

CORETRONIC CORPORATION AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS

WITH

REPORT OF INDEPENDENT ACCOUNTANTS

FOR THE NINE MONTHS ENDED

September 30, 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 September 30, 2024 and 2023, the related consolidated statements of comprehensive income for the three months and nine months ended September 30, 2024 and 2023, changes in equity and cash flows for the nine months ended September 30, 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\$28,123,816 thousand and NT\$36,093,258 thousand, representing 47.17% and 63.16% of the consolidated total assets, and total liabilities of NT\$6,441,628 thousand and NT\$8,780,494 thousand, representing 19.41% and 28.37% of the consolidated total liabilities as of September 30, 2024 and 2023, respectively; and total comprehensive income of NT\$82,709 thousand and NT\$701,754 thousand, NT\$775,195 thousand and NT\$613,131 thousand, representing 42.75%, 39.11%, 38.71% and 22.22% of the consolidated total comprehensive income for the three months and nine months ended September 30, 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 nil and NT\$43,747 thousand as of September 30, 2024 and 2023, respectively. The related shares of loss from the associates and joint ventures under the equity method amounted to NT\$2,606 thousand, NT\$2,617 thousand, NT\$8,468 thousand and NT\$6,370 thousand for the three months and nine months ended September 30, 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 September 30, 2024 and 2023, and their consolidated financial performance for the three months and nine months ended September 30, 2024 and 2023, and cash flows for the nine months ended September 30, 2024 and 2023, in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, “Interim Financial Reporting” as endorsed and became effective by Financial Supervisory Commission of the Republic of China.

Kuo, Shao-Pin

Huang, Ming-Ju

Ernst & Young, Taiwan

October 28, 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 September 30, 2024, December 31, 2023, and September 30, 2023

For the three months and nine months ended September 30, 2024 and 2023

ASSETS	Note	September 30, 2024	%	December 31, 2023	%	September 30, 2023	%
Current assets							
Cash and cash equivalents	6(1)	\$ 15,639,831	26.23	\$ 16,555,958	29.77	\$ 15,445,890	27.03
Financial assets at fair value through profit or loss - current	6(2)	575,685	0.97	452,577	0.82	774,006	1.35
Financial assets at amortised cost - current	6(4)	3,538,753	5.94	1,258,522	2.26	1,404,102	2.46
Notes receivable, net	6(5), 6(20)	10,922	0.02	28,264	0.05	57,874	0.10
Trade receivables, net	6(6), 6(20)	11,471,965	19.24	9,885,356	17.78	12,596,264	22.04
Trade receivables - related parties, net	6(6), 6(20), 7	539	-	639	-	409	-
Other receivables	7, 8	1,280,990	2.15	888,419	1.60	1,130,528	1.98
Current tax assets	4, 6(25)	54,201	0.09	39,742	0.07	57,379	0.10
Inventories, net	6(7)	7,041,413	11.81	8,588,936	15.45	7,937,527	13.89
Prepayments		1,062,188	1.78	921,490	1.66	797,959	1.40
Other current assets		186,115	0.30	146,781	0.27	211,108	0.37
Total current assets		40,862,602	68.53	38,766,684	69.73	40,413,046	70.72
Non-current assets							
Financial assets at fair value through other comprehensive income - noncurrent	6(3)	5,774,245	9.68	5,308,046	9.55	4,846,373	8.48
Investments accounted for using the equity method	6(8)	-	-	40,975	0.07	43,747	0.08
Property, plant and equipment, net	6(9), 8	9,776,772	16.40	8,431,972	15.16	8,443,213	14.77
Right-of-use assets	6(21)	2,183,992	3.66	1,804,091	3.24	1,919,691	3.36
Investment property, net	6(10), 8	128,641	0.22	136,161	0.24	138,178	0.24
Intangible assets	6(11)	277,267	0.47	310,952	0.56	322,035	0.56
Deferred tax assets	4, 6(25)	353,163	0.59	238,534	0.43	433,325	0.76
Net defined benefit assets - noncurrent, net	6(15)	49,781	0.08	55,891	0.10	40,642	0.07
Other noncurrent assets	8	218,758	0.37	510,598	0.92	548,526	0.96
Total non-current assets		18,762,619	31.47	16,837,220	30.27	16,735,730	29.28
Total assets		<u>\$ 59,625,221</u>	<u>100.00</u>	<u>\$ 55,603,904</u>	<u>100.00</u>	<u>\$ 57,148,776</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 September 30, 2024, December 31, 2023, and September 30, 2023

For the three months and nine months ended September 30, 2024 and 2023

LIABILITIES AND EQUITY	Note	September 30, 2024	%	December 31, 2023	%	September 30, 2023	%
Current liabilities							
Short-term borrowings	6(12)	\$ 18,561,665	31.13	\$ 13,512,487	24.30	\$ 14,269,326	24.97
Financial liabilities at fair value through profit or loss - current	6(13)	124,189	0.21	347,557	0.62	217,357	0.38
Contract liabilities - current	6(19)	842,068	1.41	776,210	1.40	838,286	1.47
Notes payable		327	-	352	-	778	-
Accounts payable		6,982,706	11.71	7,567,334	13.61	7,703,262	13.48
Accounts payable - related parties	7	40,553	0.07	34,476	0.06	9,636	0.02
Other payables	7	3,522,208	5.91	3,934,309	7.08	3,589,376	6.28
Current tax liabilities	4, 6(25)	575,296	0.97	691,243	1.24	796,827	1.39
Provisions - current	6(16)	430,930	0.72	522,524	0.94	553,238	0.97
Lease liabilities - current	6(21),7	168,695	0.28	188,905	0.34	183,946	0.32
Other current liabilities		632,875	1.06	789,580	1.42	837,106	1.46
Current portion of long-term borrowings	6(14)	8,064	0.01	301,879	0.54	414,727	0.73
Total current liabilities		31,889,576	53.48	28,666,856	51.55	29,413,865	51.47
Non-current liabilities							
Long-term borrowings	6(14)	104,836	0.18	114,838	0.21	105,610	0.18
Deferred tax liabilities	4, 6(25)	128,585	0.22	46,387	0.08	172,180	0.30
Lease liabilities - noncurrent	6(21),7	992,878	1.66	1,045,656	1.88	1,135,081	1.99
Net defined benefit liabilities - noncurrent	6(15)	40,933	0.07	50,273	0.09	93,628	0.16
Other noncurrent liabilities		29,275	0.05	32,491	0.06	26,667	0.05
Total non-current liabilities		1,296,507	2.18	1,289,645	2.32	1,533,166	2.68
Total liabilities		33,186,083	55.66	29,956,501	53.87	30,947,031	54.15
Equity attributable to owners of the parent							
Share capital							
Common stock	6(17)	3,909,811	6.56	3,909,811	7.03	3,909,811	6.84
Capital surplus	6(17)	2,234,750	3.75	2,507,703	4.51	2,507,249	4.39
Retained earnings	6(17)						
Legal reserve		4,512,231	7.57	4,364,561	7.85	4,364,561	7.64
Special reserve		1,188,383	1.99	1,322,902	2.38	1,322,902	2.31
Unappropriated retained earning		11,473,839	19.24	11,755,209	21.14	11,498,718	20.12
Total retained earnings		17,174,453	28.80	17,442,672	31.37	17,186,181	30.07
Other equity		1,160,818	1.94	(375,897)	(0.67)	356,906	0.63
Total equity attributable to owners of the parent		24,479,832	41.05	23,484,289	42.24	23,960,147	41.93
Non-controlling interests	6(17), 6(27)	1,959,306	3.29	2,163,114	3.89	2,241,598	3.92
Total equity		26,439,138	44.34	25,647,403	46.13	26,201,745	45.85
Total liabilities and equity		\$ 59,625,221	100.00	\$ 55,603,904	100.00	\$ 57,148,776	100.00

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 and nine months ended September 30, 2024 and 2023
(Amounts in thousands of New Taiwan Dollars, except for earnings per share)

Description	Note	For three months ended September 30				For nine months ended September 30			
		2024	%	2023	%	2024	%	2023	%
Net sales	6(19), 7	\$ 10,693,758	100.00	\$ 10,399,750	100.00	\$ 29,781,873	100.00	\$ 29,603,703	100.00
Operating costs	6(7), 6(11), 6(15), 6(21), 6(22), 7	8,917,434	83.39	8,143,948	78.31	24,611,946	82.64	23,730,260	80.16
Gross profit		1,776,324	16.61	2,255,802	21.69	5,169,927	17.36	5,873,443	19.84
Operating expenses	6(11), 6(15), 6(18), 6(20), 6(21), 6(22), 7								
Selling expenses		456,039	4.26	477,630	4.59	1,379,214	4.63	1,341,992	4.53
General and administrative expenses		529,571	4.95	567,277	5.45	1,566,404	5.26	1,651,622	5.58
Research and development expenses		699,147	6.54	727,787	7.00	2,116,905	7.11	2,145,153	7.25
Expected credit loss (reversal of expected credit loss)		(16,110)	(0.15)	10,308	0.10	(12,049)	(0.04)	4,082	0.01
Total operating expenses		1,668,647	15.60	1,783,002	17.14	5,050,474	16.96	5,142,849	17.37
Operating income		107,677	1.01	472,800	4.55	119,453	0.40	730,594	2.47
Non-operating income and expenses									
Interest income	6(23)	102,958	0.96	108,621	1.04	343,097	1.15	288,378	0.97
Other income	6(23)	140,802	1.32	62,802	0.60	400,509	1.35	402,839	1.36
Other gains and losses	6(23)	(29,718)	(0.28)	(33,419)	(0.32)	33,723	0.11	219,759	0.74
Finance costs	6(23), 7	(108,816)	(1.02)	(84,193)	(0.81)	(295,172)	(0.99)	(356,218)	(1.20)
Share of loss of associates and joint ventures accounted for using the equity method	6(8)	(2,606)	(0.02)	(2,617)	(0.03)	(8,468)	(0.03)	(6,370)	(0.02)
Total non-operating income and expenses		102,620	0.96	51,194	0.48	473,689	1.59	548,388	1.85
Income before income tax		210,297	1.97	523,994	5.03	593,142	1.99	1,278,982	4.32
Income tax expense	4, 6(25)	(13,469)	(0.13)	(102,742)	(0.99)	(166,026)	(0.56)	(298,768)	(1.01)
Net income		196,828	1.84	421,252	4.04	427,116	1.43	980,214	3.31
Other comprehensive income									
Items that will not be reclassified subsequently to profit or loss									
Unrealized gain from equity instrument investments measured at fair value	6(24)	(63,035)	(0.59)	166,062	1.60	463,901	1.56	948,781	3.20
Income tax related to items that will not be reclassified subsequently to profit or loss	6(24), 6(25)	(848)	(0.01)	727	0.01	(3,940)	(0.01)	1,619	0.01
Items that may be reclassified subsequently to profit or loss									
Exchange differences on translation of foreign operations	6(24)	60,354	0.57	1,206,230	11.60	1,115,151	3.74	828,915	2.80
Share of other comprehensive income of associates and joint ventures accounted for using the equity method	6(24)	168	-	(5)	-	185	-	-	-
Other comprehensive (loss) income, net of tax		(3,361)	(0.03)	1,373,014	13.21	1,575,297	5.29	1,779,315	6.01
Total comprehensive income		\$ 193,467	1.81	\$ 1,794,266	17.25	\$ 2,002,413	6.72	\$ 2,759,529	9.32
Net income for the periods attributable to:									
Shareholders of the parent	6(26)	\$ 202,676		\$ 466,987		\$ 627,720		\$ 1,131,977	
Non-controlling interests	6(17), 6(27)	\$ (5,848)		\$ (45,735)		\$ (200,604)		\$ (151,763)	
Total comprehensive income (loss) for the periods attributable to:									
Shareholders of the parent		\$ 165,108		\$ 1,811,528		\$ 2,164,435		\$ 2,900,012	
Non-controlling interests		\$ 28,359		\$ (17,262)		\$ (162,022)		\$ (140,483)	
Basic Earnings Per Share (in New Taiwan Dollars)	6(26)	\$ 0.52		\$ 1.20		\$ 1.61		\$ 2.90	
Diluted Earnings Per Share (in New Taiwan Dollars)	6(26)	\$ 0.52		\$ 1.18		\$ 1.60		\$ 2.87	

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 CHANGES IN EQUITY
For the nine months ended September 30, 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 earning	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	-	80,443	-	-	-	-	-	80,443	37,604	118,047
Changes in subsidiaries' ownership	-	9,562	-	-	-	-	-	9,562	(314)	9,248
The subsequent reversal of special reserve	-	-	-	(88,227)	88,227	-	-	-	-	-
Appropriation and distribution of 2022 earnings:										
Legal reserve	-	-	242,934	-	(242,934)	-	-	-	-	-
Cash dividends	-	-	-	-	(1,368,434)	-	-	(1,368,434)	-	(1,368,434)
Special reserve	-	-	-	134,519	(134,519)	-	-	-	-	-
Cash distributed from capital surplus	-	(390,981)	-	-	-	-	-	(390,981)	-	(390,981)
Net income (loss) for the nine months ended September 30, 2023	-	-	-	-	1,131,977	-	-	1,131,977	(151,763)	980,214
Other comprehensive income (loss) for the nine months ended September 30, 2023	-	-	-	-	-	817,635	950,400	1,768,035	11,280	1,779,315
Total comprehensive income (loss)	-	-	-	-	1,131,977	817,635	950,400	2,900,012	(140,483)	2,759,529
Decrease of non-controlling interests	-	-	-	-	-	-	-	-	(6,148)	(6,148)
Balance as of September 30, 2023	\$ 3,909,811	\$ 2,507,249	\$ 4,364,561	\$ 1,322,902	\$ 11,498,718	\$ (646,738)	\$ 1,003,644	\$ 23,960,147	\$ 2,241,598	\$ 26,201,745
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	-	2,583	-	-	3,318	-	-	5,901	(5,744)	157
Changes in associates and joint ventures accounted for using the equity method	-	(1,850)	-	-	-	-	-	(1,850)	-	(1,850)
Appropriation and distribution of 2023 earnings:										
Legal reserve	-	-	147,670	-	(147,670)	-	-	-	-	-
Cash dividends	-	-	-	-	(899,257)	-	-	(899,257)	-	(899,257)
Reversal of special reserve	-	-	-	(134,519)	134,519	-	-	-	-	-
Cash distributed from capital surplus	-	(273,686)	-	-	-	-	-	(273,686)	-	(273,686)
Net income (loss) for the nine months ended September 30, 2024	-	-	-	-	627,720	-	-	627,720	(200,604)	427,116
Other comprehensive income for the nine months ended September 30, 2024	-	-	-	-	-	1,076,754	459,961	1,536,715	38,582	1,575,297
Total comprehensive income (loss)	-	-	-	-	627,720	1,076,754	459,961	2,164,435	(162,022)	2,002,413
Disposal of subsidiary	-	-	-	-	-	-	-	-	(34,583)	(34,583)
Decrease of non-controlling interests	-	-	-	-	-	-	-	-	(1,459)	(1,459)
Balance as of September 30, 2024	\$ 3,909,811	\$ 2,234,750	\$ 4,512,231	\$ 1,188,383	\$ 11,473,839	\$ (765,688)	\$ 1,926,506	\$ 24,479,832	\$ 1,959,306	\$ 26,439,138

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 nine months ended September 30, 2024 and 2023

(Amounts in thousands of New Taiwan Dollars)

