

CORETRONIC CORPORATION AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS

WITH

REPORT OF INDEPENDENT ACCOUNTANTS

FOR THE NINE MONTHS ENDED

September 30, 2023 AND 2022

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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, 2023 and 2022, the related consolidated statements of comprehensive income for the three months and nine months ended September 30, 2023 and 2022, changes in equity and cash flows for the nine months ended September 30, 2023 and 2022, and notes to the consolidated financial statements, including the summary of significant accounting policies (together “the consolidated financial statements”). Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, “Interim Financial Reporting” as endorsed and became effective by Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on these consolidated financial statements based on our reviews.

Scope of Review

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

Basis for Qualified Conclusion

As explained in Note 4(3), the financial statements of certain insignificant subsidiaries were not reviewed by independent accountants. Those statements reflect total assets of NT\$36,093,258 thousand and NT\$24,705,672 thousand, representing 63.16% and 43.29% of the consolidated total assets, and total liabilities of NT\$8,780,494 thousand and NT\$2,662,768 thousand, representing 28.37% and 8.28% of the consolidated total liabilities as of September 30, 2023 and 2022, respectively; and total comprehensive income of NT\$701,754 thousand and NT\$391,359 thousand, NT\$613,131 thousand and NT\$965,917 thousand, representing 39.11%, 40.62%, 22.22% and 52.14% of the consolidated total comprehensive income (loss) for the three months and nine months ended September 30, 2023 and 2022, respectively. As explained in Note 6(9), the financial statements of certain associates and joint ventures accounted for using the equity method were not reviewed by independent accountants. Those associates and joint ventures under the equity method amounted to NT\$43,747 thousand and NT\$51,747 thousand as of September 30, 2023 and 2022, respectively. The related shares of (loss) gain from the associates and joint ventures under the equity method amounted to NT\$(2,617) thousand, NT\$3,553 thousand, NT\$(6,370) thousand and NT\$8,687 thousand for the three months and nine months ended September 30, 2023 and 2022, 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, 2023 and 2022, and their consolidated financial performance for the three months and nine months ended September 30, 2023 and 2022, and cash flows for the nine months ended September 30, 2023 and 2022, 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

Chen, Chih-Chung

Ernst & Young, Taiwan
October 30, 2023

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, 2023, December 31, 2022, and September 30, 2022

(Amounts in thousands of New Taiwan Dollars)

ASSETS	Note	September 30, 2023	%	December 31, 2022	%	September 30, 2022	%
Current assets							
Cash and cash equivalents	6(1)	\$ 15,445,890	27.03	\$ 12,364,999	22.14	\$ 8,786,916	15.40
Financial assets at fair value through profit or loss - current	6(2)	774,006	1.35	155,286	0.28	1,159,622	2.03
Financial assets at amortised cost - current	6(5)	1,404,102	2.46	4,722,945	8.46	6,527,267	11.44
Hedging financial assets - current	6(3), 12	-	-	-	-	10,752	0.02
Notes receivables, net	6(6), 6(22)	57,874	0.10	29,671	0.05	49,046	0.09
Trade receivables, net	6(7), 6(22)	12,596,264	22.04	10,235,833	18.32	11,761,054	20.61
Trade receivable - related parties, net	6(7), 6(22), 7	409	-	530	-	-	-
Other receivables	7, 8	1,130,528	1.98	1,358,812	2.43	1,381,839	2.42
Current tax assets	4, 6(27)	57,379	0.10	35,699	0.06	156,169	0.27
Inventories, net	6(8)	7,937,527	13.89	10,444,982	18.70	11,003,067	19.28
Prepayments		797,959	1.40	792,007	1.42	832,016	1.46
Other current assets		211,108	0.37	195,308	0.35	209,990	0.37
Total current assets		40,413,046	70.72	40,336,072	72.21	41,877,738	73.39
Non-current assets							
Financial assets at fair value through other comprehensive income - noncurrent	6(4)	4,846,373	8.48	3,895,009	6.97	3,668,479	6.43
Investments accounted for using the equity method (Unreviewed)	6(9)	43,747	0.08	50,117	0.09	51,747	0.09
Property, plant and equipment, net	6(10), 8	8,443,213	14.77	8,092,453	14.49	7,966,493	13.96
Right-of-use assets	6(23)	1,919,691	3.36	2,206,646	3.95	2,292,257	4.02
Investment property, net	6(11), 8	138,178	0.24	144,231	0.26	146,248	0.26
Intangible assets	6(12)	322,035	0.56	358,509	0.64	297,788	0.52
Deferred tax assets	4, 6(27)	433,325	0.76	342,533	0.61	335,959	0.59
Net defined benefit assets - noncurrent	6(17)	40,642	0.07	33,703	0.06	20,009	0.03
Other noncurrent assets	8	548,526	0.96	398,542	0.72	408,158	0.71
Total non-current assets		16,735,730	29.28	15,521,743	27.79	15,187,138	26.61
Total assets		<u>\$ 57,148,776</u>	<u>100.00</u>	<u>\$ 55,857,815</u>	<u>100.00</u>	<u>\$ 57,064,876</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, 2023, December 31, 2022, and September 30, 2022

(Amounts in thousands of New Taiwan Dollars)

LIABILITIES AND EQUITY	Note	September 30, 2023	%	December 31, 2022	%	September 30, 2022	%
Current liabilities							
Short-term borrowings	6(13)	\$ 14,269,326	24.97	\$ 9,823,849	17.59	\$ 11,073,276	19.40
Financial liabilities at fair value through profit or loss - current	6(14)	217,357	0.38	450,431	0.81	608,332	1.07
Hedging financial liabilities - current	6(15), 12	-	-	1,483	-	-	-
Contract liabilities - current	6(21)	838,286	1.47	529,246	0.95	483,203	0.85
Notes payable		778	-	881	-	5,617	0.01
Accounts payable		7,703,262	13.48	7,284,148	13.04	7,184,461	12.59
Accounts payable - related parties	7	9,636	0.02	49,010	0.09	50,187	0.09
Other payables	7	3,589,376	6.28	4,520,234	8.09	4,515,254	7.91
Current tax liabilities	4, 6(27)	796,827	1.39	999,196	1.79	1,048,811	1.84
Provisions - current	6(18)	553,238	0.97	651,105	1.16	630,639	1.11
Lease liabilities - current	6(23)	183,946	0.32	321,631	0.58	332,262	0.58
Other current liabilities		837,106	1.46	872,025	1.56	705,449	1.24
Current portion of long-term borrowings	6(16)	414,727	0.73	414,871	0.74	341,228	0.59
Total current liabilities		29,413,865	51.47	25,918,110	46.40	26,978,719	47.28
Non-current liabilities							
Long-term borrowings	6(16)	105,610	0.18	3,412,106	6.11	3,509,224	6.15
Deferred tax liabilities	4, 6(27)	172,180	0.30	61,665	0.11	147,193	0.26
Lease liabilities - noncurrent	6(23)	1,135,081	1.99	1,291,459	2.31	1,346,680	2.36
Net defined benefit liabilities - noncurrent	6(17)	93,628	0.16	70,509	0.13	150,623	0.26
Other noncurrent liabilities		26,667	0.05	23,482	0.04	25,945	0.05
Total non-current liabilities		1,533,166	2.68	4,859,221	8.70	5,179,665	9.08
Total liabilities		30,947,031	54.15	30,777,331	55.10	32,158,384	56.36
Equity attributable to owners of the parent							
Share capital							
Common stock	6(19)	3,909,811	6.84	3,909,811	7.00	3,909,811	6.85
Capital surplus	6(19)	2,507,249	4.39	2,808,225	5.03	2,751,370	4.82
Retained earnings	6(19)						
Legal reserve		4,364,561	7.64	4,121,627	7.38	4,121,627	7.22
Special reserve		1,322,902	2.31	1,276,610	2.28	1,276,610	2.24
Unappropriated retained earning		11,498,718	20.12	12,024,401	21.53	11,582,041	20.30
Total retained earnings		17,186,181	30.07	17,422,638	31.19	16,980,278	29.76
Other equity		356,906	0.63	(1,411,129)	(2.53)	(1,110,367)	(1.95)
Total equity attributable to owners of the parent		23,960,147	41.93	22,729,545	40.69	22,531,092	39.48
Non-controlling interests	6(19), 6(29)	2,241,598	3.92	2,350,939	4.21	2,375,400	4.16
Total equity		26,201,745	45.85	25,080,484	44.90	24,906,492	43.64
Total liabilities and equity		\$ 57,148,776	100.00	\$ 55,857,815	100.00	\$ 57,064,876	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, 2023 and 2022
(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			
		2023	%	2022	%	2023	%	2022	%
Net sales	6(21), 7	\$ 10,399,750	100.00	\$ 12,902,980	100.00	\$ 29,603,703	100.00	\$ 38,611,974	100.00
Operating costs	6(8), 6(11), 6(16), 6(23), 6(24), 7	8,143,948	78.31	10,213,567	79.16	23,730,260	80.16	31,360,735	81.22
Gross profit		2,255,802	21.69	2,689,413	20.84	5,873,443	19.84	7,251,239	18.78
Operating expenses	6(11), 6(16), 6(20), 6(22), 6(23), 6(24)								
Selling expenses		477,630	4.59	494,257	3.83	1,341,992	4.53	1,481,456	3.84
General and administrative expenses		567,277	5.45	600,395	4.65	1,651,622	5.58	1,700,749	4.40
Research and development expenses		727,787	7.00	809,567	6.28	2,145,153	7.25	2,279,332	5.90
Expected credit loss		10,308	0.10	11,692	0.09	4,082	0.01	7,520	0.02
Total operating expenses		1,783,002	17.14	1,915,911	14.85	5,142,849	17.37	5,469,057	14.16
Operating income		472,800	4.55	773,502	5.99	730,594	2.47	1,782,182	4.62
Non-operating income and expenses									
Interest income	6(25)	108,621	1.04	84,325	0.65	288,378	0.97	255,422	0.66
Other income	6(25)	62,802	0.60	55,208	0.43	402,839	1.36	253,128	0.66
Other gains and losses	6(25)	(33,419)	(0.32)	208,560	1.62	219,759	0.74	646,794	1.67
Finance costs	6(25)	(84,193)	(0.81)	(129,757)	(1.01)	(356,218)	(1.20)	(250,215)	(0.65)
Share of (loss) gain of associates and joint ventures accounted for using the equity method	6(9)	(2,617)	(0.03)	3,553	0.03	(6,370)	(0.02)	8,687	0.02
Total non-operating income and expenses		51,194	0.48	221,889	1.72	548,388	1.85	913,816	2.36
Income before income tax		523,994	5.03	995,391	7.71	1,278,982	4.32	2,695,998	6.98
Income tax expense	4, 6(27)	(102,742)	(0.99)	(248,356)	(1.92)	(298,768)	(1.01)	(616,792)	(1.60)
Net income		421,252	4.04	747,035	5.79	980,214	3.31	2,079,206	5.38
Other comprehensive income									
Items that will not be reclassified subsequently to profit or loss									
Unrealized gain (loss) from equity instrument investments measured at fair value	6(26)	166,062	1.60	(417,443)	(3.23)	948,781	3.20	(1,631,705)	(4.23)
Income tax related to items that will not be reclassified subsequently to profit or loss	6(26)	727	0.01	(1,304)	(0.01)	1,619	0.01	(4,948)	(0.01)
Items that may be reclassified subsequently to profit or loss									
Exchange differences on translation of foreign operations	6(26)	1,206,230	11.60	638,953	4.95	828,915	2.80	1,410,090	3.65
Share of other comprehensive income of associates and joint ventures accounted for using the equity method	6(26)	(5)	-	(3,863)	(0.03)	-	-	25	-
Other comprehensive income (loss), net of tax		1,373,014	13.21	216,343	1.68	1,779,315	6.01	(226,538)	(0.59)
Total comprehensive income		\$ 1,794,266	17.25	\$ 963,378	7.47	\$ 2,759,529	9.32	\$ 1,852,668	4.79
Net income (loss) for the periods attributable to :									
Shareholders of the parent	6(28)	\$ 466,987		\$ 697,456		\$ 1,131,977		\$ 1,986,983	
Non-controlling interests	6(19), 6(29)	\$ (45,735)		\$ 49,579		\$ (151,763)		\$ 92,223	
Total comprehensive income (loss) for the periods attributable to :									
Shareholders of the parent		\$ 1,811,528		\$ 878,574		\$ 2,900,012		\$ 1,694,004	
Non-controlling interests		\$ (17,262)		\$ 84,804		\$ (140,483)		\$ 158,664	
Basic Earnings Per Share (in New Taiwan Dollars)	6(28)	\$ 1.20		\$ 1.78		\$ 2.90		\$ 5.08	
Diluted Earnings Per Share (in New Taiwan Dollars)	6(28)	\$ 1.18		\$ 1.76		\$ 2.87		\$ 5.00	

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 CHANGES IN EQUITY

For the nine months ended September 30, 2023 and 2022

(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 measured at fair value through other comprehensive income (loss)			
Balance as of January 1, 2022	\$ 3,909,811	\$ 2,893,442	\$ 4,046,623	\$ 2,469,437	\$ 9,650,179	\$ (2,276,257)	\$ 1,458,869	\$ 22,152,104	\$ 2,064,897	\$ 24,217,001
Acquisition or disposal of the interest of subsidiaries	-	278,864	-	-	-	-	-	278,864	94,563	373,427
Changes in subsidiaries' ownership	-	(29,955)	-	-	-	-	-	(29,955)	(22,180)	(52,135)
Appropriation and distribution of 2021 earnings:										
Legal reserve	-	-	75,004	-	(75,004)	-	-	-	-	-
Cash dividends	-	-	-	-	(1,172,944)	-	-	(1,172,944)	-	(1,172,944)
Reversal of special reserve	-	-	-	(1,192,827)	1,192,827	-	-	-	-	-
Cash dividends distributed from capital surplus	-	(390,981)	-	-	-	-	-	(390,981)	-	(390,981)
Net income (loss) for the nine months ended September 30, 2022	-	-	-	-	1,986,983	-	-	1,986,983	92,223	2,079,206
Other comprehensive income (loss) for the nine months ended September 30, 2022	-	-	-	-	-	1,343,674	(1,636,653)	(292,979)	66,441	(226,538)
Total comprehensive income (loss)	-	-	-	-	1,986,983	1,343,674	(1,636,653)	1,694,004	158,664	1,852,668
Increase of non-controlling interests	-	-	-	-	-	-	-	-	79,456	79,456
Balance as of September 30, 2022	\$ 3,909,811	\$ 2,751,370	\$ 4,121,627	\$ 1,276,610	\$ 11,582,041	\$ (932,583)	\$ (177,784)	\$ 22,531,092	\$ 2,375,400	\$ 24,906,492
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
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)
Appropriation of special reserve	-	-	-	134,519	(134,519)	-	-	-	-	-
Cash dividends 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 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

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, 2023 and 2022
(Amounts in thousands of New Taiwan Dollars)

Description	For the nine months ended September 30		Description	For the nine months ended September 30	
	2023	2022		2023	2022
Cash flows from operating activities :			Cash flows from investing activities :		
Net income before tax	\$ 1,278,982	\$ 2,695,998	Acquisition of financial assets at fair value through profit or loss	-	(41,610)
Adjustments for:			Acquisition of financial assets at fair value through other comprehensive income	-	(1,238,610)
The profit or loss items which did not affect cash flows:			Decrease (increase) of financial assets at amortized cost	3,318,843	(1,043,782)
Expected credit loss	4,082	7,520	Disposal of subsidiary	-	860
Depreciation (including investment property and right-of-use assets)	1,064,448	1,086,489	Acquisition of property, plant and equipment	(1,190,685)	(1,139,588)
Amortization (including other noncurrent assets)	68,324	66,134	Proceeds from disposal of property, plant and equipment	79,063	46,743
Interest expenses	356,218	250,215	Acquisition of intangible assets	(29,143)	(28,671)
Interest income	(288,378)	(255,422)	Proceeds from disposal of intangible assets	2,765	103
Dividend income	(66,994)	(70,475)	Acquisition of land use rights	-	(453,177)
Transfer of property, plant and equipment to expenses	196	4	Increase in prepayment of land use rights	(162,804)	(155,479)
Transfer of intangible assets to expenses	77	-	Increase in other noncurrent assets	(10,020)	(20,321)
Loss (gain) on disposal of property, plant and equipment	20,464	(22,219)	Net cash provided (used) in investing activities	2,008,019	(4,073,532)
Loss on disposal of intangible assets	99	-			
Share-based payment expenses	9,235	4,499			
Loss (gain) on disposal of investments	77,835	(531)			
Share of loss (gain) of associates and joint ventures accounted for using the equity method	6,370	(8,687)			
Net gain on financial assets and liabilities at fair value through profit or loss	(851,794)	(441,621)			
Changes in operating assets and liabilities:			Cash flows from financing activities:		
Note receivables	(28,203)	(20,948)	Increase (decrease) in short-term borrowings	4,445,477	(739,121)
Accounts receivables	(2,365,257)	7,167,863	Increase in long-term borrowings	-	5,995,029
Accounts receivables - related parties	121	5,842	Decrease in long-term borrowings	(3,310,465)	(4,287,924)
Other receivables	124,319	(676,578)	Increase (decrease) in guarantee deposits received	2,997	(1,178)
Inventories	2,492,136	(1,701,690)	Increase in other noncurrent liabilities	188	491
Prepayments	(10,792)	18,944	Cash dividends	(1,759,415)	(1,563,925)
Other current assets	(11,271)	(70,558)	Cash payment for the principal portion of lease liabilities	(210,998)	(244,484)
Other operating assets	13,979	13,979	Acquisition of subsidiaries' ownership.	(10,043)	-
Contract liabilities	308,342	181,961	Proceeds from disposal of subsidiaries' ownership (without a change of control)	123,591	312,222
Notes payable	(211)	4,951	Change in non-controlling interests	368	79,456
Accounts payable	419,114	(6,281,459)	Net cash used by financing activities	(718,300)	(449,434)
Accounts payable - related parties	(39,374)	20,363			
Other payables	(927,093)	(801,335)	Effect of exchange rate changes on cash and cash equivalents	667,884	1,228,117
Provisions - current	(97,867)	52,555			
Other current liabilities	(34,919)	65,878	Net increase (decrease) in cash and cash equivalents	3,080,891	(2,442,923)
Net defined benefit assets/liabilities	16,180	(7,436)	Cash and cash equivalents at the beginning of the period	12,364,999	11,229,839
Cash generated from operations	1,538,368	1,284,236	Cash and cash equivalents at the end of the period	\$ 15,445,890	\$ 8,786,916
Dividend received	66,994	70,475			
Interest received	392,343	271,746			
Interest paid	(372,942)	(231,059)			
Income tax paid	(501,475)	(543,472)			
Net cash provided in operating activities	1,123,288	851,926			

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, 2023 and 2022

(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 30, 2023.

