	No	No
0	Coretronic Corporation	Coretronic MEMS Corporation	Subsidiary	11,742,145 (Note a)	150,000	150,000	8,460	-	0.64%	23,484,289 (Note b)	Yes	No	No
0	Coretronic Corporation	Nano Precision Taiwan	Sub-subsiary	11,742,145 (Note a)	300,000	300,000	1,769	-	1.28%	23,484,289 (Note b)	Yes	No	No
0	Coretronic Corporation	Coretronic Intelligent Robotics Corporation	Subsidiary	11,742,145 (Note a)	175,000	175,000	-	-	0.75%	23,484,289 (Note b)	Yes	No	No
	Total					<u>\$ 4,746,186</u>	<u>\$ 4,253,800</u>						

Note a : Based on the procedures of endorsement/guarantee provided to others, the amount of endorsements/guarantees for any single entity shall not exceed 50% of the Company's net worth from the latest financial statements.

Note b : Based on the procedures of endorsement/guarantee provided to others, the total amount of endorsements/guarantees shall not exceed 100% of the Company's net worth from the latest financial statements.

ATTACHMENT 1-1 (Financing provided to others for the three months ended March 31, 2024)

(The certain information is based on the unreviewed financial statements)

(Amounts in Thousands of New Taiwan Dollars, Unless Specified Otherwise)

No.	Lender	Counter-party	Financial statement account	Related party	Maximum balance for the period	Ending balance	Actual amount provided	Interest rate	Nature of financing	Amount of sales to (purchases from) counter-party	Reason for financing	Allowance for expected credit losses	Collateral		Limit of financing amount for individual counter-party	Limit of total financing amount
													Item	Value		
1	Bighshine (HK)	Mat Limited	Trade receivables - related parties	Yes	\$138,464	\$138,464	\$138,464	-%	The need for short-term financing	-	Business turnover	-	None	-	\$550,037	\$550,037
1	Bighshine (HK)	Coretronic Corporation	Trade receivables - related parties	Yes	203,936	203,936	203,936	-%	The need for short-term financing	-	Business turnover	-	None	-	550,037	550,037
2	Boom Power	Coretronic (BVI) Investment	Trade receivables - related parties	Yes	2,272	2,272	2,272	-%	The need for short-term financing	-	Business turnover	-	None	-	248,186	248,186
2	Boom Power	Coretronic Corporation	Trade receivables - related parties	Yes	121,856	121,856	121,856	-%	The need for short-term financing	-	Business turnover	-	None	-	248,186	248,186
3	Dynamic Time	Coretronic Corporation	Trade receivables - related parties	Yes	2,502,400	2,502,400	2,502,400	-%	The need for short-term financing	-	Business turnover	-	None	-	2,525,593	2,525,593
4	Great Pride (HK)	Coretronic Corporation	Trade receivables - related parties	Yes	118,400	118,400	118,400	-%	The need for short-term financing	-	Business turnover	-	None	-	2,735,271	2,735,271
5	Mat Limited	Coretronic Vietnam	Trade receivables - related parties	Yes	147,200	147,200	147,200	0.5%	The need for short-term financing	-	Business turnover	-	None	-	1,471,602	1,471,602
6	Tecpoint	Coretronic Corporation	Trade receivables - related parties	Yes	521,280	521,280	521,280	-%	The need for short-term financing	-	Business turnover	-	None	-	3,494,429	3,494,429
7	Venture Orient	Coretronic Corporation	Trade receivables - related parties	Yes	80,000	80,000	80,000	-%	The need for short-term financing	-	Business turnover	-	None	-	524,975	524,975
8	Wisdom Success (HK)	Coretronic Corporation	Trade receivables - related parties	Yes	592,000	592,000	592,000	-%	The need for short-term financing	-	Business turnover	-	None	-	7,264,603	7,264,603
9	Wisdom Success	Coretronic Corporation	Trade receivables - related parties	Yes	32,000	32,000	32,000	-%	The need for short-term financing	-	Business turnover	-	None	-	11,305,117	11,305,117
10	Young Lighting Limited	Coretronic Technology (BRVT)	Trade receivables - related parties	Yes	310,400	310,400	310,400	0.5%	The need for short-term financing	-	Business turnover	-	None	-	3,351,440	3,351,440
10	Young Lighting Limited	Coretronic Corporation	Trade receivables - related parties	Yes	310,400	-	-	-%	The need for short-term financing	-	Business turnover	-	None	-	3,351,440	3,351,440
11	Chung Tsen Investment	Coretronic Reality Inc.	Trade receivables - related parties	Yes	60,000	60,000	60,000	0.645%	The need for short-term financing	-	Business turnover	-	None	-	1,043,729	1,043,729
11	Chung Tsen Investment	Coretronic Intelligent Logistics Solutions Corporation	Trade receivables - related parties	Yes	87,000	87,000	87,000	0.645%	The need for short-term financing	-	Business turnover	-	None	-	1,043,729	1,043,729
11	Chung Tsen Investment	Coretronic MEMS Corporation	Trade receivables - related parties	Yes	60,000	60,000	60,000	0.645%	The need for short-term financing	-	Business turnover	-	None	-	1,043,729	1,043,729
11	Chung Tsen Investment	Coretronic Corporation	Trade receivables - related parties	Yes	305,000	305,000	305,000	0.645%	The need for short-term financing	-	Business turnover	-	None	-	1,043,729	1,043,729
11	Chung Tsen Investment	Nano Precision Taiwan	Trade receivables - related parties	Yes	55,000	27,000	27,000	0.645%	The need for short-term financing	-	Business turnover	-	None	-	1,043,729	1,043,729
12	Vimax (Kunshan)	Coretronic Optics (Kunshan)	Trade receivables - related parties	Yes	1,261,971	1,261,971	1,261,971	0.5%	The need for short-term financing	-	Business turnover	-	None	-	1,439,474	1,439,474
13	Coretronic Projection (Kunshan)	Coretronic Optics (Kunshan)	Trade receivables - related parties	Yes	1,328,390	1,328,390	1,328,390	0.5%	The need for short-term financing	-	Business turnover	-	None	-	7,139,429	7,139,429
13	Coretronic Projection (Kunshan)	Coretronic Optics (Suzhou)	Trade receivables - related parties	Yes	2,213,984	2,213,984	2,213,984	0.5%	The need for short-term financing	-	Business turnover	-	None	-	7,139,429	7,139,429
14	Young Green Energy	Coretronic Corporation	Trade receivables - related parties	Yes	80,000	80,000	80,000	0.645%	The need for short-term financing	-	Business turnover	-	None	-	87,953	87,953
15	Coretronic (Ningbo)	Coretronic Optics (Suzhou)	Trade receivables - related parties	Yes	885,594	885,594	885,594	0.5%	The need for short-term financing	-	Business turnover	-	None	-	3,742,761	3,742,761
16	Tsen Ming Investment	Coretronic Reality Inc.	Trade receivables - related parties	Yes	50,000	50,000	50,000	0.645%	The need for short-term financing	-	Business turnover	-	None	-	220,260	220,260
16	Tsen Ming Investment	Coretronic Intelligent Robotics Corporation	Trade receivables - related parties	Yes	70,000	70,000	70,000	0.645%	The need for short-term financing	-	Business turnover	-	None	-	220,260	220,260
16	Tsen Ming Investment	Coretronic Corporation	Trade receivables - related parties	Yes	96,000	96,000	96,000	0.645%	The need for short-term financing	-	Business turnover	-	None	-	220,260	220,260
16	Tsen Ming Investment	Nano Precision Taiwan	Trade receivables - related parties	Yes	72,000	-	-	-%	The need for short-term financing	-	Business turnover	-	None	-	220,260	220,260
17	Champ Vision Display	uCare Medical Electronics	Trade receivables - related parties	Yes	6,000	6,000	-	1.75%	The need for short-term financing	-	Business turnover	-	None	-	79,400	79,400
18	Young Optics	Young Optics (BD)	Other receivables - related parties	Yes	384,000	384,000	49,920	-%	The need for short-term financing	-	Business turnover	-	None	-	1,198,244	1,198,244
19	Best Alpha	Young Optics (BD)	Other receivables - related parties	Yes	32,000	32,000	32,000	-%	The need for short-term financing	-	Business turnover	-	None	-	485,587	485,587

Note a : Limit of financing amount for individual counter-party and total financing amount should not exceed 100% of lender's net worth from the latest financial statements, including Bighshine (HK) Limited, Mat Limited, Vimax (Kunshan), Coretronic Projection (Kunshan) and Coretronic (Ningbo).

