

**FIT HOLDING CO., LTD. AND SUBSIDIARIES
CONSOLIDATED FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS' REVIEW REPORT
SEPTEMBER 30, 2023 AND 2022**

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

FIT HOLDING CO., LTD.
SEPTEMBER 30, 2023 AND 2022 CONSOLIDATED FINANCIAL STATE-
MENTS AND INDEPENDENT AUDITORS' REVIEW REPORT
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INDEPENDENT AUDITORS' REVIEW REPORT TRANSLATED FROM CHINESE

PWCR 23002198

To the Board of Directors and Shareholders of FIT Holding Co., Ltd.

Introduction

We have reviewed the accompanying consolidated balance sheets of FIT Holding Co., Ltd. and subsidiaries (the "Group") as at September 30, 2023 and 2022, and the related consolidated statements of comprehensive income for the three months and nine months then ended, as well as the consolidated statement of changes in equity and of cash flows for the nine months then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies. 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 by the Financial Supervisory Commission. Our responsibility is to express a conclusion on these consolidated financial statements based on our reviews.

Scope of review

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

Basis for qualified conclusion

As explained in Note 4(3), the financial statements of certain insignificant consolidated subsidiaries and information disclosed in Note 13 were not reviewed by independent auditors. Those statements reflect total assets of NT\$7,290,811 thousand and NT\$5,878,279 thousand, constituting 20% and 19% of the consolidated total assets, and total liabilities of NT\$2,154,172 thousand and NT\$719,512 thousand, constituting 10% and 5% of the consolidated total liabilities as at September 30, 2023 and 2022, and total comprehensive income of NT\$15,929 thousand, NT\$84,773 thousand, NT\$46,078 thousand and NT\$121,499 thousand, constituting 4%, 25%, 9% and 27% of the consolidated total comprehensive (loss) income for the three months and nine months then ended. As explained in Note 6(8), certain investments accounted for using equity method were assessed and shares of profit or loss of associates and joint ventures accounted for using equity method as of September 30, 2023 and 2022 were disclosed based on the financial statements which were not reviewed by independent auditors. The balance of investment accounted for under equity method was NT\$2,043,312 thousand and NT\$1,041,874 thousand, constituting 6% and 3% of consolidated total assets as of September 30, 2023 and 2022, respectively, and the share of profit of associates and joint venture accounted for under equity method was NT\$13,501 thousand, NT\$10,522 thousand, NT\$14,166 thousand and NT\$30,711 thousand, constituting 3%, 3%, 3% and 7% of consolidated total comprehensive (loss) income for the three months and nine months then ended, respectively.

Qualified conclusion

Except for the adjustments to the consolidated financial statements, if any, as might have been determined to be necessary had the financial statements of certain insignificant consolidated subsidiaries and investments accounted for using the equity method been reviewed by independent auditors, that we might have become aware of had it not been for the situation described above, based on our reviews, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Group as at September 30, 2023 and 2022, and of its consolidated financial performance and its consolidated cash flows for the three months and nine months then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, “Interim Financial Reporting” as endorsed by the Financial Supervisory Commission.

Zhou, Hsiao-Zi Liang Yi Chang
For and on behalf of PricewaterhouseCoopers, Taiwan
November 10, 2023

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

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

FIT HOLDING CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
SEPTEMBER 30, 2023, DECEMBER 31, 2022 AND SEPTEMBER 30, 2022

(Expressed in thousands of New Taiwan dollars)
(The balance sheets as of September 30, 2023 and 2022 are reviewed, not audited)

The balance sheets as of September 30, 2023 and 2022 are reviewed, not audited.								
Assets		Notes	September 30,2023		December 31,2022		September 30,2022	
			AMOUNT	%	AMOUNT	%	AMOUNT	%
Current assets								
1100	Cash and cash equivalents	6(1)	\$ 4,778,915	13	\$ 5,732,695	18	\$ 6,080,476	20
1136	Current financial assets at	6(4)&8						
	amortised cost		2,893,808	8	2,906,275	9	3,265,265	11
1140	Current contract assets	6(23)	6,092,541	16	2,716,125	8	1,351,206	5
1150	Notes receivable,net	6(5)	38,575	-	34,952	-	5,996	-
1170	Accounts receivable,net	6(5)	1,170,883	3	1,175,308	4	1,822,516	6
1180	Accounts receivable-related parties	7	33,629	-	40,899	-	108,734	-
1200	Other receivables	7	47,596	-	42,464	-	67,973	-
1220	Current tax assets		35,591	-	41,363	-	2,378	-
130X	Inventories	6(6)	1,259,780	3	1,305,042	4	1,511,894	5
1410	Prepayments	6(7)	6,140,221	17	5,078,416	16	4,983,287	17
1470	Other current assets	8	1,014,571	3	1,018,679	3	1,025,814	3
11XX	Current assets		23,506,110	63	20,092,218	62	20,225,539	67
Non-current assets								
1517	Non-current financial assets at fair value	6(3)						
	through other comprehensive income		2,943,573	8	1,904,369	6	1,846,855	6
1535	Non-current financial assets at	6(4)and 8						
	amortised cost		406,627	1	393,288	1	46,891	-
1550	Investments accounted for un-	6(8)						
	der equity method		2,043,312	6	2,033,895	6	1,041,874	3
1600	Property, plant and equipment	6(9)and 8	3,746,580	10	3,651,644	11	3,588,178	12
1755	Right-of-use assets	6(10)and 7	541,729	1	520,496	2	530,723	2
1760	Investment property, net	6(12)and 8	385,496	1	392,454	1	394,776	1
1780	Intangible assets	6(13) and (32)	1,244,838	3	1,258,124	4	1,281,069	4
1840	Deferred income tax assets	6(29)	235,708	1	206,839	1	225,428	1
1915	Prepayments for business facilities		1,925,898	5	1,560,221	5	906,058	3
1990	Other non-current assets, others	6(14)and 8	388,295	1	375,454	1	166,344	1
15XX	Non-current assets		13,862,056	37	12,296,784	38	10,028,196	33
1XXX	Total assets		\$ 37,368,166	100	\$ 32,389,002	100	\$ 30,253,735	100

(Continued)

FIT HOLDING CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
SEPTEMBER 30, 2023, DECEMBER 31, 2022 AND SEPTEMBER 30, 2022
(The balance sheets as of September 30, 2023 and 2022 are reviewed, not audited)

(The balance sheets as of September 30, 2023 and 2022 are reviewed, not audited)								
LIABILITIES AND EQUITY		Notes	September 30,2023		December 31,2022		September 30,2022	
			AMOUNT	%	AMOUNT	%	AMOUNT	%
CURRENT LIABILITIES								
2100	Short-term borrowings	6(15)	\$ 9,730,686	26	\$ 7,035,719	22	\$ 6,843,719	23
2110	Short-term notes and bills payable	6(16)	3,363,950	9	1,789,159	6	572,700	2
2130	Current contract liabilities	6(23)	326,590	1	390,739	1	384,978	1
2150	Notes payable		28	-	656	-	171	-
2170	Accounts payable		1,632,487	4	1,414,445	4	1,477,744	5
2180	Accounts payable - related parties	7	9,866	-	2,573	-	30,838	-
2200	Other payables	6(17)	755,029	2	799,765	3	774,878	3
2220	Other payables - related parties	7	16,307	-	32,160	-	30,128	-
2230	Current income tax liabilities		119,953	-	66,500	-	76,598	-
2280	Current lease liabilities	7	71,502	-	57,848	-	55,771	-
2320	Long-term liabilities, current portion	6(18)	88,246	-	689,541	2	824,224	3
2399	Other current liabilities, others		163,011	1	128,048	1	150,821	-
21XX	Total current Liabilities		16,277,655	43	12,407,153	39	11,222,570	37
Non-current liabilities								
2540	Long-term borrowings	6(18)	5,661,103	15	4,708,173	14	3,651,898	12
2570	Deferred income tax liabilities	6(29)	322,799	1	282,365	1	309,802	1
2580	Non-current lease liabilities	7	249,104	1	234,480	1	242,703	1
2600	Other non-current liabilities		55,336	-	51,414	-	48,438	-
25XX	Total Non-current liabilities		6,288,342	17	5,276,432	16	4,252,841	14
2XXX	Total liabilities		22,565,997	60	17,683,585	55	15,475,411	51
Equity ATTRIBUTABLE TO SHAREHOLDERS OF THE PARENT								
	Share capital	6(20)						
3110	Share capital - common stock		2,462,421	7	2,462,421	7	2,462,421	8
	Capital surplus	6(21)						
3200	Capital surplus		4,843,452	13	4,841,997	15	4,841,462	16
	Retained earnings	6(22)						
3310	Legal reserve		105,157	-	51,068	-	51,068	-
3320	Special reserve		299,035	1	229,129	1	229,129	1
3350	Unappropriated retained earnings		376,352	1	582,744	2	480,128	2
	Other equity interest							
3400	Other equity interest		(253,813)	(1)	(290,673)	(1)	(286,455)	(1)
31XX	Equity attributable to owners of the parent		7,832,604	21	7,876,686	24	7,777,753	26
36XX	Non-controlling interest		6,969,565	19	6,828,731	21	7,000,571	23
3XXX	Total equity		14,802,169	40	14,705,417	45	14,778,324	49
	Significant contingent liabilities and unrecognised contract commitments	9						
	Significant events after the balance sheet date	11						
3X2X	Total liabilities and equity		\$ 37,368,166	100	\$ 32,389,002	100	\$ 30,253,735	100

FIT HOLDING CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
THREE MONTHS AND NINE MONTHS ENDED SEPTEMBER 30, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars, except earnings per share)
(UNAUDITED)

Items	Note	Three months ended September 30				Nine months ended September 30			
		2023		2022		2023		2022	
		Amount	%	Amount	%	Amount	%	Amount	%
4000 Sales revenue	6(23)and 7	\$ 4,213,472	100	\$ 2,506,468	100	\$ 10,248,619	100	\$ 8,200,280	100
5000 Operating costs	6(6)(28)and7	(3,607,121)	(86)	(2,027,706)	(81)	(8,882,898)	(87)	(6,843,626)	(84)
5900 Gross profit		<u>606,351</u>	<u>14</u>	<u>478,762</u>	<u>19</u>	<u>1,365,721</u>	<u>13</u>	<u>1,356,654</u>	<u>16</u>
Operating expenses	6(28)								
6100 Selling expenses		(46,001)	(1)	(51,033)	(2)	(126,005)	(1)	(145,291)	(2)
6200 General and administrative expenses		(210,842)	(5)	(182,903)	(7)	(589,525)	(6)	(541,395)	(6)
6300 Research and development expenses		(83,832)	(2)	(102,862)	(4)	(208,791)	(2)	(305,478)	(4)
6450 Expect credit loss	12(2)	<u>229</u>	<u>-</u>	<u>25</u>	<u>-</u>	<u>1,106</u>	<u>-</u>	<u>(1,754)</u>	<u>-</u>
6000 Total operating expenses		<u>(340,446)</u>	<u>(8)</u>	<u>(336,773)</u>	<u>(13)</u>	<u>(923,215)</u>	<u>(9)</u>	<u>(993,918)</u>	<u>(12)</u>
6900 Operating profit (loss)		<u>265,905</u>	<u>6</u>	<u>141,989</u>	<u>6</u>	<u>442,506</u>	<u>4</u>	<u>362,736</u>	<u>4</u>
Non-operating income and expenses									
7100 Interest income	6(4)(24)	26,478	1	20,032	1	75,298	1	36,343	1
7010 Other income	6(12)(25)and7	112,121	3	64,668	2	165,873	1	136,210	2
7020 Other gains and losses	6(2)(26)	40,115	1	97,483	4	5,004	-	193,258	2
7050 Finance costs	6(10)(27)and 7	(48,949)	(1)	(34,233)	(1)	(136,936)	(1)	(91,636)	(1)
7060 Share of profit of associates and joint ventures accounted for using equity method	6(8)	<u>13,501</u>	<u>-</u>	<u>10,522</u>	<u>-</u>	<u>14,166</u>	<u>-</u>	<u>30,711</u>	<u>-</u>
7000 Total non-operating income and expenses		<u>143,266</u>	<u>4</u>	<u>158,472</u>	<u>6</u>	<u>123,405</u>	<u>1</u>	<u>304,886</u>	<u>4</u>
7900 Profit before income tax		<u>409,171</u>	<u>10</u>	<u>300,461</u>	<u>12</u>	<u>565,911</u>	<u>5</u>	<u>667,622</u>	<u>8</u>
7950 Income tax expense	6(29)	(68,770)	(2)	(63,945)	(2)	(141,580)	(1)	(157,818)	(2)
8200 Profit for the year		<u>\$ 340,401</u>	<u>8</u>	<u>\$ 236,516</u>	<u>10</u>	<u>\$ 424,331</u>	<u>4</u>	<u>\$ 509,804</u>	<u>6</u>

(Continued)

FIT HOLDING CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
THREE MONTHS AND NINE MONTHS ENDED SEPTEMBER 30, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars, except earnings per share)
(UNAUDITED)

		(CONTINUED)								
		Three months ended September 30				Nine months ended September 30				
Items		Note	2023		2022		2023		2022	
			Amount	%	Amount	%	Amount	%	Amount	%
Components of other comprehensive income that will not be reclassified to profit or loss										
8316	Unrealised gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	6(3)	(\$ 73,333)	(1)	\$ 23,377	1	(\$ 49,091)	-	(\$ 253,868)	(3)
8310	Components of other comprehensive income that will not be reclassified to profit or loss		(73,333)	(1)	23,377	1	(49,091)	-	(253,868)	(3)
Components of other comprehensive income that will be reclassified to profit or loss										
8361	Financial statements translation differences of foreign operations		157,991	4	101,861	4	126,971	1	235,440	3
8399	Income tax relating to the components of other comprehensive income	6(29)	(24,890)	(1)	(20,311)	(1)	(15,274)	-	(46,946)	(1)
8360	Components of other comprehensive income that will be reclassified to profit or loss		133,101	3	81,550	3	111,697	1	188,494	2
8300	Other comprehensive (loss) income for the year		<u>\$ 59,768</u>	<u>2</u>	<u>\$ 104,927</u>	<u>4</u>	<u>\$ 62,606</u>	<u>1</u>	<u>(\$ 65,374)</u>	<u>(1)</u>
8500	Total comprehensive income for the year		<u>\$ 400,169</u>	<u>10</u>	<u>\$ 341,443</u>	<u>14</u>	<u>\$ 486,937</u>	<u>5</u>	<u>\$ 444,430</u>	<u>5</u>
Profit attributable to:										
8610	Owners of the parent		\$ 277,442	7	\$ 210,839	9	\$ 287,740	3	\$ 438,274	5
8620	Non-controlling interest		62,959	1	25,677	1	136,591	1	71,530	1
	Total		<u>\$ 340,401</u>	<u>8</u>	<u>\$ 236,516</u>	<u>10</u>	<u>\$ 424,331</u>	<u>4</u>	<u>\$ 509,804</u>	<u>6</u>
Comprehensive (loss) income attributable to:										
8710	Owners of the parent		\$ 318,074	8	\$ 315,663	13	\$ 323,826	3	\$ 372,587	4
8720	Non-controlling interest		82,095	2	25,780	1	163,111	2	71,843	1
	Total		<u>\$ 400,169</u>	<u>10</u>	<u>\$ 341,443</u>	<u>14</u>	<u>\$ 486,937</u>	<u>5</u>	<u>\$ 444,430</u>	<u>5</u>
Earnings per share										
9750	Basic earnings per share (in dollars)	6(30)	<u>\$ 1.13</u>		<u>\$ 0.86</u>		<u>\$ 1.17</u>		<u>\$ 1.78</u>	
9850	Diluted earnings per share (in dollars)		<u>\$ 1.12</u>		<u>\$ 0.85</u>		<u>\$ 1.17</u>		<u>\$ 1.77</u>	

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

FIT HOLDING CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
NINE MONTHS ENDED SEPTEMBER 30, 2023 AND 2022

(Expressed in thousands of New Taiwan dollars)

(UNAUDITED)