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, 2023. The adoption of these new standards and amendments had no material impact on the Group.

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

Standards or Interpretations Numbers	New, Revised or Amended Standards and Interpretations	Effective Dates
IAS 1 Amendment	Classification of Liabilities as Current or Non-current	January 1, 2024
IFRS 16 Amendment	Lease Liability in a Sale and Leaseback	January 1, 2024

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

Standards or Interpretations Numbers	New, Revised or Amended Standards and Interpretations	Effective Dates
IAS 1 Amendment	Non-current Liabilities with Covenants	January 1, 2024
IAS 7 and IFRS 7 Amendment	Supplier Finance Arrangements	January 1, 2024

A. Classification of Liabilities as Current or Non-current – Amendments to IAS 1

These are the amendments to paragraphs 69-76 of IAS 1 Presentation of Financial statements and the amended paragraphs related to the classification of liabilities as current or non-current.

B. Lease Liability in a Sale and Leaseback – Amendments to IFRS 16

The amendments add seller-lessee's additional requirements for the sale and leaseback transactions in IFRS 16, thereby supporting the consistent application of the standard.

C. Non-current Liabilities with Covenants – Amendments to IAS 1

The amendments improved the information companies provide about long-term debt with covenants. The amendment specifies that covenants to be complied within twelve months after the reporting period does not affect the classification of debt as current or non-current at the end of the reporting period.

D. Supplier Finance Arrangements– Amendments to IAS 7 and IFRS 7

The amendments introduced additional information of supplier finance arrangements and added disclosure requirements for such arrangements.

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, 2024. The adoption of these new standards and amendments had no material impact on the Group.

- (3) Standards or interpretations issued, revised or amended, by the IASB which are not endorsed by the FSC, and not yet adopted by the Group as at the end of the reporting period are listed below.

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

Standards or Interpretations Numbers	New, Revised or Amended Standards and Interpretations	Effective Dates
IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Ventures	To be determined by the IASB
IFRS 17	Insurance Contracts	January 1, 2023
IAS 21 Amendment	Lack of Exchangeability	January 1, 2025

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

B. IFRS 17 Insurance Contracts

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

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

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

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

C. Lack of Exchangeability – Amendments to IAS 21

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

The abovementioned standards and interpretations issued by IASB have not yet endorsed by FSC at the date when the Group's financial statements were authorized for issue, the local effective dates are to be determined by the FSC. As the Group is still currently determining the potential impact of the standards and interpretations listed above, it is not practicable to estimate their impact 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, 2023 and 2022 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.

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

(2) Basis of Preparation

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

(3) General Description of Reporting Entity

Principles of consolidation

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

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

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

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

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

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.

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

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 retained earnings directly; and
- F. recognizes any surplus or deficit in profit or loss

The consolidated entities are as follows:

Entity Name	Relationship	Business nature	Percentage of Ownership		
			September 30, 2023	December 31, 2022	September 30, 2022
Tecpoint Limited ("Tecpoint") and its subsidiaries	Subsidiary	Tecpoint is a holding company and invests in Mainland China. Tecpoint's joint ventures are the production, manufacturing, marketing and R&D of acrylic plate, light guide plate and backlight module. The joint ventures also provide the after-sales services.	100.00%	100.00%	100.00%

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

Entity Name	Relationship	Business nature	Percentage of Ownership		
			September 30, 2023	December 31, 2022	September 30, 2022
Visicorp Limited ("Visicorp") and its subsidiaries	Subsidiary	Visicorp is a holding company and invests in Mainland China. Visicorp's joint ventures are the R&D, production and marketing of backlight module and components. The joint ventures also provide after-sales services.	100.00%	100.00%	100.00%
Coretronic (BVI) Investment Corp. ("Coretronic BVI") and its subsidiaries	Subsidiary	BVI is a holding company and invests in Mainland China. BVI's joint ventures are the R&D, production, manufacturing and marketing of digital projector, LCD monitor and components. The joint ventures also provide after-sales services.	100.00%	100.00%	100.00%
Sinolink Global Limited ("Sinolink") and its subsidiaries	Subsidiary	Sinolink is a holding company and invests in Mainland China. Sinolink's joint ventures are the design, R&D, production and marketing of projectors. The joint ventures also provide the after-sales services for self-produced and non-self-produced products.	100.00%	100.00%	100.00%

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

Entity Name	Relationship	Business nature	Percentage of Ownership		
			September 30, 2023	December 31, 2022	September 30, 2022
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%	33.86%	34.73%

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, 2023	December 31, 2022	September 30, 2022
Young Lighting Limited (YLL) and its subsidiaries	Subsidiary	YLL is a holding company and invests in Mainland China. YLL's joint ventures are the R&D, production, manufacturing and marketing of backlight module, touch module, LCD module, other optical components and lighting application. YLL's joint ventures also provide after-sales services.	100.00%	100.00%	100.00%
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 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, 2023	December 31, 2022	September 30, 2022
Coretronic Venture Capital Co. ("CVC")	Subsidiary	The investment activities of business expansion.	100.00%	100.00%	100.00%
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%	80.00%	80.00%
Calibre UK Ltd. ("CAL")	Subsidiary	CAL is engaged in R&D, design, production and marketing of image processing products.	100.00%	100.00%	100.00%
InnoSpectra Corporation ("ISC")	Subsidiary	ISC is engaged in R&D and marketing of near-infrared spectrum and corresponding solutions.	80.00%	80.00%	80.00%
Coretronic Intelligent Robotics Corporation ("CIRC")	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, 2023	December 31, 2022	September 30, 2022
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%

A. Refer to Note 13 for intercompany transactions between consolidated entities.
Subsidiaries are fully consolidated in accordance with the Regulations.

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

- B. The financial statements of certain consolidated subsidiaries listed above has not been reviewed by independent accountants. For those unreviewed subsidiaries, as of September 30, 2023 and 2022, total assets were NT\$36,093,258 thousand and NT\$24,705,672 thousand, respectively; total liabilities were NT\$8,780,494 thousand and NT\$2,662,768 thousand, respectively; the related total comprehensive income was NT\$701,754 thousand and NT\$391,359 thousand for the three months ended September 30, 2023 and 2022, respectively; the related total comprehensive income was NT\$613,131 thousand and NT\$965,917 thousand for the nine months ended September 30, 2023 and 2022, 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, 2022. For the summary of significant accounting policies, please refer to the Group's consolidated financial statements for the year ended December 31, 2022.
- 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. According to the temporary exception in the International Tax Reform – Pillar Two Model Rules (Amendments to IAS 12), deferred tax assets and liabilities related to Pillar Two income tax will not be recognized nor disclosed.

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.

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

5. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

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, 2022. Please refer to the consolidated financial statements for the year ended December 31, 2022 for the summary of significant accounting judgments, estimates and assumptions.

6. CONTENTS OF SIGNIFICANT ACCOUNTS

(1) Cash and Cash Equivalents

	September 30, 2023	December 31, 2022	September 30, 2022
Cash on hand, savings and checking accounts	\$5,337,992	\$4,836,956	\$4,364,998
Time deposits	9,987,898	7,389,043	4,356,918
Cash equivalents - repurchase agreements	120,000	139,000	65,000
Total	<u>\$15,445,890</u>	<u>\$12,364,999</u>	<u>\$8,786,916</u>

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

	September 30, 2023	December 31, 2022	September 30, 2022
Financial assets mandatorily measured at fair value through profit or loss:			
Derivatives not designated as hedging instruments			
Forward foreign exchange contracts	\$774,006	\$155,286	\$1,137,332
Convertible bonds	-	-	22,290
Total	<u>\$774,006</u>	<u>\$155,286</u>	<u>\$1,159,622</u>
Current	\$774,006	\$155,286	\$1,159,622
Noncurrent	-	-	-
Total	<u>\$774,006</u>	<u>\$155,286</u>	<u>\$1,159,622</u>

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

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

(3) Hedging Financial Assets

	September 30, 2023	December 31, 2022	September 30, 2022
Hedging Financial Assets:			
Forward foreign exchange contracts	\$-	\$-	\$10,752
Current	\$-	\$-	\$10,752
Noncurrent	-	-	-
Total	\$-	\$-	\$10,752

Hedging financial assets were not pledged. Please refer to Note 12 for more details.

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

	September 30, 2023	December 31, 2022	September 30, 2022
Equity instrument investments measured at fair value through other comprehensive income:			
Unlisted companies stocks	\$4,846,373	\$3,895,009	\$3,668,479
Current	\$-	\$-	\$-
Noncurrent	4,846,373	3,895,009	3,668,479
Total	\$4,846,373	\$3,895,009	\$3,668,479

Financial assets at fair value through other comprehensive income 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)

(5) Financial assets measured at amortized cost

	September 30, 2023	December 31, 2022	September 30, 2022
Time deposits (with original maturities of more than six months)	\$1,404,102	\$4,722,945	\$6,527,267
Current	\$1,404,102	\$4,722,945	\$6,527,267
Noncurrent	-	-	-
Total	\$1,404,102	\$4,722,945	\$6,527,267

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

(6) Notes Receivable

	September 30, 2023	December 31, 2022	September 30, 2022
Notes receivable - arose from operating activities	\$57,874	\$29,671	\$49,046

Notes receivables were not pledged.

The Group adopted IFRS 9 for impairment assessment. Please refer to Note 6(22) for more details on accumulated impairment and refer to Note 12 for more details on credit risk disclosure.

(7) Trade Receivables and Trade Receivables - Related Parties

	September 30, 2023	December 31, 2022	September 30, 2022
Trade receivables	\$12,637,780	\$10,278,196	\$11,798,827
Less: allowance for doubtful accounts	(41,516)	(42,363)	(37,773)
Subtotal	12,596,264	10,235,833	11,761,054
Trade receivables from related parties	409	530	-
Total	\$12,596,673	\$10,236,363	\$11,761,054

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

Trade receivables were not pledged.

Trade receivables are generally on 30 to 150 day terms. The total carrying amounts as of September 30, 2023, December 31, 2022, and September 30, 2022 were NT\$12,638,189 thousand, NT\$10,278,726 thousand and NT\$11,798,827 thousand, respectively. Please refer to Note 6(22) 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 the bank. As of December 31, 2022 and September 30, 2022, factored trade receivables of NT\$483,486 thousand, and NT\$1,428,931 thousand were derecognized, and annual interest rates for advances from the bank were 5.05%, and 4.1% respectively. The credit lines of factoring contracts provided by banks were US\$110,000 thousand, US\$110,000 thousand and US\$80,000 thousand as of September 30, 2023, December 31, 2022 and September 30, 2022, respectively.

As of September 30, 2023, December 31, 2022, and September 30, 2022, trade receivables classified as financial assets measured at fair value through profit or loss due to regular factoring without recourse were NT\$6,252,750 thousand, NT\$4,074,948 and NT\$3,350,555 thousand, respectively.

(8) Inventories

	September 30, 2023	December 31, 2022	September 30, 2022
Raw materials and supplies	\$5,571,538	\$6,916,832	\$6,580,865
Work in process	646,757	233,584	873,477
Finished goods	1,719,232	3,294,566	3,548,725
Total	<u>\$7,937,527</u>	<u>\$10,444,982</u>	<u>\$11,003,067</u>

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

The cost of inventories recognized in expenses amounted to NT\$8,143,948 thousand and NT\$10,213,567 thousand for the three months ended September 30, 2023 and 2022, including the reversal of write-down of inventories in amount of NT\$38,908 thousand, and write-down of inventories and obsolescence loss of NT\$(73,810) thousand, respectively.

The cost of inventories recognized in expenses amounted to NT\$23,730,260 thousand and NT\$31,360,735 thousand for the nine months ended September 30, 2023 and 2022, including the write-down of inventories and obsolescence loss of NT\$(135,303) thousand and NT\$(128,888) thousand, respectively.

The allowance of inventories write-down amounted to NT\$604,944 thousand, NT\$567,494 thousand and NT\$581,568 thousand as of September 30, 2023, December 31, 2022, and September 30, 2022, respectively.

No inventories were pledged.

(9) Investments Accounted for Using the Equity Method

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

Investees	September 30, 2023	
	Carrying amount	Percentage of ownership (%)
Investments in associates:		
Eterge Opto-Electronics Co., LTD (“EOE”)	<u>\$43,747</u>	18.50%
Investees	December 31, 2022	
	Carrying amount	Percentage of ownership (%)
Investments in associates:		
Eterge Opto-Electronics Co., LTD (“EOE”)	<u>\$50,117</u>	18.50%
Investees	September 30, 2022	
	Carrying amount	Percentage of ownership (%)
Investments in associates:		
Eterge Opto-Electronics Co., LTD (“EOE”)	<u>\$51,747</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)

The investment in EOE is not individually significant to the Group. The Group recognized share of (loss) gain of associates and joint ventures accounted for using the equity method in the amount of NT\$(2,617) thousand and NT\$3,553 thousand for the three monthss ended of September 30, 2023 and 2022, and share of (loss) gain of associates and joint ventures accounted for using the equity method in the amount of NT\$(6,370) thousand and NT\$8,687 thousand for the nine months ended of September 30, 2023 and 2022, respectively. The above investments accounted for using the equity method was unreviewed by independent accountants.

The abovementioned associate had no contingent liabilities or capital commitments as of September 30, 2023, December 31, 2022 and September 30, 2022, respectively. No investments accounted for using the equity method held by the Group were pledged to others.

(10) 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, 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>
As of January 1, 2022	\$25,680	\$8,134,122	\$4,978,854	\$427,227	\$44,195	\$788,434	\$1,582,090	\$441,630	\$16,422,232
Additions	-	180,818	292,124	34,769	1,571	11,395	59,439	568,431	1,148,547
Disposals	-	(49,293)	(248,503)	(5,109)	(2,022)	-	(97,761)	(369)	(403,057)
Transfers	-	160,940	309,252	(1,129)	(40)	4,462	(4,308)	(496,339)	(27,162)
Exchange differences	(151)	132,960	134,782	11,101	2,279	40,684	38,648	18,171	378,474
As of September 30,									
2022	<u>\$25,529</u>	<u>\$8,559,547</u>	<u>\$5,466,509</u>	<u>\$466,859</u>	<u>\$45,983</u>	<u>\$844,975</u>	<u>\$1,578,108</u>	<u>\$531,524</u>	<u>\$17,519,034</u>

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Depreciation and Impairment:

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	\$-	\$4,292,027	\$2,834,899	\$344,840	\$31,867	\$382,856	\$1,100,178	\$-	\$8,986,667

As of January 1, 2022	\$-	\$3,566,409	\$3,269,963	\$304,536	\$33,424	\$594,020	\$1,140,074	\$-	\$8,908,426
Depreciation	-	296,895	340,517	32,585	2,235	38,309	111,734	-	822,275
Disposals	-	(43,732)	(233,025)	(5,017)	(1,044)	-	(96,905)	-	(379,723)
Transfers	-	(269)	(12,599)	(2,272)	(16)	837	(11,414)	19	(25,714)
Exchange differences	-	64,813	86,616	8,980	1,429	32,763	32,676	-	227,277
As of September 30, 2022	\$-	\$3,884,116	\$3,451,472	\$338,812	\$36,028	\$665,929	\$1,176,165	\$19	\$9,552,541

Net carrying amounts as of:

September 30, 2023	\$152,415	\$4,635,389	\$1,931,219	\$100,153	\$10,802	\$140,839	\$410,318	1,062,078	\$8,443,213
December 31, 2022	\$25,620	\$4,649,924	\$2,023,089	\$125,516	\$12,404	\$158,928	\$408,193	\$688,779	\$8,092,453
September 30, 2022	\$25,529	\$4,675,431	\$2,015,037	\$128,047	\$9,955	\$179,046	\$401,943	\$531,505	\$7,966,493

The Group evaluated the economic benefits for property, plant and equipment and identified there was no impairment loss for the nine months ended September 30, 2023 and 2022, respectively.