The above restriction only applies to the foreign subsidiaries whose shares are 100% owned by the Company.

Note b : Bighshine (HK), Dynamic Time, Great Pride (HK), Tecpoint, Venture Orient, Wisdom Success (HK), and Wisdom Success provided financing to Coretronic Corporation. Limit of total financing amount for individual counter-party should not exceed 100% of lender's net worth from the latest financial statements.

Note c : Boom Power and Young Lighting Limited provided financing to Coretronic Corporation or the foreign subsidiaries whose shares are 100% owned, directly or indirectly, by the Company. Limit of total financing amount for individual counter-party should not exceed 200% of lender's net worth from the latest financial statements.

Note d : Limit of total financing amount for individual counter-party should not exceed 40% of lender's net worth from the latest financial statements, and limit of financing amount should not exceed 100% of the latest financial statements of lender, including Tsen Ming Investment, Chung Tsen Investment, Young Green Energy and Champ Vision Display.

Note e : Young Optics provided financing to the foreign subsidiaries whose shares are 100% owned by Young Optics Inc. Limit of total financing amount for individual counter-party should not exceed 40% of Young Optics' net worth from the latest financial statements.

Note f : Best Alpha provided financing to the foreign subsidiaries whose shares are 100% owned by Young Optics. Limit of total financing amount for individual counter-party should not exceed 40% of Best Alpha's or Young Optics' net worth from the latest financial statements.

ATTACHMENT 2 (Securities held as of March 31, 2024)

(The certain information is based on the unreviewed financial statements)

(Amounts in Thousands of New Taiwan Dollars, Unless Specified Otherwise)

Held company name	Marketable securities type and name	Relationship with the company	Financial statement account	March 31, 2024				Note
				Shares/Units	Carrying amount	Percentage of ownership (%)	Fair value(Note a)	
Coretronic Corporation	Nightingale Intelligent Systems, Inc.	-	Financial assets at fair value through profit or loss-noncurrent	550,436	\$ -	0.41%	\$ -	(Note b)
Coretronic Corporation	Sysonan Inc.	-	Financial assets at fair value through profit or loss-noncurrent	9,007	-	0.00%	-	(Note b)
Coretronic Corporation	Flexenable Limited-preferred shares	-	Financial assets at fair value through other comprehensive income-noncurrent	4,087,335,661	-	16.80%	-	(Note b)
Coretronic Corporation	Yann Yuan Investment Co., Ltd.	Coretronic Corporation was Yann Yuan Investment's director.	Financial assets at fair value through other comprehensive income-noncurrent	57,000,000	4,404,394	11.06%	4,404,394	
Coretronic Corporation	Eterge Opto-Electronics	Coretronic Corporation was Eterge Opto-Electronics' director.	Investments accounted for using the equity method	1,850,000	38,120	18.50%	-	
Coretronic Corporation	Liuligongfang	-	Financial assets at fair value through other comprehensive income-noncurrent	242,094	10,849	3.06%	10,849	
Coretronic Corporation	Excel Global	-	Financial assets at fair value through other comprehensive income-noncurrent	812,506	47,964	19.90%	47,964	

Note a : The Group measured the fair value of investments in accordance with IFRS 9.

Note b : The impairment loss was recognized as the difference between the recoverable amount of the security and its carrying value.

ATTACHMENT 2-1 (Securities held as of March 31, 2024)

(The certain information is based on the unreviewed financial statements)

(Amounts in Thousands of New Taiwan Dollars, Unless Specified Otherwise)

Held company name	Marketable securities type and name	Relationship with the company	Financial statement account	March 31, 2024				Note
				Shares/Units	Carrying amount	Percentage of ownership (%)	Fair value (Note a)	
Coretronic Venture Capital	GeneJet Biotech	-	Financial assets at fair value through other comprehensive income-noncurrent	315,000	\$ -	5.85%	\$ -	
Coretronic Intelligent Cloud Service Corp.	GateWeb	-	Financial assets at fair value through other comprehensive income-noncurrent	900,000	43,257	18.54%	43,257	
Venture Orient Limited	Unitech Capital	-	Financial assets at fair value through other comprehensive income-noncurrent	2,500,000	USD 2,142,268	5.00%	USD 2,142,268	
Chung Tsen Investment	Shieh Yong Investment	-	Financial assets at fair value through other comprehensive income-noncurrent	95,895,463	984,568	4.47%	984,568	

Note a : The Group measured the fair value of investments in accordance with IFRS 9.

ATTACHMENT 3 (Related party transactions for purchases and sales amounts exceeding the lower of NT\$100 million or 20 percent of capital stock for the three months ended March 31, 2024)

(The certain information is based on the unreviewed financial statements)

(Amounts in Thousands of New Taiwan Dollars, Unless Specified Otherwise)

Company name	Counter-party	Relationship	Transactions				Details of non-arm's length transaction		Notes and Trade receivables (payable)		Note
			Purchases (Sales)	Amount	Percentage of total purchases (sales)	Term	Unit price	Term	Balance	Percentage of total receivables (payable)	
Coretronic Corporation	Optoma Corporation	Sub-subsiary	Sales	\$ 919,747	15.28%	90 days	-	-	\$ 1,112,583	6.72%	
Coretronic Corporation	Coretronic Optics (Suzhou)	Sub-subsiary	Purchases	1,216,864	12.41%	60 days	-	-	(616,379)	(3.95)%	
Coretronic Corporation	Coretronic Optoteck (Suzhou)	Sub-subsiary	Purchases	449,619	4.59%	60 days	-	-	(1,256,059)	(8.04)%	
Coretronic Corporation	Coretronic Technology (BRVT)	Sub-subsiary	Purchases	468,165	4.78%	60 days	-	-	(572,106)	(3.66)%	
Coretronic Corporation	Coretronic Vietnam	Subsidiary	Purchases	311,633	3.18%	60 days	-	-	(317,664)	(2.03)%	
Coretronic Corporation	Coretronic (Ningbo)	Sub-subsiary	Purchases	239,261	2.44%	120 days	-	-	(325,155)	(2.08)%	

ATTACHMENT 3-1 (Related party transactions for purchases and sales amounts exceeding the lower of NT\$100 million or 20 percent of capital stock for the three months ended March 31, 2024)

(The certain information is based on the unreviewed financial statements)

(Amounts in Thousands of New Taiwan Dollars, Unless Specified Otherwise)

Company name	Counter-party	Relationship	Transactions				Details of non-arm's length transaction		Notes and Trade receivables (payables)		Note
			Purchases (Sales)	Amount	Percentage of total purchases (sales)	Term	Unit price	Term	Balance	Percentage of total receivables (payables)	
Coretronic Optics (Kushan)	Coretronic Projection (Kunshan)	Associate	Sales	\$1,417,671	99.96%	60 days	-	-	\$1,672,164	99.95 %	
Optoma Corporation	Optoma USA	Associate	Sales	301,618	26.71%	60 days	-	-	305,603	27.72 %	
Optoma Corporation	Optoma Europe	Associate	Sales	675,519	59.83%	60 days	-	-	691,930	62.77 %	

ATTACHMENT 4 (Receivables from related parties with amounts exceeding the lower of NT\$100 million or 20 percent of capital stock as of March 31, 2024)

(The certain information is based on the unreviewed financial statements)

(Amounts in Thousands of New Taiwan Dollars, Unless Specified Otherwise)

Company name	Counter-party	Relationship	Trade receivables - related parties balance	Turnover rate (times)	Overdue receivables		Amount received in subsequent period	Allowance for expected credit losses
					Amount	Collection status		
Trade receivables : Coretronic Corporation	Optoma Corporation	Sub-subsiidiary	\$ 1,112,583	3.85	\$ -	-	\$ -	\$ -

ATTACHMENT 4-1 (Receivables from related parties with amounts exceeding the lower of NT\$100 million or 20 percent of capital stock as of March 31, 2024)

(The certain information is based on the unreviewed financial statements)