Description	For nine months ended September 30		Description	For nine months ended September 30	
	2024	2023		2024	2023
Cash flows from operating activities :			Cash flows from investing activities :		
Net income before tax	\$ 593,142	\$ 1,278,982	(Increase) decrease in financial assets at amortized cost - current	(2,280,231)	3,318,843
Adjustments for:			Proceeds from disposal of investments accounted for using the equity method	52,725	-
The profit or loss items which did not affect cash flows:			Proceeds from disposal of subsidiary	32,700	-
Expected credit loss (reversal of expected credit loss)	(12,049)	4,082	Acquisition of property, plant and equipment	(2,077,773)	(1,190,685)
Depreciation (including investment property and right-of-use assets)	962,752	1,064,448	Proceeds from disposal of property, plant and equipment	86,168	79,063
Amortization (including other noncurrent assets)	78,145	68,324	Acquisition of intangible assets	(33,368)	(29,143)
Finance costs	295,172	356,218	Proceeds from disposal of intangible assets	-	2,765
Interest income	(343,097)	(288,378)	Increase in prepayment of land use rights	(122,644)	(162,804)
Dividend income	(67,992)	(66,994)	Increase in other noncurrent assets	(5,872)	(10,020)
Transfer of property, plant and equipment to expenses	545	196	Net cash (used in) provided by investing activities	(4,348,295)	2,008,019
Transfer of intangible assets to expenses	7,295	77			
Loss on disposal of property, plant and equipment	15,455	20,464			
Loss on disposal of intangible assets	-	99	Cash flows from financing activities:		
(Gain) loss on disposal of investments	(9,538)	77,835	Increase in short-term borrowings	5,049,178	4,445,477
Casualty loss	115,947	-	Decrease in long-term borrowings (including current portion of long-term borrowings)	(301,341)	(3,310,465)
Fire insurance claim income	(45,000)	-	(Decrease) increase in guarantee deposits	(3,329)	2,997
Share-based payment expenses	(3,161)	9,235	Increase in other noncurrent liabilities	113	188
Share of loss of associates and joint ventures accounted for using the equity method	8,468	6,370	Cash dividends	(1,172,943)	(1,759,415)
Net gain on financial assets and liabilities at fair value through profit or loss	(346,476)	(851,794)	Acquisition of subsidiaries' ownership	-	(10,043)
Changes in operating assets and liabilities:			Cash payment for the principal portion of lease liabilities	(143,078)	(210,998)
Notes receivable	2,584	(28,203)	Proceeds from disposal of subsidiaries' ownership (without a change of control)	-	123,591
Trade receivables	(1,588,712)	(2,365,257)	Change in non-controlling interests	(36,042)	368
Trade receivables - related parties	100	121	Net cash provided by (used in) financing activities	3,392,558	(718,300)
Other receivables	(336,184)	124,319			
Inventories	1,513,188	2,492,136	Effect of exchange rate changes on cash and cash equivalents	950,283	667,884
Prepayments	(150,938)	(10,792)			
Other current assets	(39,365)	(11,271)	Net (decrease) increase in cash and cash equivalents	(916,127)	3,080,891
Other operating assets	7,988	13,979	Cash and cash equivalents at the beginning of the period	16,555,958	12,364,999
Contract liabilities	62,539	308,342	Cash and cash equivalents at the end of the period	\$ 15,639,831	\$ 15,445,890
Notes payable	(25)	(211)			
Accounts payable	(583,657)	419,114			
Accounts payable - related parties	6,077	(39,374)			
Other payables	(584,682)	(927,093)			
Provisions - current	(91,594)	(97,867)			
Other current liabilities	(156,624)	(34,919)			
Net defined benefit assets/liabilities	(3,230)	16,180			
Cash generated from operating activities	(692,927)	1,538,368			
Dividend received	67,992	66,994			
Interest received	331,657	392,343			
Interest paid	(288,092)	(372,942)			
Income tax paid	(329,303)	(501,475)			
Net cash (used in) provided by operating activities	(910,673)	1,123,288			

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

CORETRONIC CORPORATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the nine months ended September 30, 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 October 28, 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 International Accounting Standards Board (“IASB”) which are endorsed by 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
IAS 21 Amendment	Lack of Exchangeability	January 1, 2025

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 abovementioned standards and interpretations issued by the IASB have been endorsed by the FSC, and become effective for annual periods beginning on or after January 1, 2025. The adoption of these new standards and amendments had no material impact on the Group.

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

- (3) Standards or interpretations issued, revised or amended, by IASB which are not endorsed by 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 18	Presentation and Disclosure in Financial Statements	January 1, 2027
IFRS 19	Disclosure Initiative – Subsidiaries without Public Accountability: Disclosures	January 1, 2027
IFRS 9 and IFRS 7 Amendment	Amendments to the Classification and Measurement of Financial Instruments	January 1, 2026

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.

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

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

IFRS 18 replaces IAS 1 Presentation of Financial Statements. The main changes 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.

C. Disclosure Initiative – Subsidiaries without Public Accountability: Disclosures (IFRS 19)

This standard permits subsidiaries without public accountability to provide reduced disclosures when applying IFRS Accounting Standards in their financial statements. IFRS 19 is optional for subsidiaries that are eligible and sets out the disclosure requirements for subsidiaries that elect to apply it.

D. Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7

The amendments include:

- a. Clarify that a financial liability is derecognised on the settlement date and describe the accounting treatment for settlement of financial liabilities using an electronic payment system before the settlement date.
- b. Clarify how to assess the contractual cash flow characteristics of financial assets that include environmental, social and governance (ESG)-linked features and other similar contingent features.

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

- c. Clarify the treatment of non-recourse assets and contractually linked instruments.
- d. Require additional disclosures in IFRS 7 for financial assets and liabilities with contractual terms that reference a contingent event (including those that are ESG-linked), and equity instruments classified at fair value through other comprehensive income

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.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(1) Statement of Compliance

The consolidated financial statements of the Group for the nine months ended September 30, 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.

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

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.

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. reclassifies the parent's share of components previously recognized in other comprehensive income to profit or loss, or transfer directly to retained earnings; and
- F. recognizes any resulting difference in 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)

The consolidated entities are as follows:

Entity name	Relationship	Business nature	Percentage of Ownership		
			September 30, 2024	December 31, 2023	September 30, 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%
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%

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		
			September 30, 2024	December 31, 2023	September 30, 2023
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%
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%	32.63%

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		
			September 30, 2024	December 31, 2023	September 30, 2023
Young Lighting Limited (“YLL”) and its subsidiaries	Subsidiary	YLL 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%
Dynamic Time Investments Limited	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		
			September 30, 2024	December 31, 2023	September 30, 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%	79.36%
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 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		
			September 30, 2024	December 31, 2023	September 30, 2023
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 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 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		
			September 30, 2024	December 31, 2023	September 30, 2023
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%	-	-

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. 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.
 - E. In consideration of group operation strategy, Coretronic Display (Suzhou) was absorbed by Coretronic Optics (Suzhou) from June 2024. This absorption has not yet been approved by authorities.

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

F. The subsidiary TYO disposed all equity interests in its subsidiary Mejiro Genossen Inc. and has completed related deregistration on September 27, 2024. For the derecognized assets and liabilities, please refer to 6(28).

The financial statements of certain consolidated subsidiaries listed above had not been reviewed by independent accountants. For those unreviewed subsidiaries as of September 30, 2024 and 2023, total assets were NT\$28,123,816 thousand and NT\$36,093,258 thousand, respectively; total liabilities were NT\$6,441,628 thousand and NT\$8,780,494 thousand, respectively; the related total comprehensive income was NT\$82,709 thousand and NT\$701,754 thousand for the three months ended September 30, 2024 and 2023, respectively; the related total comprehensive income was NT\$775,195 thousand and NT\$613,131 thousand for the nine months ended September 30, 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.

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.

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

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), 23(3) and 10 for more details on the fire damage.

6. CONTENTS OF SIGNIFICANT ACCOUNTS

(1) Cash and Cash Equivalents

	September 30, 2024	December 31, 2023	September 30, 2023
Cash on hand, savings and checking accounts	\$2,385,273	\$4,707,516	\$5,337,992
Time deposits	13,156,558	11,848,442	9,987,898
Cash equivalents - repurchase agreements	98,000	-	120,000
Total	<u>\$15,639,831</u>	<u>\$16,555,958</u>	<u>\$15,445,890</u>

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

	September 30, 2024	December 31, 2023	September 30, 2023
Financial assets mandatorily measured at fair value through profit or loss:			
Forward foreign exchange	<u>\$575,685</u>	<u>\$452,577</u>	<u>\$774,006</u>
Current	\$575,685	\$452,577	\$774,006
Noncurrent	-	-	-
Total	<u>\$575,685</u>	<u>\$452,577</u>	<u>\$774,006</u>

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

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

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

	September 30, 2024	December 31, 2023	September 30, 2023
Equity instrument investments measured at fair value through other comprehensive income			
Unlisted companies stocks	\$5,774,245	\$5,308,046	\$4,846,373
Current	\$-	\$-	\$-
Noncurrent	5,774,245	5,308,046	4,846,373
Total	\$5,774,245	\$5,308,046	\$4,846,373

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

(4) Financial assets measured at amortized cost

	September 30, 2024	December 31, 2023	September 30, 2023
Time deposits (with original maturities of more than six months)	\$3,538,753	\$1,258,522	\$1,404,102
Current	\$3,538,753	\$1,258,522	\$1,404,102
Noncurrent	-	-	-
Total	\$3,538,753	\$1,258,522	\$1,404,102

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

	September 30, 2024	December 31, 2023	September 30, 2023
Notes receivable - arose from operating activities	\$10,922	\$28,264	\$57,874

Notes receivables were not pledged.

The Group adopted IFRS 9 for impairment assessment. Please refer to Note 6(20) 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

	September 30, 2024	December 31, 2023	September 30, 2023
Trade receivables	\$11,505,001	\$9,932,276	\$12,637,780
Less: allowance for doubtful accounts	(33,036)	(46,920)	(41,516)
Subtotal	11,471,965	9,885,356	12,596,264
Trade receivables from related parties	539	639	409
Total	\$11,472,504	\$9,885,995	\$12,596,673

Trade receivables were not pledged.

Trade receivables are generally on 30 to 150 day terms. The total carrying amounts as of September 30, 2024, December 31, 2023, and September 30, 2023 were NT\$11,505,540 thousand, NT\$9,932,915 thousand and NT\$12,638,189 thousand, respectively. Please refer to Note 6(20) 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 September 30, 2024 and December 31, 2023, factored trade receivables of NT\$2,990,466 thousand and NT\$1,535,107 thousand were derecognized, and annual interest rates for advances from the bank were 1.72%-1.83% and 1.60%-1.64%, respectively. The credit lines of factoring contracts provided by banks were US\$110,000 thousand as of September 30, 2024, December 31, 2023 and September 30, 2023, respectively.

As of September 30, 2024, December 31, 2023, and September 30, 2023, trade receivables classified as financial assets measured at fair value through profit or loss due to regular factoring without recourse were NT\$5,884,574 thousand, NT\$4,331,883 thousand and NT\$6,252,750 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

	September 30, 2024	December 31, 2023	September 30, 2023
Raw materials and supplies	\$3,971,754	\$6,567,592	\$5,571,538
Work in process	756,477	142,436	646,757
Finished goods	2,313,182	1,878,908	1,719,232
Total	<u>\$7,041,413</u>	<u>\$8,588,936</u>	<u>\$7,937,527</u>

Note: Please refer to Notes 6(23) C and 10 for more details on subsidiary TYO's fire damage.

The cost of inventories recognized in expenses amounted to NT\$8,917,434 thousand and NT\$8,143,948 thousand for the three months ended September 30, 2024 and 2023, including the write-down of inventories and obsolescence loss (gain from price recovery of inventory) of NT\$51,655 thousand and NT\$(38,908) thousand, respectively.

The cost of inventories recognized in expenses amounted to NT\$24,611,946 thousand and NT\$23,730,260 thousand for the nine months ended September 30, 2024 and 2023, including the write-down of inventories and obsolescence loss of NT\$106,341 thousand and NT\$135,303 thousand, respectively.

The allowance of inventories write-down amounted to NT\$587,069 thousand, NT\$561,216 thousand and NT\$604,944 thousand as of September 30, 2024, December 31, 2023, and September 30, 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	September 30, 2024	
	Carrying amount	Percentage of ownership (%)
Investments in associates:		
Eterge Opto-Electronics Co., LTD ("EOE")	<u>\$-</u>	-%
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)

Investees	September 30, 2023	
	Carrying amount	Percentage of ownership (%)
Investments in associates:		
Eterge Opto-Electronics Co., LTD (“EOE”)	<u>\$43,747</u>	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\$2,606 thousand and NT\$2,617 thousand for the three months ended of September 30, 2024 and 2023, respectively, and share of loss of associates and joint ventures accounted for using the equity method in the amount of NT\$8,468 thousand and NT\$6,370 thousand for the nine months ended of September 30, 2024 and 2023, respectively. The above investments accounted for using the equity method was unreviewed by independent accountants.

The Group disposed all equity interests in EOE on September 30 2024.

The abovementioned associate had no contingent liabilities or capital commitments as of September 30, 2024, December 31, 2023 and September 30, 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	-	257,639	32,996	40,960	586	6,974	61,619	1,779,767	2,180,541
Disposals	-	(50,363)	(351,440)	(17,288)	(9,091)	(620)	(29,786)	-	(458,588)
Transfers	-	1,298,407	69,631	19,436	3,192	852	61,710	(1,457,922)	(4,694)
Disposal of subsidiary (Note b)	(1,645)	(6,195)	(11,641)	-	(36)	-	(2,054)	-	(21,571)
Exchange differences	38	182,817	111,514	10,024	779	14,777	38,802	26,980	385,731
As of September 30,									
2024	<u>\$150,815</u>	<u>\$10,447,008</u>	<u>\$4,453,535</u>	<u>\$486,103</u>	<u>\$32,299</u>	<u>\$495,553</u>	<u>\$1,562,324</u>	<u>\$1,745,396</u>	<u>\$19,373,033</u>

CORETRONIC CORPORATION AND SUBSIDIARIES
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	Land	Buildings	Machinery and equipment	Office fixtures	Transportation equipment	Leasehold improvement	Other equipment	Construction in progress and equipment awaiting inspection	Total
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	210,744	179,793	12,056	884	6,603	54,594	602,313	1,193,901
Disposals	-	(16,698)	(882,963)	(35,883)	(7,395)	(193,805)	(126,494)	-	(1,263,238)
Transfers	-	55,626	(29,246)	(4,165)	-	5,614	29,358	(237,250)	(180,063)
Exchange differences	(119)	90,078	67,091	6,034	662	13,428	20,417	8,217	205,808
As of September 30,									
2023	<u>\$152,415</u>	<u>\$8,927,416</u>	<u>\$4,766,118</u>	<u>\$444,993</u>	<u>\$42,669</u>	<u>\$523,695</u>	<u>\$1,510,496</u>	<u>\$1,062,078</u>	<u>\$17,429,880</u>

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	-	324,438	307,041	32,423	2,292	36,084	94,019	-	796,297
Disposals	-	(47,136)	(265,964)	(17,221)	(5,735)	(620)	(20,289)	-	(356,965)
Transfers	-	(60)	(4,164)	(303)	-	(170)	2,121	-	(2,576)
Fire damage (Note a)	-	8,368	46,637	15	-	-	19,205	-	74,225
Disposal of subsidiary (Note b)	-	(2,640)	(7,687)	-	(31)	-	(1,948)	-	(12,306)
Exchange differences	-	123,015	62,713	8,162	691	12,142	31,221	-	237,944
As of September 30,									
2024	<u>\$-</u>	<u>\$4,709,784</u>	<u>\$2,917,281</u>	<u>\$363,618</u>	<u>\$24,565</u>	<u>\$403,879</u>	<u>\$1,177,134</u>	<u>\$-</u>	<u>\$9,596,261</u>

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	-	322,399	347,494	35,390	2,624	38,977	93,907	-	840,791
Disposals	-	(16,578)	(796,607)	(31,792)	(7,351)	(190,782)	(120,601)	-	(1,163,711)
Transfers	-	-	(170,223)	(5,071)	-	(276)	(14,597)	(19)	(190,186)
Exchange differences	-	48,464	45,881	4,878	480	2,010	17,041	-	118,754
As of September 30,									
2023	<u>\$-</u>	<u>\$4,292,027</u>	<u>\$2,834,899</u>	<u>\$344,840</u>	<u>\$31,867</u>	<u>\$382,856</u>	<u>\$1,100,178</u>	<u>\$-</u>	<u>\$8,986,667</u>

Net carrying amounts as of:

September 30, 2024	<u>\$150,815</u>	<u>\$5,737,224</u>	<u>\$1,536,254</u>	<u>\$122,485</u>	<u>\$7,734</u>	<u>\$91,674</u>	<u>\$385,190</u>	<u>\$1,745,396</u>	<u>\$9,776,772</u>
December 31, 2023	<u>\$152,422</u>	<u>\$4,460,904</u>	<u>\$1,823,770</u>	<u>\$92,429</u>	<u>\$9,521</u>	<u>\$117,127</u>	<u>\$379,228</u>	<u>\$1,396,571</u>	<u>\$8,431,972</u>
September 30, 2023	<u>\$152,415</u>	<u>\$4,635,389</u>	<u>\$1,931,219</u>	<u>\$100,153</u>	<u>\$10,802</u>	<u>\$140,839</u>	<u>\$410,318</u>	<u>\$1,062,078</u>	<u>\$8,443,213</u>

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Note a: Please refer to Notes 6(23) C and 10 for more details on subsidiary TYO's fire damage.