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

(11) Investment Property

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

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

	<u>Buildings</u>
Cost:	
As of January 1, 2023	\$244,538
Additions from acquisitions	-
As of September 30, 2023	<u>\$244,538</u>
As of January 1, 2022	\$244,538
Additions from acquisitions	-
As of September 30, 2022	<u>\$244,538</u>
Depreciation and Impairment:	
As of January 1, 2023	\$100,307
Depreciation	6,053
As of September 30, 2023	<u>\$106,360</u>
As of January 1, 2022	\$92,237
Depreciation	6,053
As of September 30, 2022	<u>\$98,290</u>
Net carry amount as of:	
September 30, 2023	<u>\$138,178</u>
December 31, 2022	<u>\$144,231</u>
September 30, 2022	<u>\$146,248</u>

	<u>Three months ended</u>		<u>Nine months ended</u>	
	<u>September 30</u>		<u>September 30</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Rental income from investment property	\$3,196	\$3,196	\$9,587	\$9,587
Less: Direct operating expenses from investment property generating rental income	(2,018)	(2,018)	(6,053)	(6,053)
Total	<u>\$1,178</u>	<u>\$1,178</u>	<u>\$3,534</u>	<u>\$3,534</u>

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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, 2023	December 31, 2022	September 30, 2022
Fair value of the investment property	\$200,400	\$200,400	\$212,800
Discount rates	4.345%	4.345%	3.845%
Growth rates	0.4%	0.4%	0.4%

(12) Intangible Assets

	Trademarks	Patents	Software	IPs	Goodwill	Other	Total
Cost:							
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	\$-	\$242,743	\$271,579	\$94,942	\$5,940	\$60,607	\$675,811
As of January 1, 2022	\$103,621	\$179,451	\$284,391	\$87,123	\$5,940	\$225,050	\$885,576
Additions	-	-	17,829	7,619	-	3,223	28,671
Disposals	(103,621)	(10,376)	(23,625)	-	-	(180,211)	(317,833)
Transfer	-	-	1,200	-	-	-	1,200
Exchange differences	-	(40)	(1,613)	-	-	(3,658)	(5,311)
As of September 30, 2022	\$-	\$169,035	\$278,182	\$94,742	\$5,940	\$44,404	\$592,303

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)
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	Trademarks	Patents	Software	IPs	Goodwill	Other	Total
Amortization and Impairment:							
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>\$-</u>	<u>\$65,843</u>	<u>\$164,176</u>	<u>\$76,026</u>	<u>\$5,940</u>	<u>\$41,791</u>	<u>\$353,776</u>
As of January 1, 2022	\$103,621	\$41,846	\$140,738	\$60,929	\$5,940	\$201,868	\$554,942
Amortization	-	13,128	34,551	6,401	-	8,323	62,403
Disposals	(103,621)	(10,376)	(23,522)	-	-	(180,211)	(317,730)
Exchange differences	-	(30)	(1,351)	-	-	(3,719)	(5,100)
As of September 30, 2022	<u>\$-</u>	<u>\$44,568</u>	<u>\$150,416</u>	<u>\$67,330</u>	<u>\$5,940</u>	<u>\$26,261</u>	<u>\$294,515</u>
Net carrying amount as of:							
September 30, 2023	<u>\$-</u>	<u>\$176,900</u>	<u>\$107,403</u>	<u>\$18,916</u>	<u>\$-</u>	<u>\$18,816</u>	<u>\$322,035</u>
December 31, 2022	<u>\$-</u>	<u>\$193,812</u>	<u>\$122,712</u>	<u>\$23,599</u>	<u>\$-</u>	<u>\$18,386</u>	<u>\$358,509</u>
September 30, 2022	<u>\$-</u>	<u>\$124,467</u>	<u>\$127,766</u>	<u>\$27,412</u>	<u>\$-</u>	<u>\$18,143</u>	<u>\$297,788</u>

Amortization expense of intangible assets:

	Three months ended September 30		Nine months ended September 30	
	2023	2022	2023	2022
Operating costs	\$3,801	\$4,348	\$13,045	\$10,650
Selling expenses	2,351	2,300	7,083	6,555
General and administrative expenses	3,993	5,066	12,661	15,087
Research and development expenses	12,132	9,908	33,448	30,111
Total	<u>\$22,277</u>	<u>\$21,622</u>	<u>\$66,237</u>	<u>\$62,403</u>

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

(13) Short-Term Borrowings

	September 30, 2023	December 31, 2022	September 30, 2022
Unsecured bank loans	\$14,269,326	\$9,823,849	\$11,073,276
Interest rates (%)	1.50%~3.45%	1.70%~5.07%	1.24%~3.89%

The Group's unused short-term lines of credits amounted to NT\$34,606,149 thousand, NT\$37,254,987 thousand, and NT\$40,817,088 thousand as of September 30, 2023, December 31, 2022 and September 30, 2022, respectively. Please refer to Note 8 for time deposits guaranteed for the lines of credit of certain short-term borrowings.

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

	September 30, 2023	December 31, 2022	September 30, 2022
Financial liabilities mandatorily measured at fair value through profit or loss:			
Derivatives not designated as hedging instruments - current			
Forward exchange contracts	\$217,357	\$450,431	\$608,332
Current	\$217,357	\$450,431	\$608,332
Non-current	-	-	-
Total	\$217,357	\$450,431	\$608,332

(15) Hedging financial liabilities

	September 30, 2023	December 31, 2022	September 30, 2022
Forward exchange contracts	\$-	\$1,483	\$-
Current	\$-	\$1,483	\$-
Non-current	-	-	-
Total	\$-	\$1,483	\$-

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(16) Long-Term Borrowings

Details of long-term borrowings are as follows:

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.
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>		

Lenders	December 31, 2022	Interest Rate (%)	Maturity date and terms of repayment
Secured long-term borrowings from First bank	\$599,900	1.73%	Principle is repaid in 8 quarterly payments from February 19, 2023.
Secured long-term borrowings from Hua Nan Commercial bank	68,571	1.55%	Principle is repaid in 14 quarterly payments from July 25, 2021.

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Lenders	December 31, 2022	Interest Rate (%)	Maturity date and terms of repayment
Secured long-term borrowings from Hua Nan Commercial bank	142,857	1.53%	Principle is repaid in 14 quarterly payments from July 25, 2021.
Secured long-term borrowings from Hua Nan Commercial bank	14,286	1.55%	Principle is repaid in 14 quarterly payments from July 25, 2021.
Long-term borrowings from Sumitomo Mitsui Bank	6,200	1.60%	Government subsidizes interest for the first three years. Principle is repaid in 54 monthly payments from July 20, 2021.
Syndicated loan of 9 Banks - unsecured bank loans	3,000,000	1.95%~ 1.96%	Revolving credit. Renewable every three months. Credit has not been fully utilized.
Less: Arrangement Fee	(4,837)		
Current portion	(414,871)		
Total	<u>\$3,412,106</u>		

Lenders	September 30, 2022	Interest Rate (%)	Maturity date and terms of repayment
Secured long-term borrowings from First bank	\$599,900	1.60%	Principle is repaid in 8 quarterly payments from February 19, 2023.
Secured long-term borrowings from First bank	50	1.60%	Principle is repaid in 16 quarterly payments from December 20, 2020.
Secured long-term borrowings from Hua Nan Commercial bank	3,214	1.45%	Principle is repaid in 14 quarterly payments from July 25, 2021.
Secured long-term borrowings from Hua Nan Commercial bank	77,143	1.45%	Principle is repaid in 14 quarterly payments from July 25, 2021

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Lenders	September 30, 2022	Interest Rate (%)	Maturity date and terms of repayment
Secured long-term borrowings from Hua Nan Commercial bank	160,714	1.43%	Principle is repaid in 14 quarterly payments from July 25, 2021.
Secured long-term borrowings from Hua Nan Commercial bank	16,072	1.45%	Principle is repaid in 14 quarterly payments from July 25, 2021.
Long-term borrowings from Sumitomo Mitsui Bank	6,361	1.60%	Government subsidizes interest for the first three years. Principle is repaid in 54 monthly payments from July 20, 2021.
Syndicated loan of 9 Banks - unsecured bank loans	1,000,000	1.79%	Revolving credit. Renewable every three months. Credit has not been fully utilized.
Syndicated loan of 9 Banks - Commercial paper loans	2,000,000	1.84% ~ 1.96%	Revolving credit. Renewable every three months. Credit has not been fully utilized.
Less: Arrangement Fee	(5,025)		
Amortization of commercial paper discount	(7,977)		
Current portion	(341,228)		
Total	<u>\$3,509,224</u>		

The Group's unused long-term lines of credits amounted to NT\$7,458,929 thousand, NT\$3,893,800 thousand and NT\$3,893,639 thousand as of September 30, 2023, December 31, 2022 and September 30, 2022, respectively. Please refer to Note 8 for property, plant, and equipment and investment properties pledged as collateral for long-term loans.

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(17) Post-Employment Benefits

Defined contribution plan

Pension expenses under the defined contribution plan for the three months ended September 30, 2023 and 2022 were NT\$88,116 thousand and NT\$103,308 thousand, respectively.

Pension expenses under the defined contribution plan for the nine months ended September 30, 2023 and 2022 were NT\$271,523 thousand and NT\$347,884 thousand, respectively.

Defined benefits plan

Pension expenses under the defined benefits plan for the three months ended September 30, 2023 and 2022 were NT\$143 thousand and NT\$264 thousand, respectively.

Pension expenses under the defined benefits plan for the nine months ended September 30, 2023 and 2022 were NT\$429 thousand and NT\$792 thousand, respectively.

(18) Provisions

	<u>Warranties</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><u>\$553,238</u></u>
Current	\$553,238
Non-current	-
As of September 30, 2023	<u><u>\$553,238</u></u>
As of January 1, 2022	\$578,084
Arising during the period	491,995
Utilized during the period	(456,264)
Exchange differences	16,824
As of September 30, 2022	<u><u>\$630,639</u></u>
Current	\$630,639
Non-current	-
As of September 30, 2022	<u><u>\$630,639</u></u>

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Warranties

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

(19) Equities

A. Common stock

CORE's authorized capital was NT\$10,000,000 thousand as of September 30, 2023, December 31, 2022, and September 30, 2022, 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. CORE's issued capital was NT\$3,909,811 thousand, divided into 390,981 thousand shares, as of September 30, 2023, December 31, 2022 and September 30, 2022. Each share has one voting right and a right to receive dividends.

B. Capital surplus

	September 30, 2023	December 31, 2022	September 30, 2022
Additional paid-in capital	\$1,257,199	\$1,648,180	\$1,648,180
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	1,093,307	1,037,347
Changes in ownership interests in subsidiaries	74,450	64,888	63,993
Changes from investments in associates and joint ventures accounted for using the equity method	1,850	1,850	1,850
Total	<u>\$2,507,249</u>	<u>\$2,808,225</u>	<u>\$2,751,370</u>

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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;
- (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

CORETRONIC CORPORATION AND SUBSIDIARIES
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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.

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 September 30, 2023, December 31, 2022, and September 30, 2022, were amounted to NT\$1,188,383 thousand, NT\$1,276,610 thousand and NT\$1,276,610 thousand, respectively.

Details of the 2022 and 2021 earnings distribution and dividends per share are as follows:

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	Appropriation of earnings		Dividends per share (NT\$)	
	2022	2021	2022	2021
Legal reserve	\$242,934	\$75,004		
Special reserve	134,519	-		
Common stock - cash dividend	1,368,434	1,172,944	\$3.5	\$3.0

The above cash dividends were proposed and resolved by the board of directors meetings on March 13, 2023 and March 21, 2022, respectively; other earnings distributions were also resolved by shareholders meetings on June 14, 2023 and June 10, 2022, respectively.

In addition, the board of directors in the meetings on March 13, 2023 and March 21, 2022, also resolved to distribute the paid-in capital in excess of par-common stock by cash in the amount of NT\$390,981 thousand (NT\$1 per share).

Please refer to Note 6(24) for further details on employees' compensation and remuneration to directors and supervisors.

D. Non-controlling interests:

	Nine months ended September 30	
	2023	2022
Beginning balance	\$2,350,939	\$2,064,897
(Loss) profit attributable to non-controlling interests	(151,763)	92,223
Other comprehensive income attributable to non-controlling interests, net of tax:		
Exchange differences on translation of foreign operations	11,280	66,441
Cash dividends	(6,148)	(439)
Acquisition or disposal of the interest of subsidiaries	37,604	94,563
Changes in subsidiaries' ownership	(9,549)	53,216
Share-based payment plans	9,235	4,499
Ending balance	<u>\$2,241,598</u>	<u>\$2,375,400</u>

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(20) 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 2,877,200 units as of September 30, 2023. The fair value of options granted was EUR 1,237 thousand, and the grant date was April 28, 2022.

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, 2023, total granted and outstanding restricted stocks were 1,124,808 shares with the fair value of EUR 34 thousand. The restricted stocks plan for employee allows the new shares released in proportion according to the vesting condition. The issued but unvested employee restricted shares are still entitled to dividend distribution. If employees resign during the vesting period, the Optoma Holding Limited will redeem unvested shares with the consideration of the original issuing price, and employees need not to pay back dividends obtained.

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

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

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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, 2023 and 2022 were EUR 90 thousand and EUR 80 thousand, respectively. Share-based compensation expenses recognized for the nine months ended September 30, 2023 and 2022 were EUR 275 thousand and EUR 145 thousand, respectively.

(21) Sales

	Three months ended September 30		Nine months ended September 30	
	2023	2022	2023	2022
Contract revenue from customers				
Sale of goods	\$9,897,737	\$12,444,862	\$28,060,620	\$37,529,507
Revenue arising from rendering of services	369,751	366,505	1,176,938	872,609
Other operating revenues	132,262	91,613	366,145	209,858
Total	<u>\$10,399,750</u>	<u>\$12,902,980</u>	<u>\$29,603,703</u>	<u>\$38,611,974</u>

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

A. Revenue of Segments

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	<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>

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For the three months ended September 30, 2022

	Energy – saving products segment	Image products and brand segment	Optical component segment	Other segment	Elimination	Total
Sale of goods	\$5,174,385	\$6,230,077	\$1,334,576	\$709,136	\$(1,003,312)	\$12,444,862
Revenue arising from						
rendering of services	154,418	28,381	4,318	266,077	(86,689)	366,505
Other operating revenues	32,264	17,928	-	42,838	(1,417)	91,613
Total	<u>\$5,361,067</u>	<u>\$6,276,386</u>	<u>\$1,338,894</u>	<u>\$1,018,051</u>	<u>\$(1,091,418)</u>	<u>\$12,902,980</u>
The timing of revenue recognition:						
At a point in time	<u>\$5,361,067</u>	<u>\$6,276,386</u>	<u>\$1,338,894</u>	<u>\$1,018,051</u>	<u>\$(1,091,418)</u>	<u>\$12,902,980</u>

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	<u>\$13,117,918</u>	<u>\$12,624,622</u>	<u>\$2,293,320</u>	<u>\$2,887,934</u>	<u>\$(1,320,091)</u>	<u>\$29,603,703</u>
The timing of revenue recognition:						
At a point in time	<u>\$13,117,918</u>	<u>\$12,624,622</u>	<u>\$2,293,320</u>	<u>\$2,887,934</u>	<u>\$(1,320,091)</u>	<u>\$29,603,703</u>

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For the nine months ended September 30, 2022

	Energy – saving products segment	Image products and brand segment	Optical component segment	Other segment	Elimination	Total
Sale of goods	\$17,608,050	\$16,729,950	\$3,788,215	\$2,274,860	\$(2,871,568)	\$37,529,507
Revenue arising from						
rendering of services	423,196	69,985	11,344	637,915	(269,831)	872,609
Other operating revenues	72,728	46,518	-	92,080	(1,468)	209,858
Total	<u>\$18,103,974</u>	<u>\$16,846,453</u>	<u>\$3,799,559</u>	<u>\$3,004,855</u>	<u>\$(3,142,867)</u>	<u>\$38,611,974</u>
The timing of revenue recognition:						
At a point in time	<u>\$18,103,974</u>	<u>\$16,846,453</u>	<u>\$3,799,559</u>	<u>\$3,004,855</u>	<u>\$(3,142,867)</u>	<u>\$38,611,974</u>

B. Contract balance

Contract liabilities – current

	September 30, 2023	December 31, 2022	September 30, 2022	January 1 2022
Sale of goods	\$444,131	\$276,621	\$304,405	\$173,726
Revenue arising from				
rendering of services	7,112	7,451	9,030	112
Other operating revenues	387,043	245,174	169,768	127,404
Total	<u>\$838,286</u>	<u>\$529,246</u>	<u>\$483,203</u>	<u>\$301,242</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, 2023 and 2022, the Group recognized NT\$289,378 thousand and NT\$301,242 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, 2023 and 2022, 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.

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

None.