(Amounts in Thousands of New Taiwan Dollars, Unless Specified Otherwise)

Company name	Counter-party	Relationship	Trade receivables - related parties balance	Turnover rate (times)	Overdue receivables		Amount received in subsequent period	Allowance for expected credit losses
					Amount	Collection status		
Trade Receivables :								
Young Optics (Kunshan)	Young Optics	Associate	\$ 364,436	0.89	-	-	-	-
Coretronic Projection (Kunshan)	Optoma China	Associate	119,512	2.64	-	-	-	-
Coretronic Optics (Kunshan)	Coretronic Projection (Kunshan)	Associate	1,672,164	3.66	-	-	-	-
Young Optics	Young Optics (BD)	Associate	112,991	-	-	-	-	-
			(Note a)					
Grace China	Young Optics (BD)	Associate	301,598	-	-	-	-	-
			(Note c)					
Optoma Corporation	Optoma USA	Associate	305,603	4.76	-	-	-	-
Optoma Corporation	Optoma Europe	Associate	691,930	4.29	-	-	-	-
Other Receivables :								
Dynamic Time	Coretronic Corporation	Parent	2,502,400	-	-	-	-	-
Mat Limited	Coretronic Vietnam	Associate	147,640	-	-	-	-	-
Vimax (Kunshan)	Coretronic Optics (Kunshan)	Associate	1,263,944	-	-	-	-	-
Chung Tsen Investment	Coretronic Corporation	Parent	306,187	-	-	-	-	-
Masterview	Grace China	Associate	304,000	-	-	-	-	-
			(Note b)					
Tecpoint	Coretronic Corporation	Parent	521,280	-	-	-	-	-
Coretronic Projection (Kunshan)	Coretronic Optics (Kunshan)	Associate	1,334,216	-	-	-	-	-
Coretronic Projection (Kunshan)	Coretronic Optics (Suzhou)	Associate	2,219,027	-	-	-	-	-
Boom Power	Coretronic Corporation	Parent	121,856	-	-	-	-	-
Coretronic (Ningbo)	Coretronic Optics (Suzhou)	Associate	887,131	-	-	-	-	-
Great Pride (HK)	Coretronic Corporation	Parent	118,400	-	-	-	-	-
Wisdom Success (HK)	Coretronic Corporation	Parent	592,000	-	-	-	-	-
Bigshine (HK)	Coretronic Corporation	Parent	203,936	-	-	-	-	-
Bigshine (HK)	Mat Limited	Associate	138,464	-	-	-	-	-
Young Lighting Limited	Coretronic Technology (BRVT)	Associate	310,443	-	-	-	-	-

Note a : Included financing amounts.

Note b : Distribution of earnings.

Note c : Included Other receivables.

. ATTACHMENT 5 (Significant intercompany transactions between consolidated entities)

(The certain information is based on the unreviewed financial statements)

(Amounts in Thousands of New Taiwan Dollars, Unless Specified Otherwise)

No. (Note a)	Related party	Counter-party	Relationship with Coretronic Corporation (Note b)	Transactions			
				Accounts	Amount	Collection periods (Note c)	Percentage of consolidated operating revenues or consolidated total assets (Note d)
0	Coretronic Corporation	Greendale	1	Accounts receivable	336,593	—	0.60%
			1	Sales	570,105	—	6.25%
		Coretronic Optotech (Suzhou)	1	Accounts receivable	2,375,657	—	4.26%
			1	Sales	639,666	—	7.01%
		Coretronic Optics (Suzhou)	1	Accounts receivable	4,430,379	—	7.94%
			1	Sales	1,880,555	—	20.62%
		Coretronic Vietnam	1	Accounts receivable	1,127,403	—	2.02%
		Coretronic Technology (BRVT)	1	Other receivables	83,791	—	0.15%
			1	Accounts receivable	1,564,983	—	2.80%
			1	Sales	1,387,753	—	15.22%
Optoma Corporation	1	Accounts receivable	1,112,583	—	1.99%		
	1	Sales	919,747	—	10.09%		
1	Young Optics	Young Optics (Suzhou)	3	Accounts receivable	628	—	0.00%
			3	Sales	1,585	—	0.02%
		Mejiro	3	Accounts receivable	2,753	—	0.00%
			3	Sales	4,917	—	0.05%
		Young Optics (Kunshan)	3	Accounts receivable	10,463	—	0.02%
			3	Sales	1,201	—	0.01%
		Young Optics (BD)	3	Other receivables	49,920	—	0.09%
			3	Accounts receivable	63,071	—	0.11%
3	Grace China	Young Optics (BD)	3	Accounts receivable	26,506	—	0.05%
			3	Other receivables	275,092	—	0.49%
3	Young Optics (Kunshan)	Young Optics	3	Accounts receivable	364,436	—	0.65%
			3	Sales	83,736	—	0.92%
			3	Manufacturing expenses	19	—	0.00%
		Coretronic Optics (Kunshan)	3	Accounts receivable	83,390	—	0.15%
			3	Sales	81,912	—	0.90%
		Young Optics (Suzhou)	3	Accounts receivable	6,030	—	0.01%
			3	Sales	5,953	—	0.07%
		Young Optics (BD)	3	Accounts receivable	84	—	0.00%
3	Sales		83	—	0.00%		

No. (Note a)	Related party	Counter-party	Relationship with Coretronic Corporation (Note b)	Transactions			
				Accounts	Amount	Collection periods (Note c)	Percentage of consolidated operating revenues or consolidated total assets (Note d)
4	Dynamic Time	Coretronic Corporation	2	Other receivables	2,502,400	—	4.48%
5	Wisdom Success	Coretronic Corporation	2	Other receivables	32,000	—	0.06%
6	Mat Limited	Coretronic Vietnam	3	Other receivables	147,640	—	0.26%
7	Vimax (Kunshan)	Coretronic Optics (Kunshan)	3	Other receivables	1,263,944	—	2.26%
8	Chung Tsen Investment	Coretronic Corporation	2	Other receivables	306,187	—	0.55%
		Coretronic MEMS Corporation	3	Other receivables	60,265	—	0.11%
		Coretronic Reality Inc	3	Other receivables	60,289	—	0.11%
		Coretronic Intelligent Logistics Solutions Corporation	3	Other receivables	87,252	—	0.16%
9	Venture Orient	Coretronic Corporation	2	Other receivables	80,000	—	0.14%
10	Masterview	Grace China	3	Other receivables	304,000	—	0.54%
		Best Alpha	3	Other receivables	57,600	—	0.10%
11	Best Alpha	Young Optics (BD)	3	Other receivables	32,000	—	0.06%
12	Tecpoint	Coretronic Corporation	2	Other receivables	521,280	—	0.93%
13	Greendale	Coretronic Corporation	2	Other receivables	2,096,233	—	3.76%
		Coretronic Optics (Kunshan)	3	Other receivables	334,179	—	0.60%
14	Coretronic Projection (Kunshan)	Optoma China	3	Accounts receivable	119,512	—	0.21%
			3	Sales	90,854	—	1.00%
		Greendale	3	Accounts receivable	2,095,327	—	3.75%
			3	Sales	2,571,221	—	28.19%
		Champ Vision Display	3	Accounts receivable	215,971	—	0.39%
			3	Sales	183,735	—	2.01%
		Coretronic Optics (Kunshan)	3	Other receivables	1,334,216	—	2.39%
			3	Accounts receivable	83,153	—	0.15%
3	Sales	81,758	—	0.90%			
15	Young Green Energy	Coretronic Corporation	2	Other receivables	2,219,027	—	3.98%
16	Boom Power	Coretronic Corporation	2	Other receivables	80,353	—	0.14%
17	Tsen Ming Investment	Coretronic Corporation	2	Other receivables	121,856	—	0.22%
		Coretronic Intelligent Robotics Corporation	3	Other receivables	96,424	—	0.17%
		Coretronic Reality Inc.	3	Other receivables	70,042	—	0.13%
18	Coretronic (Ningbo)	Coretronic Corporation	3	Other receivables	50,115	—	0.09%
			2	Accounts receivable	325,155	—	0.58%
		Coretronic Optics (Suzhou)	2	Sales	239,261	—	2.62%
			3	Other receivables	887,131	—	1.59%
			3	Accounts receivable	42,815	—	0.08%
3	Sales	30,782	—	0.34%			