Equity attributable to owners of the parent

	Notes	Retained Earnings				Other equity interest			Non-controlling interest	Total equity	
		Share capital - common stock	Capital surplus, additional paid-in capital	Legal reserve	Special reserve	Unappropriated retained earnings (accumulated deficit)	Financial statements translation differences of foreign operations	Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income			Total
<u>Nine months ended September 30, 2022</u>											
Balance at January 1, 2022		\$ 2,462,421	\$ 4,890,319	\$ 8,985	\$ 8,361	\$ 427,826	(\$ 303,305)	\$ 82,537	\$ 7,577,144	\$ 4,413,374	\$ 11,990,518
Net income for the period		-	-	-	-	438,274	-	-	438,274	71,530	509,804
Other comprehensive income (loss)		-	-	-	-	-	188,181	(253,868)	(65,687)	313	(65,374)
Total comprehensive income (loss)		-	-	-	-	438,274	188,181	(253,868)	372,587	71,843	444,430
Adjustments to share of changes in equity of associates and joint ventures accounted for using the equity method		-	1,592	-	-	-	-	-	1,592	-	1,592
Cash dividends paid by additional paid-in capital 6(21)		-	(246,242)	-	-	-	-	-	(246,242)	-	(246,242)
Legal reserve 6(22)		-	-	42,083	-	(42,083)	-	-	-	-	-
Special reserve 6(22)		-	-	-	220,768	(220,768)	-	-	-	-	-
Cash dividends to shareholders 6(22)		-	-	-	-	(123,121)	-	-	(123,121)	-	(123,121)
Changes in non-controlling interest		-	194,140	-	-	-	-	-	194,140	2,512,898	2,707,038
Compensation costs		-	1,653	-	-	-	-	-	1,653	2,456	4,109
Balance at September 30, 2022		\$ 2,462,421	\$ 4,841,462	\$ 51,068	\$ 229,129	\$ 480,128	(\$ 115,124)	(\$ 171,331)	\$ 7,777,753	\$ 7,000,571	\$ 14,778,324
<u>Nine months ended September 30, 2023</u>											
Balance at January 1, 2023		\$ 2,462,421	\$ 4,841,997	\$ 51,068	\$ 229,129	\$ 582,744	(\$ 177,959)	(\$ 112,714)	\$ 7,876,686	\$ 6,828,731	\$ 14,705,417
Net income for the period		-	-	-	-	287,740	-	-	287,740	136,591	424,331
Other comprehensive income (loss)		-	-	-	-	-	85,177	(49,091)	36,086	26,520	62,606
Total comprehensive income (loss)		-	-	-	-	287,740	85,177	(49,091)	323,826	163,111	486,937
Adjustments to share of changes in equity of associates and joint ventures accounted for using the equity method		-	124,598	-	-	-	-	-	124,598	-	124,598
Cash dividends paid by additional paid-in capital 6(21)		-	(123,121)	-	-	-	-	-	(123,121)	-	(123,121)
Legal reserve 6(22)		-	-	54,089	-	(54,089)	-	-	-	-	-
Special reserve 6(22)		-	-	-	69,906	(69,906)	-	-	-	-	-
Cash dividends to shareholders 6(22)		-	-	-	-	(369,363)	-	-	(369,363)	-	(369,363)
Changes in non-controlling interest 6(31)		-	(22)	-	-	-	-	-	(22)	(22,277)	(22,299)
Disposal of equity investments at fair value through other comprehensive income 6(3)		-	-	-	-	(774)	-	774	-	-	-
Balance at September 30, 2023		\$ 2,462,421	\$ 4,843,452	\$ 105,157	\$ 299,035	\$ 376,352	(\$ 92,782)	(\$ 161,031)	\$ 7,832,604	\$ 6,969,565	\$ 14,802,169

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

FIT HOLDING CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
NINE MONTHS ENDED SEPTEMBER 30, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)
(UNAUDITED)

	Notes	Nine months ended September 30	
		2023	2022
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Profit before tax		\$ 565,911	\$ 667,622
Adjustments			
Adjustments to reconcile profit (loss)			
Expected credit loss (rising profits)	12(2)	(1,106)	1,754
Depreciation (including investment property and right-of-use assets)	6(9)(10)(12)(26) and(28)	297,564	294,256
Amortisation	6(13) (28)	57,755	13,337
Gains on disposal of property, plant and equipment	6(9)(26)	(2,223)	(2,195)
Dividend income	6(25)	(90,410)	(44,690)
Share of profit of associates and joint ventures accounted for using the equity method		(14,166)	(30,711)
Interest expense	6(27)	136,936	91,636
Interest income	6(24)	(75,298)	(36,343)
Compensation costs		-	4,109
Deferred government grants revenue recognised	6(26)	(3,900)	(4,654)
Profit from lease modification	6(10)	(157)	-
Changes in operating assets and liabilities			
Changes in operating asset			
Current contract assets		(3,376,416)	1,865,247
Notes receivable, net		(3,623)	(1,737)
Accounts receivable		5,531	(678,403)
Accounts receivable - related parties		7,270	(57,187)
Other receivables		(7,786)	(12,982)
Inventories		45,262	(152,845)
Prepayments		(1,061,805)	(2,365,502)
Other current assets		3,731	13,484
Changes in operating liabilities			
Contract liabilities - current		(64,149)	1,096
Notes payable		(628)	21
Accounts payable		218,042	(1,255,122)
Accounts payable to related parties		7,293	25,521
Other payables		(65,020)	14,181
Other payables to related parties		(15,853)	259
Other current liabilities		34,963	(11,824)
Cash outflow generated from operations		(3,402,282)	(1,661,672)
Interest received		77,952	36,109
Interest paid		(136,296)	(83,172)
Dividend received		90,410	44,690
Income tax paid		(101,291)	(230,350)
Net cash flows (used in) from operating activities		(3,471,507)	(1,894,395)

(continued)

FIT HOLDING CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
NINE MONTHS ENDED SEPTEMBER 30, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)
(UNAUDITED)

		Nine months ended September 30	
Notes		2023	2022
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Increase in financial assets at amortised cost		(\$ 872)	(\$ 1,196,078)
Acquisition of financial assets at fair value	6(3)		
through other comprehensive income		(918,233)	-
Acquisition of investments accounted for using the equity method		-	(120,000)
Acquisition of subsidiaries and assets of other companies (net of cash acquired)	6(32)	-	(199,214)
Acquisition of property,plant and equipment	6(9)(33)	(263,959)	(240,471)
Proceeds from disposal of property,plant and equipment	6(9)	5,311	3,673
Acquisition of intangible assets	6(13)	(5,089)	(8,809)
Increase in prepayments for business facilities		(412,067)	(749,045)
Increase in refundable deposits		(12,076)	(1,026,922)
Decrease (Iincrease) in other non-current assets		(388)	2,743
Net cash flows from (used in) investing activities		(1,607,373)	(3,534,123)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Increase in short-term borrowings	6(34)	21,613,562	25,725,547
Decrease in short-term borrowings	6(34)	(18,918,595)	(21,967,828)
Increase (decrease) in short-term notes payable	6(34)	1,574,791	(1,023,822)
Increase in long-term borrowings	6(34)	8,668,940	9,062,000
Decrease in long-term borrowings	6(34)	(8,317,305)	(7,663,745)
Repayment of lease liabilities	6(34)	(76,863)	(62,269)
Decrease in guarantee deposits received		7,516	122
Decrease in other non-current liabilities		306	853
Cash dividends paid	6(22)	(369,363)	(123,121)
Cash dividend paid by additional paid-in capital	6(21)	(123,121)	(246,242)
Subsidiary’s cash dividends paid		(56,599)	(102,908)
Changes in non-controlling interest	6(31)	34,300	2,809,946
Net cash flows (used in) from financing activities		4,037,569	6,408,533
Changes in foreign currency exchange		87,531	132,115
Net increase(decrease) in cash and cash equivalents		(953,780)	1,112,130
Cash and cash equivalents at beginning of period		5,732,695	4,968,346
Cash and cash equivalents at end of period		\$ 4,778,915	\$ 6,080,476

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

FIT HOLDING CO., LTD. AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
NINE MONTHS ENDED SEPTEMBER 30, 2023 AND 2022

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

1. History and organization

A. FIT Holding Co., Ltd. (the “Company”) and its subsidiaries (collectively referred herein as the “Group”) were incorporated as a company limited by shares under the provisions of the Company Act of the Republic of China (R.O.C.) on October 1, 2018. The Group is primarily engaged in production, manufacturing and trading of optical instrument components, computer peripheral components, 3C products, image scanners and multifunction printers, investment and development of power plant and cleaning energy services.

B. The Company’s subsidiaries, Glory Science Co., Ltd. (Glory Science), Power Quotient International Co., Ltd. (PQI) and Foxlink Image Technology Co., Ltd. (Foxlink Image) entered into a joint share swap agreement as approved by each of their Board of Directors in May 2018. The Company acquired 100% shares of Glory Science, PQI and Foxlink Image through a share swap by exchanging 1 common share of PQI with 0.194 common share of the Company, 1 common share of Foxlink Image with 0.529 common share of the Company and 1 common share of Glory Science with 1 common share of the Company. The agreement was approved by the shareholders of Glory Science, PQI and Foxlink Image in June 2018, respectively. The transactions of joint shares swap were completed on October 1, 2018. The Company’s shares were listed on the Taiwan Stock Exchange (TSE) and approved by the regulatory authority on the same date. Cheng Uei Precision Industry Co., Ltd. is the ultimate parent company of the Company.

2. The Date of Authorization for Issuance of the Financial Statements and Procedures for Authorisation

These consolidated financial statements were authorized for issuance by the Board of Directors on November 10, 2023.

3. Application of New Standards, Amendments and Interpretations

(1) Effect of the adoption of new issuances of or amendments to International Financial Reporting Standards (“IFRS”) that came into effects as endorsed by the Financial Supervisory Commission (“FSC”)

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

<u>New Standards, Interpretations and Amendments</u>	<u>Effective date by International Accounting Standards Board</u>
Amendments to IAS 1 "Disclosure of Accounting Policies"	January 1, 2023
Amendments to IAS 8 "Definition of Accounting Estimates"	January 1, 2023
Amendments to IAS 12 "Deferred income tax relating to assets and liabilities arising from a single transaction"	January 1, 2023
Amendments to IAS 12 "International Tax Reform-Pillar Two Model Rules"	May 23, 2023

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

(2) The effect of new issuances of or amendments to IFRSs as endorsed by the FSC but not yet adopted by the Group:

The following table summarizes the newly issued, revised and revised standards and interpretations of the International Financial Reporting Standards approved by the FSC since 2024:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IFRS 16, 'Lease Liability in a Sale and Leaseback '	January 1, 2024
Amendments to IAS 1.'Classification of liabilities as current or non Current'	January 1, 2024
Amendments to IAS 1.'Non-current liabilities with covenants'	January 1, 2024
Amendments to IAS 7 and IFRS 7 'Supplier Finance Arrangements'	January 1, 2024

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

(3) IFRSs issued by IASB but not yet endorsed by the FSC

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

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

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

4. Summary of Significant Accounting Policies

Significant accounting policies are the same as Note 4 to the consolidated financial statements for 2022, except for the statement of compliance, the basis of preparation, the basis of consolidation and the newly added parts. Unless otherwise stated, these policies apply consistently throughout all reporting periods.

(1) Compliance statement

1. This consolidated financial report has been prepared in accordance with the Financial Reporting Standards for Issuers of Securities and the International Accounting Standard No. 34 "Interim Financial Reporting", endorsed and issued into effect by the FSC.
2. This consolidated financial report should be read together with the consolidated financial report for the year 2022.

(2) Basis of preparation

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

- (a) Financial assets and liabilities (including derivative instruments) measured at fair value through profit or loss.

- (b) Financial assets at fair value through other comprehensive income.
 - (c) Defined benefit assets and liabilities recognized based on the net amount of pension fund assets less present value of defined benefit obligation.
- B. The preparation of financial statements in accordance with IFRSs recognized and issued by the FSC requires some important accounting estimates.. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 5.
- (3) Basis of consolidation
- A. Basis for preparation of consolidated financial statements:
- (a) All subsidiaries are included in the Group's consolidated financial statements. Subsidiaries are all entities (including structured entities) controlled by the Group. The Group controls an entity when the Group is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Consolidation of subsidiaries begins from the date the Group obtains control of the subsidiaries and ceases when the Group loses control of the subsidiaries.
 - (b) Inter-company transactions, balances and unrealized gains or losses on transactions between companies within the Group are eliminated. Accounting policies of subsidiaries have been adjusted where necessary to ensure consistency with the policies adopted by the Group.
 - (c) Profit or loss and each component of other comprehensive income are attributed to the owners of the parent and to the non-controlling interests. Total comprehensive income is attributed to the owners of the parent and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.
 - (d) Changes in a parent's ownership interest in a subsidiary that do not result in the parent losing control of the subsidiary (transactions with non-controlling interests) are accounted for as equity transactions, i.e. transactions with owners in their capacity as owners. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity.
 - (e) When the Group loses control of a subsidiary, the Group remeasures any investment retained in the former subsidiary at its fair value. That fair value is regarded as the fair value on initial recognition of a financial asset or the cost on initial recognition of the associate or joint venture. Any difference between the fair value and carrying amount is recognized in profit or loss. All amounts previously recognized in other comprehensive income in relation to the subsidiary are reclassified to profit or loss on the same basis as would be required if the related assets or liabilities were disposed of. That is, when the Group loses control of a subsidiary, all gains or losses previously recognized in other comprehensive income in relation to the subsidiary should be reclassified from equity to profit or loss, if such gains or losses would be reclassified to profit or loss when the related assets or liabilities are disposed of.

B.Subsidiaries included in the consolidated financial statements:

Name of investor	Name of subsidiary	Main business activities	Ownership(%)			Description
			September 30,2023	December 31,2022	September 30, 2022	
The Company	Glory Science Co., Ltd. (Glory Science)	Manufacture and sale of optical lens components and other products	100	100	100	
The Company	Foxlink Image Technology Co.,Ltd(Foxlink Image)	Manufacture and sale of image scanners and multifunction printers	100	100	100	
The Company	Power Quotient International Co.,Ltd.(PQI)	Manufacture of electronic telecommunication components	100	100	100	
The Company	Shin Fong Power Co.,Ltd	Engery service management	16.30	16.30	16.30	Note1
Glory Science	GLORY TEK (BVI) CO.,LTD.(GLORY TEK)	General investments holding	100	100	100	
GLORY TEK (BVI) CO.,LTD.	GLORY OPTICS (BVI) CO., LTD.(GLORY OPTICS)	Sales agent	100	100	100	
GLORY TEK (BVI) CO.,LTD.	GLORY TEK (SAMOA) CO.,LTD. (GLORY TEK (SAMOA))	General investments holding	100	100	100	
GLORY TEK (BVI) CO.,LTD.	GLORYTEK SCIENCE INDIA PRIVATE LIMITED(GLORYTEK SCIENCE INDIA)	Manufacture and sale of the components of communication and consumer electronics	99.27	99.27	99.27	
GLORY TEK (SAMOA) CO., LTD.	Glorytec(Szhou)Co.,Ltd (Glorytek Suzhou)	Production and processing and sale of optical lens components and other	100	100	100	
GLORY TEK (SAMOA) CO., LTD.	Glory Optics (Yan cheng) Co., Ltd(GOYC)	Production and processing and sale of optical lens components and other	47	35	35	Note2
GLORY OPTICS (BVI) CO., LTD.	Glorytek(Yan Cheng) Co., Ltd (Glorytek)	Production and processing and sale of optical lens components and other	100	100	100	
Glorytek Yancheng	Yancheng Yaowei Technology Co.,Ltd (YYWT)	Production and processing and sale of optical lens components and other	100	100	100	

Name of investor	Name of subsidiary	Main business activities	Ownership(%)			Description
			September 30,2023	December 31,2022	September 30, 2022	
Glorytek Suzhou	Glory Optics(Yancheng)Co.,Ltd.(GOYC)	Production and processing and sale of optical lens components and other	53	65	65	Note2
Foxlink Image	Accu-Image Technology Limited(AITL)	Manufacture and sale of image scanners and multifunction printers	100	100	100	
Foxlink Image	Shih Fong Power Co.,Ltd	Energy service management	34.7	34.7	34.7	Note1
AITL	Dong Guan Fu-Zhang Precision Industry Co.,Ltd	Mould develment and moulding tool manufacture	100	100	100	Note1
AITL	Dongguan Fu Wei Electronics Co.,Ltd(Dongguan Fu Wei)	Manufacture and sale of image scanners and multifunction printers	100	100	100	
AITL	Wei Hai Fu Kang Electric Co.,Ltd (WHFK)	Manufacture and Sale of parts and scaners	100	100	100	Note1
AITL	Dong Guan Han Yang Computer Co.,Ltd(DGHY)	Manufacture of image scanners and multifunction printers and investment	100	100	100	Note1
PQI	Power Quotient International (H.K) Co.,Ltd(PQI H.K.)	Sale of electronic Telecommunication components	100	100	100	Note1
PQI	PQI Japan Co.,Ltd (PQI JANPAN)	Sale of electronic telecommunication components	100	100	100	Note1
PQI	Syscom Development	Specialized invesments	100	100	100	Note1
PQI	PQI Mobility Inc.(Samoa)	Specialized invesments holding	-	-	100	Note1.8
PQI	Apix Limited	Specialized investments holding	100	100	100	
PQI	Power Sufficient International Co.,Ltd(PSI)	Sale of medical instruments	100	100	100	Note1
PQI	Shinfox Energy Co.,Ltd. (Shinfox)	Mechanical installation and piping engineering	47.63	47.63	47.63	Note3