(22) Expected credit loss

	Three months ended September 30		Nine months ended September 30	
	2023	2022	2023	2022
Operating expenses –				
Expected credit loss (gain)				
Trade receivables	\$10,308	\$11,692	\$4,082	\$7,520

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, 2023, December 31, 2022, and September 30, 2022, 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:

As of September 30, 2023

Group A

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

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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	\$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	<u>\$11,398,461</u>	<u>\$249,132</u>	<u>\$17,275</u>	<u>\$10,462</u>	<u>\$1,217</u>	<u>\$-</u>	<u>\$11,676,547</u>

As of December 31, 2022

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	\$1,043,607	\$186,712	\$27,450	\$15,637	\$1,562	\$32,585	\$1,307,553
Loss ratio	0%	0.2%	0.5%	3%	5%	10%	
Expected credit losses	-	(325)	(267)	(481)	(167)	(8,248)	(9,488)
Subtotal	<u>\$1,043,607</u>	<u>\$186,387</u>	<u>\$27,183</u>	<u>\$15,156</u>	<u>\$1,395</u>	<u>\$24,337</u>	<u>\$1,298,065</u>

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	\$8,558,872	\$347,929	\$34,723	\$29,692	\$6,651	\$22,977	\$9,000,844
Loss ratio	0%	0-2%	5%	30%	50%	100%	
Expected credit losses	-	(266)	(1,425)	(2,952)	(5,260)	(22,972)	(32,875)
Subtotal	<u>\$8,558,872</u>	<u>\$347,663</u>	<u>\$33,298</u>	<u>\$26,740</u>	<u>\$1,391</u>	<u>\$5</u>	<u>\$8,967,969</u>

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As of September 30, 2022

Group A

	Not past due	Past due					Total
		1 to 30 days	31 to 60 days	61 to 90 days	91 to 120 days	More than 121 days	
Gross carrying							
amount	\$1,181,039	\$142,187	\$34,384	\$11,179	\$11,367	\$26,183	\$1,406,339
Loss ratio	0%	0.2%	0.5%	3%	5%	10%	
Expected credit							
losses	-	(80)	(186)	(459)	(557)	(5,510)	(6,792)
Subtotal	\$1,181,039	\$142,107	\$34,198	\$10,720	\$10,810	\$20,673	\$1,399,547

Group B

	Not past due	Past due					Total
		1 to 30 days	31 to 60 days	61 to 90 days	91 to 120 days	More than 121 days	
Gross carrying							
amount	\$10,000,615	\$332,350	\$75,743	\$4,760	\$7,276	\$20,790	\$10,441,534
Loss ratio	0%	0-2%	5%	30%	50%	100%	
Expected credit							
losses	-	(1,220)	(3,779)	(1,563)	(3,638)	(20,781)	(30,981)
Subtotal	\$10,000,615	\$331,130	\$71,964	\$3,197	\$3,638	\$9	\$10,410,553

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

	Trade receivables
As of January 1, 2023	\$42,363
Provisions for the current period	4,082
Write-offs	(5,673)
Exchange differences	744
As of September 30, 2023	\$41,516

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	<u>Trade receivables</u>
As of January 1, 2022	\$29,563
Provisions for the current period	12,405
Exchange differences	395
As of December 31, 2022	<u>\$42,363</u>
As of January 1, 2022	\$29,563
Provisions for the current period	7,520
Exchange differences	690
As of September 30, 2022	<u>\$37,773</u>

(23) Leases

A. Group as lessee

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

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

(a) Amounts recognized in the balance sheet

i. Right-of-use asset

The carrying amount of right-of-use assets

	<u>September 30, 2023</u>	<u>December 31, 2022</u>	<u>September 30, 2022</u>
Land (including land use rights)	\$1,630,738	\$1,669,059	\$1,701,176
Buildings	260,851	504,286	555,910
Transportation equipment	24,876	30,971	32,474
Office fixtures	3,226	2,330	2,697
Total	<u>\$1,919,691</u>	<u>\$2,206,646</u>	<u>\$2,292,257</u>

CORETRONIC CORPORATION AND SUBSIDIARIES
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During the nine months ended September 30, 2023 and 2022, the additions to right-of-use assets of the Group amounted to NT\$100,626 thousand and NT\$602,437 thousand, respectively.

ii. Lease liability

	September 30, 2023	December 31, 2022	September 30, 2022
Current	\$183,946	\$321,631	\$332,262
Non-current	1,135,081	1,291,459	1,346,680
Total	<u>\$1,319,027</u>	<u>\$1,613,090</u>	<u>\$1,678,942</u>

Please refer to Note 6(25)D. for the interests on lease liability recognized during the three months and nine months ended September 30, 2023 and 2022, 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	
	2023	2022	2023	2022
Land (including land use rights)	\$15,685	\$15,574	\$46,965	\$46,875
Buildings	40,308	67,664	156,671	194,992
Transportation equipment	2,576	5,175	12,680	15,303
Office fixtures	348	343	1,035	985
Other equipment	117	-	253	6
Total	<u>\$59,034</u>	<u>\$88,756</u>	<u>\$217,604</u>	<u>\$258,161</u>

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(c) Income and costs relating to leasing activities

	Three months ended		Nine months ended	
	September 30		September 30	
	2023	2022	2023	2022
The expense relating to short-term leases	\$3,078	\$10,851	\$21,938	\$48,615
The expense relating to leases of low-value assets (excluding the expense relating to short-term leases of low-value assets)	3,761	3,081	9,182	10,790
Total	\$6,839	\$13,932	\$31,120	\$59,405

(d) Cash outflow relating to leasing activities

During the nine months ended September 30, 2023 and 2022, the Group's total cash outflows for leases amounted to NT\$277,069 thousand and NT\$799,180 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.

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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(11) 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 financing lease contracts were signed.

	Three months ended		Nine months ended	
	September 30		September 30	
	2023	2022	2023	2022
Lease income for operating leases				
Income relating to variable lease payments that do not depend on an index or a rate	\$10,107	\$10,475	\$30,288	\$32,444

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Please refer to Note 6(11) 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, 2023	December 31, 2022	September 30, 2022
Not later than one year	\$10,842	\$37,298	\$37,085
Later than one year but not later than two years	778	1,504	10,120
Later than two years but not later than three years	778	778	286
Later than three years but not later than four years	492	492	286
Later than four years but not later than five years	492	492	-
Over five years	123	492	-
Total	<u>\$13,505</u>	<u>\$41,056</u>	<u>\$47,777</u>

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

Function Items	Three months ended September 30					
	2023			2022		
	Operating Cost	Operating expenses	Total amount	Operating Cost	Operating expenses	Total amount
Employee benefits expense	\$653,870	\$1,187,801	\$1,841,671	\$959,680	\$1,313,133	\$2,272,813
Salaries	481,114	1,018,318	1,499,432	801,941	1,130,893	1,932,834
Labor and health insurance	33,864	82,392	116,256	44,342	92,800	137,142
Pension	37,520	50,739	88,259	51,097	52,475	103,572
Other employee benefits expense	101,372	36,352	137,724	62,300	36,965	99,265
Depreciation	238,732	96,001	334,733	257,814	100,735	358,549
Amortization	3,748	18,603	22,351	2,752	17,186	19,938

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Function Items	Nine months ended September 30					
	2023			2022		
	Operating Cost	Operating expenses	Total amount	Operating Cost	Operating expenses	Total amount
Employee benefits expense	\$2,143,153	\$3,537,418	\$5,680,571	\$2,942,389	\$3,777,001	\$6,719,390
Salaries	1,715,056	3,050,894	4,765,950	2,434,593	3,226,273	5,660,866
Labor and health insurance	109,172	245,385	354,557	138,189	261,012	399,201
Pension	121,793	150,159	271,952	170,200	178,476	348,676
Other employee benefits expense	197,132	90,980	288,112	199,407	111,240	310,647
Depreciation	748,726	293,278	1,042,004	772,652	291,743	1,064,395
Amortization	11,673	53,729	65,402	8,935	50,407	59,342

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\$64,000 thousand and NT\$105,526 thousand for the three months ended September 30, 2023 and 2022, respectively. The amount of employees' compensation was NT\$164,467 thousand and NT\$ 294,338 thousand for the nine months ended September 30, 2023 and 2022, 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.

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A resolution was approved at a Board of Directors' meeting held on February 13, 2023 to distribute NT\$360,060 thousand in cash as employees' compensation. There was no material difference between the resolution and the estimated amount for the year ended December 31, 2022.

There was no material difference between the estimated amount and the actual distribution of the employee bonuses for the year ended December 31, 2021.

(25) Non-Operating Income and Expenses

A. Interest income

	Three months ended September 30		Nine months ended September 30	
	2023	2022	2023	2022
Financial assets measured at amortized cost	\$108,621	\$84,325	\$288,378	\$255,422

B. Other income

	Three months ended September 30		Nine months ended September 30	
	2023	2022	2023	2022
Government grants income	\$24,586	\$25,303	\$174,477	\$59,904
Rental income	10,107	10,475	30,288	32,444
Dividend income	484	-	66,994	70,475
Other	27,625	19,430	131,080	90,305
Total	\$62,802	\$55,208	\$402,839	\$253,128

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C. Other gains and losses

	Three months ended September 30		Nine months ended September 30	
	2023	2022	2023	2022
Gain on financial assets at fair value through profit or loss, net (Note)	\$202,440	\$766,720	\$494,031	\$1,729,114
Gain on lease modification	4,483	3	10,484	695
Foreign exchange loss, net	(134,108)	(544,357)	(139,779)	(1,061,764)
(Loss) gain on disposal of investments	(77,835)	-	(77,835)	531
(Loss) gain on disposal of property, plant and equipment	(17,193)	5,077	(20,464)	22,219
Other loss	(11,206)	(18,883)	(46,678)	(44,001)
Total	<u>\$ (33,419)</u>	<u>\$ 208,560</u>	<u>\$ 219,759</u>	<u>\$ 646,794</u>

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

D. Finance cost

	Three months ended September 30		Nine months ended September 30	
	2023	2022	2023	2022
Interest on borrowings from bank	\$73,950	\$116,212	\$334,199	\$208,101
Interest on lease liabilities	10,243	13,545	34,951	42,114
Hedge ineffectiveness recognized in profit or loss	-	-	(12,932)	-
Total	<u>\$84,193</u>	<u>\$129,757</u>	<u>\$356,218</u>	<u>\$250,215</u>

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

(26) Components of Other Comprehensive Income

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>

For the three months ended September 30, 2022

	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	\$(417,443)	\$(1,304)	\$(418,747)
To be reclassified to profit or loss in subsequent periods:			
Exchange differences on translation of foreign operations	638,953	-	638,953

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

	Arising during the period	Income tax income (expense)	Other comprehensive income, net of tax
Share of the other comprehensive income of associates accounted for using the equity method	(3,863)	-	(3,863)
Total of other comprehensive income	\$217,647	\$(1,304)	\$216,343
For the nine 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	\$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	\$1,777,696	\$1,619	\$1,779,315

For the nine months ended September 30, 2022

	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	\$(1,631,705)	\$(4,948)	\$(1,636,653)

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

	Arising during the period	Income tax income (expense)	Other comprehensive income, net of tax
To be reclassified to profit or loss in subsequent periods:			
Exchange differences on translation of foreign operations	1,410,090	-	1,410,090
Share of the other comprehensive income of associates accounted for using the equity method	25	-	25
Total of other comprehensive income	<u>\$ (221,590)</u>	<u>\$ (4,948)</u>	<u>\$ (226,538)</u>

(27) 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	
	2023	2022	2023	2022
Current income tax expense (income):				
Current income tax expense	\$107,364	\$227,887	\$314,490	\$553,457
Adjustments in respect of current income tax of prior periods	(25,385)	2,444	(41,875)	46,783
Deferred tax expense (income):				
Deferred tax expense relating to origination and reversal of temporary differences	1,886	3,925	70,589	76,176
Deferred tax expense arising from write-down or reversal of write-down of deferred tax asset	18,877	14,100	(44,659)	(59,645)
Other	-	-	223	21
Total income tax expense	<u>\$102,742</u>	<u>\$248,356</u>	<u>\$298,768</u>	<u>\$616,792</u>

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Income tax relating to components of other comprehensive income

	Three months ended		Nine months ended	
	September 30		September 30	
	2023	2022	2023	2022
Deferred income tax income				
(expense):				
Unrealized gain (loss) from				
equity instruments				
investments measured at				
fair value through other				
comprehensive income	\$727	\$(1,304)	\$1,619	\$(4,948)

The assessment of income tax returns

As of September 30, 2023, the assessment of the income tax returns of the Group and its subsidiaries is as follows:

	The assessment of income tax returns
CORE	Assessed and approved up to 2021
TYO	Assessed and approved up to 2021
Optoma Technology Corporation	Assessed and approved up to 2021
CGT	Assessed and approved up to 2021
Tsen Ming Investment	Assessed and approved up to 2021
YGE	Assessed and approved up to 2021
Rays Optics	Assessed and approved up to 2021
CICS	Assessed and approved up to 2021
CVC	Assessed and approved up to 2021
UCM	Assessed and approved up to 2021
ISC	Assessed and approved up to 2021
CVD	Assessed and approved up to 2020
CIRC	Assessed and approved up to 2021
CRI	Assessed and approved up to 2021

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

	The assessment of income tax returns
CMC	Assessed and approved up to 2021
NPT	Assessed and approved up to 2021
CILS	Assessed and approved up to 2021
Optoma Corporation	Assessed and approved up to 2021

(28) Earnings Per Share

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

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

	Three months ended September 30		Nine months ended September 30	
	2023	2022	2023	2022
A. Basic earnings per share				
Profit attributable to ordinary shareholders of the parent (in thousand NT\$)	\$466,987	\$697,456	\$1,131,977	\$1,986,983
Weighted average number of ordinary shares outstanding for basic earnings per share (in thousands)	390,981	390,981	390,981	390,981
Basic earnings per share (NT\$)	\$1.20	\$1.78	\$2.90	\$5.08
B. Diluted earnings per share				
Profit attributable to ordinary shareholders of the parent after dilution (in thousand NT\$)	\$466,987	\$697,456	\$1,131,977	\$1,986,983

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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	
	2023	2022	2023	2022
Weighted average number of ordinary shares outstanding for basic earnings per share (in thousands)	390,981	390,981	390,981	390,981
Effect of dilution:				
Employee bonus—stock (in thousand)	2,142	5,313	3,055	6,453
Weighted average number of ordinary shares outstanding after dilution (in thousand)	393,123	396,294	394,036	397,434
Diluted earnings per share (NT\$)	\$1.18	\$1.76	\$2.87	\$5.00

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.

(29) 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, 2023	December 31, 2022	September 30, 2022
Young Optics Inc	Taiwan	67.37%	66.14%	65.27%

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	September 30, 2023	December 31, 2022	September 30, 2022
Accumulated balance of material non-controlling interests Young Optics, Inc.	<u>\$2,102,413</u>	<u>\$2,194,352</u>	<u>\$2,231,988</u>
	Three months ended September 30	Nine months ended September 30	
	2023	2022	2023
(Loss) profit allocated to material non-controlling interest Young Optics, Inc.	<u>\$(45,779)</u>	<u>\$42,648</u>	<u>\$(147,899)</u>
	2022	2022	2022
			<u>\$88,888</u>

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, 2023:

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

Summarized information of profit or loss for the three monthss ended September 30, 2022:

	<u>Young Optics Inc.</u>
Operating revenue	\$1,338,894
Profit for the period from continuing operations	65,640
Total comprehensive income for the period	108,885

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)

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

Summarized information of profit or loss for the nine months ended September 30, 2022:

	<u>Young Optics Inc.</u>
Operating revenue	\$3,799,559
Profit for the period from continuing operations	137,495
Total comprehensive income for the period	230,188

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)

Summarized information of financial position as of December 31, 2022:

	<u>Young Optics Inc.</u>
Current assets	\$2,908,506
Non-current assets	2,657,752
Current liabilities	(1,481,347)
Non-current liabilities	(772,464)

Summarized information of financial position as of September 30, 2022:

	<u>Young Optics Inc.</u>
Current assets	\$3,455,624
Non-current assets	2,712,464
Current liabilities	(1,856,251)
Non-current liabilities	(897,923)

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

Summarized cash flow information for the 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)

Summarized cash flow information for nine months ended September 30, 2022:

	<u>Young Optics Inc.</u>
Operating activities	\$265,461
Investing activities	(148,270)
Financing activities	(358,177)
Net decrease in cash and cash equivalents	(182,617)

7. Related Party Transactions

(1) Related Party Name and Categories

<u>Related Party Name</u>	<u>Related Party Categories</u>
Etergo Opto-Electronics Co., LTD (“EOE”)	Associate
Chi Hua Fitness Co., LTD. (“CHI HUA”)	Substantive related party
Dongtai Qidian Electronic Technology Co., Ltd (“DONGTAI QIDIAN”)	Substantive related party
Hannstar Display Corporation (“HANNSTAR”)	The Group became an associate of the entity starting from the second quarter of 2022

(2) Significant transactions with related parties

A. Sales

	<u>Three months ended September 30</u>		<u>Nine months ended September 30</u>	
	2023	2022	2023	2022
DONGTAI QIDIAN	\$326	\$100	\$806	\$100
CHI HUA	75	-	75	24
Total	<u>\$401</u>	<u>\$100</u>	<u>\$881</u>	<u>\$124</u>

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

B. Purchases

	Three months ended September 30		Nine months ended September 30	
	2023	2022	2023	2022
HANNSTAR	\$29,024	\$32,542	\$135,918	\$107,148
EOE	-	77,769	72,588	239,895
DONGTAI QIDIAN	66	-	128	-
Total	<u>\$29,090</u>	<u>\$110,311</u>	<u>\$208,634</u>	<u>\$347,043</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, 2023	December 31, 2022	September 30, 2022
DONGTAI QIDIAN	\$330	\$530	\$-
CHI HUA	79	-	-
Total	<u>\$409</u>	<u>\$530</u>	<u>\$-</u>

D. Other Receivables from Related Parties

	September 30, 2023	December 31, 2022	September 30, 2022
HANNSTAR	<u>\$168</u>	<u>\$-</u>	<u>\$-</u>

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E. Accounts Payable to Related Parties

	September 30, 2023	December 31, 2022	September 30, 2022
HANNSTAR	\$9,636	\$35,437	\$8,717
EOE	-	13,573	41,470
Total	\$9,636	\$49,010	\$50,187

F. Other Payable to Related Parties

	September 30, 2023	December 31, 2022	September 30, 2022
EOE	\$197	\$5,345	\$6,517
HANNSTAR	237	452	183
Total	\$434	\$5,797	\$6,700

G. Others

For the nine months ended September 30, 2022, the Group purchased molds from EOE, amounting to NT\$3,946 thousand.

H. Key Management Personnel Compensation

	Three months ended September 30		Nine months ended September 30	
	2023	2022	2023	2022
Short-term employee benefits	\$34,435	\$270,026	\$134,165	\$367,066
Post-employment benefits	504	492	1,505	1,501
Share-based payment	1,088	869	3,239	1,563
Total	\$36,027	\$271,387	\$138,909	\$370,130

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8. Assets Pledged as Collateral

The following assets of the Group pledged as collateral:

Assets pledged as collateral	Carrying amount			Purpose of pledge
	September 30, 2023	December 31, 2022	September 30, 2022	
Buildings (including investment property)	\$722,768	\$754,100	\$764,544	Collateral for long-term borrowings
Time deposits (presented as “Other receivables”)	64,540	-	-	Collateral for short-term borrowings
Time deposits (presented as “Other receivables”)	36,885	36,885	34,985	Lease execution deposits
Time deposits (presented as “Other receivables”)	50,473	4,057	4,053	Customs import guarantee and others
Bank deposits (presented as “Other receivables”)	14	14	13	Export tax guarantee
Time deposits (presented as “Other noncurrent assets”)	20,787	20,784	20,784	Lease execution deposits
Time deposits (presented as “Other noncurrent assets”)	1,100	1,094	1,090	Customs import guarantee
Total	<u>\$896,567</u>	<u>\$816,934</u>	<u>\$825,469</u>	

9. Commitments and Contingencies

A. Amount available under unused letters of credit as of September 30, 2023 was NT\$8,071 thousand.

B. The Group entered into contracts to acquire two land use rights by two stages: as of September 30 2023, in the first stage, the Group has acquired land use right in the amount of VND340,275,000 thousand (approximately NT\$453,177 thousand), recognizing it under right-of-use assets; in the second stage, the total contract amount is VND344,511,879 thousand (approximately NT\$454,966 thousand) with total prepayment of VND259,566,620 thousand (approximately NT\$318,283 thousand) recognized under non-current assets, while the outstanding payable was VND84,945,259 thousand (approximately NT\$112,180 thousand).