No. (Note a)	Related party	Counter-party	Relationship with Coretronic Corporation (Note b)	Transactions			
				Accounts	Amount	Collection periods (Note c)	Percentage of consolidated operating revenues or consolidated total assets (Note d)
19	Great Pride (HK)	Coretronic Corporation	2	Other receivables	118,400	—	0.21%
20	Wisdom Success (HK)	Coretronic Corporation	2	Other receivables	592,000	—	1.06%
21	Bigshine (HK)	Coretronic Corporation	2	Other receivables	203,936	—	0.37%
		Mat Limited	3	Other receivables	138,464	—	0.25%
22	Coretronic Intelligent Cloud Service Corp.	Coretronic Corporation	2	Accounts receivable	87,720	—	0.16%
			2	Sales	57,281	—	0.63%
23	Young Lighting Limited	Coretronic Technology (BRVT)	3	Other receivables	310,443	—	0.56%
24	Coretronic Optotech (Suzhou)	Coretronic Corporation	2	Accounts receivable	1,256,059	—	2.25%
			2	Sales	449,619	—	4.93%
		Coretronic Display (Suzhou)	3	Accounts receivable	35,242	—	0.06%
			3	Sales	31,039	—	0.34%
25	Champ Vision Display	Coretronic Projection (Kunshan)	3	Accounts receivable	75,001	—	0.13%
			3	Sales	108,757	—	1.19%
26	Coretronic Optics (Kunshan)	Coretronic Projection (Kunshan)	3	Accounts receivable	1,672,164	—	3.00%
			3	Sales	1,417,671	—	15.55%
27	Coretronic Optics (Suzhou)	Coretronic Corporation	2	Accounts receivable	4,571,135	—	8.19%
			2	Sales	1,225,273	—	13.44%
28	Coretronic Vietnam	Coretronic Corporation	2	Accounts receivable	317,664	—	0.57%
			2	Sales	311,633	—	3.42%
		Coretronic Technology (BRVT)	3	Other receivables	45,239	—	0.08%
29	Coretronic Technology (BRVT)	Coretronic Corporation	2	Accounts receivable	572,106	—	1.03%
			2	Sales	468,165	—	5.13%
30	Optoma Corporation	Optoma USA	3	Accounts receivable	305,603	—	0.55%
			3	Sales	301,618	—	3.31%
		Optoma Europe	3	Accounts receivable	691,930	—	1.24%
			3	Sales	675,519	—	7.41%
31	Young Optics (Suzhou)	Young Optics	3	Accounts receivable	101	—	0.00%
			3	Sales	99	—	0.00%
		Young Optics (Kunshan)	3	Other receivable	413	—	0.00%
			3	Accounts receivable	486	—	0.00%
			3	Sales	885	—	0.01%
32	Mejiro	Young Optics	3	Other receivable	632	—	0.00%
			3	Accounts receivable	1,015	—	0.00%
			3	Sales	2,238	—	0.02%
			3	Other current liabilities	236	—	0.00%

No. (Note a)	Related party	Counter-party	Relationship with Coretronic Corporation (Note b)	Transactions			
				Accounts	Amount	Collection periods (Note c)	Percentage of consolidated operating revenues or consolidated total assets (Note d)
33	Young Optics (BD)	Young Optics	3	Contract liabilities	9,264	—	0.02%
			3	Sales	14,493	—	0.16%
			3	Purchase of property	191	—	0.00%
	Young Optics (Kunshan)	3	Accounts receivable	4,271	—	0.01%	
		3	Sales	6,793	—	0.07%	

Note a: Coretronic Corporation and its subsidiaries are coded as follows:

1. Coretronic Corporation is coded "0"
2. The subsidiaries are coded consecutively beginning from "1" in the order presented in the table above.

Note b: Transactions are categorized as follows:

1. The holding company to subsidiary.
2. The subsidiary to holding company.
3. Subsidiaries to subsidiaries.

Note c: In principle, the received/payment terms were month-end 90 days or 30-150 days.

Note d: The percentage with respect to the consolidated asset/liability for transactions of balance sheet items are based on each item's balance at period-end.

For profit or loss items, cumulative balances are used as basis.

ATTACHMENT 6 : (Names, locations and related information of investee companies as of March 31, 2024) (Not including investment in Mainland China)

(The certain information is based on the unreviewed financial statements)

(Amounts in Thousands of New Taiwan Dollars, Unless Specified Otherwise)

Investor company	Investee company	Address	Main businesses and products	Initial Investment		Investment as of March 31, 2024			Net income (loss) of investee company	Investment income (loss) recognized	Note
				Ending balance	Beginning balance	Number of shares	Percentage of ownership	Carrying amount			
Coretronic Corporation	Coretronic (BVI) Investment Corp.	B.V.I.	Holding company	\$1,563,709	\$1,563,709	38,220,000	100.00%	\$7,287,341	\$116,990	\$116,990	Subsidiary
Coretronic Corporation	Young Optics Inc.	Hsinchu City, Taiwan	Engaged in the production, marketing and R&D of electronic components and optics.	496,543	496,543	37,217,586	32.63%	912,655	(229,408)	(75,013)	Subsidiary
Coretronic Corporation	Viscorp Limited	B.V.I.	Holding company	467,241	467,241	40,781	100.00%	13,380,126	150,860	150,860	Subsidiary
Coretronic Corporation	Sinolink Global Limited	B.V.I.	Holding company	34,100	34,100	980	100.00%	1,448,519	3,067	3,067	Subsidiary
Coretronic Corporation	Chung Tsen Investment Corp.	Taipei City, Taiwan	Investment company for strategic purposes	692,696	692,696	127,099,664	100.00%	2,617,156	(2,090)	(2,090)	Subsidiary
Coretronic Corporation	Tecpoint Limited	B.V.I.	Holding company	1,064,802	1,064,802	33,556,599	78.06%	2,707,037	15,901	12,413	Subsidiary
Coretronic Corporation	Young Green Energy Co., LTD.	Hsinchu County, Taiwan	Engaged in the production, wholesale and retail trade of electronic components, battery, computer and its peripheral devices, and electronic	214,620	214,620	18,833,220	99.91%	231,998	125	125	Subsidiary
Coretronic Corporation	Young Lighting Limited	Samoa	Holding company	118,134	118,134	3,907,000	100.00%	1,642,735	(12,408)	(12,408)	Subsidiary
Coretronic Corporation	Coretronic Intelligent Cloud Service Corp.	Hsinchu County, Taiwan	Engaged in intelligent cloud, IT information, intelligent applications of new media and platform development related business of new media.	354,990	354,990	25,000,000	100.00%	345,013	21,457	21,457	Subsidiary
Coretronic Corporation	Coretronic Venture Capital Corp.	Taipei City, Taiwan	The investment activities for company's business expansion	300,000	300,000	30,000,000	100.00%	308,347	952	952	Subsidiary
Coretronic Corporation	Champ Vision Display Inc.	Miaoli County, Taiwan	Engaged in R&D, design, production and marketing of innovative intelligent display products and system integration solution.	142,850	142,850	14,285,000	79.36%	161,202	4,628	3,673	Subsidiary
Coretronic Corporation	uCare Medical Electronics Co., Ltd.	Miaoli County, Taiwan	Engaged in the R&D, design, production and marketing of intelligent movement and medical care related software and hardware products.	80,000	80,000	8,000,000	60.69%	(4,593)	(8,135)	(4,937)	Subsidiary
Coretronic Corporation	Calibre UK Limited	U.K.	Engaged in R&D, design, production and marketing of image processing products.	238,841	238,841	52,701,042	100.00%	49,802	46	46	Subsidiary
Coretronic Corporation	Coretronic Intelligent Robotics Corporation	Hsinchu City, Taiwan	Engaged in R&D, production and marketing of unmanned aerial vehicle and intelligent robotics.	758,067	758,067	18,000,000	100.00%	62,736	(68,643)	(68,643)	Subsidiary
Coretronic Corporation	InnoSpectra Corporation	Hsinchu City, Taiwan	Engaged in R&D and marketing of near-infrared spectrum and corresponding solutions	48,000	48,000	4,800,000	80.00%	11,956	(1,429)	(1,144)	Subsidiary
Coretronic Corporation	Coretronic MEMS Corporation	Hsinchu County, Taiwan	Engaged in R&D, production and marketing of MEMS sensor, module and corresponding solutions.	389,178	389,178	18,000,000	100.00%	86,769	(14,221)	(14,221)	Subsidiary
Coretronic Corporation	Coretronic Reality Inc.	Hsinchu County, Taiwan	Engaged in R&D, production and marketing of wearable and embedded projector, system, and display solutions.	100,000	100,000	10,000,000	100.00%	(43,054)	(17,598)	(17,598)	Subsidiary
Coretronic Corporation	Coretronic Vietnam Co., Ltd.	Vietnam	Research and development, manufacturing and sales of optical components such as backlight module, LCD module, LCD TV and panel display.	USD 3,000,000	USD 3,000,000	-	100.00%	(46,122)	58,505	58,505	Subsidiary
Coretronic Corporation	Coretronic Intelligent Logistics Solutions Corporation	Hsinchu City, Taiwan	System integration and application service solutions for intelligent logistics and smart manufacturing.	Note a	170,000	-	-	-	Note a	Note a	Subsidiary
Coretronic Corporation	Coretronic Investment Limited	U.K.	Holding company	EUR 100,000	EUR 100,000	100,000	38.64%	838,019	(14,384)	(5,558)	Subsidiary
Coretronic Corporation	Dynamic Time Investment Limited	Cayman Islands	Holding company	USD 14,122,230	USD 14,122,230	14,856	100.00%	2,529,934	303	303	Subsidiary
Coretronic Corporation	Coretronic Intelligent Cloud Service Corporation (JP)	Japan	Engaged in intelligent cloud, IT information, intelligent applications of new media and platform development related business of new media.	JPY 150,000,000	-	1,500,000	100.00%	31,318	(408)	(408)	Subsidiary