Name of investor	Name of subsidiary	Main business activities	Ownership(%)			Description
			September 30,2023	December 31,2022	September 30, 2022	
Shinfox	Foxwell Energy Corporation Ltd.(Foxwell Energy)	Energy service management	100	100	100	
Shinfox	Shinfox Natural Gas Co., Ltd(Shinfox Natural Gas)	Energy service management	80	80	80	Note1
Shinfox	Kunshan Jiuwei Info Tech Co.,Ltd(Kun Shan Jiuwei)	Supply chain finance	100	100	100	Note1
Shinfox	Foxwell Power Co.,Ltd(Foxwell Power)	Energy service management	80.23	80.23	80.23	Note1.4
Shinfox	Junezhe Co.,Ltd	Dredging industry	-	-	33.50	Note1.5
Shinfox	Jiuwei Power Co.,Ltd(Jiuwei Power)	Natural gas service management	100	100	100	Note1
Shinfox	Elegant Energy TECH Co., Ltd.	Energy service management	100	100	100	Note1.6
Shinfox	Yuanshan Forest Natural Resources Co.,Ltd	Tree planting industry	100	100	100	Note1.6
Shinfox	Diwei Electric Power Co., Ltd.	Electricity Generating Enterprise	100	100	100	Note1.6
Shinfox	Guanwei Power Co., Ltd.	Electricity Generating Enterprise	51	100	100	Note1.6
Shinfox	Junwei Power Co., Ltd.	Electricity Generating Enterprise	100	-	-	Note1.7
Foxwell Energy Corporation Ltd	Liangwei Electric Power Co., Ltd.	Electricity Generating Enterprise	100	100	100	Note1.6
Foxwell Energy Corporation Ltd.	Xinwei Power Co., Ltd.	Electricity Generating Enterprise	100	-	-	Note1.7
Foxwell Power Co.,Ltd(Foxwell Power)	Foxwell Certification Co., Ltd.	Energy service management	100	-	-	Note1.7

Name of investor	Name of subsidiary	Main business activities	Ownership(%)			Description
			September 30,2023	December 31,2022	September 30, 2022	
Syscom Development Co.,Ltd	Foxlink Powerbank International Technology Private Limited	Manufacture of electronic telecommuni cation components	99.27	99.27	99.27	Note1
Apix Limited(BVI)	Sinocity Industries Limited (Sinocity)	Sales of electronic equipment	100	100	100	
Apix Limited(BVI)	Perennial Ace Limited (Perennial)	Specialised investments holding	100	100	100	Note1
Sinocity	DG LIFESTYLE STORE LIMITED(DG)	Sales of electronic equipment	100	100	100	
PQI MOBILITY	Power Quotient Technology (YANCHENG) Co., Ltd. (PQI YANCHENG)	Manufacture and sales of electronic telecommunication components	-	-	100	Note8
PQI H.K.	Power Quotient Technology (YANCHENG) Co., Ltd. (PQI YANCHENG)	Manufacture of electronic telecommunication	100	100	-	Note8
PQI YANCHENG	PQI (Xuzhou)New Energy Co.,Ltd. (PQI Xuzhou)	Manufacture and sales of electronic telecommunication components	100	100	100	Note1

Note 1: Because it does not meet the definition of a significant subsidiary, the financial statements for Wei Hai Fu Kang Electric Co.,Ltd as of September 30, 2023, were reviewed by the auditor, while the financial statements for the rest of the years, as of September 30, 2023 and 2022, were not reviewed by the auditor.

Note 2: GLORY TEK (SAMOA) and GLORY TEK Suzhou jointly held 100% equity interest of GLORY TEK Yancheng.

Note 3: Shinfox Energy Co., Ltd. (hereinafter referred to as Shinfox Energy Co., Ltd.) made a cash capital increase in 2022. POI a subsidiary of the Group, was not recognized according to its shareholding ratio, of its equity. , the shareholding ratio has dropped to 47.63%, and the control of Shinfox Energy is still maintained after evaluation. Please refer to Note 6 (31) for details.

Note 4: Fuwell Electric Power Co., Ltd. (hereinafter referred to as Fuwell Electric Power Company) made a cash capital increase in 2022. The Shinfox Energy Company, a secondtier subsidiary of the Group, was not recognized according to its shareholding ratio, so the shareholding ratio dropped to 80.23 %, after the assessment, it still maintains control over Fuwell Power Company. Please refer to Note 6 (31) for details.

Note 5: Although Shinfox Energy Company holds 33.50% shareholding ratio of Junezhe Co., Ltd., the group obtained control of Junezhe as Shinfox entered into an agreement with its key-shareholders whereby Shinfox and a designated person acquired two out of three seats on the Board of Directors,and obtained substantial control over the decision-making on activeitites of Junezhe.The Group disposed all the equity interest interest in Junezhe Co.,Ltd. in December 2022.Please refer to Note 6(33) for more details.

Note 6: A subsidiary that was newly established or acquired through merger in 2022.

Note 7: A subsidiary that was newly established funded, or acquired in 2023.

Note 8: PQI Mobility Inc. cancelled its registration of incorporation in October, 2022. PQI H.K. held 100% equity interest of PQI YANCHENG.

C. Subsidiaries not included in the consolidated financial statements

None

D. Adjustments of subsidiaries with different balance sheet dates

None.

E. Significant restrictions

None.

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

The total non-controlling interests of the Group as at 30 September 2023, 31 December 2022 and 30 September 2022 were \$6,969,565, \$6,828,731 and \$7,000,571 respectively. The following are the non-controlling interests and subsidiaries that are significant to the Group information:

Name of Subsidiary	Principal place of business	Non-controlling interest					
		September 30, 2023		December 31, 2022		September 30, 2022	
		Amount	Ownership %	Amount	Ownership %	Amount	Ownership %
SHINFOX Energy Co., Ltd.	Taiwan	5,781,708	52.37	5,645,030	52.37	5,814,974	52.37

Summarised financial information of the subsidiaries:

Balance sheets

	SHINFOX Energy Co., Ltd		
	September 30, 2023	December 31, 2022	September 30, 2022
Current assets	\$ 16,802,147	\$ 13,319,560	\$ 12,900,630
Non-current assets	5,439,981	4,897,758	2,645,995
Current liabilities	(9,520,179)	(6,090,718)	(4,360,158)
Non-current liabilities	(1,916,196)	(1,550,105)	(492,417)
Total net assets	\$ 10,805,753	\$ 10,576,495	\$ 10,694,050

Statements of comprehensive income

SHINFOX Energy Co., Ltd.		
	Three months ended September 30,2023	Three months ended September 30,2022
Revenue	\$ 2,693,925	\$ 572,142
Profit before income tax	156,888	52,297
Income tax expense	(37,152)	(10,526)
Profit for the period	119,736	41,771
Other comprehensive loss, net of tax	36,516	123
Total comprehensive income for the period	\$ 156,252	\$ 41,894
Comprehensive income (loss) attributable to non-controlling interest	(\$ 1,388)	\$ 6,785
Dividends paid to non-controlling interest	(\$ 56,599)	(\$ 102,908)

SHINFOX Energy Co., Ltd.		
	Nine months ended September 30,2023	Nine months ended September 30,2022
Revenue	\$ 5,981,846	\$ 2,677,254
Profit before income tax	338,030	168,257
Income tax expense	(85,554)	(38,836)
Profit for the period	252,476	129,421
Other comprehensive loss, net of tax	50,557	516
Total comprehensive income for the period	\$ 303,033	\$ 129,937
Comprehensive income (loss) attributable to non-controlling interest	\$ 541	\$ 13,384
Dividends paid to non-controlling interest	(\$ 56,599)	(\$ 102,908)

Statements of cash flows

		SHINFOX Energy Co., Ltd.	
		Nine months ended September 30, 2023	Nine months ended September 30, 2022
Net cash provided by (used in)			
operating activities	(\$	3,874,209)	(\$ 2,170,479)
Net cash provided by (used in)			
investing activities	(	374,333)	(3,283,279)
Net cash provided by financing			
activities		3,687,757	6,485,214
Effect of exchange rates on cash			
and cash equivalents		686	494
Increase in cash and cash			
equivalents	(	560,099)	1,031,950
Cash and cash equivalents,			
beginning of period		1,831,512	1,283,288
Cash and cash equivalents, end of			
period	\$	1,271,413	\$ 2,315,238

5. Critical Accounting Judgements, Estimates and Key Sources of Assumption Uncertainty

There is no significant change in the current period, please refer to Note 5 of the 2022 Consolidated Financial Report.

6. Details of Significant Accounts

(1) Cash and cash equivalents

	September 30, 2023	December 31, 2022	September 30, 2022
Cash on hand	\$ 12,926	\$ 10,504	\$ 11,141
Checking accounts and demand			
deposits	1,764,985	2,997,281	3,508,438
Cash equivalents			
Time deposits	3,001,004	2,724,910	2,560,897
Total	\$ 4,778,915	\$ 5,732,695	\$ 6,080,476

1. The Group transacts with a variety of financial institutions all with high credit quality to disperse credit risk, so it expects that the probability of counterparty default is remote.
2. The Group has not cash and cash equivalents pledged to others.

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

1. The balances of financial assets and liabilities measured at fair value through profit or loss as of September 30, 2023, December 31, 2022 and September 30, 2022 are all zero.
2. Amounts recognized in profit or loss in relation to financial assets and liabilities at fair value through profit or loss are listed below:

Items	Three months ended September 30,2023	Three months ended September 30,2022
Financial assets mandatorily measured at fair value through profit or loss		
Realized gains and losses on forward foreign exchange contracts	\$ -	\$ -

Items	Nine months ended September 30,2023	Nine months ended September 30,2022
Financial assets mandatorily measured at fair value through profit or loss		
Realized gains and losses on forward foreign exchange contracts	\$ 2,443	\$ -

3. The forward foreign exchange transactions entered into by the Group are to hedge against the risks arising from fluctuations in foreign currency assets, but do not qualify for hedge accounting.”
4. The Group has not pledged financial assets measured at fair value through profit or loss as collateral.
5. Information relating to credit risk of financial assets at fair value through profit or loss is provided in Note12(2).

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

Items	September 30, 2023	December 31, 2022	September 30, 2022
Equity instruments:			
listed stocks	\$ 2,181,649	\$ 1,263,416	\$ 1,263,416
Unlisted stocks	1,749,067	1,561,077	1,562,180
	3,930,716	2,824,493	2,825,596
Valuation adjustment	(987,143)	(920,124)	(978,741)
Total	\$ 2,943,573	\$ 1,904,369	\$ 1,846,855

1. The Group has elected to classify equity investments that are considered to be strategic investments and steady dividend income as financial assets at fair value through other comprehensive income. The fair value of such investments amounted to \$2,943,573 and \$1,904,369 and \$1,846,855 as at September 30, 2023, December 31, 2022 and September 30,2022, respectively.
2. Amounts recognized in profit or loss in relation to financial assets/liabilities at fair value through profit or loss are listed below:

	Three months ended September 30,2023	Three months ended September 30,2022
<u>Equity instruments at fair value through other comprehensive income</u>		
Fair value change recognised in other comprehensive income	(\$ 73,333)	\$ 23,377
The accumulated loss on disposal reclassified to retained earnings	\$ -	\$ -

	<u>Nine months ended September 30,2023</u>	<u>Nine months ended September 30,2022</u>
<u>Equity instruments at fair value through other comprehensive income</u>		
Fair value change recognised in other comprehensive income	(\$ 49,091)	(\$ 253,868)
The accumulated loss on disposal reclassified to retained earnings	(\$ 774)	\$ -

3. Information relating to credit risk of financial assets at fair value through other comprehensive income is provided in Note 12(2).

(4) Financial assets at amortized cost

<u>Items</u>	<u>September 30, 2023</u>	<u>December 31, 2022</u>	<u>September 30, 2022</u>
Current items :			
Pledged time deposits	\$ 1,652,167	\$ 1,716,729	\$ 1,809,934
Restricted deposits	973,131	1,131,507	1,135,121
Time deposits maturing over three months	268,510	58,039	320,210
Total	<u>\$ 2,893,808</u>	<u>\$ 2,906,275</u>	<u>\$ 3,265,265</u>

Non-current items :

Pledged time deposits	\$ 383,267	\$ 373,353	\$ 32,853
Restricted deposits	23,360	19,935	14,038
Total	<u>\$ 406,627</u>	<u>\$ 393,288</u>	<u>\$ 46,891</u>

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

	<u>Three months ended September 30,2023</u>	<u>Three months ended September 30, 2022</u>
Interest income	\$ 11,654	\$ 4,144
	<u>Nine months ended September 30,2023</u>	<u>Nine months ended September 30, 2022</u>
Interest income	\$ 24,522	\$ 9,553

- Details of the Group's financial assets at amortized cost pledged to others as collateral is provided in Note 8.
- As at September 30,2023,December 31, 2022 and September 30,2022, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the financial assets at amortised cost held by the Group was \$3,300,435 and \$3,299,563 and \$3,312,156 respectively.
- Information relating to credit risk of financial assets at amortized cost is provided in Note12(2).

The counterparties of the of the Group's investment in certificates of deposit are financial institutions with high credit quality, so the Group expects that the probability of counterparty default is remote.

(5) Notes and accounts receivable

	<u>September 30, 2023</u>	<u>December 31, 2022</u>	<u>September 30, 2022</u>
Notes receivables	<u>\$ 38,575</u>	<u>\$ 34,952</u>	<u>\$ 5,996</u>
Accounts receivables	\$ 1,194,110	\$ 1,199,480	\$ 1,846,698
Less : loss allowance for uncollectible accounts	<u>(23,227)</u>	<u>(24,172)</u>	<u>(24,182)</u>
	<u>\$ 1,170,883</u>	<u>\$ 1,175,308</u>	<u>\$ 1,822,516</u>

1. The ageing analysis of accounts receivable that were past due but not impaired is as follows:

	<u>September 30, 2023</u>		<u>December 31, 2022</u>	
	<u>Accounts receivable</u>	<u>Notes receivable</u>	<u>Accounts receivable</u>	<u>Notes receivable</u>
Not pass due	\$ 1,033,658	\$ 38,575	\$ 1,049,899	\$ 34,952
UP to 30 days	157,414	-	146,065	-
31 to 90 days	1,023	-	525	-
91 to 180 days	440	-	233	-
UP 181 days	<u>1,575</u>	<u>-</u>	<u>2,758</u>	<u>-</u>
	<u>\$ 1,194,110</u>	<u>\$ 38,575</u>	<u>\$ 1,199,480</u>	<u>\$ 34,952</u>

	<u>September 30, 2022</u>	
	<u>Accounts receivable</u>	<u>Notes receivable</u>
Not pass due	\$ 1,094,909	\$ 5,996
UP to 30 days	200,785	-
31 to 90 days	541,745	-
91 to 180 days	6,486	-
UP 181 days	<u>2,773</u>	<u>-</u>
	<u>\$ 1,846,698</u>	<u>\$ 5,996</u>

The above ageing analysis was based on past due date.

- As of September 30, 2023 ,December 31, 2022 and September 30,2022, accounts receivable and notes receivable were all from contracts with customers. And as of January 1, 2022, the balance of receivables from contracts with customers amounted to \$1,183,032.
- The Group has no accounts receivable and notes receivable pledged to others.
- Information relating to credit risk of accounts receivable is provided in Note 12(2).
- As of September 30, 2023, December 31, 2022 and September 30,2022, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the Group's notes and accounts receivable was \$38,575, \$34,952 and \$5,996; \$1,170,883, \$1,175,308 and \$1,822,516 respectively.