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C. 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 VND1,125,600,000 thousand (approximately NT\$1,412,628 thousand). As of September 30, 2023, the Group has paid VND 715,175,905 thousand (approximately NT\$938,596 thousand), and recognized it under construction in progress and equipment awaiting inspection.

D. One of the equipment suppliers filed a complaint in Taiwan Hsinchu District Court against Young Optics Inc. (“TYO”) for the dispute in a procurement contract, alleging that TYO should pay damage compensation in the amount of NT\$10,061 thousand. The court is currently in the mediation proceeding. According to legal advice of the appointed attorney, this dispute needs further clarification for relevant evidence and investigation. At this point in time, the likely outcome of this complaint is inconclusive.

10. Losses due to Major Disasters

None.

11. Significant Subsequent Events

None.

12. Others

(1) Categories of Financial Instruments

<u>Financial assets</u>	September 30, 2023	December 31, 2022	September 30, 2022
Financial assets at fair value through profit or loss:			
Mandatorily measured at fair value through profit or loss (Note 1)	\$7,026,756	\$4,230,234	\$4,510,177
Financial assets at fair value through other comprehensive income	4,846,373	3,895,009	3,668,479
Financial assets measured at amortized cost (Note 2)	24,399,605	24,655,305	25,173,021
Hedging financial assets	-	-	10,752
Total	<u>\$36,272,734</u>	<u>\$32,780,548</u>	<u>\$33,362,429</u>

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

<u>Financial liabilities</u>	September 30, 2023	December 31, 2022	September 30, 2022
Financial liabilities at amortized cost:			
Short-term borrowings	\$14,269,326	\$9,823,849	\$11,073,276
Accounts payable (including related parties)	7,713,676	7,334,039	7,240,265
Other payables	3,589,376	4,520,234	4,515,254
Lease liability (including current and noncurrent)	1,319,027	1,613,090	1,678,942
Long-term borrowings (including current portion)	520,337	3,826,977	3,850,452
Subtotal	<u>\$27,411,742</u>	<u>27,118,189</u>	<u>28,358,189</u>
Financial liabilities at fair value through profit or loss:			
Mandatorily measured at fair value through profit or loss			
- current	217,357	450,431	608,332
Hedging financial liabilities - current	-	1,483	-
Total	<u><u>\$27,629,099</u></u>	<u><u>\$27,570,103</u></u>	<u><u>\$28,966,521</u></u>

Note 1: As of September 30, 2023, December 31, 2022, and September 30, 2022, the financial assets measured at fair value through profit or loss, including trade receivables, were NT\$6,252,750 thousand, NT\$4,074,948 thousand, and NT\$3,350,555 thousand respectively. Please refer to Note 6(7) for more details.

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

(2) Financial Risk Management Objectives and Policies

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

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

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

(3) Market Risk

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

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

Foreign currency risk

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

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

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

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When NTD appreciates or depreciates against USD by 1%, the profit for the nine months ended September 30, 2023 and 2022 is decreased/increased by NT\$56,261 thousand and NT\$10,141 thousand, while equity is decreased/increased by NT\$303,071 thousand and NT\$291,672 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.

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, 2023 and 2022 to decreased/increased by NT\$117,632 thousand and NT\$101,029 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, 2023 and 2022, 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\$48,464 thousand and NT\$36,685 thousand on the equity attributable to the Group, respectively.

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(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, 2023, December 31, 2022, and September 30, 2022, receivables from top ten customers represented 76%, 71% and 76% of the total trade receivables of the Group, respectively. The credit concentration risk of other accounts receivables was insignificant.

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

(5) Liquidity Risk Management

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

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

Non-derivative financial liabilities

	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
As of December 31, 2022					
Borrowings	\$10,316,720	\$3,815,001	\$-	\$-	\$14,131,721
Accounts payable (including related parties)	7,334,039	-	-	-	7,334,039
Other payables (including related parties)	4,520,234	-	-	-	4,520,234
Lease liability	352,468	422,985	153,541	1,099,545	2,028,539
As of September 30, 2022					
Borrowings	\$11,455,962	\$1,655,993	\$2,000,499	\$-	\$15,112,454
Accounts payable (including related parties)	7,240,265	-	-	-	7,240,265
Other payables (including related parties)	4,515,254	-	-	-	4,515,254
Lease liability	348,150	413,331	174,003	1,118,330	2,053,814

Derivative financial liabilities

	Less than 1 year	1 to 3 years	Total
As of September 30, 2023			
Inflows	\$-	\$-	\$-
Outflows	217,357	-	217,357
Net	\$217,357	\$-	\$217,357

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As of December 31, 2022

Inflows	\$-	\$-	\$-
Outflows	451,914	-	451,914
Net	<u>\$451,914</u>	<u>\$-</u>	<u>\$451,914</u>

As of September 30, 2022

Inflows	\$-	\$-	\$-
Outflows	608,332	-	608,332
Net	<u>\$608,332</u>	<u>\$-</u>	<u>\$608,332</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, 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
(Decrease) addition of 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>

Reconciliation of liabilities for the nine months ended September 30, 2022:

	Short-term borrowings	Long-term borrowings	Leases liabilities	Guarantee deposits received	Other liabilities- noncurrent	Total liabilities from financing activities
As of January 1, 2022	\$11,812,397	\$2,143,347	\$1,771,160	\$23,291	\$3,341	\$15,753,536
Cash flows	(739,121)	1,707,105	(244,484)	(1,178)	491	722,813
Addition (decrease) of leases	-	-	137,649	-	-	137,649
Exchange differences	-	-	14,617	-	-	14,617
As of September 30, 2022	<u>\$11,073,276</u>	<u>\$3,850,452</u>	<u>\$1,678,942</u>	<u>\$22,113</u>	<u>\$3,832</u>	<u>\$16,628,615</u>

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(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.

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.

CORETRONIC CORPORATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)
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(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, 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
As of December 31, 2022			
Forward currency contract			
Selling forward currency contracts	USD	570,500 thousand	From January 2023 to March 2023
Buying forward currency contracts	USD	755,500 thousand	From January 2023 to April 2023
Selling forward currency contracts	CAD	1,500 thousand	From January 2023 to April 2023
As of September 30, 2022			
Forward currency contract			
Selling forward currency contracts	USD	552,000 thousand	From October 2022 to November 2022
Buying forward currency contracts	USD	940,000 thousand	From October 2022 to January 2023
Selling forward currency contracts	CAD	700 thousand	From October 2022 to November 2022

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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Hedging instruments	Notional Amount	Contract Period
As of December 31, 2022		
Forward currency contract		
Selling forward currency contracts	EUR 27,000 thousand	January 2023
As of September 30, 2022		
Forward currency contract		
Selling forward currency contracts	EUR 27,000 thousand	October 2022

Hedging instruments/ Hedged items	Line Item in Balance Sheet	Carrying Amount of the Hedging Instrument	
		Assets	Liabilities
As of December 31, 2022			
Hedges of net			
investments in foreign	Hedging financial liabilities		
operations	- current	\$-	\$1,483
As of September 30, 2022			
Hedges of net			
investments in foreign	Hedging financial assets -		
operations	current	\$10,752	\$-

	Changes in Fair		Carrying Amount of Other Equity			
	Value of Hedging Instruments Used for Calculating Hedge	Changes in Fair Value of Hedged items Used for Calculating Hedge	Hedge Accounting Is Continuously Applicable	Hedge Accounting Is No Longer Applicable	Change in the Value of the Hedging Instrument Recognized in Other Comprehensive Income	Hedge Ineffectiveness Recognized in Profit or Loss
Hedging instruments/ Hedged items	Ineffectiveness for the Current Period	Ineffectiveness for the Current Period				
Hedges of net						
investments in						
foreign operations						
As of September 30,						
2023	(\$22,258)	\$22,258	\$-	(\$77,742)	(\$36,669)	\$12,928
As of December 31,						
2022	\$-	\$-	(\$1,483)	\$-	(\$41,032)	\$-
As of September 30,						
2022	\$-	\$-	\$10,752	\$-	\$-	\$-

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)
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(9) Fair Value Measurement Hierarchy

A. Fair value measurement hierarchy

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

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

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

Level 3 – Unobservable inputs for the asset or liability

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

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

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

	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

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December 31, 2022				
	Level 1	Level 2	Level 3	Total
Assets measured at fair value:				
Financial assets at fair value through profit or loss				
Forward currency contract	\$-	\$155,286	\$-	\$155,286
Equity instrument measured at fair value through other comprehensive income	-	-	3,985,009	3,985,009
Liabilities measured at fair value:				
Financial liabilities at fair value through profit or loss				
Forward currency contract	-	450,431	-	450,431
Hedging financial liabilities				
Forward currency contract	-	1,483	-	1,483
September 30, 2022				
	Level 1	Level 2	Level 3	Total
Assets measured at fair value:				
Financial assets at fair value through profit or loss				
Forward currency contract	\$-	\$1,137,332	\$-	\$1,137,332
Convertible bond	-	-	22,290	22,290
Equity instrument measured at fair value through other comprehensive income	-	-	3,668,479	3,668,479
Liabilities measured at fair value:				
Financial liabilities at fair value through profit or loss				
Forward currency contract	-	608,332	-	608,332

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Transfers between the Level 1 and Level 2 during the period

During the nine months ended September 30, 2023 and 2022, 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:

	<u>Assets</u>
	At fair value through other comprehensive income
	<u>Stock</u>
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	<u>2,583</u>
As of September 30, 2023	<u><u>\$4,846,373</u></u>

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	Assets			
	At fair value through profit or loss		At fair value through other comprehensive income	
	Stock option	Convertible bond	Stock	Total
As of January 1, 2022:	\$55,360	\$-	\$3,988,804	\$4,044,164
Total gains and losses recognized for the nine months ended September 30, 2022:				
Amount recognized in profit or loss (presented in “other profit or loss”)	280	(19,320)	-	(19,040)
Amount recognized in OCI (presented in “unrealized (losses) gains from equity instruments investments measured at fair value through other comprehensive income”)	-	-	(1,636,653)	(1,636,653)
Acquisition	-	41,610	1,238,610	1,280,220
Transfers	(55,640)	-	55,640	-
Tax effect	-	-	4,948	4,948
Exchange differences	-	-	17,130	17,130
As of September 30, 2022	\$-	\$22,290	\$3,668,479	\$3,690,769

Total gains and losses recognized in profit or loss for the nine months ended September 30, 2023 and 2023 are in the amount of NT\$0 thousand and NT\$(19,040) thousand, respectively.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)
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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, 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.

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As of December 31, 2022

	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	1.81	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\$5,297 thousand/ NT\$5,297 thousand.
	Market Approach	P/E ratio of similar companies	2.39	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\$3,235 thousand/ NT\$3,235 thousand.

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As of September 30, 2022

	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	1.79	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\$8,636 thousand/ NT\$8,636 thousand.
At fair value through profit or loss					
Convertible Bond	Market Approach	P/E ratio of similar companies	0.025	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\$7,008 thousand/ NT\$7,008 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, 2023				
	Level 1	Level 2	Level 3	Total
Financial assets not measured at fair value but for which the fair value is disclosed:				
Investment properties (please refer to Note 6(11))	\$-	\$-	\$200,400	\$200,400

December 31, 2022				
	Level 1	Level 2	Level 3	Total
Financial assets not measured at fair value but for which the fair value is disclosed:				
Investment properties (please refer to Note 6(11))	\$-	\$-	\$200,400	\$200,400

September 30, 2022				
	Level 1	Level 2	Level 3	Total
Financial assets not measured at fair value but for which the fair value is disclosed:				
Investment properties (please refer to Note 6(11))	\$-	\$-	\$212,800	\$212,800

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(10) Significant Assets and Liabilities Denominated in Foreign Currencies

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

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
December 31, 2022			
	Foreign currencies	Exchange rate	NTD thousand
<u>Financial assets</u>			
Monetary item:			
USD	\$762,907	30.71	\$23,428,874
JPY	217,151	0.2324	50,466
GBP	1,237	37.09	45,878
CNY	223	4.4094	983
Non-monetary items:			
USD	\$3,104	30.71	\$95,333
<u>Financial liabilities</u>			
Monetary items:			
USD	\$750,349	30.71	\$23,043,218
EUR	184	32.72	6,021
JPY	90,170	0.2324	20,956
GBP	13	37.09	482
CNY	508	4.4094	2,240

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	September 30, 2022		
	Foreign currencies	Exchange rate	NTD thousand
<u>Financial assets</u>			
Monetary item:			
USD	\$712,419	31.75	\$22,619,303
JPY	197,676	0.2201	43,508
GBP	892	35.53	31,694
CNY	223	4.4720	997
Non-Monetary items:			
USD	\$7,901	31.75	\$250,583
<u>Financial liabilities</u>			
Monetary items:			
USD	\$744,358	31.75	\$23,633,367
EUR	136	31.11	4,231
JPY	104,188	0.2201	22,932
GBP	6	35.53	213
CNY	2,605	4.4720	11,649

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\$(139,779) thousand and NT\$(1,061,764) thousand for the nine months ended September 30, 2023 and 2022, 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. Financing provided to others for the nine months ended September 30, 2023: Please refer to Attachment 1, 1-1.

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- B. Endorsement/Guarantee provided to others for the nine months ended September 30, 2023: Please refer to Attachment 1-2.
- C. Securities held as of September 30, 2023 (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, 2023: 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, 2023: 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, 2023: 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, 2023: 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, 2023: 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 6(14), Note 12(1), Note 12(5), Note 12(8) and Attachment 8.

(2) Information on Investees

- A. Relevant information on investees when the investees have significant influence or direct or indirect control: Please refer to Attachments 6, 6-1, 6-2 and 6-3.
- B. When the investees have significant influence or direct or indirect control, the above items from A to I shall be disclosed: Please refer to Attachments 1-1, 1-2, 2-1, 3-1, 4-1.
- C. Financial instruments and derivative transactions: Please refer to Attachment 8.

(3) Investment in Mainland China

- A. Investee company name, main businesses and products, total amount of capital, method of investment, accumulated inflow and outflow of investments from Taiwan, percentage of ownership, investment income (loss), carrying amount of investments, cumulated inward remittance of earnings and limits on investment in Mainland China: Please refer to Attachment 7, 7-1.
- B. Directly or indirectly significant transactions with the investees in Mainland China: please refer to Attachment 5.

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(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 30,2023

	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>

For the three months ended September 30,2022

	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	\$5,350,107	\$6,062,040	\$763,539	\$12,175,686	\$727,294	\$-	\$12,902,980
Net revenue from sales among intersegments	10,960	214,346	575,355	800,661	290,757	(1,091,418)	-
Total revenue	<u>\$5,361,067</u>	<u>\$6,276,386</u>	<u>\$1,338,894</u>	<u>\$12,976,347</u>	<u>\$1,018,051</u>	<u>\$(1,091,418)</u>	<u>\$12,902,980</u>
Segment income	<u>\$208,733</u>	<u>\$923,647</u>	<u>\$34,917</u>	<u>\$1,167,297</u>	<u>\$(243,499)</u>	<u>\$71,593</u>	<u>\$995,391</u>

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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	<u>\$13,117,918</u>	<u>\$12,624,622</u>	<u>\$2,293,320</u>	<u>\$28,035,861</u>	<u>\$2,887,934</u>	<u>\$(1,320,091)</u>	<u>\$29,603,703</u>
Segment income	<u>\$456,099</u>	<u>\$1,495,179</u>	<u>\$(226,976)</u>	<u>\$1,724,302</u>	<u>\$(557,153)</u>	<u>\$111,833</u>	<u>\$1,278,982</u>
Segment Assets (Note C)	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>	<u>\$57,148,776</u>	<u>\$57,148,776</u>

For the nine months ended September 30, 2022							
	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	\$18,024,100	\$16,220,837	\$2,231,548	\$36,476,485	\$2,135,489	\$-	\$38,611,974
Net revenue from sales among intersegments	79,874	625,616	1,568,011	2,273,501	869,366	(3,142,867)	-
Total revenue	<u>\$18,103,974</u>	<u>\$16,846,453</u>	<u>\$3,799,559</u>	<u>\$38,749,986</u>	<u>\$3,004,855</u>	<u>\$(3,142,867)</u>	<u>\$38,611,974</u>
Segment income	<u>\$609,792</u>	<u>\$2,138,922</u>	<u>\$102,342</u>	<u>\$2,851,056</u>	<u>\$(563,468)</u>	<u>\$408,410</u>	<u>\$2,695,998</u>
	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>	<u>\$57,064,876</u>	<u>\$57,064,876</u>

Note A: Nine operating segments did not meet the quantitative thresholds for reportable segments for the nine months ended September 30, 2023 and 2022, respectively. They have been combined into other segments.