Note a : In consideration of group business strategy, Coretronic Intelligent Robotics Corporation acquired 100% ownership of Coretronic Intelligent Logistics Solutions Corporation from Coretronic corporation in February 2024.

ATTACHMENT 6-1 : (Names, locations and related information of investee companies as of March 31, 2024) (Not including investment in Mainland China)
(The certain information is based on the unreviewed financial statements)
(Amounts in Thousands of New Taiwan Dollars, Unless Specified Otherwise)

Investor company	Investee company	Address	Main businesses and products	Initial Investment		Investment as of March 31, 2024			Net income (loss) of investee company	Investment income (loss) recognized	Note
				Ending balance	Beginning balance	Number of shares	Percentage of ownership	Carrying amount			
Coretronic Intelligent Robotics Corporation	Coretronic Intelligent Logistics Solutions Corporation	Hsinchu City, Taiwan	System integration and application service solutions for intelligent logistics and smart manufacturing.	\$170,000	\$-	\$15,000,000	100.00%	(\$4,400)	(\$17,779)	(Note)	Sub-subsidiary
Coretronic BVI	Greendale	Samoa	Holding company	USD 46,400,000	USD 46,400,000	46,400	100.00 %	USD 228,227,879	USD 3,715,441	(Note)	Sub-subsidiary
Visicorp	Wisdom Success	Cayman Islands	Holding company	USD 10,176,000	USD 10,176,000	43,300	100.00 %	USD 351,450,977	USD 4,441,650	(Note)	Sub-subsidiary
Visicorp	Bigshine	Samoa	Holding company	USD 3,000,000	USD 3,000,000	3,000	100.00 %	USD 6,395,959	(USD 63,860)	(Note)	Sub-subsidiary
Visicorp	Lead Bright	Samoa	Holding company	USD 4,700,000	USD 4,700,000	4,700	100.00 %	USD 30,725,081	USD 226,141	(Note)	Sub-subsidiary
Visicorp	Elite View	Samoa	Holding company	USD 5,000,400	USD 5,000,400	5,000	100.00 %	USD 16,415,531	USD 128,548	(Note)	Sub-subsidiary
Visicorp	Tecpoint	B.V.I.	Holding company	USD 5,204,902	USD 5,204,902	5,204,902	12.11 %	USD 13,121,320	USD 503,412	(Note)	Subsidiary
Wisdom Success	Wisdom Success (HK)	HK	Holding company	USD 18,000,000	USD 18,000,000	18,000	100.00 %	USD 226,644,474	USD 3,702,861	(Note)	Sub-subsidiary
Wisdom Success	Lead Bright (HK)	HK	Holding company	USD 13,300,000	USD 13,300,000	13,300	73.89 %	USD 86,950,385	USD 866,108	(Note)	Sub-subsidiary
Wisdom Success	Elite View (HK)	HK	Holding company	USD 7,999,600	USD 7,999,600	8,000	61.54 %	USD 26,266,405	USD 334,239	(Note)	Sub-subsidiary
Wisdom Success	Bigshine (HK)	HK	Holding company	USD 5,000,000	USD 5,000,000	5,000	62.50 %	USD 10,564,322	(USD 171,351)	(Note)	Sub-subsidiary
Coretronic (Suzhou)	Coretronic Technology (HK)	HK	Holding company	USD 78,000,000	USD 78,000,000	78,000,000	100.00 %	RMB 544,649,843	RMB 13,257,835	(Note)	Sub-subsidiary
Coretronic Technology (HK)	Coretronic Technology (BRVT)	Vietnam	Research and development, manufacturing and sales of optical components such as backlight module, LCD module, LCD TV and panel display in Vietnam	USD 78,000,000	USD 78,000,000	-	100.00 %	USD 75,362,558	USD 1,841,907	(Note)	Sub-subsidiary
Bigshine	Bigshine (HK)	HK	Holding company	USD 3,000,000	USD 3,000,000	3,000	37.50 %	USD 6,338,593	(USD 171,351)	(Note)	Sub-subsidiary
Lead Bright	Lead Bright (HK)	HK	Holding company	USD 4,700,000	USD 4,700,000	4,700	26.11 %	USD 30,725,058	USD 866,108	(Note)	Sub-subsidiary
Elite View	Elite View (HK)	HK	Holding company	USD 5,000,400	USD 5,000,400	5,000	38.46 %	USD 16,415,436	USD 334,239	(Note)	Sub-subsidiary
Sinolink	Mat Limited	Samoa	Holding company	USD 980,000	USD 980,000	980	100.00 %	USD 45,265,829	USD 97,573	(Note)	Sub-subsidiary
Tecpoint	Great Pride	Samoa	Holding company	USD 11,800,000	USD 11,800,000	11,800,000	100.00 %	USD 84,578,431	USD 396,163	(Note)	Sub-subsidiary
Tecpoint	Core-Flex	Cayman Islands	Holding company	USD 23,260,000	USD 23,260,000	213,260,000	94.36 %	USD 7,488,877	USD 113,597	(Note)	Sub-subsidiary
Tecpoint	Nano Display	HK	Holding company	USD 7,800,000	USD 7,800,000	7,800,000	100.00 %	USD 16,013,981	-	(Note)	Sub-subsidiary
Great Pride	Great Pride (HK)	HK	Holding company	USD 11,800,000	USD 11,800,000	11,800	100.00 %	USD 84,539,776	USD 396,094	(Note)	Sub-subsidiary
Nano Precision (Suzhou)	Nano Precision Taiwan	Hsinchu County, Taiwan	Engaged in the production, R&D, marketing and imports/exports of high-end electronic devices' plastic enclosures, frames, and optical component injection	300,000	300,000	30,000,000	100.00 %	(RMB 14,228,682)	RMB 2,659,361	(Note)	Sub-subsidiary
Chung Tsen Investment	Venture Orient	Samoa	Holding company	USD 5,550,000	USD 5,550,000	5,550	100.00 %	507,086	(4,379)	(Note)	Sub-subsidiary

Note : The share of profits/losses of investee company is not reflected herein, as such amount is already included in the share of profits/losses of the investor company.