(6) Inventories

September 30,2023			
	Cost	Allowance and valuation loss	Book value
Raw material	\$ 698,883	(\$ 41,389)	\$ 657,494
Work in progress	146,814	(2,206)	144,608
Finished goods	209,971	(35,177)	174,794
Merchandise	289,125	(6,241)	282,884
Total	<u>\$ 1,344,793</u>	<u>(\$ 85,013)</u>	<u>\$ 1,259,780</u>

December 31,2022			
	Cost	Allowance and valuation loss	Book value
Raw material	\$ 1,006,603	(\$ 49,194)	\$ 957,409
Work in progress	89,493	(1,889)	87,604
Finished goods	199,295	(34,649)	164,646
Merchandise	101,393	(6,010)	95,383
Total	<u>\$ 1,396,784</u>	<u>(\$ 91,742)</u>	<u>\$ 1,305,042</u>

September 30,2022			
	Cost	Allowance and valuation loss	Book value
Raw material	\$ 873,915	(\$ 34,868)	\$ 839,047
Work in progress	104,168	(2,863)	101,305
Finished goods	365,163	(39,213)	325,950
Merchandise	251,777	(6,185)	245,592
Total	<u>\$ 1,595,023</u>	<u>(\$ 83,129)</u>	<u>\$ 1,511,894</u>

The cost of inventories recognized as expense for the year: :

	Three months ended September 30,2023	Three months ended September 30,2022
Cost of goods sold	\$ 3,420,989	\$ 1,786,948
Cost of services	156,153	207,138
Unamortised manufacturing expenses	34,381	36,091
Inventory recovery benefits	(4,862)	(2,415)
Scrap losses	759	-
Gain on physical inventory	(299)	(56)
	<u>\$ 3,607,121</u>	<u>\$ 2,027,706</u>

	Nine months ended September 30,2023	Nine months ended September 30,2022
Cost of goods sold	\$ 8,330,446	\$ 6,105,464
Cost of services	451,046	641,922
Unamortised manufacturing expenses	107,499	112,308
Inventory recovery benefits	(6,729)	(15,972)
Scrap losses	759	97
Gain on physical inventory	(123)	(193)
	<u>\$ 8,882,898</u>	<u>\$ 6,843,626</u>

The Group reversed a previous inventory write-down because the Group sold certain inventories which were previously provided with loss on decline in market value and obsolescence during the three months and nine months then ended September 30,2023 and 2022.

(7) Prepayment

	September 30,2023	December 31,2022	September 30,2022
Advance payment to construction	\$ 4,946,833	\$ 4,192,448	\$ 4,250,221
Offset Against Business Tax Payable	536,873	420,680	364,878
others	656,515	465,288	368,188
	<u>\$ 6,140,221</u>	<u>\$ 5,078,416</u>	<u>\$ 4,983,287</u>

(8) Investments accounted for using the equity method

Investee companies	September 30,2023 Carrying amount	December 31,2022 Carrying amount	September 30,2022 Carrying amount
Associates :			
Shinfox Far East Company Pte Ltd	\$ 1,018,818	\$ -	\$ -
POWER CHANNEL LIMITED	754,033	585,875	583,080
Studio A Technology Limited	106,120	122,882	109,994
Synergy Co., Ltd.	31,968	33,353	33,136
TEGNA ELECTRONICS PRIVATE LIMITED	26,291	24,049	25,266
CHUNG CHIA POWER Co., Ltd.	-	170,089	172,568
Joint ventures :			
Changpin Wind Power Ltd.	106,082	116,102	117,830
Add:prepayments for investments-Shinfox Far East Company Pte Ltd	-	981,545	-
	<u>\$ 2,043,312</u>	<u>\$ 2,033,895</u>	<u>\$ 1,041,874</u>

1. The Group's share of profits and losses of related companies and joint ventures using the equity method for the nine months ended September 30, 2023 and 2022, that is recognized based on the evaluation of the financial report for the same period that has not been reviewed by the auditor.
2. Associates

(a) The basic information of the associates that are material to the Group is as follows:

Company name	Principal place of business	Shareholding ratio			Nature of relationship	Methods of Measurement
		September 30, 2023	December 31, 2022	September 30, 2022		
POWER CHANNEL	China (Note 1)	35.75%	35.75%	35.75%	Note 2	Equity method

Note 1: Registered location is Hong Kong.

Note 2: Holds 20% or more of the voting power.

(b) The summarized financial information of the associates that are material to the Group is as follows:

Balance sheet

POWER CHANNEL LIMITED			
	September 30, 2023	December 31, 2022	September 30, 2022
Current assets	\$ 31,364	\$ 19,662	\$ -
Non-current assets	1,724,135	1,265,605	1,276,524
Current liabilities	-	-	-
Non-current liabilities	-	-	-
Total net assets	<u>\$ 1,755,499</u>	<u>\$ 1,285,267</u>	<u>\$ 1,276,524</u>
Share in associate's net assets	\$ 627,591	\$ 459,483	\$ 456,357
Goodwill	<u>126,442</u>	<u>126,392</u>	<u>126,723</u>
Carrying amount of the associate	<u>\$ 754,033</u>	<u>\$ 585,875</u>	<u>\$ 583,080</u>

Statement of comprehensive income

POWER CHANNEL LIMITED		
	Three months ended September 30, 2023	Three months ended September 30, 2022
Revenue	\$ -	\$ -
Profit for the period from continuing operations	\$ 52,640	\$ 33,138
Other comprehensive income, net of tax	-	-
Total comprehensive income	<u>\$ 52,640</u>	<u>\$ 33,138</u>
Dividends received from associates	<u>\$ -</u>	<u>\$ -</u>

POWER CHANNEL LIMITED		
	Nine months ended September 30, 2023	Nine months ended September 30, 2022
Revenue	\$ -	\$ -
Profit for the period from continuing operations	\$ 123,070	\$ 106,770
Other comprehensive income, net of tax	-	-
Total comprehensive income	<u>\$ 123,070</u>	<u>\$ 106,770</u>
Dividends received from associates	<u>\$ -</u>	<u>\$ -</u>

(c)The carrying amount of the Group's interests in all individually immaterial associates (Note) and the Group's share of the operating results are summarized below:

As of September 30, 2023, December 31, 2022 and September 30,2022,the carrying amount of the Group's individually immaterial associates amounted to \$1,183,197, \$350,373 and \$458,794, respectively.

	Three months ended Septemer 30,2023	Three months ended September 30,2022
Profit (loss)for the period from continuing operations	(\$ 7,970)	\$ 820
Other comprehensive income,net of tax	-	-
Total comprehensive income	(\$ 7,970)	\$ 820

	Nine months ended September 30,2023	Nine months ended September 30,2022
Profit (loss)for the period from continuing operations	(\$ 58,259)	(\$ 6,340)
Other comprehensive income,net of tax	-	-
Total comprehensive income	(\$ 58,259)	(\$ 6,340)

Note: Tegna Eletronics Private Limited., Synergy Co., Ltd. ,Studio A Technology Limited and Shinfox Far East Company Pte Ltd.

3. Joint venture

The carrying amount of the Group's interests in all individually immaterial joint ventures and the Group's share of the operating results are summarized below:

As of September 30,2023,December 31,2022 and September 30,2022,the carrying amount of the Group's individually immaterial joint ventures amounted to \$106,082,\$116,102 and \$117,830.

	Three months ended September 30,2023	Three months ended September 30,2022
Total comprehensive loss	(\$ 302)	(\$ 314)
	Nine months ended September 30,2023	Nine months ended September 30,2022
Total comprehensive loss	(\$ 827)	(\$ 659)

- CHUNG CHIA POWER Co.,Ltd carried out a cash capital increase by issuing new shares on January 29,2023. As the group did not subscribe to the new shares in proportion to its ownership and thus lost significant influence, its equity stake in the company decreased from 20% to 8%. Subsequently, the financial assets were reclassified as fair value through other comprehensive income.
- On September 25, 2023, the board of directors of the group resolved to increase its stake in the overseas investment company, Shinfox Far East Company Pte Ltd. The group acquired a 27% equity interest in the investment company from the shareholder, Far East Renewable Energy Com-

pany Pte Ltd. Following the completion of the acquisition, the group's ownership stake in the investment company became 67%. The agreement between the parties was finalized on October 25, 2023, with the acquisition amounting to USD 21,600 million. As of the financial reporting date, the investment has not been fully realized.

6. On September 25, 2023, the group, through a board resolution, approved investments in Vietnamese renewable energy plants, namely GIO Thanh Energy Joint Stock Company, SECO Joint Stock Company, Vietnam Renewable Energy Joint Company Stock, and SECO Joint Stock Company. The group's ownership stake in each company is 35%. The agreements were formally executed on September 29, 2023, with a total investment amounting to VND 853,248,000 thousand. As of the financial reporting date, the investments have not been fully realized.

(9) Property, plant and equipment Buildings and structures

	<u>Land</u>	<u>Buildings and Structures</u>	<u>Machinery</u>	<u>Office equipment</u>	<u>Leasehold improvement</u>	<u>Other equipment</u>	<u>Unfinished Construction</u>	<u>Total</u>
At January 1, 2023								
Cost	\$ -	\$ 1,205,962	\$ 4,002,934	\$ 121,876	\$ 334,640	\$ 1,122,200	\$ 1,009,586	\$ 7,797,198
Accumulated depreciation	-	(158,974)	(2,451,013)	(103,373)	(321,112)	(1,111,082)	-	(4,145,554)
	<u>\$ -</u>	<u>\$ 1,046,988</u>	<u>\$ 1,551,921</u>	<u>\$ 18,503</u>	<u>\$ 13,528</u>	<u>\$ 11,118</u>	<u>\$ 1,009,586</u>	<u>\$ 3,651,644</u>
<u>2023</u>								
Opening net book amount as at January 1	\$ -	\$ 1,046,988	\$ 1,551,921	\$ 18,503	\$ 13,528	\$ 11,118	\$ 1,009,586	\$ 3,651,644
Additions	54,772	36,878	26,213	5,270	117	3,277	157,076	283,603
Disposals	-	-	(2,718)	(370)	-	-	-	(3,008)
Reclassifications	-	-	(48,713)	-	6,376	65,025	(1,282)	21,406
Depreciation charge	-	(17,461)	(143,611)	(6,843)	(8,174)	(32,476)	-	(208,565)
Net change differences	<u>-</u>	<u>1,266</u>	<u>130</u>	<u>333</u>	<u>912</u>	<u>(1,061)</u>	<u>-</u>	<u>1,580</u>
Closing net book amount as at September 30	<u>\$ 54,772</u>	<u>\$ 1,067,671</u>	<u>\$ 1,383,222</u>	<u>\$ 16,893</u>	<u>\$ 12,759</u>	<u>\$ 45,883</u>	<u>\$ 1,165,380</u>	<u>\$ 3,746,580</u>
At September 30, 2023								
cost	\$ 54,772	\$ 1,244,324	\$ 4,569,337	\$ 123,100	\$ 343,911	\$ 600,616	\$ 1,165,380	\$ 8,101,440
Accumulated depreciation	<u>0</u>	<u>(176,653)</u>	<u>(3,186,115)</u>	<u>(106,207)</u>	<u>(331,152)</u>	<u>(554,733)</u>	<u>-</u>	<u>(4,354,860)</u>
	<u>\$ 54,772</u>	<u>\$ 1,067,671</u>	<u>\$ 1,383,222</u>	<u>\$ 16,893</u>	<u>\$ 12,759</u>	<u>\$ 45,883</u>	<u>\$ 1,165,380</u>	<u>\$ 3,746,580</u>

	Buildings and Structures	Machinery	Office equipment	Leasehold Improvement	Other equipment	Unfinished Construction	Total
At January 1, 2022							
cost	\$ 1,194,497	\$ 3,699,907	\$ 115,597	\$ 327,649	\$ 1,262,733	\$ 889,290	\$ 7,489,673
Accumulated depreciation	(134,966)	(2,248,861)	(97,674)	(306,168)	(1,232,853)	-	(4,020,522)
	<u>\$ 1,059,531</u>	<u>\$ 1,451,046</u>	<u>\$ 17,923</u>	<u>\$ 21,481</u>	<u>\$ 29,880</u>	<u>\$ 889,290</u>	<u>\$ 3,469,151</u>
<u>2022</u>							
Opening net book amount as at January 1	\$ 1,059,531	\$ 1,451,046	\$ 17,923	\$ 21,481	\$ 29,880	\$ 889,290	\$ 3,469,151
Additions	-	180,288	7,156	3,999	8,061	43,427	242,931
Disposals		-	(704)	(230)	(544)	-	(1,478)
Reclassifications	(482)	61,530	-	-	(256)	-	60,792
Depreciation charge	(17,272)	(163,069)	(6,987)	(6,944)	(25,184)	-	(219,456)
Net change differ ances	<u>21,711</u>	<u>7,895</u>	<u>5,110</u>	<u>(1,996)</u>	<u>3,518</u>	<u>-</u>	<u>36 238</u>
Closing net book amount as at September 30	<u>\$ 1,063,488</u>	<u>\$ 1,537,690</u>	<u>\$ 22,498</u>	<u>\$ 16,310</u>	<u>\$ 15,475</u>	<u>\$ 932,717</u>	<u>\$ 3,588,178</u>
At September 30,2022							
Cost	\$ 1,218,096	\$ 3,978,315	\$ 127,908	\$ 338,954	\$ 1,130,696	\$ 932,717	\$ 7,726,686
Accumulated depreciation	(154,608)	(2,440,625)	(105,410)	(322,644)	(1,115,221)	-	(4,138,508)
	<u>\$ 1,063,488</u>	<u>\$ 1,537,690</u>	<u>\$ 22,498</u>	<u>\$ 16,310</u>	<u>\$ 15,475</u>	<u>\$ 932,717</u>	<u>\$ 3,588,178</u>

A. Amount of borrowing costs capitalised as part of property, plant and equipment and the range of the interest rates for such capitalisation are as follows: (During the three months and nine months then ended September 30, 2022: None)

	<u>Three months ended September 30, 2023</u>
Amount capitalised	\$ 10,533
Range of the interest rates for capitalisation	2.5818%~2.689%

	<u>Nine months ended September 30, 2023</u>
Amount capitalised	\$ 30,333
Range of the interest rates for capitalisation	2.5818%~2.689%

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

(10) Leasing arrangements – lessee

1. The Group leases various assets, including land, buildings, machinery and equipment and business vehicles. Rental contracts are typically made for periods of 2 to 20 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose covenants, but leased assets may not be used as security for borrowing purposes.
2. The carrying amount of right-of-use assets and the depreciation charge are as follows:

	<u>September 30, 2023</u>	<u>December 31, 2022</u>	<u>September 30, 2022</u>
	<u>Carrying amount</u>	<u>Carrying amount</u>	<u>Carrying amount</u>
Land	\$ 278,492	\$ 287,805	\$ 283,053
Building	261,446	229,914	244,210
Transportation equipment (Business vehicles)	1,791	2,765	3,433
Office equipment (photocopiers)	-	12	27
	<u>\$ 541,729</u>	<u>\$ 520,496</u>	<u>\$ 530,723</u>

	<u>Three months ended September 30, 2023</u>	<u>Three months ended September 30, 2022</u>
	<u>Depreciation charge</u>	<u>Depreciation charge</u>
Land	\$ 3,189	\$ 2,922
Building	21,839	19,565
Transportation equipment (Business vehicles)	708	665
Office equipment (photocopiers)	-	20
	<u>\$ 25,736</u>	<u>\$ 23,172</u>

	<u>Nine months ended September 30,2023</u>	<u>Nine months ended September 30,2022</u>
	<u>Depreciation charge</u>	<u>Depreciation charge</u>
Land	\$ 9,579	\$ 8,767
Building	70,354	57,212
Transportation equipment (Business vehicles)	2,096	1,995
Office equipment (photocopiers)	12	53
	<u>\$ 82,041</u>	<u>\$ 68,027</u>

3. For the three months and nine months ended September 30, 2023 and 2022, the additions to right-of-use assets amounted to \$0, \$24,974, \$103,337 and \$37,004, respectively.

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

	<u>Three months ended September 30,2023</u>	<u>Three months ended September 30,2022</u>
<u>Items affecting profit or loss</u>		
Interest expense on lease liabilities	\$ 1,363	\$ 1,077
Expense on short-term lease contracts	2,846	3,918
Expense on leases of low-value assets	604	643
Expense on variable lease payments	4,220	2,238
Profit from lease modification	80	-

	<u>Nine months ended September 30,2023</u>	<u>Nine months ended September 30,2022</u>
<u>Items affecting profit or loss</u>		
Interest expense on lease liabilities	\$ 4,424	\$ 3,242
Expense on short-term lease contracts	7,095	9,547
Expense on leases of low-value assets	1,935	1,397
Expense on variable lease payments	8,283	5,101
Profit from lease modification	157	-

5. For the nine months ended September 30,2023 and 2022,the Group's total cash outflows for leases amounted to \$98,600 and \$81,556 respectively..

6. Variable lease payments

(1) Some of the Group's lease contracts contain variable lease payment terms that are linked to sales generated from electricity sold. For aforementioned contracts, up to 3.90%~43.05% of lease payments are on the basis of variable payment terms and are accrued based on the sales amount. Variable payment terms are used for a variety of reasons and various lease payments

that depend on sales are recognized in profit or loss in the period in which the event or condition that triggers those payments occurs.