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

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

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	
	2023	2022	2023	2022
Net income of reportable segment	\$692,222	\$1,167,297	\$1,724,302	\$2,851,056
Loss of other segments	(216,400)	(243,499)	(557,153)	(563,468)
Unallocated amount:				
Interest income	108,621	84,325	288,378	255,422
Interest expense	(84,193)	(129,757)	(356,218)	(250,215)
Financial assets (liabilities) at fair value through profit or loss	202,440	766,720	494,031	1,729,114
Exchange (loss) gain, net	(134,108)	(544,357)	(139,779)	(1,061,764)
Others	(44,588)	(105,338)	(174,579)	(264,147)
Income before income tax	<u>\$523,994</u>	<u>\$995,391</u>	<u>\$1,278,982</u>	<u>\$2,695,998</u>

ATTACHMENT 1 (Endorsement/Guarantee provided to others for the nine months ended September 30, 2023)
(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-subsidiary	\$ 11,070,148 (Note)	\$ 1,290,800	\$ 1,290,800	\$-	\$ -	5.83%	\$ 22,140,296 (Note)	Yes	No	No
0	Coretronic Corporation	Coretronic Vietnam	Subsidiary	11,070,148 (Note)	1,150,000	1,102,666	556,790	-	4.98%	22,140,296 (Note)	Yes	No	No
0	Coretronic Corporation	Coretronic MEMS Corporation	Subsidiary	11,070,148 (Note)	164,000	150,000	-	-	0.68%	22,140,296 (Note)	Yes	No	No
0	Coretronic Corporation	Nano Precision Taiwan	Sub-subsidiary	11,070,148 (Note)	350,000	300,000	13,592	-	1.35%	22,140,296 (Note)	Yes	No	No
0	Coretronic Corporation	Coretronic Intelligent Robotics Corporation	Subsidiary	11,070,148 (Note)	275,000	275,000	11,399	-	1.24%	22,140,296 (Note)	Yes	No	No
0	Coretronic Corporation	YLG Optotech	Sub-subsidiary	11,070,148 (Note)	270,315	-	-	-	-%	22,140,296 (Note)	Yes	No	Yes
0	Coretronic Corporation	Optoma USA	Sub-subsidiary	11,070,148 (Note)	15,018	-	-	-	-%	22,140,296 (Note)	Yes	No	No
0	Coretronic Corporation	Optoma Corporation	Sub-subsidiary	11,070,148 (Note)	2,000	-	-	-	-%	22,140,296 (Note)	Yes	No	No
	Total				<u>\$ 3,517,133</u>	<u>\$ 3,118,466</u>							

Note : Based on the procedures of endorsement/guarantee provided to others, the amount of endorsements/guarantees for any single entity shall not exceed 50% of the Company's net worth from the latest financial statements.
Based on the procedures of endorsement/guarantee provided to others, the total amount of endorsements/guarantees shall not exceed 100% of the Company's net worth from the latest financial statements.

ATTACHMENT 1-1 (Endorsement/Guarantee provided to others for the nine months ended September 30, 2023)
(The certain information is based on the unreviewed financial statements)
(Amounts in Thousands of New Taiwan Dollars, Unless Specified Otherwise)

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										
1	Coretronic Technology (BRVT)	Coretronic Vietnam	Associate	\$ 1,203,625 (Note a)	\$ 387,240	\$ 64,540	\$ 64,540	-	2.68%	\$ 2,407,251 (Note a 、 b)	No	No	No

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

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

ATTACHMENT 1-2 (Financing provided to others for the nine months ended September 30, 2023)
(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	Bigshine (HK)	Core-Flex	Trade receivables - related parties	Yes	\$	137,858	\$	-	-%	The need for short-term financing	-	Business turnover	-	None	-	\$232,132	\$232,132
1	Bigshine (HK)	Mat Limited	Trade receivables - related parties	Yes		139,632	139,632	139,632	-%	The need for short-term financing	-	Business turnover	-	None	-	580,330	580,330
1	Bigshine (HK)	Coretronic Corporation	Trade receivables - related parties	Yes		205,657	205,657	205,657	-%	The need for short-term financing	-	Business turnover	-	None	-	580,330	580,330
2	Boom Power	Coretronic (BVI) Investment	Trade receivables - related parties	Yes		2,291	2,291	2,291	-%	The need for short-term financing	-	Business turnover	-	None	-	250,279	250,279
2	Boom Power	Coretronic Corporation	Trade receivables - related parties	Yes		122,884	122,884	122,884	-%	The need for short-term financing	-	Business turnover	-	None	-	250,279	250,279
3	Dynamic Time	Core-Flex	Trade receivables - related parties	Yes		129,991	-	-	-%	The need for short-term financing	-	Business turnover	-	None	-	1,018,376	1,018,376
3	Dynamic Time	Great Pride (HK)	Trade receivables - related parties	Yes		810,945	-	-	-%	The need for short-term financing	-	Business turnover	-	None	-	2,545,940	2,545,940
3	Dynamic Time	Coretronic Corporation	Trade receivables - related parties	Yes		2,523,514	2,523,514	2,523,514	-%	The need for short-term financing	-	Business turnover	-	None	-	2,545,940	2,545,940
4	Great Pride (HK)	Coretronic Investment Limited	Trade receivables - related parties	Yes		913,064	-	-	-%	The need for short-term financing	-	Business turnover	-	None	-	2,871,931	2,871,931
4	Great Pride (HK)	Coretronic Corporation	Trade receivables - related parties	Yes		119,399	119,399	119,399	-%	The need for short-term financing	-	Business turnover	-	None	-	2,871,931	2,871,931
5	Nano Display	Coretronic Corporation	Trade receivables - related parties	Yes		231,648	-	-	-%	The need for short-term financing	-	Business turnover	-	None	-	522,079	522,079
6	Venture Orient	Coretronic Investment Limited	Trade receivables - related parties	Yes		90,105	-	-	-%	The need for short-term financing	-	Business turnover	-	None	-	541,540	541,540
6	Venture Orient	Coretronic Corporation	Trade receivables - related parties	Yes		106,491	80,675	80,675	-%	The need for short-term financing	-	Business turnover	-	None	-	541,540	541,540
7	Wisdom Success (HK)	Coretronic Corporation	Trade receivables - related parties	Yes		596,995	596,995	596,995	-%	The need for short-term financing	-	Business turnover	-	None	-	7,104,161	7,104,161
8	Wisdom Success	Coretronic Corporation	Trade receivables - related parties	Yes		32,270	32,270	32,270	-%	The need for short-term financing	-	Business turnover	-	None	-	11,122,367	11,122,367
9	Young Lighting Limited	Coretronic Investment Limited	Trade receivables - related parties	Yes		1,452,150	1,452,150	1,452,150	4.38429%	The need for short-term financing	-	Business turnover	-	None	-	3,535,378	3,535,378
9	Young Lighting Limited	Coretronic Corporation	Trade receivables - related parties	Yes		313,019	313,019	313,019	-%	The need for short-term financing	-	Business turnover	-	None	-	3,535,378	3,535,378
10	Chung Tsen Investment	Coretronic Reality Inc.	Trade receivables - related parties	Yes		60,000	60,000	60,000	0.645%	The need for short-term financing	-	Business turnover	-	None	-	925,022	925,022
10	Chung Tsen Investment	Coretronic Intelligent Logistics Solutions Corporation	Trade receivables - related parties	Yes		120,000	50,000	50,000	0.645%	The need for short-term financing	-	Business turnover	-	None	-	925,022	925,022
10	Chung Tsen Investment	Coretronic MEMS Corporation	Trade receivables - related parties	Yes		60,000	60,000	60,000	0.645%	The need for short-term financing	-	Business turnover	-	None	-	925,022	925,022
10	Chung Tsen Investment	Coretronic Intelligent Robotics Corporation	Trade receivables - related parties	Yes		50,000	-	-	-%	The need for short-term financing	-	Business turnover	-	None	-	925,022	925,022
10	Chung Tsen Investment	Coretronic Corporation	Trade receivables - related parties	Yes		366,000	265,000	265,000	0.645%	The need for short-term financing	-	Business turnover	-	None	-	925,022	925,022
10	Chung Tsen Investment	Nano Precision Taiwan	Trade receivables - related parties	Yes		132,000	132,000	132,000	0.52-0.645%	The need for short-term financing	-	Business turnover	-	None	-	925,022	925,022
11	Coretronic Projection (Kunshan)	Coretronic Optics (Kunshan)	Trade receivables - related parties	Yes		898,913	898,913	898,913	0.5%	The need for short-term financing	-	Business turnover	-	None	-	6,921,161	6,921,161
12	Nano Precision (Suzhou)	Coretronic Optotek (Suzhou)	Trade receivables - related parties	Yes		426,984	-	-	-%	The need for short-term financing	-	Business turnover	-	None	-	2,668,664	2,668,664
12	Nano Precision (Suzhou)	Coretronic Optics (Suzhou)	Trade receivables - related parties	Yes		1,604,560	1,303,424	1,303,424	0.5%	The need for short-term financing	-	Business turnover	-	None	-	2,668,664	2,668,664
13	Young Bright Optical (Suzhou)	Coretronic Optics (Suzhou)	Trade receivables - related parties	Yes		257,681	-	-	-%	The need for short-term financing	-	Business turnover	-	None	-	397,791	397,791
14	Coretronic (Ningbo)	Coretronic Optotek (Suzhou)	Trade receivables - related parties	Yes		1,797,826	898,913	898,913	0.5%	The need for short-term financing	-	Business turnover	-	None	-	3,761,515	3,761,515
14	Coretronic (Ningbo)	Coretronic Optics (Suzhou)	Trade receivables - related parties	Yes		1,092,180	966,332	966,332	0.5%	The need for short-term financing	-	Business turnover	-	None	-	3,761,515	3,761,515
15	Tsen Ming Investment	Coretronic MEMS Corporation	Trade receivables - related parties	Yes		136,000	-	-	-%	The need for short-term financing	-	Business turnover	-	None	-	218,011	218,011
15	Tsen Ming Investment	Coretronic Corporation	Trade receivables - related parties	Yes		96,000	96,000	96,000	0.645%	The need for short-term financing	-	Business turnover	-	None	-	218,011	218,011
15	Tsen Ming Investment	Nano Precision Taiwan	Trade receivables - related parties	Yes		122,000	122,000	122,000	0.55-0.645%	The need for short-term financing	-	Business turnover	-	None	-	218,011	218,011
16	Coretronic (Suzhou)	Coretronic Display (Suzhou)	Trade receivables - related parties	Yes		198,231	-	-	-%	The need for short-term financing	-	Business turnover	-	None	-	4,576,763	4,576,763
16	Coretronic (Suzhou)	Coretronic Optics (Suzhou)	Trade receivables - related parties	Yes		1,986,598	1,658,495	1,658,495	0.5%	The need for short-term financing	-	Business turnover	-	None	-	4,576,763	4,576,763
17	Coretronic Display (Suzhou)	Coretronic Corporation	Trade receivables - related parties	Yes		198,231	-	-	-%	The need for short-term financing	-	Business turnover	-	None	-	525,901	525,901
18	Tecpoint	Coretronic Corporation	Trade receivables - related parties	Yes		525,678	525,678	525,678	-%	The need for short-term financing	-	Business turnover	-	None	-	3,653,195	3,653,195
19	Vimax (Kunshan)	Coretronic Optics (Kunshan)	Trade receivables - related parties	Yes		1,280,952	1,280,952	1,280,952	0.5%	The need for short-term financing	-	Business turnover	-	None	-	1,411,803	1,411,803
20	Coretronic (Guangzhou)	YLG Optotech	Trade receivables - related parties	Yes		75,474	-	-	-%	The need for short-term financing	-	Business turnover	-	None	-	1,460,457	1,460,457
21	Optoma Europe	Optoma Holding Limited	Trade receivables - related parties	Yes		169,368	-	-	-%	The need for short-term financing	-	Business turnover	-	None	-	370,014	370,014
22	Young Green Energy	Coretronic Corporation	Trade receivables - related parties	Yes		80,000	80,000	80,000	0.645%	The need for short-term financing	-	Business turnover	-	None	-	84,277	84,277
23	Mat Limited	Coretronic Vietnam	Trade receivables - related parties	Yes		148,442	148,442	148,442	0.5%	The need for short-term financing	-	Business turnover	-	None	-	1,460,798	1,460,798
24	Best Alpha	Young Optics (BD)	Other receivables - related parties	Yes		32,270	32,270	32,270	-%	The need for short-term financing	-	Business turnover	-	None	-	488,629	488,629

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 Bigshine (HK) Limited, Coretronic Projection (Kunshan), Coretronic (Suzhou), Nano Precision (Suzhou), Coretronic (Ningbo), Vimax (Kunshan) and Mat Limited.

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

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

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

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

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

ATTACHMENT 2 (Securities held as of September 30, 2023)
(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, 2023				Note
				Shares/Units	Carrying amount	Percentage of ownership (%)	Fair value(Note a)	
Coretronic Corporation	Nightingale Intelligent Systems, Inc.	-	Financial assets at fair value through profit or loss-noncurrent	1,148,617	\$-	0.84%	\$-	(Note b)
Coretronic Corporation	Nanosys Inc.	-	Financial assets at fair value through profit or loss-noncurrent	9,007	-	0.00%	-	(Note b)
Coretronic Corporation	Flexenable Limited-preferred shares	-	Financial assets at fair value through other comprehensive income-noncurrent	4,087,335,661	-	16.80%	-	(Note b)
Coretronic Corporation	Yann Yuan Investment Co., Ltd.	Coretronic Corporation was Yann Yuan Investment's director.	Financial assets at fair value through other comprehensive income-noncurrent	57,000,000	3,825,116	11.06%	3,825,116	
Coretronic Corporation	Eterge Opto-Electronics	Coretronic Corporation was Eterge Opto-Electronics' director.	Investments accounted for using the equity method	1,850,000	43,747	18.50%	-	
Coretronic Corporation	Liuligongfang	-	Financial assets at fair value through other comprehensive income-noncurrent	242,094	7,788	3.06%	7,788	
Coretronic Corporation	Excel Global	-	Financial assets at fair value through other comprehensive income-noncurrent	812,506	36,382	19.90%	36,382	

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

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

ATTACHMENT 2-1 (Securities held as of September 30, 2023)
(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, 2023				Note
				Shares/Units	Carrying amount	Percentage of ownership (%)	Fair value (Note a)	
Coretronic Venture Capital	GeneJet Biotech	-	Financial assets at fair value through other comprehensive income-noncurrent	315,000	\$ -	5.85%	\$ -	(Note b)
Coretronic Intelligent Cloud Service Corp.	GateWeb	-	Financial assets at fair value through other comprehensive income-noncurrent	900,000	41,238	18.54%	41,238	
Venture Orient	Unitech Capital	-	Financial assets at fair value through other comprehensive income-noncurrent	2,500,000	USD 1,937,695	5.00%	USD 1,937,695	
Chung Tsen Investment	Shieh Yong Investment	-	Financial assets at fair value through other comprehensive income-noncurrent	95,895,463	873,319	4.47%	873,319	

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

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

ATTACHMENT 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, 2023)

(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	\$ 2,385,598	6.90%	90 days	-	-	\$ 1,080,902	5.11%	
Coretronic Corporation	Coretronic (Ningbo)	Sub-subsidiary	Purchases	623,477	1.93%	120 days	-	-	(237,294)	1.34%	
Coretronic Corporation	YLG Optotech	Sub-subsidiary	Purchases	141,619	0.44%	90 days	-	-	-	-%	
Coretronic Corporation	HANNSTAR	Entity with significant influence over the Company	Purchases	135,918	0.42%	90 days	-	-	(9,636)	0.05%	

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, 2023)
(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	Coretronic Projection (Kunshan)	Associate	Sales	\$221,917	10.66%	90 days	-	-	\$153,047	26.36%	Note a
Young Optics	Rays Optics	Associate	Sales	339,596	16.32%	30 days	-	-	-	-	
Young Optics (Kunshan)	Young Optics	Associate	Sales	579,335	66.70%	90 days	-	-	409,369	80.14 %	
Young Optics (Kunshan)	Coretronic Optics (Kunshan)	Associate	Sales	253,290	29.15%	90 days	-	-	92,455	18.10 %	
Nano Precision (Suzhou)	Coretronic Optotech (Suzhou)	Associate	Sales	223,715	45.59%	60 days	-	-	97,964	56.61 %	
Coretronic Projection (Kunshan)	Young Optics (Kunshan)	Associate	Sales	125,231	1.36%	90 days	-	-	87,171	2.54 %	
Coretronic Projection (Kunshan)	Optoma China	Associate	Sales	320,525	3.48%	60 days	-	-	166,065	4.84 %	
Coretronic Projection (Kunshan)	Coretronic Optics (Kunshan)	Associate	Sales	303,976	3.30%	60 days	-	-	111,858	3.26 %	
Coretronic (Ningbo)	Coretronic Optics (Suzhou)	Associate	Sales	121,333	15.04%	60 days	-	-	86,504	24.33 %	
Coretronic Optotech (Suzhou)	Coretronic Display (Suzhou)	Associate	Sales	166,486	5.99%	60 days	-	-	1,013	0.04 %	
Coretronic Optics (Kushan)	Coretronic Projection (Kunshan)	Associate	Sales	4,394,323	99.91%	60 days	-	-	2,102,407	99.84 %	
Optoma Corporation	Optoma USA	Associate	Sales	550,814	18.73%	90 days	-	-	185,321	18.86 %	
Optoma Corporation	Optoma Europe	Associate	Sales	1,806,358	61.43%	90 days	-	-	663,719	67.55 %	

Note a : Young Optics absorbed its subsidiary, Rays Optics, on September 8, 2023.