Note b: The subsidiary TYO disposed all equity interests in Mejiro Genossen Inc. and has completed related deregistration on September 27, 2024. For the derecognized assets and liabilities, please refer to 6(28).

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.

	<u>Buildings</u>
Cost:	
As of January 1, 2024	\$244,538
Additions from acquisitions	-
As of September 30, 2024	<u>\$244,538</u>
As of January 1, 2023	\$244,538
Additions from acquisitions	-
As of September 30, 2023	<u>\$244,538</u>
Depreciation and Impairment:	
As of January 1, 2024	\$108,377
Depreciation	7,520
As of September 30, 2024	<u>\$115,897</u>
As of January 1, 2023	\$100,307
Depreciation	6,053
As of September 30, 2023	<u>\$106,360</u>
Net carry amount as of:	
September 30, 2024	<u>\$128,641</u>
December 31, 2023	<u>\$136,161</u>
September 30, 2023	<u>\$138,178</u>

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

	Three months ended September 30		Nine months ended September 30	
	2024	2023	2024	2023
Rental income from investment property	\$9,232	\$3,196	\$27,696	\$9,587
Less: Direct operating expenses from investment property generating rental income	(2,842)	(2,018)	(7,520)	(6,053)
Total	\$6,390	\$1,178	\$20,176	\$3,534

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:

	September 30, 2024	December 31, 2023	September 30, 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	22,846	-	-	4,672	33,368
Disposals	(407)	(18,484)	-	-	-	(18,891)
Transfer	-	26,799	-	-	(18,285)	8,514
Disposal of subsidiary (Note)	-	(195)	(3,693)	-	-	(3,888)
Exchange differences	(22)	278	-	-	1,366	1,622
As of September 30, 2024	\$248,166	\$295,914	\$91,249	\$5,940	\$52,021	\$693,290

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

	Patents	Software	IPs	Goodwill	Other	Total
As of January 1, 2023	\$242,775	\$280,361	\$94,942	\$5,940	\$46,707	\$670,725
Additions	-	17,378	-	-	11,765	29,143
Disposals	-	(27,172)	-	-	-	(27,172)
Transfer	-	(83)	-	-	-	(83)
Exchange differences	(32)	1,095	-	-	2,135	3,198
As of September 30, 2023	<u>\$242,743</u>	<u>\$271,579</u>	<u>\$94,942</u>	<u>\$5,940</u>	<u>\$60,607</u>	<u>\$675,811</u>

Amortization and Impairment:

As of January 1, 2024	\$72,110	\$162,244	\$77,066	\$5,940	\$44,253	\$361,613
Amortization	20,945	42,103	3,119	-	8,611	74,778
Disposals	(407)	(18,484)	-	-	-	(18,891)
Transfer	-	5,527	-	-	-	5,527
Disposal of subsidiary (Note)	-	(72)	(3,078)	-	-	(3,150)
Exchange differences	(21)	257	-	-	(4,090)	(3,854)
As of September 30, 2024	<u>\$92,627</u>	<u>\$191,575</u>	<u>\$77,107</u>	<u>\$5,940</u>	<u>\$48,774</u>	<u>\$416,023</u>

As of January 1, 2023	\$48,963	\$157,649	\$71,343	\$5,940	\$28,321	\$312,216
Amortization	16,907	33,032	4,683	-	11,615	66,237
Disposals	-	(27,172)	-	-	-	(27,172)
Exchange differences	(27)	667	-	-	1,855	2,495
As of September 30, 2023	<u>\$65,843</u>	<u>\$164,176</u>	<u>\$76,026</u>	<u>\$5,940</u>	<u>\$41,791</u>	<u>\$353,776</u>

Net carrying amount as of:

September 30, 2024	<u>\$155,539</u>	<u>\$104,339</u>	<u>\$14,142</u>	<u>\$-</u>	<u>\$3,247</u>	<u>\$277,267</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>
September 30, 2023	<u>\$176,900</u>	<u>\$107,403</u>	<u>\$18,916</u>	<u>\$-</u>	<u>\$18,816</u>	<u>\$322,035</u>

Note: The subsidiary TYO disposed all equity interests in Mejiro Genossen Inc. and has completed related deregistration on September 27, 2024. For the derecognized assets and liabilities, please refer to 6(28).

CORETRONIC CORPORATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)
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Amortization expense of intangible assets:

	Three months ended		Nine months ended	
	September 30		September 30	
	2024	2023	2024	2023
Operating costs	\$3,371	\$3,801	\$8,814	\$13,045
Selling expenses	1,586	2,351	6,233	7,083
General and administrative expenses	4,888	3,993	21,907	12,661
Research and development expenses	12,994	12,132	37,824	33,448
Total	<u>\$22,839</u>	<u>\$22,277</u>	<u>\$74,778</u>	<u>\$66,237</u>

(12) Short-Term Borrowings

	September 30, 2024	December 31, 2023	September 30, 2023
Unsecured bank loans	<u>\$18,561,665</u>	<u>\$13,512,487</u>	<u>\$14,269,326</u>
Interest rates (%)	<u>1.72%~5.40%</u>	<u>1.60%~2.55%</u>	<u>1.50%~3.45%</u>

The Group's unused short-term lines of credits amounted to NT\$30,952,258 thousand, NT\$34,125,026 thousand, and NT\$34,606,149 thousand as of September 30, 2024, December 31, 2023 and September 30, 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

	September 30, 2024	December 31, 2023	September 30, 2023
Financial liabilities mandatorily measured at fair value through profit or loss:			
Forward exchange contracts	<u>\$124,189</u>	<u>\$347,557</u>	<u>\$217,357</u>
Current	\$124,189	\$347,557	\$217,357
Non-current	-	-	-
Total	<u>\$124,189</u>	<u>\$347,557</u>	<u>\$217,357</u>

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

(14) Long-Term Borrowings

Details of long-term borrowings are as follows:

Lenders	September 30, 2024	Interest Rate (%)	Maturity date and terms of repayment
Secured long-term borrowings from Hua Nan Commercial bank	\$112,900	1.96%	Principle is repaid in 14 quarterly payments from August 10, 2025.
Less: Current portion	(8,064)		
Total	<u>\$104,836</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	(301,879)		
Total	<u>\$114,838</u>		

Lenders	September 30, 2023	Interest Rate (%)	Maturity date and terms of repayment
Secured long-term borrowings from First bank	\$374,937	1.85%	Principle is repaid in 8 quarterly payments from February 19, 2023.
Secured long-term borrowings from Hua Nan Commercial bank	42,857	1.84%	Principle is repaid in 14 quarterly payments from July 25, 2021.

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Lenders	September 30, 2023	Interest Rate (%)	Maturity date and terms of repayment
Secured long-term borrowings from Hua Nan Commercial bank	89,286	1.82%	Principle is repaid in 14 quarterly payments from July 25, 2021.
Secured long-term borrowings from Hua Nan Commercial bank	8,929	1.84%	Principle is repaid in 14 quarterly payments from July 25, 2021.
Long-term borrowings from Sumitomo Mitsui Bank	4,328	1.60%	Government subsidizes the interests for the first three years. Principle is repaid in 54 monthly payments from July 20, 2021.
Less: Current portion	(414,727)		
Total	<u>\$105,610</u>		

The Group's unused long-term lines of credits amounted to NT\$7,674,200 thousand, NT\$7,474,200 thousand and NT\$7,458,929 thousand as of September 30, 2024, December 31, 2023 and September 30, 2023, respectively. Please refer to Note 8 for property, plant, and equipment and investment properties pledged as collateral for long-term loans.

(15) Post-Employment Benefits

Defined contribution plan

Pension expenses under the defined contribution plan for the three months ended September 30, 2024 and 2023 were NT\$84,162 thousand and NT\$88,116 thousand, respectively.

Pension expenses under the defined contribution plan for the nine months ended September 30, 2024 and 2023 were NT\$251,600 thousand and NT\$271,523 thousand, respectively.

Defined benefits plan

Pension expenses under the defined benefits plan for the three months ended September 30, 2024 and 2023 were NT\$4 thousand and NT\$143 thousand, respectively.

Pension expenses under the defined benefits plan for the nine months ended September 30, 2024 and 2023 were NT\$13 thousand and NT\$429 thousand, respectively.

CORETRONIC CORPORATION AND SUBSIDIARIES
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(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

(16) Provisions

	<u>Warranties</u>
As of January 1, 2024	\$522,524
Arising during the period	206,789
Utilized during the period	(309,754)
Exchange differences	11,371
As of September 30, 2024	<u>\$430,930</u>
Current	\$430,930
Non-current	-
As of September 30, 2024	<u>\$430,930</u>
As of January 1, 2023	\$651,105
Arising during the period	205,893
Utilized during the period	(316,840)
Exchange differences	13,080
As of September 30, 2023	<u>\$553,238</u>
Current	\$553,238
Non-current	-
As of September 30, 2023	<u>\$553,238</u>

Warranties

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

(17) Equities

A. Common stock

CORE's authorized capital was NT\$10,000,000 thousand as of September 30, 2024, December 31, 2023, and September 30, 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 September 30, 2024, December 31, 2023 and September 30, 2023. Each share has one voting right and a right to receive dividends.

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B. Capital surplus

	September 30, 2024	December 31, 2023	September 30, 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	1,173,750
Changes in ownership interests in subsidiaries	77,487	74,904	74,450
Changes from investments in associates and joint ventures accounted for using the equity method	-	1,850	1,850
Total	<u>\$2,234,750</u>	<u>\$2,507,703</u>	<u>\$2,507,249</u>

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.

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;

CORETRONIC CORPORATION AND SUBSIDIARIES
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(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

- (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.

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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 Jun 30, 2024, December 31, 2023 and September 30, 2023 all amounted to NT\$1,188,383 thousand.

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

	Appropriation of earnings		Dividends per share (NT\$)	
	2023	2022	2023	2022
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 been 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).

Please refer to Note 6(22) for further details on employees' compensation.

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

D. Non-controlling interests:

	Nine months ended September 30	
	2024	2023
Beginning balance	\$2,163,114	\$2,350,939
Loss attributable to non-controlling interests	(200,604)	(151,763)
Other comprehensive income attributable to non-controlling interests, net of tax:		
Exchange differences on translation of foreign operations	38,582	11,280
Disposal of subsidiary	(34,583)	-
Cash dividends	(1,459)	(6,148)
Acquisition or disposal of the interest of subsidiaries	-	37,604
Changes in subsidiaries' ownership	(2,583)	(9,549)
Share-based payment plans	(3,161)	9,235
Ending balance	<u>\$1,959,306</u>	<u>\$2,241,598</u>

(18) 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 2,297,950 units as of September 30, 2024. The fair value of options granted was EUR 998.1 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 September 30, 2024, total granted and outstanding restricted stocks were 894,498 shares with the fair value of EUR 26.8 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 months ended September 30, 2024 and 2023 were NT\$1,303 thousand and NT\$3,095 thousand, respectively. Share-based compensation expenses recognized for the nine months ended September 30, 2024 and 2023 were NT\$(3,161) thousand and NT\$9,235 thousand, respectively.

(19) Sales

	Three months ended September 30		Nine months ended September 30	
	2024	2023	2024	2023
Contract revenue from customers				
Sale of goods	\$10,008,144	\$9,897,737	\$27,793,499	\$28,060,620
Revenue arising from				
rendering of services	475,951	369,751	1,530,381	1,176,938
Other operating revenues	209,663	132,262	457,993	366,145
Total	<u>\$10,693,758</u>	<u>\$10,399,750</u>	<u>\$29,781,873</u>	<u>\$29,603,703</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 months ended September 30, 2024

	Energy- saving products segment	Image products and brand segment	Optical component segment	Other segment	Elimination	Total
Sale of goods	\$5,308,252	\$3,792,782	\$680,740	\$414,327	\$(187,957)	\$10,008,144
Revenue arising from rendering of services	13,202	19,389	13,584	505,424	(75,648)	475,951
Other operating revenues	79,226	79,995	-	50,533	(91)	209,663
Total	<u>\$5,400,680</u>	<u>\$3,892,166</u>	<u>\$694,324</u>	<u>\$970,284</u>	<u>\$(263,696)</u>	<u>\$10,693,758</u>
The timing of revenue recognition:						
At a point in time	\$5,400,680	\$3,892,166	\$681,325	\$970,284	\$(263,696)	\$10,680,759
Over time	-	-	12,999	-	-	12,999
Total	<u>\$5,400,680</u>	<u>\$3,892,166</u>	<u>\$694,324</u>	<u>\$970,284</u>	<u>\$(263,696)</u>	<u>\$10,693,758</u>

For the three months ended September 30, 2023

	Energy- saving products segment	Image products and brand segment	Optical component segment	Other segment	Elimination	Total
Sale of goods	\$4,765,928	\$4,316,276	\$726,765	\$583,083	\$(494,315)	\$9,897,737
Revenue arising from rendering of services	13,221	52,056	19,822	380,242	(95,590)	369,751
Other operating revenues	46,606	49,010	-	36,963	(317)	132,262
Total	<u>\$4,825,755</u>	<u>\$4,417,342</u>	<u>\$746,587</u>	<u>\$1,000,288</u>	<u>\$(590,222)</u>	<u>\$10,399,750</u>
The timing of revenue recognition:						
At a point in time	\$4,825,755	\$4,417,342	\$727,958	\$1,000,288	\$(590,222)	\$10,381,121
Over time	-	-	18,629	-	-	18,629
Total	<u>\$4,825,755</u>	<u>\$4,417,342</u>	<u>\$746,587</u>	<u>\$1,000,288</u>	<u>\$(590,222)</u>	<u>\$10,399,750</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 nine months ended September 30, 2024

	Energy- saving products segment	Image products and brand segment	Optical component segment	Other segment	Elimination	Total
Sale of goods	\$13,799,381	\$11,215,707	\$1,830,090	\$1,449,275	\$(500,954)	\$27,793,499
Revenue arising from rendering of services	37,193	58,461	61,940	1,616,758	(243,971)	1,530,381
Other operating revenues	164,034	146,078	-	147,972	(91)	457,993
Total	\$14,000,608	\$11,420,246	\$1,892,030	\$3,214,005	\$(745,016)	\$29,781,873
The timing of revenue recognition:						
At a point in time	\$14,000,608	\$11,420,246	\$1,831,528	\$3,214,005	\$(745,016)	\$29,721,371
Over time	-	-	60,502	-	-	60,502
Total	\$14,000,608	\$11,420,246	\$1,892,030	\$3,214,005	\$(745,016)	\$29,781,873

For the nine months ended September 30, 2023

	Energy- saving products segment	Image products and brand segment	Optical component segment	Other segment	Elimination	Total
Sale of goods	\$12,792,176	\$12,412,098	\$2,212,467	\$1,696,700	\$(1,052,821)	\$28,060,620
Revenue arising from rendering of services	163,805	101,390	80,853	1,095,548	(264,658)	1,176,938
Other operating revenues	161,937	111,134	-	95,686	(2,612)	366,145
Total	\$13,117,918	\$12,624,622	\$2,293,320	\$2,887,934	\$(1,320,091)	\$29,603,703
The timing of revenue recognition:						
At a point in time	\$13,117,918	\$12,624,622	\$2,248,061	\$2,887,934	\$(1,320,091)	\$29,558,444
Over time	-	-	45,259	-	-	45,259
Total	\$13,117,918	\$12,624,622	\$2,293,320	\$2,887,934	\$(1,320,091)	\$29,603,703

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

	September 30, 2024	December 31, 2023	September 30, 2023	January 1 2023
Sale of goods	\$536,173	\$404,307	\$444,131	\$276,621
Revenue arising from				
rendering of services	2,404	2,502	7,112	7,451
Other operating revenues	303,491	369,401	387,043	245,174
Total	<u>\$842,068</u>	<u>\$776,210</u>	<u>\$838,286</u>	<u>\$529,246</u>

The contract liabilities balances resulted from the difference between the satisfaction of the performance obligation and the customers' payment. For the nine months ended September 30, 2024 and 2023, the Group recognized NT\$495,428 thousand and NT\$289,378 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 September 30, 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.