- (2) A 1% increase in the aggregate sales amount with such variable lease contracts would increase total lease payments by approximately \$83.

(11) Leasing arrangements – lessor

1. The Group leases various assets, including land and buildings. Rental contracts are typically made for periods of 1 and 6 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.
2. For the nine months ended September 30, 2023 and 2022, the Group recognized rent income in the amounts of \$25,708 and \$25,110 respectively, based on the operating lease agreement, which does not include variable lease payments.
3. The maturity analysis of the lease payments under the operating leases is as follows:

	<u>September 30, 2023</u>	<u>December 31, 2022</u>	<u>September 30, 2022</u>
2022	\$ -	\$ -	\$ 8,569
2023	8,569	34,195	34,195
After 2024	<u>8,583</u>	<u>8,501</u>	<u>8,501</u>
Total	<u>\$ 17,152</u>	<u>\$ 42,696</u>	<u>\$ 51,265</u>

(12) Investment property

	<u>Land</u>	<u>Buildings and Structures</u>	<u>Total</u>
At January 1, 2023			
cost	\$ 344,587	\$ 71,458	\$ 416,045
Accumulated depreciation	<u>-</u>	<u>(23,591)</u>	<u>(23,591)</u>
	<u>\$ 344,587</u>	<u>\$ 47,867</u>	<u>\$ 392,454</u>
<u>2023</u>			
Opening net book amount as at January 1	\$ 344,587	\$ 47,867	\$ 392,454
Accumulated depreciation	<u>-</u>	<u>(6,958)</u>	<u>(6,958)</u>
Closing net book amount as at September 30	<u>\$ 344,587</u>	<u>\$ 40,909</u>	<u>\$ 385,496</u>
At September 30, 2023			
cost	\$ 344,587	\$ 71,458	\$ 416,045
Accumulated depreciation	<u>-</u>	<u>(30,549)</u>	<u>(30,549)</u>
	<u>\$ 344,587</u>	<u>\$ 40,909</u>	<u>\$ 385,496</u>

	Land	Buildings and Structures	Total
At January 1, 2022			
cost	\$ 344,587	\$ 70,720	\$ 415,307
Accumulated depreciation	-	(14,496)	(14,496)
	<u>\$ 344,587</u>	<u>\$ 56,224</u>	<u>\$ 400,811</u>
<u>2022</u>			
Opening net book amount as at January 1	\$ 344,587	\$ 56,224	\$ 400,811
Reclassifications	-	738	738
Depreciation charge	-	(6,773)	(6,773)
Closing net book amount as at September 30	<u>\$ 344,587</u>	<u>\$ 50,189</u>	<u>\$ 394,776</u>
At September 30, 2022			
cost	\$ 344,587	\$ 71,458	416,045
Accumulated depreciation	-	(21,269)	(21,269)
	<u>\$ 344,587</u>	<u>\$ 50,189</u>	<u>\$ 394,776</u>

1. Rental income from investment property and direct operating expenses arising from investment property are shown below:

	<u>Three months ended September 30, 2023</u>	<u>Three months ended September 30, 2022</u>
Rental income from investment property	\$ 8,569	\$ 8,569
Direct operating expenses arising from the investment property that generated rental income during the year	\$ 2,313	\$ 2,322

	<u>Nine months ended September 30, 2023</u>	<u>Nine months ended September 30, 2022</u>
Rental income from investment property	\$ 25,708	\$ 25,110
Direct operating expenses arising from the investment property that generated rental income during the year	\$ 6,958	\$ 6,773

2. The fair value of the investment property held by the Group as of September 30, 2023, December 31, 2022 and September 30, 2022 was \$548,707 and \$502,230, and \$498,470 respectively, which was valued by external independent appraisers. Valuations were made using the comparison, income and cost approach.
3. The Group has no investment property pledged to others. Please refer to Note 8 for details.

(13) Intangible assets

	<u>Goodwill</u>	<u>Customer Relationship</u>	<u>Trademarks</u>	<u>Others</u>	<u>Total</u>
At January 1,2023					
Cost	\$ 971,947	\$ 197,637	\$ 50,773	\$ 100,973	\$ 1,321,330
Accumulated depreciation	<u>-</u>	<u>(4,616)</u>	<u>-</u>	<u>(58,590)</u>	<u>(63,206)</u>
	<u>\$ 971,947</u>	<u>\$ 193,021</u>	<u>\$ 50,773</u>	<u>\$ 42,383</u>	<u>\$ 1,258,124</u>
<u>2023</u>					
Opening net book amount as at January 1,2023	\$ 971,947	\$ 193,021	\$ 50,773	\$ 42,383	\$ 1,258,124
Additions	-	-	-	5,089	5,089
Reclassification	-	-	-	8,599	8,599
Amortisation charge	-	(48,255)	-	(9,500)	(57,755)
Net exchange differences	<u>28,202</u>	<u>-</u>	<u>2,579</u>	<u>-</u>	<u>30,781</u>
Closing net book amount as at September 30	<u>\$ 1,000,149</u>	<u>\$ 144,766</u>	<u>\$ 53,352</u>	<u>\$ 46,571</u>	<u>\$ 1,244,838</u>
At September 30,2023					
Cost	\$ 1,000,149	\$ 197,637	\$ 53,352	\$ 113,092	\$ 1,364,230
Accumulated depreciation	<u>-</u>	<u>(52,871)</u>	<u>-</u>	<u>(66,521)</u>	<u>(119,392)</u>
	<u>\$ 1,000,149</u>	<u>\$ 144,766</u>	<u>\$ 53,352</u>	<u>\$ 46,571</u>	<u>\$ 1,244,838</u>
	<u>Goodwill</u>	<u>Customer Relationship</u>	<u>Trademarks</u>	<u>Others</u>	<u>Total</u>
At January 1,2022					
Cost	\$ 877,645	\$ -	\$ 45,764	\$ 94,432	\$ 1,017,841
Accumulated depreciation	<u>-</u>	<u>-</u>	<u>-</u>	<u>(51,749)</u>	<u>(51,749)</u>
	<u>\$ 877,645</u>	<u>\$ -</u>	<u>\$ 45,764</u>	<u>\$ 42,683</u>	<u>\$ 966,092</u>
<u>2022</u>					
Opening net book amount as at January 1,2022	\$ 877,645	\$ -	\$ 45,764	\$ 42,683	\$ 966,092
Additions — acquired separately	-	-	-	8,809	8,809
Additions — acquired through business combinations	39,528	197,637	-	-	237,165
Reclassification	-	-	-	2,000	2,000
Amortisation charge	-	(4,257)	-	(9,080)	(13,337)
Net exchange differences	<u>73,575</u>	<u>-</u>	<u>6,728</u>	<u>37</u>	<u>80,340</u>
Closing net book amount as at September 30	<u>\$ 990,748</u>	<u>\$ 193,380</u>	<u>\$ 52,492</u>	<u>\$ 44,449</u>	<u>\$ 1,281,069</u>
At September 30,2022					
Cost	\$ 990,748	\$ 197,637	\$ 52,492	\$ 100,621	\$ 1,341,498
Accumulated depreciation	<u>-</u>	<u>(4,257)</u>	<u>-</u>	<u>(56,172)</u>	<u>(60,429)</u>
	<u>\$ 990,748</u>	<u>\$ 193,380</u>	<u>\$ 52,492</u>	<u>\$ 44,449</u>	<u>\$ 1,281,069</u>

1. Goodwill and trademark right (indefinite useful life) are allocated as follows to the Group's cash-generating units identified according to operating segments:

	<u>Septemer 30,2023</u>		<u>December 31,2022</u>	
	<u>Goodwill</u>	<u>Trademarks</u>	<u>Goodwill</u>	<u>Trademarks</u>
System and peripheral products	\$ 611,760	\$ -	\$ 611,760	\$ -
3C retail and peripheral products	348,861	53,352	320,659	50,773
Energy Service Management	39,528	-	39,528	-
	<u>\$ 1,000,149</u>	<u>\$ 53,352</u>	<u>\$ 971,947</u>	<u>\$ 50,773</u>

	<u>Septemer 30,2022</u>	
	<u>Goodwill</u>	<u>Trademarks</u>
System and peripheral products	\$ 611,760	\$ -
3C retail and peripheral products	339,460	52,492
Energy Service Management	39,528	-
	<u>\$ 990,748</u>	<u>\$ 52,492</u>

2. The recoverable amount of all cash-generating units calculated using the value-in-use exceeded their carrying amount, so the goodwill and trademark right (indefinite useful life) were not impaired. The recoverable amount of goodwill and trademark right (indefinite useful life) has been determined based on value-in-use calculations. These calculations use pre-tax cash flow projections and discount rate (13.36%~15.16%) based on financial budgets covering a five-year period.
3. The goodwill generated by the Group due to the merger and acquisition. According to International Accounting Standard No. 36, the goodwill obtained from business combination shall be subject to an impairment test at least annually. The company itself is a cash-generating unit that generates independent cash flows.
Goodwill is assessed by calculating the company's value-in-use and book value of net assets to assess whether impairment is required. For the calculation of value-in-use, it mainly considers the operating net profit rate, growth rate and discount rate.
4. The value of customer relationship is due to the acquisition of the shares of Elegant Energy TECH Co., Ltd. by the Group in February 2022. Please refer to Note 6(32).

(14) Other non-current assets-others

	<u>September 30,2023</u>	<u>December 31,2022</u>	<u>September 30,2022</u>
Guarantee deposits paid (Note)	\$ 273,484	\$ 261,031	\$ 67,554
Net defined benefit asset	97,248	96,737	82,085
Other non-current assets	17,563	17,686	16,705
	<u>\$ 388,295</u>	<u>\$ 375,454</u>	<u>\$ 166,344</u>

Note: Please refer to Note 8.

(15) Short-term borrowings

<u>Type of borrowings</u>	<u>September 30,2023</u>	<u>Interest rate range</u>	<u>Collateral</u>
Bank borrowings			
Unsecured borrowings	\$ 8,924,562	1.70%~3.85%	None
Secured borrowings	806,124	2.93%	Please refer to note 8
	<u>\$ 9,730,686</u>		

<u>Type of borrowings</u>	<u>December 31,2022</u>	<u>Interest rate range</u>	<u>Collateral</u>
Bank borrowings			
Unsecured borrowings	\$ 6,179,595	1.29%~2.86%	None
Secured borrowings	856,124	2.00%~2.50%	Please refer to note 8
	<u>\$ 7,035,719</u>		

<u>Type of borrowings</u>	<u>September 30,2022</u>	<u>Interest rate range</u>	<u>Collateral</u>
Bank borrowings			
Unsecured borrowings	\$ 3,491,000	1.04%~1.90%	None
Secured borrowings	3,352,719	1.61%~2.50%	Please refer to note 8
	<u>\$ 6,843,719</u>		

(16) Short-term notes and bills payable

	<u>September 30,2023</u>	<u>December 31,2022</u>	<u>September 30,2022</u>
Commercial papers	\$ 3,370,200	\$ 1,792,400	\$ 573,200
Discount amortisation	(6,250)	(3,241)	(500)
	<u>\$ 3,363,950</u>	<u>\$ 1,789,159</u>	<u>\$ 572,700</u>
Annual interest rate range	<u>1.83%~2.65%</u>	<u>2.04%~2.51%</u>	<u>1.76%~2.05%</u>

Information on collateral pledged for short-term notes and bills payable is provided in Note 8.

(17) Other account payables

	<u>September 30,2023</u>	<u>December 31,2022</u>	<u>September 30,2022</u>
Payable on salary and bonus	\$ 356,041	\$ 339,944	\$ 362,465
Payable on employees compensation and directors remuneration	124,538	167,196	162,299
Payable on equipment	109,985	90,341	47,029
Others	164,465	202,284	203,085
	<u>\$ 755,029</u>	<u>\$ 799,765</u>	<u>\$ 774,878</u>

(18) Long-term borrowings

Type of borrowings	Long-term bank borrowings and repayment term	Interest rate Range	Unused credit line	September 30, 2023
Long-term bank borrowings				
Bank unsecured borrowings				
FIT Holding				
-including covenants	Borrowing period is from August 2023 to September 2025; pay entire amount of principal when due, interest is repayable monthly.	1.90%~2.03%	\$ 1,019,000	\$ 500,000
-without covenants	Borrowing period is from May 2023 to May 2027; pay entire amount of principal when due, interest is repayable monthly.	2.00%	-	600,000
Foxlink Image				
-including covenants	Borrowing period is from September 2023 to September 2025 ; pay entire amount of principal when due, interest is repayable monthly.	1.90%	1,785,000	115,000
-without covenants	Borrowing period is from November 2022 to August 2025 ; pay entire amount of principal when due, interest is repayable monthly	1.70%~1.89%	600,000	1,750,000
PQI				
-including covenants	Borrowing period is from August 2023 to August 2025; pay principal based on each bank's regulations, interest is repayable monthly.	2.03%	-	300,000
-without covenants	Borrowing period is from June 2022 to June 2026; pay principal based on each bank's regulations, interest is repayable monthly.	2.00%~2.10%	-	600,000
Glory Science				
-without covenants	Borrowing period is from July 15, 2019 to December 23, 2024; pay principal and interest based on each bank's regulations.	1.86%~2.32%	-	95,000
Foxwell Energy				
-without covenants	Borrowing period is from January 2019 to December 2035; pay entire amount in installments.	2.23%~2.28%	281,956	33,402
Foxwell Power				
-including covenants	Borrowing period is from October 2022 to September 2028; pay entire amount in installments.	2.55%	-	6,563
Bank secured borrowings				
Glory Science	Borrowing period is from December 31 2019 to December 31 2024; pay principal in installments quarterly, interest is calculated monthly.	1.86%	-	30,000
Foxwell Energy	Borrowing period is from May 2018 to February 2036; pay entire amount in installments.	2.23%~2.65%	224,138	253,495
Foxwell Power	Borrowing period is from October 2022 to September 2028; pay entire amount in installments.	2.55%	-	98,438

Syndicated borrowings

Foxwell Power	Borrowing period is from October 2022 to October 2025; pay entire Amount of principal when due.	2.58%~2.69%	364,600	<u>1,385,400</u>
Less: Current portion (shown as other current liabilities)				5,767,298
Less: Syndicated expense				(88,246)
Less: Amortization of long-term notes and bill payable discount				(17,500)
				<u>(449)</u>
				<u>\$ 5,661,103</u>

Type of borrowings	Long-term bank borrowings and repayment term	Interest rate Range	Unused credit line	December 31, 2022
Long-term bank borrowings				
Bank unsecured borrowings				
FIT Holding				
-including covenants	Borrowing period is from February 2022 to September 2024; pay entire amount of principal when due, interest is repayable monthly.	1.51%~2.05%	\$ 722,000	\$ 630,000
-without covenants	Borrowing period is from July 2021 to August 2024; pay entire amount of principal when due, interest is repayable monthly.	1.63%~1.88%	-	800,000
Foxlink Image				
-including covenants	Borrowing period is from January 2022 to January 2024 ; pay entire amount of principal when due, interest is repayable monthly.	2.00%	2,085,000	115,000
-without covenants	Borrowing period is from July 2021 to December 2024 ; pay entire amount of principal when due, interest is repayable monthly	1.41%~1.97%	1,640,000	1,410,000
PQI				
-including covenants	Borrowing period is from September 2022 to February 2024; pay principal based on each bank's regulations, interest is repayable monthly.	1.88%	-	300,000
-without covenants	Borrowing period is from July 2021 to June 2025; pay principal based on each bank's regulations, interest is repayable monthly.	1.78%~1.88%	-	600,000
Glory Science				
-without covenants	Borrowing period is from July 15, 2019 to December 23, 2024; pay principal and interest based on each bank's regulations.	1.61~2.07%	-	110,000
Shinfox				
-without covenants	Borrowing period is from February 2019 to February 2023; pay entire amount in installments.	2.21%	-	1,295

Foxwell Energy -without covenants	Borrowing period is from January 2019 to December 2035; pay entire amount in installments.	1.88%~1.97%	282,098	35,882
Foxwell Power -including covenants	Borrowing period is from October 2022 to September 2028;pay entire amount in installments.	2.15%	-	7,500
Bank secured borrowings				
Glory Science	Borrowing period is from December 31 2019 to December 31 2024; pay principal in installments quarterly,interest is calculated monthly.	1.61%	-	45,000
Foxwell Energy	Borrowing period is from May 2018 to February 2036;pay entire amount in installments.	1.88%~2.35%	223,996	275,013
Foxwell Power	Borrowing period is from October 2022 to September 2028;pay entire amount in installments.	2.15%	-	112,500
Syndicated borrowings				
Foxwell Power	Borrowing period is from October 2022 to October 2025;pay entire Amount of principal when due.	2.32%~2.41%	770,100	<u>979,900</u> 5,422,090
Less: Current portion (shown as other current liabilities)				(689,541)
Less:Syndicated expense				(24,063)
Less:Amortization of long-term notes and bill payable discount				<u>(313)</u>
				<u>\$4,708,173</u>