ATTACHMENT 6-2 : (Names, locations and related information of investee companies as of March 31, 2024) (Not including investment in Mainland China)

(The certain information is based on the unreviewed financial statements)

(Amounts in Thousands of New Taiwan Dollars, Unless Specified Otherwise)

Investor company	Investee company	Address	Main businesses and products	Initial investment		Investment as of March 31, 2024			Net income (loss) of investee company	Investment income (loss) recognized	Note
				Ending balance	Beginning balance	Number of shares	Percentage of ownership	Carrying amount			
Chung Tsen Investment	Tsen Ming Investment	Taipei City, Taiwan	Investment company for strategic purposes	\$102,000	\$102,000	\$32,443,180	100.00 %	\$551,824	\$1,327	(Note a)	Sub-subsiidary
Chung Tsen Investment	Core-Flex	Cayman Islands	Holding company	USD 3,130,000	USD 3,130,000	3,130,000	1.39%	3,645	3,569	(Note a)	Sub-subsiidary
Venture Orient	Tecpoint	B.V.I.	Holding company	USD 4,226,399	USD 4,226,399	4,226,399	9.83%	USD 10,654,584	USD 503,412	(Note a)	Subsidiary
Tsen Ming Investment	Core-Flex	Cayman Islands	Holding company	USD 1,718,289	USD 1,718,289	8,170,000	3.61%	7,338	3,569	(Note a)	Sub-subsiidary
Young Green Energy	Boom Power	B.V.I.	Holding company	USD 1,000,000	USD 1,000,000	10,000	100.00%	124,093	-	(Note a)	Sub-subsiidary
Young Lighting Limited	YLG Limited	Samoa	Holding company	- (Note b)	USD 3,060,001	-	-	-	-	(Note a)	Sub-subsiidary
Young Lighting Limited	Coretronic Investment Limited	U.K.	Holding company	USD 46,776,000	USD 46,776,000	158,808	61.36%	USD 41,588,762	(USD 459,510)	(Note a)	Subsidiary
Coretronic Intelligent Cloud Service Corp.	Coretronic System Engineering Limited	Samoa	Holding company	USD 1,500,000	USD 1,500,000	1,500,000	100.00%	32,604	2,148	(Note a)	Sub-subsiidary
Coretronic System Engineering Limited	Coretronic System Engineering (HK)	HK	Holding company	USD 1,500,000	USD 1,500,000	1,500,000	100.00%	USD 1,018,865	USD 68,875	(Note a)	Sub-subsiidary
Coretronic Investment Limited	Optoma Holding Limited	U.K.	Holding company	EUR 40,680,793	EUR 40,680,793	32,620,000	96.69%	USD 67,652,616	(USD 460,576)	(Note a)	Sub-subsiidary

Note a : The share of profits/losses of investee company is not reflected herein, as such amount is already included in the share of profits/losses of the investor company.

Note b : YLG Limited was disregistered in February 2024.

ATTACHMENT 6 -3 : (Names, locations and related information of investee companies as of March 31, 2024) (Not including investment in Mainland China)
(The certain information is based on the unreviewed financial statements)
(Amounts in Thousands of New Taiwan Dollars, Unless Specified Otherwise)

Investor company	Investee company	Address	Main businesses and products	Initial investment		Investment as of March 31, 2024			Net income (loss) of investee company	Investment income (loss) recognized	Note
				Ending balance	Beginning balance	Number of shares	Percentage of ownership	Carrying amount			
Dynamic Time	Modern Smart	B.V.I.	Holding company	(Note b)	USD 1,200,000	-	-	\$-	\$-	(Note a)	Sub-subsidiary
Optoma Holding	Optoma USA	USA	Marketing and after-sales service of Optoma in Americas region	EUR 6,328,202	EUR 6,328,202	825,000	100.00 %	EUR 22,820,428	(EUR 325,384)	(Note a)	Sub-subsidiary
Optoma Holding	Optoma Europe	U.K.	Marketing and after-sales service of Optoma in European region	EUR 24,911,549	EUR 24,911,549	1,200,000	100.00 %	EUR 31,803,644	EUR 926,378	(Note a)	Sub-subsidiary
Optoma Holding	Optoma Corporation	New Taipei City, Taiwan	Marketing and after-sales service of Optoma in the Asia-Pacific region	EUR 931,677	EUR 931,677	3,000,000	100.00 %	EUR 1,434,893	EUR 1,017,423	(Note a)	Sub-subsidiary
Optoma Europe	Optoma Deutschland GmbH	Germany	Marketing and after-sales service of Optoma in European region	EUR 958,000	EUR 958,000	-	100.00 %	EUR 2,309,808	EUR 161,996	(Note a)	Sub-subsidiary
Optoma Europe	Optoma France	France	Marketing and after-sales service of Optoma in European region	GBP 67,376	GBP 67,376	-	100.00 %	EUR 760,901	(EUR 130,189)	(Note a)	Sub-subsidiary
Optoma Europe	Optoma Scandinavia. A.S.	Norway	Marketing and after-sales service of Optoma in European region	GBP 8,260	GBP 8,260	100	100.00 %	EUR 70,117	(EUR 21,811)	(Note a)	Sub-subsidiary
Optoma Europe	Optoma Espana, S.L.	Spain	Marketing and after-sales service of Optoma in European region	EUR 103,006	EUR 103,006	5,150,280	100.00 %	EUR 357,085	(EUR 31,880)	(Note a)	Sub-subsidiary
Optoma Europe	Optoma Benelux B.V.	Netherlands	Marketing and after-sales service of Optoma in European region	EUR 18,000	EUR 18,000	18,000	100.00 %	EUR 536,383	(EUR 49,604)	(Note a)	Sub-subsidiary
Optoma Corporation	Optoma Australia Pty Ltd	Australia	Marketing and after-sales service of Optoma in European region	AUD 150,000	-	-	100.00 %	AUD 536,383	-	(Note a)	Sub-subsidiary
Young Optics	Masterview	B.V.I.	Holding company	USD 200,000	USD 200,000	200,000	100.00 %	1,145,668	(25,240)	(Note a)	Sub-subsidiary
Young Optics	Mejiro Genossen	Japan	Researching, developing, manufacturing and selling of optics machines	JPY 161,200,908	JPY 161,200,908	4,950	99.00 %	47,447	2,053	(Note a)	Sub-subsidiary
Masterview	Best Alpha	Samoa	Holding company	USD 1,000,000	USD 1,000,000	1,000,000	100.00 %	USD 13,617,019	(USD 149,618)	(Note a)	Sub-subsidiary
Masterview	Grace China	Cayman Islands	Holding company	USD 2,356,458	USD 2,356,458	2,356,458	100.00 %	USD 14,992,730	(USD 67,911)	(Note a)	Sub-subsidiary
Masterview	Young Optics (BD)	Bengal	Manufacturing of optics components	USD 12,000,000	USD 12,000,000	10,089,436	80.00 %	(USD 4,135,890)	(USD 733,648)	(Note a)	Sub-subsidiary
Grace China	Young Optics (BD)	Bengal	Manufacturing of optics components	USD 3,000,000	USD 3,000,000	2,479,960	20.00 %	(USD 1,033,972)	(USD 733,648)	(Note a)	Sub-subsidiary

Note a : The share of profits/losses of investee company is not reflected herein, as such amount is already included in the share of profits/losses of the investor company.

Note b : Modern Smart was disregistered in March 2024.

ATTACHMENT 7 : (Investment in Mainland China as of March 31, 2024)
(The certain information is based on the unreviewed financial statements)
(Amounts in Thousands of New Taiwan Dollars, Unless Specified Otherwise)