(20) Expected credit loss

	Three months ended September 30		Nine months ended September 30	
	2024	2023	2024	2023
Operating expenses- expected credit loss (gain)				
Trade receivables	<u>\$(16,110)</u>	<u>\$10,308</u>	<u>\$(12,049)</u>	<u>\$4,082</u>

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 September 30, 2024, December 31, 2023, and September 30, 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:

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

As of September 30, 2024

Group A

		Past due					
	Not	1 to 30	31 to 60	61 to 90	91 to 120	More than	
	past due	days	days	days	days	121 days	Total
Gross carrying							
amount	\$634,326	\$118,214	\$24,962	\$3,761	\$2,036	\$12,621	\$795,920
Loss ratio	0%	0.2%	0.5%	3%	5%	10%	
Expected							
credit losses	-	(462)	(818)	(911)	(957)	(11,165)	(14,313)
Subtotal	\$634,326	\$117,752	\$24,144	\$2,850	\$1,079	\$1,456	\$781,607

Group B

		Past due					
	Not	1 to 30	31 to 60	61 to 90	91 to 120	More than	
	past due	days	days	days	days	121 days	Total
Gross carrying							
amount	\$10,373,709	\$296,015	\$32,798	\$22	\$739	\$17,259	\$10,720,542
Loss ratio	0%	0%	5%	30%	50%	100%	
Expected							
credit losses	-	(6)	(1,282)	(7)	(169)	(17,259)	(18,723)
Subtotal	\$10,373,709	\$296,009	\$31,516	\$15	\$570	\$-	\$10,701,819

As of December 31, 2023

Group A

		Past due					
	Not	1 to 30	31 to 60	61 to 90	91 to 120	More than	
	past due	days	days	days	days	121 days	Total
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

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Group B

	Past due						
	Not	1 to 30	31 to 60	61 to 90	91 to 120	More than	Total
	past due	days	days	days	days	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	\$8,765,132	\$173,797	\$13,194	\$3,322	\$1,697	\$-	\$8,957,142

As of September 30, 2023

Group A

	Past due						
	Not	1 to 30	31 to 60	61 to 90	91 to 120	More than	Total
	past due	days	days	days	days	121 days	
Gross carrying							
amount	\$810,862	\$125,709	\$27,345	\$5,862	\$95	\$28,399	\$998,272
Loss ratio	0%	0.2%	0.5%	3%	5%	10%	
Expected							
credit losses	-	(1,561)	(643)	(567)	(13)	(17,488)	(20,272)
Subtotal	\$810,862	\$124,148	\$26,702	\$5,295	\$82	\$10,911	\$978,000

Group B

	Past due						
	Not	1 to 30	31 to 60	61 to 90	91 to 120	More than	Total
	past due	days	days	days	days	121 days	
Gross carrying							
amount	\$11,398,461	\$249,134	\$17,886	\$12,404	\$2,433	\$17,473	\$11,697,791
Loss ratio	0%	0-2%	5%	30%	50%	100%	
Expected							
credit losses	-	(2)	(611)	(1,942)	(1,216)	(17,473)	(21,244)
Subtotal	\$11,398,461	\$249,132	\$17,275	\$10,462	\$1,217	\$-	\$11,676,547

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

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

	<u>Trade receivables</u>
As of January 1, 2024	\$46,920
Reversal for the current period	(12,049)
Write-offs	(2,918)
Exchange differences	1,261
Disposal of subsidiary (Note)	(178)
As of September 30, 2024	<u>\$33,036</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
Addition for the current period	4,082
Write-offs	(5,673)
Exchange differences	744
As of September 30, 2023	<u>\$41,516</u>

Note: The subsidiary TYO disposed all equity interests in Mejiro Genossen Inc. and has completed related deregistration on September 27, 2024. For the derecognized assets and liabilities, please refer to 6(28).

(21) 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:

CORETRONIC CORPORATION AND SUBSIDIARIES
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(a) Amounts recognized in the balance sheet

i. Right-of-use asset

The carrying amount of right-of-use assets

	September 30, 2024	December 31, 2023	September 30, 2023
Land (including land use rights)	\$1,955,494	\$1,506,177	\$1,630,738
Buildings	201,734	272,066	260,851
Transportation equipment	25,032	23,177	24,876
Office fixtures	1,732	2,671	3,226
Total	<u>\$2,183,992</u>	<u>\$1,804,091</u>	<u>\$1,919,691</u>

During the nine months ended September 30, 2024 and 2023, the additions to right-of-use assets of the Group amounted to NT\$569,152 thousand and NT\$100,626 thousand, respectively.

ii. Lease liability

	September 30, 2024	December 31, 2023	September 30, 2023
Current	\$168,695	\$188,905	\$183,946
Non-current	992,878	1,045,656	1,135,081
Total	<u>\$1,161,573</u>	<u>\$1,234,561</u>	<u>\$1,319,027</u>

Please refer to Note 6(23) D. for the interests on lease liability recognized during the three months and nine months ended September 30, 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 September 30		Nine months ended September 30	
	2024	2023	2024	2023
Land (including land use rights)	\$15,689	\$15,685	\$43,520	\$46,965
Buildings	34,131	40,308	101,478	156,671
Transportation equipment	4,647	2,576	13,158	12,680
Office fixtures	135	348	422	1,035
Other equipment	120	117	357	253
Total	<u>\$54,722</u>	<u>\$59,034</u>	<u>\$158,935</u>	<u>\$217,604</u>

CORETRONIC CORPORATION AND SUBSIDIARIES
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(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

(c) Income and costs relating to leasing activities

	Three months ended September 30		Nine months ended September 30	
	2024	2023	2024	2023
The expense relating to short-term leases	\$2,648	\$3,078	\$10,342	\$21,938
The expense relating to leases of low-value assets (excluding the expense relating to short-term leases of low-value assets)	1,583	3,761	5,306	9,182
Total	\$4,231	\$6,839	\$15,648	\$31,120

(d) Cash outflow relating to leasing activities

During the nine months ended September 30, 2024 and 2023, the Group's total cash outflows for leases amounted to NT\$183,403 thousand and NT\$277,069 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.

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

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.

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		Nine months ended	
	September 30		September 30	
	2024	2023	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	\$14,758	\$10,107	\$40,601	\$30,288

CORETRONIC CORPORATION AND SUBSIDIARIES

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

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:

	September 30, 2024	December 31, 2023	September 30, 2023
Not later than one year	\$45,655	\$45,474	\$10,842
Later than one year but not later than two years	45,291	44,293	778
Later than two years but not later than three years	11,348	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	123	492	492
Over five years	-	-	123
Total	<u>\$102,909</u>	<u>\$134,668</u>	<u>\$13,505</u>

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

Function Items	Three months ended September 30					
	2024			2023		
	Operating Cost	Operating expenses	Total amount	Operating Cost	Operating expenses	Total amount
Employee benefits expense	\$599,533	\$1,102,253	\$1,701,786	\$653,870	\$1,187,801	\$1,841,671
Salaries	486,029	921,468	1,407,497	481,114	1,018,318	1,499,432
Labor and health insurance	34,567	88,273	122,840	33,864	82,392	116,256
Pension	33,752	50,414	84,166	37,520	50,739	88,259
Other employee benefits expense	45,185	42,098	87,283	101,372	36,352	137,724
Depreciation	242,858	84,694	327,552	238,732	96,001	334,733
Amortization	3,407	19,507	22,914	3,748	18,603	22,351

CORETRONIC CORPORATION AND SUBSIDIARIES
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<div style="display: flex; align-items: center;"> <div style="transform: rotate(-45deg); white-space: nowrap;">Function</div> <div style="margin-left: 10px;">Items</div> </div>	Nine months ended September 30					
	2024			2023		
	Operating Cost	Operating expenses	Total amount	Operating Cost	Operating expenses	Total amount
Employee benefits expense	\$1,753,300	\$3,387,650	\$5,140,950	\$2,143,153	\$3,537,418	\$5,680,571
Salaries	1,426,899	2,864,311	4,291,210	1,715,056	3,050,894	4,765,950
Labor and health insurance	101,659	256,595	358,254	109,172	245,385	354,557
Pension	100,804	150,809	251,613	121,793	150,159	271,952
Other employee benefits expense	123,938	115,935	239,873	197,132	90,980	288,112
Depreciation	713,178	226,649	939,827	748,726	293,278	1,042,004
Amortization	8,984	66,016	75,000	11,673	53,729	65,402

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. The amount of employees compensation was NT\$27,321 thousand and NT\$64,000 thousand for the three months ended September 30, 2024 and 2023, respectively. The amount of employees compensation was NT\$85,254 thousand and NT\$164,467 thousand for the nine months ended September 30, 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)
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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.

(23) Non-Operating Income and Expenses

A. Interest income

	Three months ended		Nine months ended	
	September 30		September 30	
	2024	2023	2024	2023
Financial assets measured at amortized cost	\$102,958	\$108,621	\$343,097	\$288,378

B. Other income

	Three months ended		Nine months ended	
	September 30		September 30	
	2024	2023	2024	2023
Government grants income	\$17,041	\$24,586	\$52,383	\$174,477
Rental income	14,758	10,107	40,601	30,288
Dividend income	-	484	67,992	66,994
Fire insurance claim income (Note)	45,000	-	45,000	-
Other	64,003	27,625	194,533	131,080
Total	\$140,802	\$62,802	\$400,509	\$402,839

Note: The subsidiary TYO recognized insurance claim income due to the fire damage on building, equipment and inventory. Please refer to Note 10 for more details

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C. Other gains and losses

	Three months ended September 30		Nine months ended September 30	
	2024	2023	2024	2023
Gain on financial assets at fair value through profit or loss, net (Note a)	\$168,135	\$202,440	\$413,086	\$494,031
Gain on lease modification	30	4,483	3,379	10,484
Gain (loss) on disposal of property, plant and equipment	1,058	(17,193)	(15,455)	(20,464)
Foreign exchange loss, net	(200,483)	(134,108)	(224,694)	(139,779)
Gain (loss) on disposal of investments	12,990	(77,835)	9,538	(77,835)
Reversal of casualty loss (Note b)	-	-	(115,947)	-
Other loss	(11,448)	(11,206)	(36,184)	(46,678)
Total	<u>\$ (29,718)</u>	<u>\$ (33,419)</u>	<u>\$ 33,723</u>	<u>\$ 219,759</u>

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

Note b: Due to the fire accident, the 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 September 30		Nine months ended September 30	
	2024	2023	2024	2023
Interest on borrowings from bank	\$100,871	\$73,950	\$270,495	\$334,199
Interest on lease liabilities	7,945	10,243	24,677	34,951
Hedge ineffectiveness recognized in profit	-	-	-	(12,932)
Total	<u>\$108,816</u>	<u>\$84,193</u>	<u>\$295,172</u>	<u>\$356,218</u>

CORETRONIC CORPORATION AND SUBSIDIARIES
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(24) Components of Other Comprehensive Income

For the three months ended September 30, 2024

	Arising during the period	Income tax income (expense)	Other comprehensive income, net of tax
Not to be reclassified to profit or loss:			
Unrealized loss from equity instrument investments measured at fair value through other comprehensive income	\$(63,035)	\$(848)	\$(63,883)
To be reclassified to profit or loss in subsequent periods:			
Exchange differences on translation of foreign operations	60,354	-	60,354
Share of the other comprehensive income of associates accounted for using the equity method	168	-	168
Total of other comprehensive loss	<u>\$(2,513)</u>	<u>\$(848)</u>	<u>\$(3,361)</u>

For the three months ended September 30, 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 from equity instrument investments measured at fair value through other comprehensive income	\$166,062	\$727	\$166,789
To be reclassified to profit or loss in subsequent periods:			
Exchange differences on translation of foreign operations	1,206,230	-	1,206,230
Share of the other comprehensive income of associates accounted for using the equity method	(5)	-	(5)
Total of other comprehensive income	<u>\$1,372,287</u>	<u>\$727</u>	<u>\$1,373,014</u>

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For the nine months ended September 30, 2024

	Arising during	Income tax income	Other
	the period	(expense)	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	\$463,901	\$(3,940)	\$459,961
To be reclassified to profit or loss in subsequent periods:			
Exchange differences on translation of foreign operations	1,115,151	-	1,115,151
Share of the other comprehensive income of associates accounted for using the equity method	185	-	185
Total of other comprehensive income	<u>\$1,579,237</u>	<u>\$(3,940)</u>	<u>\$1,575,297</u>

For the nine months ended September 30, 2023

	Arising during	Income tax income	Other
	the period	(expense)	comprehensive
			income, net of tax
Not to be reclassified to profit or loss:			
Unrealized gain from equity instrument investments measured at fair value through other comprehensive income	\$948,781	\$1,619	\$950,400
To be reclassified to profit or loss in subsequent periods:			
Exchange differences on translation of foreign operations	828,915	-	828,915
Total of other comprehensive income	<u>\$1,777,696</u>	<u>\$1,619</u>	<u>\$1,779,315</u>

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(25) Income Tax

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

Income tax expense (income) recognized in profit or loss

	Three months ended September 30		Nine months ended September 30	
	2024	2023	2024	2023
Current income tax expense (income):				
Current income tax expense	\$15,790	\$107,364	\$209,451	\$314,490
Adjustments in respect of current income tax of prior periods	(924)	(25,385)	(12,052)	(41,875)
Deferred tax expense (income):				
Deferred tax expense relating to origination and reversal of temporary differences	4,504	1,886	(69,745)	70,589
Deferred tax expense arising from write- down or reversal of write-down of deferred tax asset	(5,901)	18,877	38,372	(44,659)
Other	-	-	-	223
Total income tax expense	<u>\$13,469</u>	<u>\$102,742</u>	<u>\$166,026</u>	<u>\$298,768</u>

Income tax relating to components of other comprehensive income

	Three months ended September 30		Nine months ended September 30	
	2024	2023	2024	2023
Deferred income tax income (expense):				
Unrealized (loss) gain from equity instruments investments measured at fair value through other comprehensive income	<u>\$(848)</u>	<u>\$727</u>	<u>\$(3,940)</u>	<u>\$1,619</u>

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The risk exposure of Pillar Two income tax

Subsidiaries of CORE, Coretronic Vietnam Co., Ltd., Coretronic Investment Limited and its subsidiaries and Coretronic Intelligent Cloud Service Corporation (JP), 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 Intelligent Cloud Service Corporation (JP), Coretronic Investment Limited and its subsidiaries had not significant current tax expense related to the Pillar Two legislation for the nine-month period ended September 30, 2024. The Group is currently assessing the impact by Pillar Two legislation on the future financial performance.

The assessment of income tax returns

As of September 30, 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
CICS	Assessed and approved up to 2022
CVC	Assessed and approved up to 2022
UCM	Assessed and approved up to 2022
ISC	Assessed and approved up to 2022
CVD	Assessed and approved up to 2022
CIRC	Assessed and approved up to 2022
CRI	Assessed and approved up to 2022
CMC	Assessed and approved up to 2022
NPT	Assessed and approved up to 2022
CILS	Assessed and approved up to 2022
Optoma Corporation	Assessed and approved up to 2022

(26) 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.

CORETRONIC CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)

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

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.

	Three months ended September 30		Nine months ended September 30	
	2024	2023	2024	2023
A. Basic earnings per share				
Profit attributable to ordinary shareholders of the parent (in thousand NT\$)	<u>\$202,676</u>	<u>\$466,987</u>	<u>\$627,720</u>	<u>\$1,131,977</u>
Weighted average number of ordinary shares outstanding for basic earnings per share (in thousands)	<u>390,981</u>	<u>390,981</u>	<u>390,981</u>	<u>390,981</u>
Basic earnings per share (NT\$)	<u>\$0.52</u>	<u>\$1.20</u>	<u>\$1.61</u>	<u>\$2.90</u>
B. Diluted earnings per share				
Profit attributable to ordinary shareholders of the parent after dilution (in thousand NT\$)	<u>\$202,676</u>	<u>\$466,987</u>	<u>\$627,720</u>	<u>\$1,131,977</u>
Weighted average number of ordinary shares outstanding for basic earnings per share (in thousands)	<u>390,981</u>	<u>390,981</u>	<u>390,981</u>	<u>390,981</u>
Effect of dilution:				
Employee bonus-stock (in thousand)	<u>1,112</u>	<u>2,142</u>	<u>1,664</u>	<u>3,055</u>
Weighted average number of ordinary shares outstanding after dilution (in thousand)	<u>392,093</u>	<u>393,123</u>	<u>392,645</u>	<u>394,036</u>
Diluted earnings per share (NT\$)	<u>\$0.52</u>	<u>\$1.18</u>	<u>\$1.60</u>	<u>\$2.87</u>

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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.