Type of borrowings	Long-term bank borrowings and repayment term	Interest rate Range	Unused credit line	September30, 2022
Long-term bank borrowings				
Bank unsecured borrowings				
FIT Holding -including covenants	Borrowing period is from August 2021 to June 2024; pay entire amount of principal when due, interest is repayable monthly.	1,.49%~1.56%	\$ 299,000	\$ 630,000
-without covenants	Borrowing period is from May 2021 to May 2024; pay entire amount of principal when due, interest is repayable monthly.	1.51%~1.75%	100,000	700,000
Foxlink Image -including covenants	Borrowing period is from January2022 to January 2024; pay entire amount of principal when due, interest is repayable monthly.	1.56%	2,085,000	115,000
-without covenants	Borrowing period is from June 2021 to September 2024 ; pay entire amount of principal when due, interest is repayable monthly.	1.21%~1.45%	1,475,000	1,575,000

PQI				
-including covenants	Borrowing period is from September 2022 to February 2024; pay principal based on each bank's regulations, interest is repayable monthly.	1.50%	-	300,000
-without covenants	Borrowing period is from December 2021 to June 2025; pay principal based on each bank's regulations, interest is repayable monthly.	1.63%	-	600,000
Glory Science				
-without covenants	Borrowing period is from July 2019 to July 2024; pay principal and interest based on each bank's regulations.	1.44%~1.93%	-	189,000
Shinfox				
-without covenants	Borrowing period is from February 2019 to February 2023; pay entire amount in installments.	2.09%	-	3,228
Foxwell Energy				
-without covenants	Borrowing period is from January 2019 to December 2035; pay entire amount in installments.	1.75%~1.83%	286,601	36,708
Bank secured borrowings				
Glory Science	Borrowing period is from December 2019 to December 2024; pay principal in installments quarterly, interest is calculated monthly.	1.61%	-	45,000
Foxwell Energy	Borrowing period is from May 2018 to February 2036 pay entire amount in installments.	1.75%~2.06%	355,963	282,186
				4,476,122
Less: Current portion (shown as other current liabilities)				(824,224)
				<u>\$ 3,651,898</u>

- The Group entered into the borrowing contracts with Bank SinoPac, EnTie Bank, Far Eastern Bank, Taishin Bank and Yuanta Commercial Bank, and the total credit line is \$2,700 thousand. As of September 30, 2023, the borrowings that have been used amounted to \$915 thousand. In the duration period of these contracts, the financial ratios in the semi-annual consolidated and annual consolidated financial statements shall be as follows:
 - Current assets to current liabilities ratio of at least 80%;
 - Liabilities not exceeding 200% of tangible net equity;
 - Interest coverage of at least 300% to 400%;
 - Financial liabilities not exceeding 75% of tangible net equity
 - Tangible net equity of at least NT\$1,500,000 thousand to NT\$ 8,000,000 thousand;
 - Net equity of at least NT\$1,800,000 thousand.
- The borrowing agreement between the Group's subsidiary, Foxwell Power Co., Ltd., and Taishin bank stipulates that the Group shall annually review the financial ratios to maintain a current ratio not less than 150%, a net debt-to-equity ratio not less than 200% and a net asset value not less than \$800,000 during the facility period. Additionally, the Group is required to review the shareholding ratio of the ultimate parent company and the parent company on a

semi-annual basis.

3. The Group's subsidiary, Foxwell Power Co., Ltd., entered into a syndicated contract for a credit line of \$1,750,000 with three syndicated banks including O-Bank, etc., on October 3, 2022, financial commitments are summarized as follow:
 - (a) Foxwell Power Co., Ltd. committed to review the latest six months' or twelve months' revenue from ancillary services on a semi-annual or annual basis after the site of the project has been qualified to trade on the energy trading platform and the first settlement amount of ancillary services revenue has been remitted to the reserve account. The interest rate will be adjusted by 0.1% if the cumulative number of times did not meet the above requirement of which the revenue reached 80% of the average monthly income listed in the "Estimated statement of annual gain and loss and cash flow".
 - (b) Foxwell Power Co., Ltd. committed to review the DSCR semi-annually based on the revenue from ancillary services and the principal and interest amount for the last twelve months, which shall not be less than 1.1 times from the date the first monthly settlement amount of ancillary services revenue for the site of project has been remitted to the reserve account for a full twelve months.
4. On March 10, 2023, The Group's subsidiary, Foxwell Power Co., Ltd., entered into a loan agreement with 11 banks including CTBC bank for a credit line of \$6,720,000. During the contract period, the company is required to have net tangible assets in the consolidated financial statements not lower than \$6,000,000 and maintain shareholding ratio of the parent company on a semi-annual basis.
5. Information on collateral pledged for long-term borrowings is provided in Note 8.
6. As of September 30, 2023, the borrowings that have been used amounted to as follows:

Company	Bank	Credit line	Amount of borrowings used
Foxlink Image · PQI	Mega Bank(Note)	300,000	300,000
FIT Holding	Mega Bank	300,000	300,000
FIT Holding	SCSB	300,000	300,000
Foxlink Image	KGI Bank	400,000	400,000
Foxlink Image	E.SUN Bank(Note)	400,000	300,000
Foxlink Image	Bank of Taiwan	300,000	300,000
Foxlink Image	Hua Nan Bank	200,000	200,000
Foxlink Image	Taiwan Cooperative Bank	500,000	500,000
Foxlink Image	First Bank	250,000	250,000
Foxlink Image	Cathay United Bank(Note)	300,000	100,000
PQI	Hua Nan Bank	70,000	70,000
PQI	SCSB	300,000	300,000
Glory Science	Hua Nan Bank	75,000	75,000
Glory Science	Chang Hwa Bank	50,000	50,000
Foxwell Energy	Taishin Bank(Note)	46,855	46,855
Foxwell Energy	Mega Bank	180,088	180,088
Foxwell Energy	Bank SinoPac	566,049	59,955

Note: The credit line was shared by short-term and long-term borrowings.

(19) Pensions

1. (a) The Group has a defined benefit pension plan in accordance with the Labor Standards Act, covering all regular employees' service years prior to the enforcement of the Labor, Pension Act on July 1, 2005 and service years thereafter of employees who chose to continue to be subject to the pension mechanism under the Law. Under the defined benefit pension plan, two units are accrued for each year of service for the first 15 years and one unit for each additional year thereafter, subject to a maximum of 45 units. Pension benefits are based on the number of units accrued and the average monthly salaries and wages of the last 6 months prior to retirement. The Group contributes monthly an amount equal to 2% of the employees' monthly salaries and wages to the retirement fund deposited with Bank of Taiwan, the trustee, under the name of the independent retirement fund committee. Also, the Group would assess the balance in the aforementioned labor pension reserve account by December 31, every year. If the account balance is insufficient to pay the pension calculated by the aforementioned method to the employees expected to qualify for retirement in the following year, the Group will make contributions for the deficit by next March.
- (b) The pension costs under the abovementioned defined contribution plan for the three months and nine months ended September 30, 2023 and 2022 were \$169, \$70, \$510 and \$209, respectively.
- (c) Expected contributions to the defined benefit pension plans of the Group for the year ending December 31, 2024 amount to \$142.
2. (a) Effective July 1, 2005, the Company has established a defined contribution pension plan (the "New Plan") under the Labor Pension Act (the "Act"), covering all regular employees with R.O.C. nationality. Under the New Plan, the Company and its domestic subsidiaries contribute monthly an amount based on 6% of the employees' monthly salaries and wages to the employees' individual pension accounts at the Bureau of Labor Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment.
- (b) The Company's foreign subsidiaries have established a defined contribution pension plan in accordance with the local regulations. Other than the monthly contributions, the Group has no further obligations.
- (c) The pension costs under the abovementioned defined contribution pension plan for the three months and nine months ended September 30, 2023 and 2022 were \$22,628, \$18,995, \$64,463 and \$50,625, respectively.

(20) Share capital

As described in Note 1, the Company acquired 100% of the shares of Glory Science, PQI and Foxlink Image through share swap by exchanging 1 common share of Glory Science into 1 common share of the Company, 1 common share of PQI converted to 0.194 common share of the Company and 1 common share of Foxlink Image converted to 0.529 common share of the Company. As of September 30, 2023, the Company's authorized capital was \$3,000,000, consisting of 300,000 thousand shares of ordinary stock (including 30,000 thousand shares reserved for employee stock options), and the paid-in capital was \$2,462,421 with a par value of \$10 (in dollars) per share. Ordinary shares outstanding as at September 30, 2023 amounted to 246,242 thousand shares.

(21) Capital

2023					
	Share premium	Difference between consideration and carrying amount of subsidiaries acquired or disposed	Changes in ownership interests in subsidiaries	Net change in equity of associates	Total
At January 1	\$ 3,536,813	\$ 204,782	\$ 1,034,198	\$ 66,204	\$ 4,841,997
Capital surplus used to issue cash to shareholders	(123,121)	-	-	-	(123,121)
Transactions with non-controlling interest	-	-	(22)	-	(22)
Compensation cost	-	-	-	-	-
Recognition of change in equity of associates in proportion to the Group's ownership	-	-	-	124,598	124,598
At September 30	<u>\$ 3,413,692</u>	<u>\$ 204,782</u>	<u>\$ 1,034,176</u>	<u>\$ 190,802</u>	<u>\$ 4,843,452</u>

2022					
	Share premium	Difference between consideration and carrying amount of subsidiaries acquired or disposed	Changes in ownership interests in subsidiaries	Net change in equity of associates	Total
At January 1	\$ 3,783,055	\$ 204,782	\$ 837,883	\$ 64,599	\$ 4,890,319
Capital surplus used to issue cash to shareholders	(246,242)	-	-	-	(246,242)
Transactions with non-controlling interest	-	-	194,140	-	194,140
Compensation cost	-	-	1,653	-	1,653
Recognition of change in equity of associates in proportion to the Group's ownership	-	-	-	1,592	1,592
At September 30	<u>\$ 3,536,813</u>	<u>\$ 204,782</u>	<u>\$ 1,033,676</u>	<u>\$ 66,191</u>	<u>\$ 4,841,462</u>

A. In accordance with IFRS Q&A issued by Accounting Research and Development Foundation (ARDF) on October 26, 2018 and ARDF Interpretation 100-390, as described in Note 4, the share swap transactions between the Company and Glory Science were considered as a reorganization under common control on October 1, 2018.

B. Pursuant to the R.O.C. Company Act, capital surplus arising from paid-in capital in excess of par value issuance of common stocks and donations can be used to cover accumulated deficit or to issue new stocks or cash to shareholders in proportion to their share ownership, provided that the Company has no accumulated deficit. Further, the R.O.C. Securities and Exchange Act requires that the amount of capital surplus to be capitalized mentioned above should not exceed 10% of the paid-in capital each year. Capital surplus should not be used to cover the accumulated deficit unless the legal reserve is insufficient.

C. The shareholders resolved the Company to distribute cash by a capital surplus of \$123,121 (NT\$0.5(in dollars) per share) on March 13, 2023, and \$246,242(NT1 per share) on March 24,2022.

(22) Retained earnings

A. Under the Company's Articles of Incorporation, the current year's earnings, if any, shall first be used to pay all taxes and offset prior years' operating losses and then 10% of the remaining amount shall be set aside as legal reserve until the legal reserve equals the paid-in capital. The remaining earnings shall be proposed by the Board of Directors and resolved by the shareholders as dividends to shareholders.

According to the Company's dividend policy, no more than 90% of the distributable retained earnings shall be distributed as shareholders' bonus and cash dividend distributed in any calendar year shall be at least 20% of the total distributable earnings in that year based on future capital expenditures budget and capital requirements.

B. Except for covering accumulated deficit or issuing new stocks or cash to shareholders in proportion to their share ownership, the legal reserve shall not be used for any other purpose. The use of legal reserve for the issuance of stocks or cash to shareholders in proportion to their share ownership is permitted, provided that the distribution of the reserve is limited to the portion in excess of 25% of the Company's paid-in capital.

C. (a) In accordance with the regulations, the Company shall set aside special reserve from the debit balance on other equity items at the balance sheet date before distributing earnings. When debit balance on other equity items is reversed subsequently, the reversed amount could be included in the distributable earnings.

(b) As described in Note 4(2), the Company is substantially a continuation of Glory Science. Therefore, the amount previously set aside by the Company as special reserve in accordance with Order No. Financial-Supervisory-Securities-Corporate-1010012865, dated April 6,2012, shall be the same as the amount reclassified from accumulated translation adjustment under shareholders' equity to retained earnings for the exemptions elected by the Group. The special reserve increased as a result of retained earnings arising from the adoption of IFRS amounted to \$8,361.

D. The appropriation of 2022 and 2021 earnings as proposed and resolved by the shareholders on May 30,2023 and July 17, 2022 are as follows:

	2022	
	Amount	Dividend per Share(NTD)
Legal reserve	\$ 54,089	
Special reserve	69,906	
Cash dividends	369,363	\$ 1.50
	2021	
	Amount	Dividend per Share(NTD)
Legal reserve	\$ 42,083	
Special reserve	220,768	
Cash dividends	123,121	\$ 0.50

Information about earning distribution of the Company as approved and proposed by the Board of Directors and resolved at the shareholders' will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

(23) Operating revenue

A. Disaggregation of revenue from contracts with customers

The Group derives revenue in the following major product lines and geographical regions:

Revenue from external customer contracts

<u>Three months ended September 30,2023</u>	<u>China</u>	<u>Taiwan</u>	<u>Hong Kong</u>	<u>US</u>
System and peripheral products	\$ 272,591	\$ 1,939	\$ 122,841	\$ 210,939
3C retail and peripheral products	352	20,201	321,844	-
3C components	9,779	5,062	1,815	2,903
Energy service management	494	2,691,232	-	-
	<u>\$ 283,216</u>	<u>\$ 2,718,434</u>	<u>\$ 446,500</u>	<u>\$ 213,842</u>
<u>Three months ended September 30,2023</u>	<u>Europe</u>	<u>Others</u>	<u>Total</u>	
System and peripheral products	\$ 164,099	\$ 380,770		\$ 1,153,179
3C retail and peripheral products	-	194		342,591
3C components	-	6,417		25,976
Energy service management	-	-		2,691,726
	<u>\$ 164,099</u>	<u>\$ 387,381</u>		<u>\$ 4,213,472</u>

Revenue from external customer contracts

<u>Three months ended September 30,2022</u>	<u>China</u>	<u>Taiwan</u>	<u>Hong Kong</u>	<u>US</u>
System and peripheral products	\$ 381,956	\$ 3,034	\$ 1,910	\$ 408,461
3C retail and peripheral products	2,250	9,185	442,154	7
3C components	34,615	8,756	2,172	-
Energy service management	876	571,266	-	-
	<u>\$ 419,697</u>	<u>\$ 592,241</u>	<u>\$ 446,236</u>	<u>\$ 408,468</u>
<u>Three months ended September 30,2022</u>	<u>Europe</u>	<u>Others</u>	<u>Total</u>	
System and peripheral products	\$ 180,681	\$ 438,989		\$ 1,415,031
3C retail and peripheral products	-	43		453,639
3C components	34	20,079		65,656
Energy service management	-	-		572,142
	<u>\$ 180,715</u>	<u>\$ 459,111</u>		<u>\$ 2,506,468</u>

Revenue from external customer contracts

<u>Nine months ended September 30,2023</u>	<u>China</u>	<u>Taiwan</u>	<u>Hong Kong</u>	<u>US</u>
System and peripheral products	\$ 929,209	\$ 4,055	\$ 209,393	\$ 449,462
3C retail and peripheral products	872	50,550	983,069	23
3C components	46,313	21,159	6,076	6,127
Energy service management	2,594	5,977,158	-	-
	<u>\$ 978,988</u>	<u>\$ 6,052,922</u>	<u>\$ 1,198,538</u>	<u>\$ 455,612</u>

<u>Nine months ended September 30,2023</u>	<u>Europe</u>	<u>Others</u>	<u>Total</u>
System and peripheral products	\$ 489,197	\$ 1,040,327	\$ 3,121,643
3C retail and peripheral products	-	3,549	1,038,063
3C components	626	28,860	109,161
Energy service management	-	-	5,979,752
	<u>\$ 489,823</u>	<u>\$ 1,072,736</u>	<u>\$ 10,248,619</u>