Investee company	Main businesses and products	Total amount of paid-in capital	Method of investment	Investment flows		Accumulated outflow of investment from Taiwan as of March 31, 2024	Net income (loss) of investee company	Percentage of ownership	Investment income (loss) recognized	Carrying value as of March 31, 2024	Accumulated inward remittance of earnings as of March 31, 2024
				Outflow	Inflow						
Coretronic Projection (Kunshan)	Optical projectors, LCD monitors and related components of the research and development, processing, manufacturing and sales of the company's products and engaged in after-sales maintenance services	\$ 1,525,064 (USD 46,000,000)	Indirect investment from the third region (Greendale)	\$ 1,525,064 (USD 46,000,000)	-	\$ 1,525,064 (USD 46,000,000)	\$116,632	100.00%	\$116,632	\$7,270,136	\$ 428,855 (USD 14,065,436) (Note a and Note c)
Technology Service (Kunshan)	LCD monitor maintenance and technical services	13,259 (USD 400,000)	Indirect investment from the third region (Greendale)	13,259 (USD 400,000)	-	13,259 (USD 400,000)	358	100.00%	358	33,263	-
Boom Power Electronics (Suzhou)	Research and development, production and sales of cold cathode tube drive and related products	RMB 8,236,258	Indirect investment from the Mainland China subsidiary (Coretronic Projection (Kunshan))	USD 1,000,000	-	USD 1,000,000	299	100.00%	299	53,627	-
Coretronic Optics (Kunshan)	Production and sales of projector module products and spectrometer	RMB 42,000,000	Indirect investment from the Mainland China subsidiary (Coretronic Projection (Kunshan))	-	-	-	41,289	100.00%	41,289	872,520	-
Vimax (Kunshan)	Design, research and development and production of projectors, sales of the company's own products and provide after sales maintenance services for self-produced and non-self-produced products	62,252 (USD 1,800,000)	Indirect investment from the third region (Mat Limited)	62,252 (USD 1,800,000)	-	62,252 (USD 1,800,000)	2,881	100.00%	2,881	1,438,867	-
Coretronic (Suzhou)	Research and development, manufacturing backlight module and related components, sales of the company's own products and provide after-sales maintenance services	89,157 (USD 2,000,000)	Indirect investment from the third region (Wisdom Success HK)	271,297 (USD 8,000,000)	-	271,297 (USD 8,000,000)	67,387	100.00%	67,387	4,563,145	-
Coretronic Optics (Suzhou)	Research and development, manufacturing backlight module and related components, sales of the company's own products and provide after-sales maintenance services	USD 10,000,000	Indirect investment from the third region (Wisdom Success HK)	-	-	-	2,924	100.00%	2,924	331,533	-
Coretronic Optotech (Suzhou)	Research and development, manufacturing and processing optical components such as backlight module, LCD module, LCD TV and panel display. Sales of the company's own products and after-sales maintenance services	390,000 (USD 12,000,000)	Indirect investment from the third region (Wisdom Success HK)	-	-	-	47,544	100.00%	47,544	1,755,955	-
Coretronic (Shanghai)	Research and development, manufacturing backlight module and related components, sales of the company's own products and provide after-sales maintenance services	257,829 (USD 8,000,000)	Indirect investment from the third region (Bigshine HK)	95,254 (USD 3,000,000)	-	95,254 (USD 3,000,000)	(5,400)	100.00%	(5,400)	196,670	81,790 (USD 2,800,000) (Note a, Note d and Note j)
Coretronic Display (Suzhou)	Research and development, manufacturing panel modules and related components of the business, sales of the company's own products and provide related after-sales maintenance services	1,547,564 (RMB 378,278,700)	Indirect investment from the Mainland China subsidiary (Coretronic Optics (Suzhou))	88,972 (RMB 2,967,283)	-	88,972 (USD 2,967,283)	6,491	100.00%	6,491	1,028,651	-
Coretronic (Ningbo)	Research and development, manufacturing backlight module and related components, sales of the company's own products and provide after-sales maintenance services	650,050 (USD 20,000,000)	Indirect investment from the third region (Lead Bright HK)	151,490 (USD 4,700,000)	-	151,490 (USD 4,700,000)	27,205	100.00%	27,205	3,765,429	139,650 (USD 4,619,805) (Note a and Note j)
Nano Precision (Suzhou)	Manufacture and sales of acrylic panels and light guide plate	426,839 (USD 13,300,000)	Indirect investment from the third region (Great Pride HK)	330,478 (USD 10,392,880)	-	330,478 (USD 10,392,880)	12,504	100.00%	12,504	2,584,056	85,228 (USD 2,795,270) (Note a and Note e)
Coretronic (Guangzhou)	Research and development, manufacturing backlight module and related components, sales of the company's own products and provide after-sales maintenance services	417,580 (USD 13,000,000)	Indirect investment from the third region (Elite View HK)	USD 4,368,797	-	USD 4,368,797	10,534	100.00%	10,534	1,365,803	-
Coretronic System Engineering (Shanghai)	Contractor in intelligent building engineering and provide related services to customers	USD 1,500,000	Indirect investment from the third region (Coretronic System Engineering HK)	USD 1,500,000	-	USD 1,500,000	2,148	100.00%	2,148	32,604	-
Optoma China	Marketing and after-sales service of Optoma's technology products in Mainland China	USD 1,200,000	Indirect investment from the third region (Optoma Holding Limited)	USD 1,200,000	-	USD 1,200,000	(5,419)	96.69%	(5,419)	86,224	-
Coretronic Robotek (Kunshan)	Provide intelligent solutions for warehousing and manufacturing	RMB 12,000,000	Indirect investment from the Mainland China subsidiary (Coretronic Projection (Kunshan) and Coretronic (Suzhou))	-	-	-	(693)	100.00%	(693)	42,596	-

Accumulated investment in Mainland China as of March 31, 2024 (Note a, b)	Investment amounts authorized by Investment Commission, MOEA (Note b, Note j)	Upper limit on investment
\$2,433,349 (USD 77,191,338)	\$2,149,269 (USD 77,191,338)	\$14,094,441

Note a : To use historical currency rates.

Note b : The investment amounts in Flying Success and Coretronic (Nanjing) has not been remitted to Coretronic Corporation in the event of liquidation in December 2012 and June 2018, and related registration processes for Investment Commission, MOEA were not applicable.

Note c : Greendale Investments Limited received cash dividends amounting to USD 14,065,436.4 from Coretronic Projection (Kunshan) from 2006 to 2007 and had remitted those back to Coretronic Corporation.

Note d : Bigshine (HK) Limited received cash dividends amounting to USD 8,735,525.72 for distribution profits from Coretronic (Shanghai) in 2006 and had remitted it back USD 1,000,000 to Coretronic Corporation.

Note e : Tecpoint received USD 2,795,270 in 2019 from Nano Precision (Suzhou), which was from the liquidation of Nano Precision (Nanjing) in 2006. Tecpoint had remitted it back to Coretronic Corporation.

Note f : Great Pride (HK) Investments Limited received cash dividends amounting to USD 3,565,645 for distribution profits from Nano Display (Suzhou) in 2018 and had remitted USD 3,215,142 back to Coretronic Corporation.

Note g : Nano Precision Investments Limited received cash dividends amounting to USD 2,290,604 for distribution profits from Nano Precision (Nanjing) in 2018 and had remitted USD 2,065,438 back to Coretronic Corporation.

Note h : The dissolution of Nano Display (Suzhou) and its merger with Coretronic (Suzhou) were approved by regulatory authority in August 2019.

Note i : Includes the investment of USD 2,966,301 from Nano Precision (Nanjing) which was liquidated in April 2019. The investment amount cancellation was approved by MOEA.

Note j : In 2020, Viscorp received cash dividends amounting to USD 1,800,000 and USD 4,619,805 from Coretronic (Shanghai) and Coretronic (Ningbo), respectively, and had remitted totally USD 6,419,805 to Coretronic Corporation.

Besides, the rest of the capital of Nano Precision (Nanjing) amounting to USD 460,098 and the income from the liquidation of Coretronic (Nanjing) amounting to USD 490,094 had been remitted back to Coretronic Corporation.

Therefore, Coretronic Corporation has applied for the cancellation for investment in the amount of USD 7,369,997 in China, which was approved by MOEA.

Note k : Young Lighting Limited acquired 49% of shares of YLG Limited in December 2020. The ownership percentage of YLG Optotech was increased to 100%.

Note l : Young Bright Optical (Suzhou) was disregistered in August 2023.

Note m : In December 2023, Nano Display (Guangzhou) and YLG Optotech were absorbed by Coretronic (Guangzhou). This absorption was approved by authorities.

Note n : To use the currency rate 1 USD = 32 NTD as of March 31, 2024.