(27) 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	September 30, 2024	December 31, 2023	September 30, 2023
Young Optics Inc	Taiwan	67.37%	67.37%	67.37%
Accumulated balance of material non-controlling interests		September 30, 2024	December 31, 2023	September 30, 2023
Young Optics, Inc.		\$1,855,435	\$2,018,650	\$2,102,413
Loss allocated to material non-controlling interest		Three months ended September 30		Nine months ended September 30
Young Optics, Inc.		2024	2023	2024 2023
		\$(5,553)	\$(45,779)	\$(199,170) \$(147,899)

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

Summarized information of profit or loss for the three months ended September 30, 2024:

	Young Optics Inc.
Operating revenue	\$694,324
Loss for the period from continuing operations	(8,238)
Total comprehensive loss for the period	9,705

Summarized information of profit or loss for the three months ended September 30, 2023:

	Young Optics Inc.
Operating revenue	\$746,587
Loss for the period from continuing operations	(67,793)
Total comprehensive loss for the period	(4,970)

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Summarized information of profit or loss for the nine months ended September 30, 2024:

	<u>Young Optics Inc.</u>
Operating revenue	\$1,892,030
Loss for the period from continuing operations	(295,647)
Total comprehensive loss for the period	(241,482)

Summarized information of profit or loss for the nine months ended September 30, 2023:

	<u>Young Optics Inc.</u>
Operating revenue	\$2,293,320
Loss for the period from continuing operations	(220,670)
Total comprehensive loss for the period	(181,799)

Summarized information of financial position as of September 30, 2024:

	<u>Young Optics Inc.</u>
Current assets	\$1,967,100
Non-current assets	2,311,207
Current liabilities	(1,074,683)
Non-current liabilities	(449,532)

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 September 30, 2023:

	<u>Young Optics Inc.</u>
Current assets	\$2,335,218
Non-current assets	2,603,483
Current liabilities	(1,352,731)
Non-current liabilities	(465,500)

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Summarized cash flow information for the nine months ended September 30, 2024:

	<u>Young Optics Inc.</u>
Operating activities	\$49,055
Investing activities	(33,799)
Financing activities	(217,385)
Net decrease in cash and cash equivalents	(169,013)

Summarized cash flow information for nine months ended September 30, 2023:

	<u>Young Optics Inc.</u>
Operating activities	\$238,020
Investing activities	(163,923)
Financing activities	(393,068)
Net decrease in cash and cash equivalents	(294,884)

(28) Disposal of Subsidiaries

The Subsidiary TYO disposed all equity interests in its Subsidiary- Mejiro Genossen Inc. on September 27, 2024. TYO lost control over Mejiro Genossen Inc. and has completed related deregistration. The disposal proceeds were NT\$50,390 thousand, and TYO recognized loss on disposal of investment in the amount of NT\$9,074 thousand.

A. The amount of assets and liabilities of Mejiro Genossen Inc. was as follows :

	<u>September 27, 2024</u>
Assets:	
Cash and cash equivalents	\$17,690
Notes receivable, net	14,758
Trade receivables, net	15,415
Trade receivables - related parties, net	1,070
Inventories, net	10,956
Prepayments	40
Other current assets - other	31
Property, plant and equipment, net	9,265
Right-of-use assets	502
Intangible assets	123
Other noncurrent assets - other	330
	<u>70,180</u>

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	<u>September 27, 2024</u>
Liabilities:	
Contract liabilities	(109)
Accounts payable	(1,909)
Accounts payable - related parties	(2,525)
Other payables	(12,163)
Current tax liabilities	(182)
Lease liabilities – current and noncurrent	(507)
Current portion of long-term borrowings	(2,476)
Other current liabilities	(81)
	<u>(19,952)</u>
Derecognition of net assets	<u><u>\$50,228</u></u>

B. The consideration received and the profit or loss recognized for this transaction are as follows :

	<u>Nine months ended September 30</u>
Consideration received	\$50,390
Derecognition of net assets of Mejiro Genossen Inc.	(50,228)
Non-controlling interests	508
Derecognition for IPs arising from consolidation	(615)
Exchange differences on translation of foreign operations	(9,129)
Disposition loss	<u><u>\$(9,074)</u></u>

C. Cash flow analysis of derecognized subsidiaries :

	<u>Nine months ended September 30</u>
Consideration received	\$50,390
Derecognized subsidiaries of net cash	(17,690)
Derecognition of net cash flow	<u><u>\$32,700</u></u>

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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(Note)
Hannstar Display Corporation (“HANNSTAR”)	Entity which has significant influence over CORE
Chi Hua Fitness Co., LTD. (“CHI HUA”)	Substantive related party
Dongtai Qidian Electronic Technology Co., Ltd (“DONGTAI QIDIAN”)	Substantive related party
Shanghai Xianzhen Information Consulting Co., Ltd. (“Shanghai Xianzhen”)	Substantive related party
Shanghai Zhiwei Business Information Consulting Co., Ltd. (“Shanghai Zhiwei”)	Substantive related party
Global Expertise Consultants Limited (“Global Expertise”)	Substantive related party

Note : Due to the disposal of all equity interests in EOE on September 30 2024, EOE was no longer an associate to the Group.

(2) Significant transactions with related parties

A. Sales

	Three months ended September 30		Nine months ended September 30	
	2024	2023	2024	2023
DONGTAI QIDIAN	\$545	\$326	\$2,634	\$806
CHI HUA	-	75	-	75
Total	\$545	\$401	\$2,634	\$881

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.

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B. Purchases

	Three months ended September 30		Nine months ended September 30	
	2024	2023	2024	2023
HANNSTAR	\$62,660	\$29,024	\$116,944	\$135,918
EOE	19,914	-	49,067	72,588
DONGTAI QIDIAN	-	66	-	128
Total	<u>\$82,574</u>	<u>\$29,090</u>	<u>\$166,011</u>	<u>\$208,634</u>

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 60-90 days.

C. Trade Receivables from Related Parties

	September 30, 2024	December 31, 2023	September 30, 2023
DONGTAI QIDIAN	\$539	\$639	\$330
CHI HUA	-	-	79
Total	<u>\$539</u>	<u>\$639</u>	<u>\$409</u>

D. Other Receivables from Related Parties

	September 30, 2024	December 31, 2023	September 30, 2023
HANNSTAR	<u>\$3,810</u>	<u>\$969</u>	<u>\$168</u>

E. Accounts Payable to Related Parties

	September 30, 2024	December 31, 2023	September 30, 2023
HANNSTAR	<u>\$40,553</u>	<u>\$34,476</u>	<u>\$9,636</u>

F. Other Payable to Related Parties

	September 30, 2024	December 31, 2023	September 30, 2023
EOE	\$-	\$1,036	\$197
HANNSTAR	-	197	237
Total	<u>\$-</u>	<u>\$1,233</u>	<u>\$434</u>

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G. Leases

Lease liability

	September 30, 2024	December 31, 2023	September 30, 2023
Shanghai Xianzhen	\$-	\$2,705	\$3,350

Interest on lease liabilities

	Three months ended September 30		Nine months ended September 30	
	2024	2023	2024	2023
Shanghai Xianzhen and Global Expertise	\$-	\$46	\$57	\$164

Lease expense for operating leases

	Three months ended September 30		Nine months ended September 30	
	2024	2023	2024	2023
Shanghai Zhiwei	\$-	\$-	\$-	\$666

The Group leased staff dormitories and offices from substantive related parties. The lease prices were determined by mutual agreement based on the market rates. The payment terms from the related party lessors are comparable with third party lessors.

Due to the full termination of leases with substantive related parties, the Group derecognized right-of-use assets and lease liabilities, and recognized gain on lease modification of NT\$98 thousand for the nine months ended September 30, 2024.

The Group recognized other income in amount of NT\$18,269 thousand due to the rent concession provided by substantive related parties during the nine months ended September 30, 2024.

H. Others

For the nine months ended September 30, 2024 and 2023, the Group purchased molds from EOE, amounting to NT\$2,325 thousand and NT\$411 thousand.

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I. Key Management Personnel Compensation

	Three months ended		Nine months ended	
	September 30		September 30	
	2024	2023	2024	2023
Short-term employee benefits	\$24,913	\$36,208	\$89,433	\$139,336
Post-employment benefits	461	504	1,444	1,505
Share-based payment	509	1,088	(662)	3,239
Total	<u>\$25,883</u>	<u>\$37,800</u>	<u>\$90,215</u>	<u>\$144,080</u>

8. Assets Pledged as Collateral

The following assets of the Group pledged as collateral:

	Carrying amount			
	September 30, 2024	December 31, 2023	September 30, 2023	Purpose of pledge
Assets pledged as collateral				
Buildings (including investment property)	\$680,992	\$712,324	\$722,768	Collateral for long-term borrowings
Time deposits (presented as “Other receivables”)	-	-	64,540	Collateral for short-term borrowings
Time deposits (presented as “Other receivables”)	37,013	36,885	36,885	Lease execution deposits
Time deposits (presented as “Other receivables”)	49,572	48,133	50,473	Customs import guarantee and others
Bank deposits (presented as “Other receivables”)	-	-	14	Export tax guarantee
Time deposits (presented as “Other noncurrent assets”)	22,695	23,087	20,787	Lease execution deposits
Time deposits (presented as “Other noncurrent assets”)	1,114	1,107	1,100	Customs import guarantee
Total	<u>\$791,386</u>	<u>\$821,536</u>	<u>\$896,567</u>	

9. Commitments and Contingencies

A. Amount available under unused letters of credit as of September 30, 2024 was NT\$11,231 thousand.

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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\$2,412,455 thousand). As of September 30, 2024, the Group has paid VND 1,771,363,667 thousand (approximately NT\$2,278,085 thousand), and recognized it under buildings, construction in progress and equipment awaiting inspection.

10. Losses due to Major Disasters

On March 25, 2024, the 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\$115,947 thousand, which was recognized under non-operating loss for the nine months ended September 30, 2024. TYO has been covered by property and business interruption insurance. During the third quarter of 2024, the insurance company has offered NT\$45,000 thousand claim payment in advance to TYO for inventories, repairs and replacement of equipment and building, all of which was recognized as fire insurance claim income. For the rest of the damage claim, loss survey is still in progress.

11. Significant Subsequent Events

None.

12. Others

(1) Categories of Financial Instruments

	September 30, 2024	December 31, 2023	September 30, 2023
<u>Financial assets</u>			
Financial assets at fair value through profit or loss:			
Mandatorily measured at fair value through profit or loss (Note a)	\$6,460,259	\$4,784,460	\$7,026,756
Financial assets at fair value through other comprehensive income	5,774,245	5,308,046	4,846,373
Financial assets measured at amortized cost (Note b)	26,077,137	24,305,295	24,399,605
Total	<u>\$38,311,641</u>	<u>\$34,397,801</u>	<u>\$36,272,734</u>

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	September 30, 2024	December 31, 2023	September 30, 2023
<u>Financial liabilities</u>			
Financial liabilities at amortized cost:			
Short-term borrowings	\$18,561,665	\$13,512,487	\$14,269,326
Accounts payable (including related parties)	7,023,586	7,602,162	7,713,676
Other payables	3,522,208	3,934,309	3,589,376
Lease liability (including current and noncurrent)	1,161,573	1,234,561	1,319,027
Long-term borrowings (including current portion)	112,900	416,717	520,337
Subtotal	<u>30,381,932</u>	<u>26,700,236</u>	<u>\$27,411,742</u>
Financial liabilities at fair value through profit or loss:			
Mandatorily measured at fair value through profit or loss -current	124,189	347,557	217,357
Total	<u>\$30,506,121</u>	<u>\$27,047,793</u>	<u>\$27,629,099</u>

Note a: As of September 30, 2024, December 31, 2023, and September 30, 2023, the financial assets measured at fair value through profit or loss, including trade receivables, were NT\$5,884,574 thousand, NT\$4,331,883 thousand, and NT\$6,252,750 thousand respectively. Please refer to Note 6(6) for more details.

Note b: 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.

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.

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(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 nine months ended September 30, 2024 and 2023 is decreased/increased by NT\$78,735 thousand and NT\$56,261 thousand, while equity is decreased/increased by NT\$323,643 thousand and NT\$303,071 thousand, respectively.

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.

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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. At the reporting date, an increase/decrease of 1% of interest rate in a reporting period could cause the profit for the nine months ended September 30, 2024 and 2023 to decreased/increased by NT\$148,491 thousand and NT\$117,632 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 nine months ended September 30, 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\$57,742 thousand and NT\$48,464 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.

As of September 30, 2024, December 31, 2023, and September 30, 2023, receivables from top ten customers represented 80%, 87% and 76% of the total trade receivables of the Group, respectively. The credit concentration risk of other accounts receivables was insignificant.

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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 September 30, 2024					
Borrowings	\$18,646,561	\$70,037	\$40,848	\$-	\$18,757,446
Accounts payable (including related parties)	7,023,586	-	-	-	7,023,586
Other payables (including related parties)	3,522,208	-	-	-	3,522,208
Lease liability	180,845	213,927	130,007	917,077	1,441,856
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

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	Less than 1 year	1 to 3 years	3 to 5 years	Over 5 years	Total
As of September 30, 2023					
Borrowings	\$14,698,674	\$109,508	\$-	\$-	\$14,808,182
Accounts payable (including related parties)	7,713,676	-	-	-	7,713,676
Other payables (including related parties)	3,589,376	-	-	-	3,589,376
Lease liability	195,180	254,967	148,374	1,050,771	1,649,292

Derivative financial liabilities

	Less than 1 year	1 to 3 years	Total
As of September 30, 2024			
Inflows	\$-	\$-	\$-
Outflows	124,189	-	124,189
Net	<u>\$124,189</u>	<u>\$-</u>	<u>\$124,189</u>

As of December 31, 2023			
Inflows	\$-	\$-	\$-
Outflows	347,557	-	347,557
Net	<u>\$347,557</u>	<u>\$-</u>	<u>\$347,557</u>

As of September 30, 2023			
Inflows	\$-	\$-	\$-
Outflows	217,357	-	217,357
Net	<u>\$217,357</u>	<u>\$-</u>	<u>\$217,357</u>

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

(6) Reconciliation of Liabilities Arising from Financing Activities

Reconciliation of liabilities for the nine months ended September 30, 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	5,049,178	(301,341)	(143,078)	(3,329)	113	4,601,543
Additional leases	-	-	60,594	-	-	60,594
Disposal of subsidiary	-	(2,476)	(507)	-	-	(2,983)
Exchange differences	-	-	10,003	-	-	10,003
As of September 30, 2024	<u>\$18,561,665</u>	<u>\$112,900</u>	<u>\$1,161,573</u>	<u>\$25,455</u>	<u>\$3,820</u>	<u>\$19,865,413</u>

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Reconciliation of liabilities for the nine months ended September 30, 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	4,445,477	(3,310,465)	(210,998)	2,997	188	927,199
Decreased leases	-	-	(97,449)	-	-	(97,449)
Reclassification	-	3,825	-	-	-	3,825
Exchange differences	-	-	14,384	-	-	14,384
As of September 30, 2023	<u>\$14,269,326</u>	<u>\$520,337</u>	<u>\$1,319,027</u>	<u>\$22,772</u>	<u>\$3,895</u>	<u>\$16,135,357</u>

(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:

- (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.

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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 September 30, 2024		
Forward currency contract		
Selling forward currency contracts	USD 754,000 thousand	From October 2024 to November 2024
Buying forward currency contracts	USD 753,000 thousand	From October 2024 to September 2025
Selling forward currency contracts	CAD 950 thousand	From October 2024 to November 2024
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 September 30, 2023		
Forward currency contract		
Selling forward currency contracts	USD 597,500 thousand	From October 2023 to December 2023
Buying forward currency contracts	USD 590,500 thousand	From October 2023 to July 2024
Selling forward currency contracts	CAD 500 thousand	From October 2023 to November 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:

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	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	<u>Carrying Amount of Other Equity</u>		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

(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.