Revenue from external customer contracts

<u>Nine months ended September 30,2022</u>	<u>China</u>	<u>Taiwan</u>	<u>Hong Kong</u>	<u>US</u>
System and peripheral products	\$ 881,992	\$ 4,314	\$ 8,909	\$ 1,249,432
3C retail and peripheral products	5,037	47,634	1,218,137	3,296
3C components	97,225	45,064	7,169	1,132
Energy service management	2,303	2,674,463	-	-
	<u>\$ 986,557</u>	<u>\$ 2,771,475</u>	<u>\$ 1,234,215</u>	<u>\$ 1,253,860</u>

<u>Nine months ended September 30,2022</u>	<u>Europe</u>	<u>Others</u>	<u>Total</u>
System and peripheral products	\$ 507,344	\$ 1,386,320	\$ 4,038,311
3C retail and peripheral products	-	1,381	1,275,485
3C components	1,547	57,581	209,718
Energy service management	-	-	2,676,766
	<u>\$ 508,891</u>	<u>\$ 1,445,282</u>	<u>\$ 8,200,280</u>

B. Unfulfilled construction contracts

Aggregate amount of the transaction price allocated to and the year expected to recognize revenue for the unsatisfied performance obligations in relation to the contracted significant construction contracts as of September 30, 2023 ,December 31,2022 and September 30,2022 are as follows:

<u>Year</u>	<u>Year expected to recognise revenue</u>	<u>Contracted amount</u>
September 30,2023	Year 2023-2025	\$ 48,941,887
December 31, 2022	Year 2023-2025	50,750,368
September 30,2022	Year 2022-2025	52,154,845

C. Contract assets and contract liabilities

(a) The Group has recognized the following revenue-related contract assets and contract liabilities:

	<u>September 30,2023</u>	<u>December 31,2022</u>	<u>September 30,2022</u>
Contract assets:			
Contract assets:			
- construction contracts	<u>\$ 6,092,541</u>	<u>\$ 2,716,125</u>	<u>\$ 1,351,206</u>
Contract liabilities:			
Contract liabilities:			
- advance sales receipts	319,640	387,568	379,591
Contract liabilities:			
- construction contracts	<u>6,950</u>	<u>3,171</u>	<u>5,387</u>
	<u>\$ 326,590</u>	<u>\$ 390,739</u>	<u>\$ 384,978</u>

(b) The aforementioned revenue-related contract assets and contract liabilities as at September 30, 2023, December 31, 2022 and September 30, 2022 are as follows:

	<u>September 30, 2023</u>	<u>December 31, 2022</u>	<u>September 30, 2022</u>
Total costs incurred and revenue recognized	\$ 12,587,870	\$ 8,411,401	\$ 6,502,357
Less: Progress billings	(6,502,279)	(5,698,447)	(5,156,538)
Net balance sheet position for Construction in progress	<u>\$ 6,085,591</u>	<u>\$ 2,712,954</u>	<u>\$ 1,345,819</u>
Presented as:			
Contract assets- current	\$ 6,092,541	\$ 2,716,125	\$ 1,351,206
Contract liabilities- current	(6,950)	(3,171)	(5,387)
	<u>\$ 6,085,591</u>	<u>\$ 2,712,954</u>	<u>\$ 1,345,819</u>

(c) Revenue recognized that was included in the contract liability balance at the beginning of the period

	<u>Three months ended September 30, 2023</u>	<u>Three months ended September 30, 2022</u>
Revenue recognised that was included in the contract liability balance at the beginning of the period		
Unearned revenue	<u>\$ 39,357</u>	<u>\$ 1,815</u>

	<u>Nine months ended September 30, 2023</u>	<u>Nine months ended September 30, 2022</u>
Revenue recognised that was included in the contract liability balance at the beginning of the period		
Unearned revenue	<u>\$ 76,314</u>	<u>\$ 51,599</u>

D. Information about the significant construction contracts contracted by the Group is provided in Note 9.

(24) Interest income

	Three months ended September 30,2023	Three months ended September 30,2022
Interest income from bank deposits	\$ 14,824	\$ 15,888
Interest income from financial as- sets measured at amortised cost	11,654	4,144
	<u>\$ 26,478</u>	<u>\$ 20,032</u>
	Nine months ended September 30,2023	Nine months ended September 30,2022
Interest income from bank deposits	\$ 50,776	\$ 26,790
Interest income from financial as- sets measured at amortised cost	24,522	9,553
	<u>\$ 75,298</u>	<u>\$ 36,343</u>

(25) Other income

	Three months ended September 30,2023	Three months ended September 30,2022
Dividend income	\$ 90,410	\$ 44,690
Rent income	19,446	17,931
Other income-Other	2,265	2,047
Compensation income	-	-
	<u>\$ 112,121</u>	<u>\$ 64,668</u>
	Nine months ended September 30,2023	Nine months ended September 30,2022
Dividend income	\$ 90,410	\$ 44,690
Rent income	60,782	52,032
Other income-Other	14,681	4,321
Compensation income	-	35,167
	<u>\$ 165,873</u>	<u>\$ 136,210</u>

(26) Other gains and losses

	Three months ended September 30,2023	Three months ended September 30,2022
Foreign exchange gains	\$ 38,403	\$ 117,285
Government grants revenue	491	505
Financial assets (liabilities) meas- ured at fair value through profit or loss	-	-
Gain (Loss) on disposals of prop- erty, plant and equipment	69	(13)
Depreciation charge on investment (	2,313)	(2,322)
property		
Others	3,465	(17,972)
	<u>\$ 40,115</u>	<u>\$ 97,483</u>

	Nine months ended September 30,2023	Nine months ended September 30,2022
Foreign exchange gains	\$ 36,295	\$ 199,838
Government grants revenue	3,900	4,654
Financial assets (liabilities) measured at fair value through profit or loss	2,443	-
Gain on disposals of property, plant and equipment	2,223	2,195
Depreciation charge on investment property	(6,958)	(6,773)
Others	(32,899)	(6,656)
	<u>\$ 5,004</u>	<u>\$ 193,258</u>

(27) Finance costs

	Three months ended September 30,2023	Three months ended September 30,2022
Interest expense :		
Bank loans	\$ 47,586	\$ 33,156
Lease liabilities	1,363	1,077
	<u>\$ 48,949</u>	<u>\$ 34,233</u>
	Nine months ended September 30,2023	Nine months ended September 30,2022
Interest expense :		
Bank loans	\$ 132,512	\$ 80,504
Lease liabilities	4,424	3,242
Loans from related parties	-	7,890
	<u>\$ 136,936</u>	<u>\$ 91,636</u>

(28) Expense by nature

<u>Nature</u>	Three months ended September 30,2023		
	Classified as operating costs	Classified as Operating Expenses	Total
Employee benefit expense			
Wages and salaries	\$ 155,580	\$ 194,594	\$ 350,174
Labour and health insurance fees	15,357	11,792	27,149
Pension costs	14,617	7,842	22,459
Other personnel expenses	6,765	6,430	13,195
	<u>\$ 192,319</u>	<u>\$ 220,658</u>	<u>\$ 412,977</u>
Depreciation charge	<u>\$ 60,050</u>	<u>\$ 32,264</u>	<u>\$ 92,314</u>
Amortisation charge	<u>\$ 32</u>	<u>\$ 19,234</u>	<u>\$ 19,266</u>

<u>Nature</u>	Three months ended September 30,2022		
	Classified as operating costs	Classified as Operating Expenses	Total
Employee benefit expense			
Wages and salaries	\$ 175,519	\$ 180,707	\$ 356,226
Labour and health insurance fees	3,054	9,172	12,226
Pension costs	11,712	7,213	18,925
Other personnel expenses	8,584	6,101	14,685
	<u>\$ 198,869</u>	<u>\$ 203,193</u>	<u>\$ 402,062</u>
Depreciation charge	<u>\$ 62,543</u>	<u>\$ 31,825</u>	<u>\$ 94,368</u>
Amortisation charge	<u>\$ 47</u>	<u>\$ 4,078</u>	<u>\$ 4,125</u>

<u>Nature</u>	Nine months ended September 30,2023		
	Classified as operating costs	Classified as Operating Expenses	Total
Employee benefit expense			
Wages and salaries	\$ 448,051	\$ 491,390	\$ 939,441
Labour and health insurance fees	35,499	30,523	66,022
Pension costs	41,629	22,324	63,953
Other personnel expenses	23,449	27,186	50,635
	<u>\$ 548,628</u>	<u>\$ 571,423</u>	<u>\$ 1,120,051</u>
Depreciation charge	<u>\$ 190,686</u>	<u>\$ 99,920</u>	<u>\$ 290,606</u>
Amortisation charge	<u>\$ 125</u>	<u>\$ 57,630</u>	<u>\$ 57,755</u>

<u>Nature</u>	Nine months ended September 30,2022		
	Classified as operating costs	Classified as Operating Expenses	Total
Employee benefit expense			
Wages and salaries	\$ 574,609	\$ 529,804	\$ 1,104,413
Labour and health insurance fees	20,945	28,244	49,189
Pension costs	31,243	19,173	50,416
Other personnel expenses	27,380	18,952	46,332
	<u>\$ 654,177</u>	<u>\$ 596,173</u>	<u>\$ 1,250,350</u>
Depreciation charge	<u>\$ 185,484</u>	<u>\$ 101,999</u>	<u>\$ 287,483</u>
Amortisation charge	<u>\$ 140</u>	<u>\$ 13,197</u>	<u>\$ 13,337</u>

A. According to the Articles of Incorporation of the Company, a ratio of distributable profit of the current year, after covering accumulated losses, shall be distributed as employees' compensation and directors' and supervisors' remuneration. The ratio shall not be lower than 6% for employees' compensation and shall not be higher than 3% for directors' and supervisors' remuneration.

B. For the nine months ended September 30, 2023 and 2022, employees' compensation was accrued at \$14,000 and \$26,000, respectively; directors' remuneration was accrued at \$3,000 and 3,750. The aforementioned amounts were recognized in salary expenses.

C. In accordance with the resolution of the board of directors, the employees' remuneration and directors' remuneration for the 2022 amounted to \$34,000 and \$3,860, respectively. There was a difference of \$1,140 compared to the employee remuneration of \$34,000 and director remuneration of \$5,000 recognized in the financial report for the 2022. This difference has been adjusted in the income statement for the 2023 and will be disbursed in cash.

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

(29) Income tax

(A) Income tax expense

(a) Components of income tax expense :

	<u>Three months ended September 3, 2023</u>	<u>Three months ended September 30, 2022</u>
Current tax:		
Current tax on profits for the year	\$ 56,619	\$ 19,437
Tax on undistributed surplus earnings	11)	649
Prior year income tax underestimation	2,785	10,884
Total current tax	59,393	30,970
Deferred tax :		
Origination and reversal of temporary differences	9,377	32,975
Total deferred tax	9,377	32,975
Income tax expense	\$ 68,770	\$ 63,945

	<u>Nine months ended September 3, 2023</u>	<u>Nine months ended September 30, 2022</u>
Current tax:		
Current tax on profits for the year	\$ 130,074	\$ 71,470
Tax on undistributed surplus earnings	11,452	5,266
Prior year income tax (over) underestimation	749	19,129
Total current tax	142,275	95,865
Deferred tax :		
Origination and reversal of temporary differences	(695)	61,953
Total deferred tax	(695)	61,953
Income tax expense	\$ 141,580	\$ 157,818

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

	<u>Three months ended September 30,2023</u>	<u>Three months ended September 30,2022</u>
Currency translation differences	\$ <u>24,890</u>	\$ <u>20,311</u>
	<u>Nine months ended September 30,2023</u>	<u>Nine months ended September 30,2022</u>
Currency translation differences	\$ <u>15,274</u>	\$ <u>46,946</u>

B. The Company's income tax returns through 2018 have been assessed and approved by the Tax Authority. The Company's domestic subsidiaries' income tax returns through 2018 and 2021 have been assessed and approved by the Tax Authority.

(30) Earnings per share

	<u>Three months ended September 30,2023</u>		
	Amount after tax	Weighted average number of ordinary shares outstanding (share in thousands)	Earnings per Share (in dollars)
<u>Basic earnings per share</u>			
Profit attributable to the parent	\$ <u>277,442</u>	<u>246,242</u>	\$ <u>1.13</u>
<u>Diluted earnings per share</u>			
Profit attributable to the parent	\$ <u>277,442</u>	<u>246,242</u>	
Assumed conversion of all dilutive potential ordinary shares Employees compensation	<u>-</u>	<u>419</u>	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	\$ <u>277,442</u>	<u>246,661</u>	\$ <u>1.12</u>
	<u>Three months ended September 30,2022</u>		
	Amount after tax	Weighted average number of ordinary shares outstanding (share in thousands)	Earnings per Share (in dollars)
<u>Basic earnings per share</u>			
Profit attributable to the parent	\$ <u>210,839</u>	<u>246,242</u>	\$ <u>0.86</u>
<u>Diluted earnings per share</u>			
Profit attributable to the parent	\$ <u>210,839</u>	<u>246,242</u>	
Assumed conversion of all dilutive potential ordinary shares Employees compensation	<u>-</u>	<u>1,055</u>	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	\$ <u>210,839</u>	<u>247,297</u>	\$ <u>0.85</u>

Nine months ended September 30,2023			
	Amount after tax	Weighted average num- ber of ordinary shates outstanding(share in thousands)	Earnings per Share (in dollars)
<u>Basic earnings per share</u>			
Profit attributable to the parent	\$ 287,740	246,242	\$ 1.17
<u>Diluted earnings per share</u>			
Profit attributable to the parent	\$ 287,740	246,242	
Assumed conversion of all dilutive potential ordinary shares Employees compensation	-	639	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	\$ 287,740	246,881	\$ 1.17

Nine months ended September 30,2022			
	Amount after tax	Weighted average num- ber of ordinary shates outstanding(share in thousands)	Earnings per Share (in dollars)
<u>Basic earnings per share</u>			
Profit attributable to the parent	\$ 438,274	246,242	\$ 1.78
<u>Diluted earnings per share</u>			
Profit attributable to the parent	\$ 438,274	246,242	
Assumed conversion of all dilutive potential ordinary shares Employees compensation	-	1,338	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	\$ 438,274	247,580	\$ 1.77

(31) Transsactions with non-controlling interest

- A. The Group did not participate in the capital increase raised by the subsidiaries and second-tier subsidiary proportionally to its interest to the subsidiary.
The second-tier subsidiaries,Shinfox Energy Co.,Ltd and Foxwell Power Co.,Ltd increased its capital by issuing new shares in 2022.The Group did not acquire shares proportionally to its interest.As a result,the Group decreased its share interest by 2.55% and 18.77%,respectively.The transaction increased non-controlling interest by \$2,615,806 and increased the equity attributable to owners of parent by \$194,140.
- B. The subsidiary of the group, Guanwei Power Co., Ltd., conducted a capital increase and issued new shares on July 5, 2023. The group did not exercise its subscription rights according to its ownership percentage, resulting in a decrease of 49% in our equity interest. The transaction resulted in a non-controlling interest increase of \$34,322, and a decrease of \$22 in equity attributable to the parent company's owners.

(32) Business combinations (For the nine months ended September 30,2023:None)

A. On February 14, 2022, the Group purchased a 100 % equity of Elegant Energy with cash in \$200,000, and obtained control of Elegant Energy. The Group expects to strengthen its position in the onshore wind power market after the acquisition.

B. The fair value information on the acquisition date of the consideration paid for the acquisition of Elegant Energy, the assets acquired and the liabilities assumed are as follows:

	<u>February 14 , 2022</u>
Acquisition consideration:	
Cash	\$ 200,000
Fair value of identifiable assets acquired and liabilities assumed	
Cash	786
Other current assets	3,293
Intangible assets	197,637
Other current liabilities	(1,716)
Deferred income tax liabilities	(39,528)
Identifiable assets	<u>160,472</u>
Goodwill	<u>\$ 39,528</u>

C. The apportionment of the purchase price of Elegant Energy was completed in the first quarter of 2022. The fair values of identifiable intangible assets customer relationship and goodwill obtained were \$197,637 and \$39,528 respectively.

D. Since the Group merged Elegant Energy on February 14, 2022, the operating income and pre-tax net profit contributed by Elegant Energy was \$9,641 and \$9,415 respectively. If it is assumed that Elegant Energy has been consolidated since January 1, 2022, the operating income and net profit before tax of the Group will be \$2,592,881 and \$180,820, respectively.