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, 2023)

(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	\$ 1,080,902	3.11	\$ -	-	\$ -	\$ -

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, 2023)
(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	\$409,369	1.89	-	-	-	-
Young Optics	Coretronic Projection (Kunshan)	Associate	153,047	2.74	-	-	-	-
Grace China	Young Optics (BD)	Associate	304,143	-	-	-	-	-
			(Note)					
Coretronic Projection (Kunshan)	Optoma China	Associate	166,065	2.41	-	-	-	-
Coretronic Projection (Kunshan)	Coretronic Optics (Kunshan)	Associate	111,858	3.82	-	-	-	-
Coretronic Intelligent Cloud Service Corporation	Coretronic Corporation	Parent	133,775	2.21	-	-	-	-
Coretronic Optics (Kunshan)	Coretronic Projection (Kunshan)	Associate	2,102,407	3.97	-	-	-	-
Optoma Corporation	Optoma USA	Associate	185,321	2.89	-	-	-	-
Optoma Corporation	Optoma Europe	Associate	663,719	3.81	-	-	-	-
Other receivables :								
Dynamic Time	Coretronic Corporation	Parent	2,523,514	-	-	-	-	-
Coretronic (Suzhou)	Coretronic Optics (Suzhou)	Associate	1,663,209	-	-	-	-	-
Mat Limited	Coretronic Vietnam	Associate	148,508	-	-	-	-	-
Vimax (Kunshan)	Coretronic Optics (Kunshan)	Associate	1,284,036	-	-	-	-	-
Chung Tsen Investment	Coretronic Corporation	Parent	265,238	-	-	-	-	-
Chung Tsen Investment	Nano Precision Taiwan	Associate	132,343	-	-	-	-	-
Tecpoint	Coretronic Corporation	Parent	525,678	-	-	-	-	-
Nano Precision (Suzhou)	Coretronic Optics (Suzhou)	Associate	1,306,703	-	-	-	-	-
Coretronic Projection (Kunshan)	Coretronic Optics (Kunshan)	Associate	905,214	-	-	-	-	-
Boom Power	Coretronic Corporation	Parent	122,884	-	-	-	-	-
Tsen Ming Investment	Nano Precision Taiwan	Associate	122,434	-	-	-	-	-
Coretronic (Ningbo)	Coretronic Optotech (Suzhou)	Associate	900,124	-	-	-	-	-
Coretronic (Ningbo)	Coretronic Optics (Suzhou)	Associate	968,902	-	-	-	-	-
Great Pride (HK)	Coretronic Corporation	Parent	119,399	-	-	-	-	-
Wisdom Success (HK)	Coretronic Corporation	Parent	596,995	-	-	-	-	-
Bigshine (HK)	Coretronic Corporation	Parent	205,657	-	-	-	-	-
Bigshine (HK)	Mat Limited	Associate	139,632	-	-	-	-	-
Young Lighting Limited	Coretronic Corporation	Parent	313,019	-	-	-	-	-
Young Lighting Limited	Coretronic Investment Limited	Associate	1,498,662	-	-	-	-	-

Note : Includes Other receivables.

ATTACHMENT 5 (Significant intercompany transactions between consolidated entities)

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

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

No. (Note a)	Related party	Counter-party	Relationship with Coretronic Corporation (Note b)	Transactions			
				Accounts	Amount	Collection periods (Note c)	Percentage of consolidated operating revenues or consolidated total assets (Note d)
0	Coretronic Corporation	Greendale	1	Accounts receivable	1,573,550	—	2.75%
			1	Sales	3,410,859	—	11.52%
		YLG Optotech	1	Sales	240,519	—	0.81%
			1	Accounts receivable	4,717,230	—	8.25%
		Coretronic Optotech (Suzhou)	1	Sales	5,678,500	—	19.18%
			1	Accounts receivable	4,661,177	—	8.16%
		Coretronic Optics (Suzhou)	1	Sales	6,603,664	—	22.31%
			1	Accounts receivable	320,863	—	0.56%
1	Young Optics	Coretronic Vietnam	1	Sales	876,791	—	2.96%
			1	Accounts receivable	1,080,902	—	1.89%
		Optoma Corporation	1	Sales	2,385,598	—	8.06%
			1	Accounts receivable	14,202	—	0.02%
		Young Optics (Kunshan)	3	Sales	37,673	—	0.13%
			3	Other receivables	83,640	—	0.15%
		Coretronic Projection (Kunshan)	3	Accounts receivable	69,407	—	0.12%
			3	Sales	221,917	—	0.75%
		Rays Optics	3	Sales	339,596	—	1.15%
			3	Other receivables	2,907	—	0.01%
		Young Optics (BD)	3	Accounts receivable	65,196	—	0.11%
			3	Sales	3,564	—	0.01%
		Young Optics (Suzhou)	3	Accounts receivable	1,786	—	0.00%
			3	Sales	7,794	—	0.03%
2	Grace China	Young Optics (BD)	3	Accounts receivable	1,757	—	0.00%
			3	Sales	2,466	—	0.01%
3	Young Optics (Kunshan)	Young Optics	3	Other receivables	141,891	—	0.25%
			3	Accounts receivable	162,252	—	0.28%
		Young Optics (Suzhou)	3	Other receivables	1,106	—	0.00%
			3	Accounts receivable	409,369	—	0.72%
		Young Optics (BD)	3	Sales	579,335	—	1.96%
			3	Accounts receivable	7,357	—	0.01%
		Coretronic Optics (Kunshan)	3	Sales	23,784	—	0.08%
			3	Accounts receivable	549	—	0.00%
			3	Sales	603	—	0.00%
			3	Accounts receivable	92,455	—	0.16%
			3	Sales	253,290	—	0.86%

No. (Note a)	Related party	Counter-party	Relationship with Coretronic Corporation (Note b)	Transactions			
				Accounts	Amount	Collection periods (Note c)	Percentage of consolidated operating revenues or consolidated total assets (Note d)
4	Dynamic Time	Coretronic Corporation	2	Other receivables	2,523,514	—	4.42%
5	Optoma USA	Optoma Europe	3	Sales	38,947	—	0.13%
6	Wisdom Success	Coretronic Corporation	2	Other receivables	32,270	—	0.06%
7	Coretronic (Suzhou)	Coretronic Optics (Suzhou)	3	Other receivables	1,663,209	—	2.91%
8	Mat Limited	Coretronic Vietnam	3	Other receivables	148,508	—	0.26%
9	Vimax (Kunshan)	Coretronic Optics (Kunshan)	3	Other receivables	1,284,036	—	2.25%
10	Chung Tsen Investment	Coretronic Corporation	2	Other receivables	265,238	—	0.46%
		Nano Precision Taiwan	3	Other receivables	132,343	—	0.23%
		Coretronic MEMS Corporation	3	Other receivables	60,071	—	0.11%
		Coretronic Reality Inc	3	Other receivables	60,095	—	0.11%
		Coretronic Intelligent Logistics Solutions Corporation	3	Other receivables	50,005	—	0.09%
11	Venture Orient	Coretronic Corporation	2	Other receivables	80,675	—	0.14%
12	Best Alpha	Young Optics (BD)	3	Other receivables	32,270	—	0.06%
13	Tecpoint	Coretronic Corporation	2	Other receivables	525,678	—	0.92%
14	Nano Precision (Suzhou)	Coretronic Projection (Kunshan)	3	Sales	30,562	—	0.10%
		Great Pride (HK)	3	Sales	35,240	—	0.12%
		Coretronic Optotech (Suzhou)	3	Accounts receivable	97,964	—	0.17%
			3	Sales	223,715	—	0.76%
		Coretronic Optics (Suzhou)	3	Other receivables	1,306,703	—	2.29%
			3	Sales	68,111	—	0.23%
15	Greendale	Coretronic Corporation	2	Other receivables	2,630,588	—	4.60%
		Coretronic Optics (Kunshan)	3	Other receivables	1,560,671	—	2.73%
16	Coretronic Projection (Kunshan)	Young Optics (Kunshan)	3	Other receivables	87,171	—	0.15%
			3	Sales	125,288	—	0.42%
		Optoma China	3	Accounts receivable	166,065	—	0.29%
			3	Sales	320,525	—	1.08%
		Vimax (Kunshan)	3	Accounts receivable	31,482	—	0.06%
			3	Sales	46,264	—	0.16%
		Greendale	3	Accounts receivable	2,629,303	—	4.60%
			3	Sales	6,763,446	—	22.85%
		Champ Vision Display	3	Accounts receivable	242,572	—	0.42%
			3	Sales	549,220	—	1.86%
		Coretronic Optics (Kunshan)	3	Other receivables	905,214	—	1.58%
			3	Accounts receivable	111,858	—	0.20%
			3	Sales	303,976	—	1.03%

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)
17	Young Green Energy	Coretronic Corporation	2	Other receivables	80,095	—	0.14%
18	Boom Power	Coretronic Corporation	2	Other receivables	122,884	—	0.22%
19	Tsen Ming Investment	Coretronic Corporation	2	Other receivables	96,114	—	0.17%
		Nano Precision Taiwan	3	Other receivables	122,434	—	0.21%
20	Coretronic (Ningbo)	Coretronic Corporation	2	Accounts receivable	237,294	—	0.42%
			2	Sales	623,477	—	2.11%
		Coretronic Optotech (Suzhou)	3	Other receivables	900,124	—	1.58%
		Coretronic Optics (Suzhou)	3	Other receivables	968,902	—	1.70%
			3	Accounts receivable	86,504	—	0.15%
			3	Sales	121,333	—	0.41%
21	Great Pride (HK)	Coretronic Corporation	2	Other receivables	119,399	—	0.21%
22	Wisdom Success (HK)	Coretronic Corporation	2	Other receivables	596,995	—	1.04%
23	Bigshine (HK)	Coretronic Corporation	2	Other receivables	205,657	—	0.36%
		Mat Limited	3	Other receivables	139,632	—	0.24%
24	Coretronic Intelligent Cloud Service Corp.	Coretronic Corporation	2	Accounts receivable	133,775	—	0.23%
			2	Sales	163,827	—	0.55%
25	Young Lighting Limited	Coretronic Corporation	2	Other receivables	313,019	—	0.55%
		Coretronic Investment Limited	3	Other receivables	1,498,662	—	2.62%
26	YLG Optotech	Coretronic Corporation	2	Sales	141,619	—	0.48%
27	Coretronic Display (Suzhou)	Coretronic Optics (Suzhou)	3	Other receivables	30,526	—	0.05%
28	Coretronic Optotech (Suzhou)	Coretronic Corporation	2	Accounts receivable	5,682,519	—	9.94%
			2	Sales	2,614,321	—	8.83%
		Coretronic Display (Suzhou)	3	Sales	166,486	—	0.56%
29	Champ Vision Display	Coretronic Projection (Kunshan)	3	Accounts receivable	88,981	—	0.16%
			3	Sales	279,689	—	0.94%
30	Coretronic Optics (Kunshan)	Coretronic Projection (Kunshan)	3	Accounts receivable	2,102,407	—	3.68%
			3	Sales	4,394,323	—	14.84%
31	Coretronic Optics (Suzhou)	Coretronic Corporation	2	Accounts receivable	5,790,105	—	10.13%
			2	Sales	3,750,974	—	12.67%
32	Nano Precision Taiwan	Coretronic (Ningbo)	3	Sales	80,695	—	0.27%
33	Coretronic Vietnam	Coretronic Corporation	2	Accounts receivable	546,875	—	0.96%
			2	Sales	620,791	—	2.10%
34	Coretronic Intelligent Logistics Solutions Corporation	Coretronic Corporation	2	Sales	45,480	—	0.15%
35	Optoma Corporation	Optoma USA	3	Accounts receivable	185,321	—	0.32%
			3	Sales	550,814	—	1.86%
		Optoma Europe	3	Accounts receivable	663,719	—	1.16%
			3	Sales	1,806,358	—	6.10%

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)
36	Young Optics (BD)	Young Optics	3	Advanced receipts	44,889	—	0.08%
			3	Sales	96,237	—	0.33%
		Young Optics (Kunshan)	3	Accounts receivable	3,276	—	0.01%
			3	Sales	23,528	—	0.08%
37	Young Optics (Suzhou)	Young Optics	3	Accounts receivable	11	—	0.00%
			3	Sales	19	—	0.00%
		Young Optics (Kunshan)	3	Other receivable	1,216	—	0.00%
			3	Sales	2,018	—	0.01%
38	Mejiro	Young Optics (BD)	3	Accounts receivable	46	—	0.00%
			3	Sales	171	—	0.00%
		Young Optics	3	Accounts receivable	508	—	0.00%
			3	Sales	1,603	—	0.01%

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

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

Note b: Transactions are categorized as follows:

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

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

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

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

ATTACHMENT 6 : (Names, locations and related information of investee companies as of September 30, 2023) (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, 2023			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%	\$7,243,870	\$283,043	\$283,043	Subsidiary
Coretronic Corporation	Young Optics Inc.	Hsinchu City, Taiwan	Engaged in the production, marketing and R&D of electronic components and optics.	496,543	506,416	37,217,586	32.63%	1,019,296	(220,211)	(72,439)	Subsidiary
Coretronic Corporation	Viscorp Limited	B.V.I.	Holding company	467,241	467,241	40,781	100.00%	13,377,004	224,199	224,199	Subsidiary
Coretronic Corporation	Sinolink Global Limited	B.V.I.	Holding company	34,100	34,100	980	100.00%	1,448,812	31,027	31,027	Subsidiary
Coretronic Corporation	Chung Tsen Investment Corp.	New Taipei City, Taiwan	Investing company for strategic purposes	692,696	692,696	127,099,664	100.00%	2,514,410	(3,789)	(3,789)	Subsidiary
Coretronic Corporation	Tecpoint Limited	B.V.I.	Holding company	1,064,802	1,064,802	33,556,599	78.06%	2,739,551	(118,669)	(92,634)	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%	224,972	1,256	1,255	Subsidiary
Coretronic Corporation	Young Lighting Limited	Samoa	Holding company	118,134	118,134	3,907,000	100.00%	1,813,109	45,491	45,491	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%	315,228	37,409	37,409	Subsidiary
Coretronic Corporation	Coretronic Venture Capital Corp.	New Taipei City, Taiwan	The investment activities of company's business expansion	300,000	300,000	30,000,000	100.00%	307,111	2,434	2,434	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	144,000	14,285,000	79.36%	146,733	(5,873)	(4,735)	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%	(1,210)	(18,840)	(11,434)	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%	48,361	8	8	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	506,263	18,000,000	100.00%	228,588	(113,287)	(113,287)	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%	8,269	(3,134)	(2,507)	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%	102,052	(41,472)	(41,472)	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%	(13,826)	(31,903)	(31,903)	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%	(249,755)	94,533	94,533	Subsidiary
Coretronic Corporation	Coretronic Intelligent Logistics Solutions Corporation	Hsinchu County, Taiwan	System integration and application service solutions for intelligent logistics and smart manufacturing.	170,000	170,000	15,000,000	100.00%	35,126	(51,001)	(51,001)	Subsidiary
Coretronic Corporation	Coretronic Investment Limited	U.K.	Holding company	EUR 100,000	EUR 100,000	100,000	100.00%	619,399	128,228	128,228	Subsidiary
Coretronic Corporation	Dynamic Time Investment Limited	Cayman Islands	Holding company	USD 14,122,230	USD 14,122,230	14,856	100.00%	2,550,626	520	520	Subsidiary

ATTACHMENT 6-1 : (Names, locations and related information of investee companies as of Septembere 30, 2023) (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 Septembere 30, 2023			Net income (loss) of investee company	Investment income (loss) recognized	Note
				Ending balance	Beginning balance	Number of shares	Percentage of ownership	Carrying amount			
Coretronic BVI	Greendale	Samoa	Holding company	USD 46,400,000	USD 46,400,000	46,400	100.00 %	USD 224,975,381	USD 8,982,098	(Note)	Sub-subsiadiary
Visicorp	Wisdom Success	Cayman Islands	Holding company	USD 10,176,000	USD 10,176,000	43,300	100.00 %	USD 347,864,205	USD 8,853,577	(Note)	Sub-subsiadiary
Visicorp	Bigshine	Samoa	Holding company	USD 3,000,000	USD 3,000,000	3,000	100.00 %	USD 6,531,157	(USD 191,731)	(Note)	Sub-subsiadiary
Visicorp	Lead Bright	Samoa	Holding company	USD 4,700,000	USD 4,700,000	4,700	100.00 %	USD 30,576,103	USD 189,916	(Note)	Sub-subsiadiary
Visicorp	Elite View	Samoa	Holding company	USD 5,000,400	USD 5,000,400	5,000	100.00 %	USD 16,374,725	(USD 1,181,125)	(Note)	Sub-subsiadiary
Visicorp	Tecpoint	B.V.I.	Holding company	USD 5,204,902	USD 5,204,902	5,204,902	12.11 %	USD 13,167,815	(USD 3,788,268)	(Note)	Subsidiary
Wisdom Success	Wisdom Success (HK)	HK	Holding company	USD 18,000,000	USD 18,000,000	18,000	100.00 %	USD 223,318,394	USD 10,526,758	(Note)	Sub-subsiadiary
Wisdom Success	Lead Bright (HK)	HK	Holding company	USD 13,300,000	USD 13,300,000	13,300	73.89 %	USD 86,528,786	USD 727,368	(Note)	Sub-subsiadiary
Wisdom Success	Elite View (HK)	HK	Holding company	USD 7,999,600	USD 7,999,600	8,000	61.54 %	USD 26,201,110	(USD 3,071,047)	(Note)	Sub-subsiadiary
Wisdom Success	Bigshine (HK)	HK	Holding company	USD 5,000,000	USD 5,000,000	5,000	62.50 %	USD 10,790,970	(USD 514,115)	(Note)	Sub-subsiadiary
Coretronic (Suzhou)	Coretronic Technology (HK)	HK	Holding company	USD 78,000,000	USD 78,000,000	78,000,000	100.00 %	RMB 540,449,441	RMB 4,906,155	(Note)	Sub-subsiadiary
Coretronic Technology (HK)	Coretronic Technology (BRVT) Company	Vietnam	Research and development, manufacturing and sales of optical components such as backlight module, LCD module, LCD TV and panel display in Vietnam	USD 78,000,000	USD 78,000,000	-	100.00 %	USD 75,270,995	USD 694,165	(Note)	Sub-subsiadiary
Bigshine	Bigshine (HK)	HK	Holding company	USD 3,000,000	USD 3,000,000	3,000	37.50 %	USD 6,474,582	(USD 514,115)	(Note)	Sub-subsiadiary
Lead Bright	Lead Bright (HK)	HK	Holding company	USD 4,700,000	USD 4,700,000	4,700	26.11 %	USD 30,576,081	USD 727,368	(Note)	Sub-subsiadiary
Elite View	Elite View (HK)	HK	Holding company	USD 5,000,400	USD 5,000,400	5,000	38.46 %	USD 16,374,629	(USD 3,071,047)	(Note)	Sub-subsiadiary
Sinolink	Mat Limited	Samoa	Holding company	USD 980,000	USD 980,000	980	100.00 %	USD 44,896,162	USD 999,412	(Note)	Sub-subsiadiary
Tecpoint	Great Pride	Samoa	Holding company	USD 11,800,000	USD 11,800,000	11,800,000	100.00 %	USD 85,176,180	(USD 1,339,322)	(Note)	Sub-subsiadiary
Tecpoint	Core-Flex	Cayman Islands	Holding company	USD 23,260,000	USD 23,260,000	213,260,000	94.36 %	USD 7,275,258	(USD 2,542,525)	(Note)	Sub-subsiadiary
Tecpoint	Nano Display	HK	Holding company	USD 7,800,000	USD 7,800,000	7,800,000	100.00 %	USD 16,013,981	(USD 55,856)	(Note)	Sub-subsiadiary
Great Pride	Great Pride (HK)	HK	Holding company	USD 11,800,000	USD 11,800,000	11,800	100.00 %	USD 85,137,663	(USD 1,339,504)	(Note)	Sub-subsiadiary
Nano Precision (Suzhou)	Nano Precision Taiwan	Hsinchu County, Taiwan	Engaged in the production, R&D, marketing and imports/exports of high-end electronic devices' plastic enclosures, frames, and optical component injection	300,000	300,000	30,000,000	100.00 %	(RMB 16,347,812)	(RMB 10,288,375)	(Note)	Sub-subsiadiary
Chung Tsen Investment	Venture Orient	Samoa	Holding company	USD 5,550,000	USD 5,550,000	5,550	100.00 %	518,657	(28,732)	(Note)	Sub-subsiadiary
Chung Tsen Investment	Young Optics	Hsinchu City, Taiwan	Engaged in the production, marketing and R&D of electronic components and optics	-	9,013	-	0.00%	-	(152,744)	(Note)	Subsidiary
Chung Tsen Investment	Tsen Ming Investment	New Taipei City, Taiwan	Investing company for strategic purposes	102,000	102,000	32,443,180	100.00 %	550,268	154	(Note)	Sub-subsiadiary

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.