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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:

September 30, 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	\$-	\$575,685	\$-	\$575,685
Equity instrument measured at fair value through other comprehensive income	-	-	5,774,245	5,774,245
Liabilities measured at fair value:				
Financial liabilities at fair value through profit or loss				
Forward currency contract	-	124,189	-	124,189
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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September 30, 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	\$-	\$774,006	\$-	\$774,006
Equity instrument measured at fair value through other comprehensive income	-	-	4,846,373	4,846,373
Liabilities measured at fair value:				
Financial liabilities at fair value through profit or loss				
Forward currency contract	-	217,357	-	217,357

Transfers between the Level 1 and Level 2 during the period

During the nine months ended September 30, 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
As of January 1, 2024:	\$5,308,046
Total gains and losses recognized for the nine months ended September 30, 2024:	
Amount recognized in OCI (presented in “unrealized gains from equity instruments investments measured at fair value through other comprehensive income”)	459,961
Tax effect	3,940
Exchange differences	2,298
As of September 30, 2024	<u>\$5,774,245</u>

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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 nine months ended September 30, 2023:	
Amount recognized in OCI (presented in “unrealized gains from equity instruments investments measured at fair value through other comprehensive income”)	950,400
Tax effect	(1,619)
Exchange differences	2,583
As of September 30, 2023	\$4,846,373

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 September 30, 2024

	Valuation	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	2.32	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\$7,514 thousand/ NT\$7,514 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	3.00	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\$4,791 thousand/ NT\$4,791 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
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 September 30, 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	1.42	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\$4,417 thousand/ NT\$4,417 thousand.
	Market Approach	P/E ratio of similar companies	2.88	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\$4,124 thousand/ NT\$4,124 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.

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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:

	September 30, 2024			Total
	Level 1	Level 2	Level 3	
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			Total
	Level 1	Level 2	Level 3	
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

	September 30, 2023			Total
	Level 1	Level 2	Level 3	
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

(10) Significant Assets and Liabilities Denominated in Foreign Currencies

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

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September 30, 2024			
	Foreign currencies	Exchange rate	NTD thousand
<u>Financial assets</u>			
Monetary item:			
USD	\$844,047	31.65	\$26,714,088
JPY	421,436	0.2223	93,685
GBP	1,232	42.43	52,274
Non-monetary items:			
USD	\$3,974	31.65	\$125,772
<u>Financial liabilities</u>			
Monetary items:			
USD	\$595,278	31.65	\$18,840,549
CNY	874	4.5080	3,940
JPY	6,703	0.2223	1,490
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
<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

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	September 30, 2023		
	Foreign currencies	Exchange rate	NTD thousand
<u>Financial assets</u>			
Monetary item:			
USD	\$1,179,215	32.27	\$38,053,268
JPY	375,672	0.2162	81,220
GBP	1,233	39.23	48,371
CNY	225	4.4946	1,011
Non-Monetary items:			
USD	\$3,065	32.27	\$98,912
<u>Financial liabilities</u>			
Monetary items:			
USD	\$1,004,869	32.27	\$32,427,123
JPY	80,464	0.2162	17,396

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\$224,694 thousand and NT\$139,779 thousand for the nine months ended September 30, 2024 and 2023, respectively.

(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 nine months ended September 30, 2024:
Please refer to Attachment 1.

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- B. Financing provided to others for the nine months ended September 30, 2024: Please refer to Attachment 1-1.
 - C. Securities held as of September 30, 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 nine months ended September 30, 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 nine months ended September 30, 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 nine months ended September 30, 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 nine months ended September 30, 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 September 30, 2024: Please refer to Attachment 4, 4-1.
 - 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 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, 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.

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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.

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.

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(2) Segment Income, Assets and Liabilities Information

For the three months ended September 30, 2024							
	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	\$5,392,214	\$3,890,386	\$562,528	\$9,845,128	\$848,630	\$-	\$10,693,758
Net revenue from sales among intersegments	8,466	1,780	131,796	142,042	121,654	(263,696)	-
Total revenue	<u>\$5,400,680</u>	<u>\$3,892,166</u>	<u>\$694,324</u>	<u>\$9,987,170</u>	<u>\$970,284</u>	<u>\$(263,696)</u>	<u>\$10,693,758</u>
Segment income	<u>\$171,832</u>	<u>\$259,504</u>	<u>\$4,059</u>	<u>\$435,395</u>	<u>\$(119,220)</u>	<u>\$(105,878)</u>	<u>\$210,297</u>

For the three months ended September 30, 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	\$4,819,204	\$4,330,624	\$500,637	\$9,650,465	\$749,285	\$-	\$10,399,750
Net revenue from sales among intersegments	6,551	86,718	245,950	339,219	251,003	(590,222)	-
Total revenue	<u>\$4,825,755</u>	<u>\$4,417,342</u>	<u>\$746,587</u>	<u>\$9,989,684</u>	<u>\$1,000,288</u>	<u>\$(590,222)</u>	<u>\$10,399,750</u>
Segment income	<u>\$237,683</u>	<u>\$529,584</u>	<u>\$(75,045)</u>	<u>\$692,222</u>	<u>\$(216,400)</u>	<u>\$48,172</u>	<u>\$523,994</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 nine months ended September 30, 2024							
	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	\$13,978,679	\$11,416,914	\$1,536,607	\$26,932,200	\$2,849,673	\$-	\$29,781,873
Net revenue from sales among intersegments	21,929	3,332	355,423	380,684	364,332	(745,016)	-
Total revenue	\$14,000,608	\$11,420,246	\$1,892,030	\$27,312,884	\$3,214,005	\$(745,016)	\$29,781,873
Segment income	\$462,988	\$757,239	\$(303,399)	\$916,828	\$(372,680)	\$48,994	\$593,142
Segment Assets (Note C)	\$-	\$-	\$-	\$-	\$-	\$59,625,221	\$59,625,221

For the nine months ended September 30, 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	\$13,088,429	\$12,490,642	\$1,803,633	\$27,382,705	\$2,220,999	\$-	\$29,603,703
Net revenue from sales among intersegments	29,489	133,980	489,687	653,156	666,935	(1,320,091)	-
Total revenue	\$13,117,918	\$12,624,622	\$2,293,320	\$28,035,861	\$2,887,934	\$(1,320,091)	\$29,603,703
Segment income	\$456,099	\$1,495,179	\$(226,976)	\$1,724,302	\$(557,153)	\$111,833	\$1,278,982
Segment Assets (Note C)	\$-	\$-	\$-	\$-	\$-	\$57,148,776	\$57,148,776

Note A: Nine operating segments did not meet the quantitative thresholds for reportable segments for the nine months ended September 30, 2024 and 2023, respectively. They have been combined into other segments.

Note B: Inter-segment revenue 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.

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		Nine months ended	
	September 30		September 30	
	2024	2023	2024	2023
Net income of reportable segment	\$435,395	\$692,222	\$916,828	\$1,724,302
Loss of other segments	(119,220)	(216,400)	(372,680)	(557,153)
Unallocated amount:				
Interest income	102,958	108,621	343,097	288,378
Interest expense	(108,816)	(84,193)	(295,172)	(356,218)
Gain on financial assets (liabilities) at fair value through profit or loss	168,135	202,440	413,086	494,031
Exchange loss, net	(200,483)	(134,108)	(224,694)	(139,779)
Others	(67,672)	(44,588)	(187,323)	(174,579)
Income before income tax	<u>\$210,297</u>	<u>\$523,994</u>	<u>\$593,142</u>	<u>\$1,278,982</u>

ATTACHMENT 1 (Endorsement/Guarantee provided to others for the year ended September 30, 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	\$ 12,158,508 (Note a)	\$ 3,536,330	\$ 1,984,455	\$ 516,998	\$ -	8.16%	\$ 24,317,015 (Note b)	Yes	No	No
0	Coretronic Corporation	Coretronic Vietnam	Subsidiary	12,158,508 (Note a)	1,477,575	1,424,250	410,811	-	5.86%	24,317,015 (Note b)	Yes	No	No
0	Coretronic Corporation	Coretronic MEMS Corporation	Subsidiary	12,158,508 (Note a)	150,000	150,000	3,400	-	0.62%	24,317,015 (Note b)	Yes	No	No
0	Coretronic Corporation	Nano Precision Taiwan	Sub-subsiary	12,158,508 (Note a)	300,000	-	-	-	-	24,317,015 (Note b)	Yes	No	No
0	Coretronic Corporation	Coretronic Intelligent Robotics Corporation	Subsidiary	12,158,508 (Note a)	274,000	274,000	113,819	-	1.13%	24,317,015 (Note b)	Yes	No	No
	Total				<u>\$ 5,737,905</u>	<u>\$ 3,832,705</u>							

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

ATTACHMENT 1-1 (Financing provided to others for the nine months ended September 30, 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	\$ 142,077	-	-	-%	The need for short-term financing	-	Business turnover	-	None	-	\$ 544,021	\$ 544,021
1	Bighshine (HK)	Coretronic Corporation	Trade receivables - related parties	Yes	351,334	338,655	338,655	-%	The need for short-term financing	-	Business turnover	-	None	-	544,021	544,021
2	Boom Power	Coretronic (BVI) Investment	Trade receivables - related parties	Yes	2,331	2,247	2,247	-%	The need for short-term financing	-	Business turnover	-	None	-	245,472	245,472
2	Boom Power	Coretronic Corporation	Trade receivables - related parties	Yes	125,036	120,523	120,523	-%	The need for short-term financing	-	Business turnover	-	None	-	245,472	245,472
3	Dynamic Time	Coretronic Corporation	Trade receivables - related parties	Yes	2,567,697	2,475,030	2,475,030	-%	The need for short-term financing	-	Business turnover	-	None	-	2,497,970	2,497,970
4	Great Pride (HK)	Coretronic Corporation	Trade receivables - related parties	Yes	121,490	117,105	117,105	-%	The need for short-term financing	-	Business turnover	-	None	-	2,705,354	2,705,354
5	Mat Limited	Coretronic Vietnam	Trade receivables - related parties	Yes	151,041	-	-	-%	The need for short-term financing	-	Business turnover	-	None	-	1,455,506	1,455,506
6	Tecpoint	Coretronic Corporation	Trade receivables - related parties	Yes	786,070	757,701	757,701	-%	The need for short-term financing	-	Business turnover	-	None	-	3,456,209	3,456,209
7	Venture Orient	Coretronic Corporation	Trade receivables - related parties	Yes	81,363	77,543	77,543	-%	The need for short-term financing	-	Business turnover	-	None	-	519,234	519,234
8	Wisdom Success (HK)	Young Lighting Limited	Trade receivables - related parties	Yes	328,350	-	-	-%	The need for short-term financing	-	Business turnover	-	None	-	7,337,458	7,337,458
8	Wisdom Success (HK)	Coretronic Corporation	Trade receivables - related parties	Yes	607,448	585,525	585,525	-%	The need for short-term financing	-	Business turnover	-	None	-	7,337,458	7,337,458
9	Wisdom Success	Coretronic Corporation	Trade receivables - related parties	Yes	32,835	31,650	31,650	-%	The need for short-term financing	-	Business turnover	-	None	-	11,298,177	11,298,177
10	Young Lighting Limited	Coretronic Technology (BRVT)	Trade receivables - related parties	Yes	646,850	307,005	307,005	0.5%	The need for short-term financing	-	Business turnover	-	None	-	3,314,783	3,314,783
10	Young Lighting Limited	Coretronic Corporation	Trade receivables - related parties	Yes	310,400	-	-	-%	The need for short-term financing	-	Business turnover	-	None	-	3,314,783	3,314,783
11	Chung Tsen Investment	Coretronic Reality Inc.	Trade receivables - related parties	Yes	90,000	90,000	90,000	0.77%	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	137,000	87,000	87,000	0.645-0.77%	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	160,000	100,000	100,000	0.77%	The need for short-term financing	-	Business turnover	-	None	-	1,043,729	1,043,729
11	Chung Tsen Investment	Coretronic Intelligent Robotics Corporation	Trade receivables - related parties	Yes	124,000	124,000	124,000	0.77%	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	195,000	195,000	0.645-0.77%	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	-	-	-%	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	1,280,097	969,227	969,227	0.5%	The need for short-term financing	-	Business turnover	-	None	-	1,465,504	1,465,504
13	Coretronic Projection (Kunshan)	Coretronic Optics (Kunshan)	Trade receivables - related parties	Yes	1,363,427	1,352,411	1,352,411	0.5%	The need for short-term financing	-	Business turnover	-	None	-	7,268,526	7,268,526
13	Coretronic Projection (Kunshan)	Coretronic Optics (Suzhou)	Trade receivables - related parties	Yes	2,973,770	1,081,929	1,081,929	0.5%	The need for short-term financing	-	Business turnover	-	None	-	7,268,526	7,268,526
14	Young Green Energy	Coretronic Corporation	Trade receivables - related parties	Yes	80,000	-	-	-%	The need for short-term financing	-	Business turnover	-	None	-	87,953	87,953
15	Coretronic (Ningbo)	Coretronic Optics (Suzhou)	Trade receivables - related parties	Yes	2,254,018	2,254,018	2,254,018	0.5%	The need for short-term financing	-	Business turnover	-	None	-	3,810,439	3,810,439
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 Logistics Solutions Corporation	Trade receivables - related parties	Yes	55,000	55,000	55,000	0.77%	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	55,000	55,000	0.77%	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	55,000	55,000	0.77%	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	19,800	19,800	19,800	1.75%	The need for short-term financing	-	Business turnover	-	None	-	79,400	79,400
18	Coretronic Optics (Suzhou)	Coretronic (Suzhou)	Trade receivables - related parties	Yes	8,983	-	-	-%	The need for short-term financing	-	Business turnover	-	None	-	399,430	399,430
19	Lead Bright (HK)	Coretronic Corporation	Trade receivables - related parties	Yes	591,030	569,700	569,700	-%	The need for short-term financing	-	Business turnover	-	None	-	3,764,626	3,764,626
20	Young Optics	Young Optics (BD)	Other receivables - related parties	Yes	394,020	367,140	124,479	-%	The need for short-term financing	-	Business turnover	-	None	-	1,097,770	1,097,770
21	Best Alpha	Young Optics (BD)	Other receivables - related parties	Yes	32,835	31,650	-	-%	The need for short-term financing	-	Business turnover	-	None	-	439,560	439,560

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 Vimax (Kunshan), Coretronic Projection (Kunshan), Coretronic (Ningbo).

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

Note b : 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 c : 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 Chung Tsen Investment, Tsen Ming Investment, and Champ Vision Display.

Note d : Bighshine (HK), Dynamic Time, Great Pride (HK), Tecpoint, Venture Orient, Wisdom Success (HK), Wisdom Success and Lead Bright (HK) 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 e : Boom Power provided financing to its parent company. Limit of financing amount for individual counter-party and total financing amount should not exceed 200% of lender's net worth from the latest financial statements.

Note f : Young Optics 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 Young Optics' net worth from the latest financial statements.

Note g : 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 Best Alpha's net worth or 40% of Young Optics' net worth from the latest financial statements.