ATTACHMENT 7-1 (Investment in Mainland China as of March 31, 2024)
(Amounts in Thousands of New Taiwan Dollars, Unless Specified Otherwise)

Investee company	Main businesses and products	Total amount of paid-in capital	Method of investment	Accumulated outflow of investment from Taiwan as of January 1, 2024	Investment flows		Accumulated outflow of investment from Taiwan as of March 31, 2024	Net income (loss) of investee company	Percentage of ownership	Investment income (loss) recognized (Note a)	Carrying value as of March 31, 2024 (Note a)	Accumulated inward remittance of earnings as of March 31, 2024
					Outflow	Inflow						
Young Optics (Kunshan)	Researching and developing, manufacturing of optics engine and related optics electronic equipment	\$217,275 (USD 5,000,000) (Note c, d, l and m)	Indirect investment from the third region (Best Alpha and Grace China)	\$164,450 (USD 5,000,000)	\$-	\$164,450 (USD 5,000,000) (Note n and o)	\$-	\$3,251 (USD 103,576)	100.00%	\$3,251 (USD 103,576)	\$666,003 (USD 20,812,608)	\$230,950 (USD 7,457,289) (Note b, Note i-j, Note k and Note n-Note o)
Young Optics (Suzhou)	Researching and developing, manufacturing of optics engine and related optics electronic equipment	33,951 (USD 1,000,000)	Indirect investment from the third region (Best Alpha)	33,951 (USD 1,000,000)	-	-	33,951 (USD 1,000,000)	(5,723) (-US\$ 181,598)	100.00%	(5,723) (-US\$ 181,598)	239,172 (USD 7,474,125)	1,328,957 (USD 31,295,415 and RMB 80,635,502) (Note b, Note f-Note i and Note l)

Accumulated investment in Mainland China as of March 31, 2024 (Note b)	Investment amounts authorized by Investment Commission, MOEA (Note b)	Upper limit on investment
\$33,951 (USD 1,000,000)	\$33,951 (USD 1,000,000)	\$1,676,404

Note a : The investments were fully consolidated in accordance with the Regulations.

Note b : To use historical currency rates.

Note c : Young Optics (Kunshan) invested USD 9,800,000 through capitalization of earnings in 2007. Best Alpha Investments Limited invested USD 2,300,000.

Note d : Young Optics (Kunshan) invested USD 1,300,000 through capitalization of earnings in April 2009. Grace China Investments Limited invested USD 824,850. Best Alpha Investments Limited invested USD 2,975,150.

Note e : Best Alpha Investments Limited received cash dividends amounting to USD 20,235,299 for distribution profits from Young Optics (Suzhou) in 2011 and had remitted it back to Young Optics.

Note f : Best Alpha Investments Limited received cash dividends amounting to RMB 27,691,452 and USD 4,509,641 for distribution profits from Young Optics (Suzhou) in 2014. The RMB 24,922,307 of them had been remitted back to Young Optics.

Note g : Best Alpha Investments Limited received cash dividends amounting to RMB 52,944,050 for distribution profits from Young Optics (Suzhou) in 2015 and had remitted it back to Young Optics.

Note h : Best Alpha Investments Limited received cash dividends amounting to USD 4,528,402 for distribution profits from Young Optics (Suzhou) in 2017 and had remitted it back to Young Optics.

Note i : Best Alpha Investments Limited received cash dividends amounting to USD 603,264 for distribution profits from Young Optics (Kunshan) in 2017 and had remitted it back to Young Optics.

Note j : Grace China Investments Limited received cash dividends amounting to USD 1,854,025 for distribution profits from Young Optics (Kunshan) in 2017 and had remitted it back to Young Optics.

Note k : Best Alpha Investments Limited received cash dividends amounting to USD 6,531,714 for distribution profits from Young Optics (Suzhou) in 2018 and had remitted it back to Young Optics.

Note l : Young Optic (Kunshan) conducted capital reduction amounting to USD10,000,000 in December 2020.

Note m : Young Optics (Kunshan) conducted capital reduction amounting to USD7,200,000 in November 2023, and completed the procedure in January, 2024.

Note n : The capital reduction amounts in Note l and Note m only USD 10,000,000 was remitted to Young Optics. USD 5,000,000 came from capitalization of earnings in Note c and Note d. The rest USD 5,000,000 was the original investment amount.

Note o : Accumulated inward remittance of earnings in amount of USD 7,457,289 was approved by Investment Commission, MOEA, to be deducted in the investment amounts Mainland China.

ATTACHMENT 8 (Financial instrument and derivative transaction as of March 31, 2024)

(The certain information is based on the unreviewed financial statements)

(Amounts in Thousands of New Taiwan Dollars, Unless Specified Otherwise)

Investment company	Financial statement account	Financial product	Type	Contract expiry date	Contract amount	Book value	Fair value	Note
Coretronic Corporation	Financial assets (liabilities) at fair value through profit or loss - current	Forward foreign exchange contract	Selling USD	From April, 2024 to June, 2024	USD 530,500,000	\$(189,881)	\$(189,881)	Note a
Coretronic Corporation	Financial assets (liabilities) at fair value through profit or loss - current	Forward foreign exchange contract	Buying USD	From April, 2024 to December, 2024	USD 637,000,000	696,490	696,490	Note a
Coretronic Projection (Kunshan)	Financial assets (liabilities) at fair value through profit or loss - current	Forward foreign exchange contract	Selling USD	April, 2024	USD 5,000,000	(1,869)	(1,869)	Note c
Coretronic Optotech (Suzhou)	Financial assets (liabilities) at fair value through profit or loss - current	Forward foreign exchange contract	Selling USD	April, 2024	USD 12,000,000	(1,825)	(1,825)	Note d
Coretronic Optics (Suzhou)	Financial assets (liabilities) at fair value through profit or loss - current	Forward foreign exchange contract	Selling USD	April, 2024	USD 3,000,000	(333)	(333)	Note e
Optoma Europe	Financial assets (liabilities) at fair value through profit or loss - current	Forward foreign exchange contract	Buying USD	From April, 2024 to June, 2024	USD 13,000,000	1,350	1,350	Note f
Optoma USA	Financial assets (liabilities) at fair value through profit or loss - current	Forward foreign exchange contract	Buying USD	From April, 2024 to June, 2024	CAD 1,100,000	(167)	(167)	Note g

Note a : Coretronic Corporation entered into forward foreign exchange contracts and realized a loss amounting to NT\$203,275 thousand for the three months ended March 31, 2024.

Note b : Champ Vision Display entered into forward foreign exchange contracts and realized a loss amounting to NT\$458 thousand for the three months ended March 31, 2024.

Note c : Coretronic Projection (Kunshan) entered into forward foreign exchange contracts and realized a loss amounting to NT\$8,945 thousand for the three months ended March 31, 2024.

Note d : Coretronic Optotech (Suzhou) entered into forward foreign exchange contract and realized a loss amounting to NT\$12,296 thousand for the three months ended March 31, 2024.

Note e : Coretronic Optics (Suzhou) entered into forward foreign exchange contracts and realized a loss amounting to NT\$11,007 thousand for the three months ended March 31, 2024.

Note f : Optoma Europe entered into forward foreign exchange contracts and realized a profit amounting to NT\$2,816 thousand for the three months ended March 31, 2024.

Note g : Optoma USA entered into forward foreign exchange contracts and realized a loss amounting to NT\$285 thousand for the three months ended March 31, 2024.

ATTACHMENT 9 (The information of Major shareholder as of March 31, 2024)

Name	Number of shares (Units/shares)	Percentage of ownership (%)
Taiwei Advanced Technology Co., Ltd.	41,869,196	10.70%
Yann Yuan Investment Co., Ltd.	32,825,000	8.39%

ATTACHMENT 10 (Individual securities acquired or disposed of with accumulated amount exceeding the lower of NT\$300 million or 20 percent of the capital stock for the three months ended March 31,2024)
(Amounts in Thousands of New Taiwan Dollars, Unless Specified Otherwise)

Investee company	Marketable securities type and name	Financial statement account	Counter-party	Relationship	Beginning balance		Addition		Disposal				March 31, 2024	
					Units / shares	Amount	Units / shares	Amount	Units / shares	Selling Price	Carrying amount	Gain (Loss) from disposal (Note a)	Units / shares	Amount
Young Optics (Kunshan)	Structured Deposits	Financial assets measured at amortized cost-current	Kunshan Rural Commercial bank	-	-	\$ -	-	RMB 50,000,000	-	\$ -	RMB 50,000,000	RMB 167,973	-	\$ -
Young Optics (Suzhou)	Structured Deposits	Financial assets measured at amortized cost-current	Kunshan Rural Commercial bank	-	-	-	-	RMB 40,000,000	-	-	RMB 40,000,000	RMB 250,452	-	-

Note a : To be recognized in interest income.