ATTACHMENT 6-2 : (Names, locations and related information of investee companies as of September 30, 2023) (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, 2023			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	USD 3,130,000	USD 3,130,000	3,130,000	1.39%	\$3,575	(\$80,770)	(Note)	Sub-subsidiary
Venture Orient	Tecpoint	B.V.I.	Holding company	USD 4,226,399	USD 4,226,399	4,226,399	9.83%	USD 10,692,338	(USD 3,788,268)	(Note)	Subsidiary
Tsen Ming Investment	Core-Flex	Cayman Islands	Holding company	USD 1,718,289	USD 1,718,289	8,170,000	3.61%	7,322	(80,770)	(Note)	Sub-subsidiary
Young Green Energy	Boom Power	B.V.I.	Holding company	USD 1,000,000	USD 1,000,000	10,000	100.00%	125,140	USD 7	(Note)	Sub-subsidiary
Young Lighting Limited	YLG Limited	Samoa	Holding company	USD 3,060,001	USD 3,060,001	6,000,000	100.00%	USD 3,534,352	USD 7,154	(Note)	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%	30,723	2,386	(Note)	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 952,065	USD 77,933	(Note)	Sub-subsidiary
Coretronic Investment Limited	Optoma Holding Limited	U.K.	Holding company	EUR 40,680,793	EUR 40,680,793	32,620,000	96.67%	USD 65,491,815	USD 5,273,757	(Note)	Sub-subsidiary

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

ATTACHMENT 6 -3 : (Names, locations and related information of investee companies as of Septembere 30, 2023) (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 Septembere 30, 2023			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	USD 1,200,000	USD 1,200,000	1,200,000	100.00 %	USD 1,056,441	\$-	(Note a)	Sub-subsiidary
Dynamic Time	Optoma (China & HK) Ltd.	HK	Marketing and after-sales service of Optoma in Hong Kong and the Asia-Pacific region	Note b	USD 309,546	-	-	-	-	(Note a)	Sub-subsiidary
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 23,386,430	EUR 1,546,651	(Note a)	Sub-subsiidary
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 31,536,060	EUR 4,330,367	(Note a)	Sub-subsiidary
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 683,587)	EUR 228,495	(Note a)	Sub-subsiidary
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 2,347,534	EUR 506,539	(Note a)	Sub-subsiidary
Optoma Europe	Optoma France	France	Marketing and after-sales service of Optoma in European region	GBP 67,376	GBP 67,376	-	100.00 %	EUR 1,071,600	(EUR 63,190)	(Note a)	Sub-subsiidary
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 99,734	(EUR 35,103)	(Note a)	Sub-subsiidary
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 418,483	(EUR 68,327)	(Note a)	Sub-subsiidary
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 429,699	(EUR 195,860)	(Note a)	Sub-subsiidary
Young Optics	Masterview	B.V.I.	Holding company	USD 6,000,000	USD 6,000,000	6,000,000	100.00 %	1,561,920	(129,673)	(Note a)	Sub-subsiidary
Young Optics	Rays Optics	Hsinchu County, Taiwan	Manufacturing and selling of optics instruments and electronic components	Note c	298,140	-	-	-	-	(Note a)	Sub-subsiidary
Young Optics	Mejiro Genossen	Japan	Researching, developing, manufacturing and selling of optics machines	JPY 161,200,908	JPY 161,200,908	4,950	99.00 %	45,253	4,693	(Note a)	Sub-subsiidary
Masterview	Best Alpha	Samoa	Holding company	USD 1,000,000	USD 1,000,000	1,000,000	100.00 %	USD 15,686,646	(USD 689,953)	(Note a)	Sub-subsiidary
Masterview	Grace China	Cayman Islands	Holding company	USD 8,156,458	USD 8,156,458	8,156,458	100.00 %	USD 35,504,531	(USD 1,572,021)	(Note a)	Sub-subsiidary
Masterview	Young Optics (BD)	Bengal	Manufacturing of optics components	USD 12,000,000	USD 12,000,000	10,089,436	80.00 %	(USD 2,817,426)	(USD 2,438,993)	(Note a)	Sub-subsiidary
Grace China	Young Optics (BD)	Bengal	Manufacturing of optics components	USD 3,000,000	USD 3,000,000	2,479,960	20.00 %	(USD 704,356)	(USD 2,438,993)	(Note a)	Sub-subsiidary

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

Note b : Optoma (China & HK) Ltd. Has disregistered in August 2023.

Note c : Young Optics absorbed its subsidiary, Rays Optics, on September 8, 2023.

ATTACHMENT 7 : (Investment in Mainland China as of September 30, 2023)
(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, 2023	Investment flows		Accumulated outflow of investment from Taiwan as of September 30, 2023	Net income (loss) of investee company	Percentage of ownership	Investment income (loss) recognized	Carrying value as of September 30, 2023	Accumulated inward remittance of earnings as of September 30, 2023
					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)	\$281,083	100.00%	\$281,083	\$7,226,816	\$ 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)	1,960	100.00%	1,960	33,248	-
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	1,929	100.00%	1,929	53,755	-
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))	-	-	-	-	51,174	100.00%	51,174	850,313	-
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)	30,766	100.00%	30,766	1,439,459	-
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)	29,344	100.00%	29,344	4,596,408	-
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)	-	-	-	-	93,929	100.00%	93,929	287,093	-
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)	-	-	-	-	208,074	100.00%	208,074	1,713,270	-
Coretronic (Shanghai)	Research and development, manufacturing backlight module and related components, sales of the company's own products and provide after-sales maintenance services	257,829 (USD 8,000,000)	Indirect investment from the third region (Bigshine HK)	95,254 (USD 3,000,000)	-	-	95,254 (USD 3,000,000)	(16,412)	100.00%	(16,412)	210,064	81,790 (USD 2,800,000) (Note a, Note d and Note j)
Coretronic Display (Suzhou)	Research and development, manufacturing panel modules and related components of the business, sales of the company's own products and provide related after-sales maintenance services	1,547,564 (RMB 378,278,700)	Indirect investment from the Mainland China subsidiary (Coretronic Optics (Suzhou))	88,972 (USD 2,967,283)	-	-	88,972 (USD 2,967,283)	(17,153)	100.00%	(17,153)	1,051,800	-
Coretronic (Ningbo)	Research and development, manufacturing backlight module and related components, sales of the company's own products and provide after-sales maintenance services	650,050 (USD 20,000,000)	Indirect investment from the third region (Lead Bright HK)	151,490 (USD 4,700,000)	-	-	151,490 (USD 4,700,000)	22,008	100.00%	22,008	3,778,791	139,650 (USD 4,619,805) (Note a and Note j)
Young Bright Optical (Suzhou)	Research and development, processing, manufacturing backlight optical film products	Note 1	Indirect investment from the third region (Core-Flex)	759,827 (USD 23,260,000)	-	-	759,827 (USD 23,260,000)	575	Note 1	575	Note 1	-
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)	(41,331)	100.00%	(41,331)	2,625,204	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)	29,020 (USD 1,000,000)	-	-	29,020 (USD 1,000,000)	(95,037)	100.00%	(95,037)	1,373,903	-
Nano Display (Guangzhou)	Research and development, processing, manufacture of liquid crystal display light guide plate, sales of the company's products and provide related services	238,740 (RMB 52,248,060)	Indirect investment from the Mainland China subsidiary (Coretronic (Guangzhou))	9,820 (USD 308,797)	-	-	9,820 (USD 308,797)	(15,600)	100.00%	(15,600)	238,648	-
YLG Optotech	Research and development, processing, manufacturing display components, sales of the company's products and provide related services	RMB 39,062,950	Indirect investment from the Mainland China subsidiary (Coretronic (Guangzhou))	USD 3,060,000	-	-	USD 3,060,000	15,951	100.00%	15,951	126,921	-
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	2,386	100.00%	2,386	30,723	-
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	8,541	96.67%	8,257	89,516	-
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))	-	-	-	-	(6,249)	100.00%	(6,249)	48,326	-

Accumulated investment in Mainland China as of September 30, 2023 (Note a, b) \$2,433,349 (USD 77,191,338)	Investment amounts authorized by Investment Commission, MOEA (Note b, Note j) \$2,149,269 (USD 77,191,338)	Upper limit on investment \$14,376,088
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Note a : To use historical currency rates.

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

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

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

Note e : Teptoint received USD 2,795,270 in 2019 from Nano Precision (Suzhou), which was from the liquidation of Nano Precision (Nanjing) in 2006. Teptoint 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) has deregistered in August 2023. As of September 30, cancellation for related investment in MOEA is in progress.

Note m : To use the currency rate 1 USD =32.27 NTD as of September 30, 2023.

ATTACHMENT 7-1 (Investment in Mainland China as of September 30, 2023)
(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, 2023	Investment flows		Accumulated outflow of investment from Taiwan as of September 30, 2023	Net income (loss) of investee company	Percentage of ownership	Investment income (loss) recognized (Note a)	Carrying value as of September 30, 2023 (Note a)	Accumulated inward remittance of earnings as of September 30, 2023
					Outflow	Inflow						
Young Optics (Kunshan)	Researching and developing, manufacturing of optics engine and related optics electronic equipment	\$440,619 (USD 12,200,000) (Note d, e 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)	\$(50,687) (-USD 1,657,756)	100.00%	\$(50,687) (-USD 1,657,756)	\$935,489 (USD 28,989,436)	\$74,505 (USD 2,457,289) (Note b and Note j--Note k)
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)	(8,628) (-USD 282,729)	100.00%	(8,628) (-USD 282,729)	242,369 (USD 7,510,662)	1,328,957 (USD 31,295,415 and RMB 80,635,502) (Note b, Note f--Note i and Note l)

Accumulated investment in Mainland China as of September 30, 2023 (Note b)	Investment amounts authorized by Investment Commission, MOEA (Note b)	Upper limit on investment
\$198,401 (USD 6,000,000)	\$233,101 (USD 7,020,000)	Note c

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

Note b : To use historical currency rates.

Note c : Young Optics Company has obtained the certificate of being qualified for operating headquarters issued by Industrial Development Bureau, MOEA in June 2018; therefore the upper limit on investment in mainland China pursuant to "Principle of Investment or Technical Cooperation in Mainland China" is not applicable.

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

Note e : 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 f : 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 g : 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 h : 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 i : 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 j : 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 k : 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 l : 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 m : Young Optic (Kunshan) conducted capital reduction amounting to USD10,000,000 in December 2020.

ATTACHMENT 8 (Financial instrument and derivative transaction as of September 30, 2023)

(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, 2023 to December, 2023	USD 556,500,000	(205,004)	(205,004)	Note b
Coretronic Corporation	Financial assets (liabilities) at fair value through profit or loss - current	Forward foreign exchange contract	Buying USD	From October, 2023 to July, 2024	USD 578,000,000	765,467	765,467	Note b
Coretronic Projection (Kunshan)	Financial assets (liabilities) at fair value through profit or loss - current	Forward foreign exchange contract	Selling USD	October, 2023	USD 6,000,000	581	581	Note d
Coretronic Optotech (Suzhou)	Financial assets (liabilities) at fair value through profit or loss - current	Forward foreign exchange contract	Selling USD	October, 2023	USD 12,000,000	(4,711)	(4,711)	Note f
Coretronic Optics (Suzhou)	Financial assets (liabilities) at fair value through profit or loss - current	Forward foreign exchange contract	Selling USD	October, 2023	USD 22,000,000	(4,365)	(4,365)	Note g
Young Optics (Kunshan)	Financial assets (liabilities) at fair value through profit or loss - current	Forward foreign exchange contract	Selling USD	October, 2023	USD 1,000,000	(1,009)	(1,009)	Note h
Optoma Europe	Financial assets (liabilities) at fair value through profit or loss - current	Forward foreign exchange contract	Selling EUR	From October, 2023 to November, 2023	USD 9,000,000	6,022	6,022	Note i
Optoma Europe	Financial assets (liabilities) at fair value through profit or loss - current	Forward foreign exchange contract	Selling EUR	November, 2023	USD 3,500,000	(234)	(234)	Note i
Optoma USA	Financial assets (liabilities) at fair value through profit or loss - current	Forward foreign exchange contract	Selling CAD	From October, 2023 to November, 2023	CAD 500,000	(98)	(98)	Note j

Note a : Coretronic Investment Limited entered into forward foreign exchange contracts and realized a profit amounting to NT\$12,928 thousands for the nine months ended September 30, 2023.

Note b : Coretronic Corporation entered into forward foreign exchange contracts and realized a loss amounting to NT\$199,258 thousands for the nine months ended September 30, 2023.

Note c : Champ Vision Display entered into forward foreign exchange contracts and realized a profit amounting to NT\$437 thousands for the nine months ended September 30, 2023.

Note d : Coretronic Projection (Kunshan) entered into forward foreign exchange contracts and realized a loss amounting to NT\$18,812 thousands for the nine months ended September 30, 2023.

Note e : Coretronic Display (Suzhou) entered into forward foreign exchange contracts and realized a profit amounting to NT\$5,959 thousands for the nine months ended September 30, 2023.

Note f : Coretronic Optotech (Suzhou) entered into forward foreign exchange contract and realized a loss amounting to NT\$51,495 thousands for the nine months ended September 30, 2023.

Note g : Coretronic Optics (Suzhou) entered into forward foreign exchange contracts and realized a loss amounting to NT\$53,826 thousands for the nine months ended September 30, 2023.

Note h : Young Optics (Kunshan) entered into forward foreign exchange contracts and realized a loss amounting to NT\$11,949 thousands for the nine months ended September 30, 2023.

Note i : Optoma Europe entered into forward foreign exchange contracts and realized a loss amounting to NT\$22,939 thousands for the nine months ended September 30, 2023.

Note j : Optoma USA entered into forward foreign exchange contracts and realized a loss amounting to NT\$606 thousands for the nine months ended September 30, 2023.

Note k : Nano Precision (Suzhou) entered into forward foreign exchange contracts and realized a loss amounting to NT\$7,330 thousands for the nine months ended September 30, 2023.

ATTACHMENT 9 (The information of Major shareholder as of September 30, 2023)

Shares Name	Number of shares (Units/shares)	Percentage of ownership (%)
Taiwei Advanced Technology Co., Ltd.	43,059,196	11.01%
Yann Yuan Investment Co., Ltd.	32,825,000	8.39%
Fuh Hwa Taiwan Technology Dividend Highlight ETF (custodian institution: Taipei Fubon Bank)	24,066,000	6.15%

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, 2023.)
(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, 2023	
					Units / shares	Amount	Units / shares	Amount	Units / shares	Selling Price	Carrying amount	Gain (Loss) from disposal (Note a)	Units / shares	Amount
Young Optics (Kunshan)	Structured Deposits	Financial assets measured at amortized cost-current	Kunshan Rural Commercial bank	-	-	\$ -	-	RMB 90,000,000	-	\$ -	RMB 90,000,000	RMB 591,048	-	\$ -
Young Optics (Kunshan)	Structured Deposits	Financial assets measured at amortized cost-current	China CITIC Bank	-	-	-	-	RMB 130,000,000	-	-	RMB 130,000,000	RMB 792,480	-	-
Young Optics (Suzhou)	Structured Deposits	Financial assets measured at amortized cost-current	Kunshan Rural Commercial bank	-	-	-	-	RMB 65,000,000	-	-	RMB 65,000,000	RMB 434,557	-	-
Young Optics (Suzhou)	Structured Deposits	Financial assets measured at amortized cost-current	China CITIC Bank	-	-	-	-	RMB 40,000,000	-	-	RMB 40,000,000	RMB 254,939	-	-

Note a : To be recognized in interest income.