ATTACHMENT 2 (Securities held as of September 30, 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	September 30, 2024				Note
				Shares/Units	Carrying amount	Percentage of ownership (%)	Fair value(Note)	
Coretronic Corporation	Nightingale Intelligent Systems, Inc.	-	Financial assets at fair value through profit or loss-noncurrent	550,436	\$ -	0.41%	\$ -	
Coretronic Corporation	Sysonan Inc.	-	Financial assets at fair value through profit or loss-noncurrent	9,007	-	0.00%	-	
Coretronic Corporation	Flexenable Limited-preferred shares	-	Financial assets at fair value through other comprehensive income-noncurrent	4,087,335,661	-	16.80%	-	
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	96,900,000	4,561,738	11.06%	4,561,738	
Coretronic Corporation	Liuligongfang	-	Financial assets at fair value through other comprehensive income-noncurrent	242,094	12,232	3.06%	12,232	
Coretronic Corporation	Excel Global	-	Financial assets at fair value through other comprehensive income-noncurrent	812,506	62,907	19.90%	62,907	

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

ATTACHMENT 2-1 (Securities held as of September 30, 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	September 30, 2024				Note
				Shares/Units	Carrying amount	Percentage of ownership (%)	Fair value (Note)	
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	990,000	47,914	18.54%	47,914	
Venture Orient	Unitech Capital	-	Financial assets at fair value through other comprehensive income-noncurrent	2,500,000	USD 1,986,256	5.00%	USD 1,986,256	
Chung Tsen Investment	Shieh Yong Investment	-	Financial assets at fair value through other comprehensive income-noncurrent	93,226,693	1,026,589	4.47%	1,026,589	

Note: 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 nine months ended September 30, 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-subsidiary	Sales	\$ 2,481,807	12.60%	90 days	-	-	\$ 863,390	3.37%	
Coretronic Corporation	Coretronic Optics (Suzhou)	Sub-subsidiary	Purchases	3,986,686	10.66%	60 days	-	-	(185,723)	(0.86)%	
Coretronic Corporation	Coretronic Technology (BRVT)	Sub-subsidiary	Purchases	3,851,988	10.30%	60 days	-	-	(1,453,353)	(6.72)%	
Coretronic Corporation	Coretronic Optotek (Suzhou)	Sub-subsidiary	Purchases	784,864	2.10%	60 days	-	-	(174,863)	(0.81)%	
Coretronic Corporation	Coretronic (Ningbo)	Sub-subsidiary	Purchases	704,193	1.88%	120 days	-	-	(333,065)	(1.54)%	
Coretronic Corporation	Coretronic Vietnam	Subsidiary	Purchases	308,431	0.82%	60 days	-	-	-	-	
Coretronic Corporation	HANNSTAR	Entity which has significant influence over Coretronic Corporation	Purchases	116,944	0.31%	90 days	-	-	(40,553)	(0.19)%	

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 nine months ended September 30, 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)	
Young Optics (Kunshan)	Young Optics	Associate	Sales	\$ 272,532	45.46%	90 days	-	-	\$ 356,873	75.17 %	
Young Optics (Kunshan)	Coretronic Optics (Kunshan)	Associate	Sales	300,436	50.12%	90 days	-	-	111,677	23.52 %	
Coretronic Projection (Kunshan)	Optoma China	Associate	Sales	296,781	3.05%	60 days	-	-	128,366	3.92 %	
Coretronic (Ningbo)	Coretronic Optics (Suzhou)	Associate	Sales	111,805	11.97%	60 days	-	-	44,032	9.63 %	
Optoma Corporation	Optoma USA	Associate	Sales	817,193	24.58%	60 days	-	-	250,264	24.30 %	
Optoma Corporation	Optoma Europe	Associate	Sales	2,006,069	60.33%	60 days	-	-	661,372	64.21 %	

ATTACHMENT 4 (Receivables from related parties with amounts exceeding the lower of NT\$100 million or 20 percent of capital stock as of September 30, 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-subsidiary	\$ 863,390	3.98	\$ -	-	\$ -	\$ -

ATTACHMENT 4-1 (Receivables from related parties with amounts exceeding the lower of NT\$100 million or 20 percent of capital stock as of September 30, 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	\$ 356,873	0.98	\$ -	-	\$ -	\$ -
Young Optics (Kunshan)	Coretronic Optics (Kunshan)	Associate	111,677	5.12	-	-	-	-
Coretronic Projection (Kunshan)	Optoma China	Associate	128,366	2.79	-	-	-	-
Coretronic Optics (Kunshan)	Coretronic Projection (Kunshan)	Associate	2,836,923	2.99	-	-	-	-
Young Optics	Young Optics (BD)	Associate	190,638	-	-	-	-	-
			(Note a)					
Grace China	Young Optics (BD)	Associate	282,473	-	-	-	-	-
			(Note b)					
Optoma Corporation	Optoma USA	Associate	250,264	4.83	-	-	-	-
Optoma Corporation	Optoma Europe	Associate	661,372	4.35	-	-	-	-
Other Receivables :								
Dynamic Time	Coretronic Corporation	Parent	2,475,030	-	-	-	-	-
Vimax (Kunshan)	Coretronic Optics (Kunshan)	Associate	971,841	-	-	-	-	-
Chung Tsen Investment	Coretronic Corporation	Parent	195,554	-	-	-	-	-
Chung Tsen Investment	Coretronic Intelligent Robotics Corporation	Associate	124,225	-	-	-	-	-
Chung Tsen Investment	Coretronic MEMS Corporation	Associate	100,162	-	-	-	-	-
Masterview	Grace China	Associate	300,675	-	-	-	-	-
			(Note c)					
Tecpoint	Coretronic Corporation	Parent	757,701	-	-	-	-	-
Coretronic Projection (Kunshan)	Coretronic Optics (Kunshan)	Associate	1,357,915	-	-	-	-	-
Coretronic Projection (Kunshan)	Coretronic Optics (Suzhou)	Associate	1,082,666	-	-	-	-	-
Boom Power	Coretronic Corporation	Parent	120,523	-	-	-	-	-
Coretronic (Ningbo)	Coretronic Optics (Suzhou)	Associate	2,259,014	-	-	-	-	-
Great Pride (HK)	Coretronic Corporation	Parent	117,105	-	-	-	-	-
Wisdom Success (HK)	Coretronic Corporation	Parent	585,525	-	-	-	-	-
Bigshine (HK)	Coretronic Corporation	Parent	338,655	-	-	-	-	-
Lead Bright (HK)	Coretronic Corporation	Parent	569,700	-	-	-	-	-
Young Lighting Limited	Coretronic Technology (BRVT)	Associate	307,828	-	-	-	-	-

Note a : Included financing amounts.

Note b : Included Other receivables.

Note c : Distribution of earnings.

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	Optoma Europe	1	Sales	\$ 64,562	-	0.22%
		Greendale	1	Accounts receivable	699,578	-	1.17%
			1	Sales	2,241,168	-	7.53%
		Coretronic Projection (Kunshan)	1	Sales	31,495	-	0.11%
		Coretronic (Ningbo)	1	Sales	90,733	-	0.30%
		Coretronic Optoteck (Suzhou)	1	Accounts receivable	1,061,905	-	1.78%
			1	Sales	1,361,982	-	4.57%
		Coretronic Intelligent Robotics Corporation	1	Other receivables	33,471	-	0.06%
		Coretronic Optics (Suzhou)	1	Accounts receivable	6,033,687	-	10.12%
			1	Sales	6,612,680	-	22.20%
		Coretronic Vietnam	1	Accounts receivable	332,233	-	0.56%
		Coretronic Technology (BRVT)	1	Other receivables	113,171	-	0.19%
			1	Accounts receivable	8,274,391	-	13.88%
			1	Sales	9,552,241	-	32.07%
		Optoma Corporation	1	Accounts receivable	863,390	-	1.45%
			1	Sales	2,481,807	-	8.33%
1	Young Optics	Young Optics (BD)	3	Other receivables	124,479	-	0.21%
			3	Accounts receivable	66,159	-	0.11%
			3	Sales	243	-	0.00%
		Young Optics (Suzhou)	3	Accounts receivable	2,537	-	0.00%
			3	Sales	5,134	-	0.02%
		Mejiro (Note e)	3	Sales	8,158	-	0.03%
		Young Optics (Kunshan)	3	Accounts receivable	23,370	-	0.04%
			3	Sales	7,128	-	0.02%
			3	Purchase of property, plant and equipment	516	-	0.00%
2	Grace China	Young Optics (BD)	3	Other receivables	139,165	-	0.23%
			3	Accounts receivable	143,308	-	0.24%

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)
3	Young Optics (Kunshan)	Young Optics	3	Accounts receivable	356,873	-	0.60%
			3	Sales	272,532	-	0.92%
			3	Purchase of property, plant and equipment	157	-	0.00%
		Coretronic Optics (Kunshan)	3	Accounts receivable	111,677	-	0.19%
			3	Sales	300,436	-	1.01%
		Young Optics (Suzhou)	3	Accounts receivable	5,520	-	0.01%
			3	Sales	19,871	-	0.07%
		Young Optics (BD)	3	Sales	83	-	0.00%
4	Dynamic Time	Coretronic Corporation	2	Other receivables	2,475,030	-	4.15%
5	Wisdom Success	Coretronic Corporation	2	Other receivables	31,650	-	0.05%
6	Vimax (Kunshan)	Coretronic Optics (Kunshan)	3	Other receivables	971,841	-	1.63%
7	Chung Tsen Investment	Coretronic Corporation	2	Other receivables	195,554	-	0.33%
		Coretronic Intelligent Robotics Corporation	3	Other receivables	124,225	-	0.21%
		Coretronic MEMS Corporation	3	Other receivables	100,162	-	0.17%
		Coretronic Reality Inc.	3	Other receivables	90,282	-	0.15%
		Coretronic Intelligent Logistics Solutions Corporation	3	Other receivables	87,381	-	0.15%
8	Venture Orient	Coretronic Corporation	2	Other receivables	77,543	-	0.13%
9	Masterview	Grace China	3	Other receivables	300,675	-	0.50%
		Best Alpha	3	Other receivables	56,970	-	0.10%
10	Tecpoint	Coretronic Corporation	2	Other receivables	757,701	-	1.27%
11	Greendale	Coretronic Corporation	2	Other receivables	2,586,942	-	4.34%
		Coretronic Optics (Kunshan)	3	Other receivables	695,320	-	1.17%
12	Coretronic Projection (Kunshan)	Optoma China	3	Accounts receivable	128,366	-	0.22%
			3	Sales	296,781	-	1.00%
		Greendale	3	Accounts receivable	2,586,184	-	4.34%
			3	Sales	7,501,958	-	25.19%
		Champ Vision Display	3	Accounts receivable	223,582	-	0.37%
			3	Sales	568,965	-	1.91%
		Coretronic Optics (Kunshan)	3	Other receivables	1,357,915	-	2.28%
			3	Accounts receivable	90,076	-	0.15%
			3	Sales	278,523	-	0.94%
		Coretronic Optics (Suzhou)	3	Other receivables	1,082,666	-	1.82%

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)
13	Boom Power	Coretronic Corporation	2	Other receivables	120,523	-	0.20%
14	Tsen Ming Investment	Coretronic Corporation	2	Other receivables	55,146	-	0.09%
		Coretronic Intelligent Robotics Corporation	3	Other receivables	55,039	-	0.09%
		Coretronic Reality Inc.	3	Other receivables	50,277	-	0.08%
		Coretronic Intelligent Logistics Solutions Corporation	3	Other receivables	55,039	-	0.09%
15	Coretronic (Ningbo)	Coretronic Corporation	2	Accounts receivable	361,057	-	0.56%
			2	Sales	703,801	-	2.36%
		Coretronic Optics (Suzhou)	3	Other receivables	2,259,014	-	3.79%
			3	Accounts receivable	44,032	-	0.07%
			3	Sales	111,805	-	0.38%
16	Great Pride (HK)	Coretronic Corporation	2	Other receivables	117,105	-	0.20%
17	Wisdom Success (HK)	Coretronic Corporation	2	Other receivables	585,525	-	0.98%
18	Bigshine (HK)	Coretronic Corporation	2	Other receivables	338,655	-	0.57%
19	Lead Bright (HK)	Coretronic Corporation	2	Other receivables	569,700	-	0.96%
20	Coretronic Intelligent Cloud Service Corp.	Coretronic Corporation	2	Accounts receivable	74,083	-	0.12%
			2	Sales	163,337	-	0.55%
21	Young Lighting Limited	Coretronic Technology (BRVT)	3	Other receivables	307,828	-	0.52%
22	Coretronic Display (Suzhou)	Coretronic Optics (Suzhou)	3	Sales	79,527	-	0.27%
23	Coretronic Optotech (Suzhou)	Coretronic Corporation	2	Accounts receivable	1,184,611	-	1.99%
			2	Sales	787,274	-	2.64%
		Coretronic Display (Suzhou)	3	Sales	40,084	-	0.13%
		Coretronic Optics (Suzhou)	3	Sales	45,661	-	0.15%
24	Champ Vision Display	Coretronic Projection (Kunshan)	3	Accounts receivable	79,400	-	0.13%
			3	Sales	305,156	-	1.02%
25	Coretronic Optics (Kunshan)	Coretronic Projection (Kunshan)	3	Accounts receivable	2,836,923	-	4.76%
			3	Sales	4,782,729	-	16.06%
26	Coretronic Optics (Suzhou)	Coretronic Corporation	2	Accounts receivable	5,892,274	-	9.88%
			2	Sales	3,986,143	-	13.38%
27	Coretronic Vietnam	Coretronic Corporation	2	Accounts receivable	231,135	-	0.39%
			2	Sales	310,272	-	1.04%
		Coretronic Technology (BRVT)	3	Other receivables	60,683	-	0.10%
28	Coretronic Intelligent Logistics Solutions Corporation	Coretronic Corporation	2	Sales	32,694	-	0.11%
29	Coretronic Technology (BRVT)	Coretronic Corporation	2	Accounts receivable	9,187,515	-	15.41%
			2	Sales	3,762,993	-	12.64%

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)
30	Optoma Corporation	Optoma USA	3	Accounts receivable	250,264	-	0.42%
			3	Sales	817,193	-	2.74%
		Optoma Europe	3	Accounts receivable	661,372	-	1.11%
			3	Sales	2,006,069	-	6.74%
31	Young Optics (BD)	Young Optics	3	Accounts receivable	198	-	0.00%
			3	Sales	58,322	-	0.20%
			3	Purchase of property, plant and equipment	191	-	0.00%
		Young Optics (Kunshan)	3	Accounts receivable	1,818	-	0.00%
			3	Sales	13,978	-	0.05%
32	Young Optics (Suzhou)	Young Optics	3	Accounts receivable	1	-	0.00%
			3	Sales	799	-	0.00%
		Young Optics (Kunshan)	3	Other receivables	661	-	0.00%
			3	Accounts receivable	2,164	-	0.00%
			3	Sales	4,311	-	0.01%
33	Mejiro (Note e)	Young Optics	3	Sales	6,203	-	0.02%
		Young Optics (BD)	3	Sales	39	-	0.00%

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.

Note e: Subsidiary Young Optics disposed all shares of its subsidiary, Mejiro Genossen Inc. in September, 2024. Related registration has completed. The disclosure for derecognition for its assets and liabilities, please refer to 6(28).

ATTACHMENT 6 (Names, locations and related information of investee companies as of September 30, 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 September 30, 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%	\$7,619,514	\$315,317	\$315,317	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%	899,666	(295,670)	(96,600)	Subsidiary
Coretronic Corporation	Viscorp Limited	B.V.I.	Holding company	467,241	467,241	40,781	100.00%	13,902,749	591,021	591,021	Subsidiary
Coretronic Corporation	Sinolink Global Limited	B.V.I.	Holding company	34,100	34,100	980	100.00%	1,481,758	10,368	10,368	Subsidiary
Coretronic Corporation	Chung Tsen Investment Corp.	New Taipei City, Taiwan	Investment company for strategic purposes	692,696	692,696	127,099,664	100.00%	2,685,527	13,031	13,031	Subsidiary
Coretronic Corporation	Tecpoint Limited	B.V.I.	Holding company	1,064,802	1,064,802	33,556,599	78.06%	2,777,013	65,993	51,514	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%	228,784	2,011	2,009	Subsidiary
Coretronic Corporation	Young Lighting Limited	Samoa	Holding company and invests in Europe. The subsidiaries are engaged in R&D, design, production and marketing of image processing products.	118,134	118,134	3,907,000	100.00%	1,646,348	(19,916)	(19,916)	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%	356,970	67,830	67,830	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%	307,866	2,918	2,918	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%	183,508	39,787	31,575	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%	(12,631)	(21,380)	(12,976)	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%	53,186	911	911	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%	(58,625)	(190,004)	(190,004)	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%	11,041	(2,573)	(2,058)	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%	67,275	(33,715)	(33,715)	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%	(74,897)	(49,440)	(49,440)	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%	(117,526)	(13,079)	(13,079)	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)	Sub-subsidiary
Coretronic Corporation	Coretronic Investment Limited	U.K.	Holding company	EUR 100,000	EUR 100,000	100,000	38.64%	841,928	(27,977)	(10,810)	Subsidiary
Coretronic Corporation	Dynamic Time Investment Limited	Cayman Islands	Holding company	USD 14,122,230	USD 14,122,230	14,856	100.00%	2,502,939	949	949	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%	32,908	(415)	(415)	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 September 30, 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 September 30, 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 County, Taiwan	System integration and application service solutions for intelligent logistics and smart manufacturing.	\$170,000	\$-	15,000,000	100.00%	(\$42,211)	(\$55,590)	(Note a)	Sub-subsidiary
Coretronic BVI	Greendale	Samoa	Holding company	USD 46,400,000	USD 46,400,000	46,400	100.00 %	USD 241,241,403	USD 9,837,927	(Note a)	Sub-subsidiary
Visicorp	Wisdom Success	Cayman Islands	Holding company	USD 10,176,000	USD 10,176,000	43,300	100.00 %	USD 370,432,083	USD 17,489,745	(Note a)	Sub-subsidiary
Visicorp	Bigshine	Samoa	Holding company	USD 3,000,000	USD 3,000,000	3,000	100.00 %	USD 6,329,195	(USD 194,686)	(Note a)	Sub-subsidiary
Visicorp	Lead Bright	Samoa	Holding company	USD 4,700,000	USD 4,700,000	4,700	100.00 %	USD 31,763,363	USD 505,521	(Note a)	Sub-subsidiary
Visicorp	Elite View	Samoa	Holding company	USD 5,000,400	USD 5,000,400	5,000	100.00 %	USD 17,110,941	USD 336,764	(Note a)	Sub-subsidiary
Visicorp	Tecpoint	B.V.I.	Holding company	USD 5,204,902	USD 5,204,902	5,204,902	12.11 %	USD 13,609,358	USD 2,050,239	(Note a)	Subsidiary
Wisdom Success	Wisdom Success (HK)	HK	Holding company	USD 18,000,000	USD 18,000,000	18,000	100.00 %	USD 241,686,737	USD 15,846,097	(Note a)	Sub-subsidiary
Wisdom Success	Lead Bright (HK)	HK	Holding company	USD 13,300,000	USD 78,000,000	13,300	73.89 %	USD 89,888,672	USD 1,936,121	(Note a)	Sub-subsidiary
Wisdom Success	Elite View (HK)	HK	Holding company	USD 7,999,600	USD 7,999,600	8,000	61.54 %	USD 27,379,133	USD 875,622	(Note a)	Sub-subsidiary
Wisdom Success	Bigshine (HK)	HK	Holding company	USD 5,000,000	USD 5,000,000	5,000	62.50 %	USD 10,451,702	(USD 522,373)	(Note a)	Sub-subsidiary
Coretronic (Suzhou)	Coretronic Technology (HK)	HK	Holding company	USD 138,000,000	USD 138,000,000	138,000,000	100.00 %	RMB 1,027,203,373	RMB 86,355,080	(Note a)	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	USD 78,000,000	USD 78,000,000	-	100.00 %	USD 85,177,283	USD 10,814,807	(Note a)	Sub-subsidiary
Bigshine	Bigshine (HK)	HK	Holding company	USD 3,000,000	USD 3,000,000	3,000	37.50 %	USD 6,271,021	(USD 522,373)	(Note a)	Sub-subsidiary
Lead Bright	Lead Bright (HK)	HK	Holding company	USD 4,700,000	USD 4,700,000	4,700	26.11 %	USD 31,763,340	USD 1,936,121	(Note a)	Sub-subsidiary
Elite View	Elite View (HK)	HK	Holding company	USD 5,000,400	USD 5,000,400	5,000	38.46 %	USD 17,110,846	USD 875,622	(Note a)	Sub-subsidiary
Sinolink	Mat Limited	Samoa	Holding company	USD 980,000	USD 980,000	980	100.00 %	USD 46,816,592	USD 323,167	(Note a)	Sub-subsidiary
Tecpoint	Great Pride	Samoa	Holding company	USD 11,800,000	USD 11,800,000	11,800,000	100.00 %	USD 88,284,693	USD 1,623,584	(Note a)	Sub-subsidiary
Tecpoint	Core-Flex	Cayman Islands	Holding company	(Note b)	USD 23,260,000	-	-	-	USD 168,278	(Note a)	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 a)	Sub-subsidiary
Great Pride	Great Pride (HK)	HK	Holding company	USD 11,800,000	USD 11,800,000	11,800	100.00 %	USD 88,245,900	USD 1,623,376	(Note a)	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	300,000	300,000	30,000,000	100.00 %	(RMB 12,996,855)	RMB 3,643,253	(Note a and c)	Sub-subsidiary
Chung Tsen Investment	Venture Orient	Samoa	Holding company	USD 5,550,000	USD 5,550,000	5,550	100.00 %	499,663	(9,140)	(Note a)	Sub-subsidiary
Chung Tsen Investment	Tsen Ming Investment	New Taipei City, Taiwan	Investment company for strategic purposes	102,000	102,000	32,443,180	100.00 %	556,759	(7,661)	(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 : Core-Flex Limited was disregistered in June 2024.

Note c : Nano Precision Taiwan was disregistered on April 9, 2024, which was approved by regulatory authority. As of September 30, 2024, the liquidation is still in progress.

ATTACHMENT 6-2 (Names, locations and related information of investee companies as of September 30, 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 September 30, 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	Core-Flex	Cayman Islands	Holding company	(Note c)	USD 3,130,000	-	-	\$-	\$5,337	(Note a)	Sub-subsidiary
Venture Orient	Tecpoint	B.V.I.	Holding company	USD 4,226,399	USD 4,226,399	4,226,399	9.83%	USD 11,050,873	USD 2,050,239	(Note a)	Subsidiary
Tsen Ming Investment	Core-Flex	Cayman Islands	Holding company	(Note c)	USD 1,718,289	-	-	-	5,337	(Note a)	Sub-subsidiary
Young Green Energy	Boom Power	B.V.I.	Holding company	USD 1,000,000	USD 1,000,000	10,000	100.00%	USD 3,878	USD 9	(Note a)	Sub-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%	33,473	2,433	(Note a)	Sub-subsidiary
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 1,057,591	USD 77,411	(Note a)	Sub-subsidiary
Coretronic Investment Limited	Optoma Holding Limited	U.K.	Holding company	EUR 40,680,793	EUR 40,680,793	32,620,000	97.33%	USD 68,772,868	(USD 837,262)	(Note a)	Sub-subsidiary
Young Lighting Limited	Coretronic Investment Limited	U.K.	Holding company	USD 46,776,000	USD 46,776,000	158,808	61.36%	USD 42,244,837	(USD 878,473)	(Note a)	Subsidiary
Young Lighting Limited	YLG Limited	Samoa	Holding company	(Note b)	USD 3,060,001	-	-	-	-	(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 : YLG Limited was disregistered in February 2024.

Note c : Core-Flex Limited was disregistered in June 2024.

ATTACHMENT 6-3 (Names, locations and related information of investee companies as of September 30, 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 September 30, 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 21,428,289	(EUR 908,851)	(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 31,292,556	EUR 457,347	(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 2,908,797	EUR 3,870,730	(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 2,458,332	EUR 310,521	(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	100,000	100.00 %	EUR 606,832	(EUR 284,258)	(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 22,793	(EUR 69,407)	(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 261,530	(EUR 127,435)	(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 393,655	(EUR 192,332)	(Note a)	Sub-subsidiary
Optoma Corporation	Optoma Australia Pty Ltd	Australia	Marketing and after-sales service of Optoma in Australian region	AUD 150,000	-	-	100.00 %	794	(2,461)	(Note a)	Sub-subsidiary
Optoma Corporation	Optoma Technology India Private Limited	India	Marketing service of Optoma in India region	INR 4,000,000.00	-	4,000,000	100.00 %	1,431	(81)	(Note a)	Sub-subsidiary
Young Optics	Masterview	B.V.I.	Holding company	USD 200,000	USD 200,000	200,000	100.00 %	1,124,933	(60,667)	(Note a)	Sub-subsidiary
Young Optics	Mejiro Genossen	Japan	Researching, developing, manufacturing and selling of optics machines	(Note c)	JPY 161,200,908	-	-	-	2,602	(Note a)	Sub-subsidiary
Masterview	Best Alpha	Samoa	Holding company	USD 1,000,000	USD 1,000,000	1,000,000	100.00 %	USD 14,068,442	(USD 67,778)	(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 15,380,205	(USD 145,646)	(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 5,243,301)	(USD 2,117,913)	(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 1,310,825)	(USD 2,117,913)	(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.

Note c : Subsidiary Young Optics disposed all shares of its subsidiary, Mejiro Genossen Inc. in September, 2024. Related registration has completed. The disclosure for derecognition for its assets and liabilities, please refer to 6(28).

ATTACHMENT 7 : (Investment in Mainland China as of September 30, 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	Accumulated outflow of investment from Taiwan as of January 1, 2024	Investment flows		Accumulated outflow of investment from Taiwan as of September 30, 2024	Net income (loss) of investee company	Percentage of ownership	Investment income (loss) recognized	Carrying value as of September 30, 2024	Accumulated inward remittance of earnings as of September 30, 2024
					Outflow	Inflow						
Coretronic Projection (Kunshan)	Digital 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)	\$313,857	100.00%	\$313,857	\$7,600,428	\$ 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)	1,461	100.00%	1,461	34,972	-
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	1,194	100.00%	1,194	55,498	-
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))	-	-	-	-	32,912	100.00%	32,912	880,443	-
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)	9,873	100.00%	9,873	1,471,908	-
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)	402,885	100.00%	402,885	4,870,570	-
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)	-	-	-	-	98,537	100.00%	98,537	433,665	-
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)	-	-	-	-	12,408	100.00%	12,408	1,752,413	-
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 (Bighshine HK)	95,254 (USD 3,000,000)	-	-	95,254 (USD 3,000,000)	(16,905)	100.00%	(16,905)	188,666	81,790 (USD 2,800,000) (Note a, Note d and Note i)
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	(Note n)	Indirect investment from the Mainland China subsidiary (Coretronic Optics (Suzhou))	88,972 (RMB 2,967,283)	-	-	88,972 (RMB 2,967,283)	65,509	(Note n)	65,509	(Note n)	-
Coretronic (Ningbo)	Research and development, manufacturing backlight module and related components, sales of the company's own products and provide after-sales maintenance services	65,005 (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)	61,408	100.00%	61,408	3,279,992	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)	52,203	100.00%	52,203	2,673,043	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	28,041	100.00%	28,041	1,408,092	-
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	2,433	100.00%	2,433	33,473	-
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	(19,079)	97.33%	(18,570)	75,001	-
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))	-	-	-	-	2,149	100.00%	2,149	46,240	-

Accumulated investment in Mainland China as of September 30, 2024 (Note a, b)	Investment amounts authorized by Investment Commission, MOEA (Note b, i, and j)	Upper limit on investment
\$2,433,349 (USD 77,191,338)	\$2,419,269 (USD 77,191,338)	\$14,687,899

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 : Bighshine (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 USD2,966,301 from Nano Precision (Nanjing) which was liquidated in April 2019. The investment amount cancellation was approved by MOEA.

Note j : In 2020, Visicorp 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 deregistered 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 : Coretronic Display (Suzhou) was absorbed by Coretronic Optics (Suzhou) from June 1, 2024.This absorption has not yet been approved by authorities.

Note o : To use the currency rate 1 USD =31.65 NTD as of September 30, 2024.

ATTACHMENT 7-1 (Investment in Mainland China as of September 30, 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 September 30, 2024	Net income (loss) of investee company	Percentage of ownership by Young Optics Inc.	Investment income (loss) recognized (Note a)	Carrying value as of September 30, 2024 (Note a)	Accumulated inward remittance of earnings as of September 30, 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)	\$-	\$11,712 (USD 366,213)	100.00%	\$11,712 (USD 366,213)	\$686,546 (USD 21,691,825)	\$230,950 (USD 7,457,289) (Note b, Note i-j 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)	(6,779) (-USD 214,395)	100.00%	(6,779) (-USD 214,395)	242,424 (USD 7,659,541)	1,328,957 (USD 31,295,415 and RMB 80,635,502) (Note b, Note e-h and Note k)

Accumulated investment in Mainland China as of September 30, 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)	\$1,652,455

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 Optics (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 was approved by Investment Commission, MOEA, to be deducted in the investment amounts Mainland China.

ATTACHMENT 8 (Financial instrument and derivative transaction as of September 30, 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 October, 2024 to November 2024	USD 713,500,000	\$ 224,576	\$ 224,576	Note a
Coretronic Corporation	Financial assets (liabilities) at fair value through profit or loss - current	Forward foreign exchange contract	Buying USD	From October, 2024 to September 2025	USD 737,000,000	228,274	228,274	Note a
Coretronic Projection (Kunshan)	Financial assets (liabilities) at fair value through profit or loss - current	Forward foreign exchange contract	Selling USD	October, 2024	USD 9,000,000	(940)	(940)	Note c
Coretronic Optotech (Suzhou)	Financial assets (liabilities) at fair value through profit or loss - current	Forward foreign exchange contract	Selling USD	From October, 2024 to November 2024	USD 12,000,000	1,520	1,520	Note d
Coretronic Optics (Suzhou)	Financial assets (liabilities) at fair value through profit or loss - current	Forward foreign exchange contract	Selling USD	From October, 2024 to November 2024	USD 16,000,000	2,528	2,528	Note e
Optoma Europe	Financial assets (liabilities) at fair value through profit or loss - current	Forward foreign exchange contract	Selling EUR	From Octobe, 2024 to December 2024	USD 16,000,000	(4,642)	(4,642)	Note f
Optoma USA	Financial assets (liabilities) at fair value through profit or loss - current	Forward foreign exchange contract	Selling CAD	From October, 2024 to November 2024	CAD 950,000	(460)	(460)	Note g
Young Optics (Kunshan)	Financial assets (liabilities) at fair value through profit or loss - current	Forward foreign exchange contract	Selling USD	From October, 2024 to November 2024	USD 3,500,000	640	640	Note h

Note a : Coretronic Corporation entered into forward foreign exchange contracts and realized a profit amounting to NT\$101,540 thousand for the nine months ended September 30, 2024.

Note b : Champ Vision Display entered into forward foreign exchange contracts and realized a loss amounting to NT\$494 thousand for the nine months ended September 30, 2024.

Note c : Coretronic Projection (Kunshan) entered into forward foreign exchange contracts and realized a loss amounting to NT\$12,053 thousand for the nine months ended September 30, 2024.

Note d : Coretronic Optotech (Suzhou) entered into forward foreign exchange contract and realized a loss amounting to NT\$14,810 thousand for the nine months ended September 30, 2024.

Note e : Coretronic Optics (Suzhou) entered into forward foreign exchange contracts and realized a loss amounting to NT\$2,695 thousand for the nine months ended September 30, 2024.

Note f : Optoma Europe entered into forward foreign exchange contracts and realized a loss amounting to NT\$3,963 thousand for the nine months ended September 30, 2024.

Note g : Optoma USA entered into forward foreign exchange contracts and realized a loss amounting to NT\$222 thousand for the nine months ended September 30, 2024.

Note h : Young Optics (Kunshan) entered into forward foreign exchange contracts and realized a loss amounting to NT\$0 thousand for the nine months ended September 30, 2024.

ATTACHMENT 9 (The information of Major shareholder as of September 30, 2024)

Shares Name	Number of shares (Units/shares)	Percentage of ownership (%)
Taiwei Advanced Technology Co., Ltd.	40,659,196	10.39%
Yann Yuan Investment Co., Ltd.	33,125,000	8.47%

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 nine months ended September 30, 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				September 30, 2024	
					Units / shares	Amount	Units / shares	Amount	Units / shares	Selling Price	Carrying amount	Gain (Loss) from disposal (Note)	Units / shares	Amount
Young Optics (Kunshan)	Structured Deposits	Financial assets measured at amortized cost-current	Kunshan Rural Commercial bank	-	-	\$ -	-	RMB 77,000,000	-	\$ -	RMB 77,000,000	RMB 329,201	-	\$ -
Young Optics (Suzhou)	Structured Deposits	Financial assets measured at amortized cost-current	Kunshan Rural Commercial bank	-	-	-	-	RMB 108,000,000	-	-	RMB 108,000,000	RMB 656,668	-	-

Note: To be recognized in interest income.