(33) Supplemental cash flow information

A. Investment activities with partial cash payments:

	<u>Nine months ended September 30</u>	
	<u>2023</u>	<u>2022</u>
Purchase of property,plant and equipment	\$ 283,603	\$ 242,931
Add:Opening balance of payable on equipment	90,341	44,569
Less:Ending balance of payable on equipment	(109,985)	(47,029)
Cash paid during the period	<u>\$ 263,959</u>	<u>\$ 240,471</u>

B.The group sold 33.5% of shares in the subsidiary-Junezhe Co.,Ltd. on December 27,2022 and therefore lost control over the subsidiary (please refer to Note4(3) B.).The details of the consideration received from the transaction(including cash and cash equivalent) and assets and liabilities relating to the subsidiary are as follows:

	<u>December 27,2022</u>
Receive consideration	
Cash	\$ 77,050
Carrying amount of the assets and liabilities of Junezhe	
Cash	11,788
Accounts receivable	16,790
Other current assets	1,091
Property,plant and equipent	173,333
Accounts payable(including related parties)	(4,013)
Other payables	(3,587)
Current income tax liabilities	(7,081)
Other current liabilities	(17)
Total net assets	<u>\$ 188,304</u>

(34) Changes in liabilities from financing activities

	Short-term borrowing	Short-term notes and bills payable	Long-term borrowings_ (including Current portion)	Lease Liability	Liabilities from financing activities gross
January 1,2023	\$ 7,035,719	\$ 1,789,159	\$ 5,397,714	\$ 292,328	\$ 14,514,920
Changes in cash flow from financing activitie	2,694,967	1,574,791	351,635	(76,863)	4,544,530
Changes in other non-cash items	-	-	-	103,114	103,114
Impact of changes in foreign exchange rate	-	-	-	2,027	2,027
September 30,2023	<u>\$ 9,730,686</u>	<u>\$ 3,363,950</u>	<u>\$ 5,749,349</u>	<u>\$ 320,606</u>	<u>\$ 19,164,591</u>

	Short-term borrowing	Short-term notes and bills payable	Long-term borrowings_ (including Current portion)	Lease Liability	Liabilities from financing activities gross
January 1,2022	\$ 3,086,000	\$ 1,596,522	\$ 3,077,867	\$ 316,525	\$ 8,076,914
Changes in cash flow from financing Activitie	3,757,719	(1,023,822)	1,398,255	(62,269)	4,069,883
Changes in other non-cash items	-	-	-	38,804	38,804
Impact of changes in foreign exchange rate	-	-	-	5,414	5,414
September 30,2022	<u>\$ 6,843,719</u>	<u>\$ 572,700</u>	<u>\$ 4,476,122</u>	<u>\$ 298,474</u>	<u>\$ 12,191,015</u>

7. Related Party Transactions

(1) Names of related parties and relationship

Names of related parties	Relationship with the Company
Cheng Uei Precision Industry Co.,Ltd(Cheng Uei)	Ultimate parent
Fugang Electronic(Dongguan) Co.,Ltd(FGEDG)	Other related party
Fugang Electronic(Xuzhou) Co.,Ltd(FG XuZhou)	Other related party
Kunshan Fugang Electric Trading Co.,Ltd(KFET)	Other related party
VA Product Inc.(VA)	Other related party
CU International Ltd.(CU)	Other related party
Studio A Inc.(Studio A)	Other related party
Straight A Inc.(Straight A)	Other related party
Sharetronic Data Technology Co.,Ltd(Sharetronic)	Other related party
Dongguam Fuqiang Electronics Co.,Ltd(DGFQ)	Other related party
Chern Feng Engineering Tech Co.,Ltd(Chern Feng)	Other related party(Note 1)
Central Motion Picture Corporation (Central Motion Picture)	Other related party
Fugang Electric (Kunshan) Co.,Ltd	Other related party
Foxlink Technical India Private Ltd.	Other related party
Hon Hai Precision Industry Co., Ltd.	Other related party
STUDIO A TECHNOLOGY LTD.(STUDIO A)	Associate
Synergy Co., Ltd.(Synergy)	Associate
Changpin Wind Power Ltd.(Changpin)	Joint Venture(Note 2)
Note1: Chern Feng Engineering Tech Co.,Ltd. was the Group's related party because Chern Feng Engineering Tech Co.,Ltd, was the major shareholder of the Group's subsidiary-Junezhe Co.,Ltd.However,the Group disposed all the equity interest in Junezhe Co., Ltd. On December 27,2022.Chern Feng Engineering Tech Co.,Ltd. was no longer a related party of the Group starting from December 27,2022.	
Note2: The Group obtained the investment using the equity method in the second quarter of 2022, so it is listed as a related party.	

(2) Significant related party transactions

A. Operating revenue

	Three months ended September 30,2023	Three months ended September 30,2022
Joint Venture	\$ 5,000	\$ -
Other related parties	9,041	49,602
Cheng Uei	12,065	53,394
Associate	8,371	19,087
	<u>\$ 34,477</u>	<u>\$ 122,083</u>

	<u>Nine months ended September 30,2023</u>	<u>Nine months ended September 30,2022</u>
Joint Venture	\$ 133,354	\$ 40,000
Other related parties	39,908	82,110
Cheng Uei	30,313	96,560
Associate	<u>27,339</u>	<u>38,062</u>
	<u>\$ 230,914</u>	<u>\$ 256,732</u>

- (a) Goods sold to the abovementioned related parties are based on mutual agreement and are not sold to the third parties. The collection terms are 90 to 120 days after monthly billings.
- (b) The Group's sales of services to the abovementioned related parties refer to construction revenue, service revenue and electricity sales revenue charged from the contracted construction agreements, contracted agreements for development, design, manufacture and supervision of construction and the operation and maintenance contract for wind turbine generator system (WTGS) entered with other related parties, and the transaction price and credit terms are the same with the market situation or the general customers.

B.Purchases

	<u>Three months ended September 30,2023</u>	<u>Three months ended September 30,2022</u>
Purchases of goods :		
Cheng Uei	\$ 2,848	\$ 2,479
Associate	768	649
Other related parties	<u>638</u>	<u>-</u>
	<u>\$ 4,254</u>	<u>\$ 3,128</u>

Engineering cost :

Former other related parties	\$ <u>-</u>	\$ <u>18,106</u>
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	<u>Nine months ended September 30,2023</u>	<u>Nine months ended September 30,2022</u>
Purchases of goods :		
Cheng Uei	\$ 8,052	\$ 16,497
Associate	4,355	1,806
Other related parties	<u>1,198</u>	<u>-</u>
	<u>\$ 13,605</u>	<u>\$ 18,303</u>

Engineering cost :

Former other related parties	\$ <u>-</u>	\$ <u>38,082</u>
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The prices and terms are determined in accordance with mutual agreement, and the payment term is 90 to 120 days after monthly billings.

C.Receivables from related parties

	<u>September 30,2023</u>	<u>December 31,2022</u>	<u>September 30,2022</u>
Accounts receivable :			
Cheng Uei	\$ 12,493	\$ 26,614	\$ 47,793
Associate	8,645	-	13,385
Other related parties	7,241	14,285	47,556
Joint Venture	<u>5,250</u>	<u>-</u>	<u>-</u>
	<u>\$ 33,629</u>	<u>\$ 40,899</u>	<u>\$ 108,734</u>
Other receivables :			
Sharetronic	\$ 7,963	\$ 10,248	\$ 9,597
STUDIO A	6,144	-	2,336
Cheng Uei	3,785	148	18
Other related parties	2,284	117	2
Associate	5	8	1
Joint Venture	<u>-</u>	<u>-</u>	<u>105</u>
	<u>\$ 20,181</u>	<u>\$ 10,521</u>	<u>\$ 12,059</u>

Other receivables mainly come from rental income, manpower support income and advances on behalf of others.

D.Payables to related parties

	<u>September 30,2023</u>	<u>December 31,2022</u>	<u>September 30,2022</u>
Accounts payable :			
Cheng Uei	\$ 8,475	\$ 2,518	\$ 13,629
Associate	811	55	348
Other related parties	580	-	121
Former other related parties	<u>-</u>	<u>-</u>	<u>16,740</u>
	<u>\$ 9,866</u>	<u>\$ 2,573</u>	<u>\$ 30,838</u>
Other payables :			
Cheng Uei	\$ 10,710	\$ 10,828	\$ 11,950
Other related parties	3,524	21,332	17,238
Associate	<u>2,073</u>	<u>-</u>	<u>940</u>
	<u>\$ 16,307</u>	<u>\$ 32,160</u>	<u>\$ 30,128</u>

- (a) Payables to related parties, mainly arose from purchases, and the payment terms are 90 to 120 days after monthly billings.
- (b) Other payables to related parties, mainly arose from management, legal and system maintenance fees payable.

E, Property transactions

Acquisition of property, plant and equipment:

	Three months ended September 30,2023	Three months ended September 30,2022
Other related parties	\$ -	\$ 3,980
	Nine months ended September 30,2023	Nine months ended September 30,2022
Other related parties	\$ -	\$ 3,980

F, Lease transactions — lessee

(a) The Group leases, buildings from the ultimate parent company and other related parties. Rental contracts are typically made for periods from 2013 to 2028 years. Rents are paid monthly.

(b) Acquisition of use-of-right assets

	Three months ended September 30,2023	Three months ended September 30,2022
Cheng Uei	\$ -	\$ -

	Nine months ended September 30,2023	Nine months ended September 30,2022
Cheng Uei	\$ 14,935	\$ 7,838

(c) Lease liability

i. Outstanding balance

	September 30,2023	December 31,2022	September 30,2022
Cheng Uei	\$ 116,346	\$ 122,374	\$ 129,087
Other related parties	-	4,894	10,037
	\$ 116,346	\$ 127,268	\$ 139,124

ii. Interest expense

	Three months ended September 30,2023	Three months ended September 30,2022
Cheng Uei	\$ 468	\$ 481
Other related parties	-	36
	\$ 468	\$ 517

	Nine months ended September 30,2023	Nine months ended September 30,2022
Cheng Uei	\$ 1,442	\$ 1,484
Other related parties	9	142
	\$ 1,451	\$ 1,626

G.Rental revenue

	<u>Three months ended September 30,2023</u>	<u>Three months ended September 30, 2022</u>
Other related parties	\$ 10,963	\$ 7,803
Cheng Uei	5,118	5,118
	<u>\$ 16,081</u>	<u>\$ 12,921</u>
	<u>Nine months ended September 30,2023</u>	<u>Nine months ended September 30, 2022</u>
Other related parties	\$ 34,915	\$ 23,025
Cheng Uei	15,354	14,756
	<u>\$ 50,269</u>	<u>\$ 37,781</u>

H.Loans from related parties:

Loans from related parties :

Interest expense

	<u>Three months ended September 30,2023</u>	<u>Three months ended September 30,2022</u>
Cheng Uei	\$ -	\$ -
	<u>Nine months ended September 30,2023</u>	<u>Nine months ended September 30,2022</u>
Cheng Uei	\$ -	\$ 7,890

The loans are settled at maturity. The interest rate was 1.6% per annum.

I.Loans to others and guarantee/endorse: Please refer to Notes 13(1) A and 13(1)B.

(3) Key management compensation

	<u>Three months ended September 30,2023</u>	<u>Three months ended September 30,2022</u>
Salaries and other short-term employee benefits	\$ 6,985	\$ 6,122
Post-employment benefits	255	219
	<u>\$ 7,240</u>	<u>\$ 6,341</u>
	<u>Nine months ended September 30,2023</u>	<u>Nine months ended September 30,2022</u>
Salaries and other short-term employee benefits	\$ 19,100	\$ 17,981
Post-employment benefits	732	634
	<u>\$ 19,832</u>	<u>\$ 18,615</u>

8. Pledged Assets

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

<u>Pledged asset</u>	<u>Book Value</u>			<u>Purpose</u>
	<u>September 30,2023</u>	<u>December 31,2022</u>	<u>September 30,2022</u>	
Time deposits (shown as financial assets at amortised cost-current)	\$ 233,786	\$ 228,732	\$ 234,726	Guarantee for fast customs clearance and issuance of material purchasing guarantee and security deposit
Restricted bank deposits and pledged time deposits (shown as financial assets at amortised cost-current)	2,391,512	2,619,504	2,710,329	Letters of guarantee for construction performance, short-term borrowings and guarantee notes, etc.
Other assets, others (shown as other current assets)	999,333	999,710	1,005,211	Guarantee for construction performance, performance bond
Other assets, others (shown as other current assets)	257,973	246,058	49,916	Guarantee for electric energy transfer and deposits
Time deposits (shown as financial assets at amortised cost-non-current)	4,500	4,500	4,500	Guarantee for lease Performance
Restricted bank deposits and pledged time deposits (shown as financial assets at amortised cost-non-current)	402,127	388,788	42,391	Impound, performance guarantee and guarantee for development plan
Property, plant and equipment	1,213,451	1,028,412	866,030	Short-term notes and bills and long-term borrowings
Investment Property	1,663	6,654	8,317	Short-term and long-term borrowings
	<u>\$ 5,504,345</u>	<u>\$ 5,522,358</u>	<u>\$ 4,921,420</u>	

9. Significant Contingent Liabilities and Unrecognized Contract Commitments

(1) Contingencies

A. Subsidiaries of the Group, Shih Fong Power Co., Ltd. (the "Shih Fong"), carried out a "Shih Fong Power's FongPing River and Its Tributary Hydroelectric Project" (the "Project") in Hualien County and planned to build a weir in FongPing River for hydropower plants to generate electricity. Since 2000, the Company has successively obtained the permit to build the infrastructure as an electricity enterprise and the work permit to operate power generation equipment as an electricity enterprise (the "Work Permit"). As the construction was unable to be completed on time, the extension was applied for according to the law year by year and the Work Permit was obtained as approved and issued by the Ministry of Economic Affairs. Certain litigations occurring during the period of application for the renewal of the Work Permit are as follows:

(a) Administrative Appeal

The local indigenous peoples (the "Applicants") filed an administrative appeal on May 14, 2021 with the Administrative Appeals Committee of the Executive Yuan (the "Committee"), requesting "the suspension of the Project" and "the revocation of Work Permit in 2021 issued by the Ministry of Economic Affairs". Regarding the dispute with

the former, the administrative appeal was dismissed by the Committee on May 31, 2021; and regarding the dispute with the latter, the decision of administrative appeal was rendered by the Committee on March 3, 2022 and the original administrative action was revoked.

In accordance with the decision of the Committee, the Ministry of Economic Affairs sent a letter to Shih Fong on March 10, 2022, ordering it to consult and obtain consent and participation from the indigenous peoples or tribes. Shih Fong disagreed with the judgement and filed an administrative litigation according to the law on April 29, 2022, requesting the Executive Yuan to revoke the decision of administrative appeal of Shih Fong's Work Permit in 2021. Currently, the case trial has been initiated by the court on November 9, 2022. However, as of the reporting date, the judgement had not been made.

(b) Administrative Appeal

The Applicants disagreed with the decision of dismissal on May 31, 2021 by the Committee and filed an administrative litigation with the Taipei High Administrative Court (the "High Court"). On December 3, 2021, the Court rendered a judgement that "the Project is suspended until the administrative litigation is finalised". The Ministry of Economic Affairs and Shih Fong disagreed with the abovementioned judgement and filed an counterappeal with the Supreme Administrative Court (the "Supreme Court"). On March 31, 2022, the Supreme Court revoked the original verdict, excluding certain final judgements.

However, in order to conduct the construction smoothly in the future and respect the will of local peoples, Shih Fong sent a letter to the Zhuoxi Township Office on April 7, 2022, requesting it to consult and obtain consent from tribes. Shih Fong completed relevant tribal consultation and obtained a majority of consent in December 2022 and sent a letter to the Bureau of Energy to report the results of the tribal consultation. The Company had obtained the renewal Work Permit in 2021 and 2022 in December 2022 and the Work Permit in 2023 renewed by the Ministry of Economic Affairs in February 2023 which will be valid until December 31, 2023. The applicants don't agree with the Ministry of Economic Affairs' issuance of a work permit for the year 2023. The applicant requests a suspension of execution until the administrative litigation is concluded and finalized. The Supreme Administrative Court ruled on September 28, 2023, that "the execution shall be suspended until the conclusion of the administrative litigation, and the costs of the lawsuit shall be partially abandoned."

- B. The Second-tier subsidiary of the Group, Foxwell Energy Corporation Ltd. (the "Foxwell Energy"), entered into a 'Transportation and Installment Contract of Wind Turbines in Wind Farm Site No. 26' with a Singapore contractor, Teras Offshore Pte. Ltd. As the contractor failed to submit the essential documents within the time frame prescribed in the contract, Foxwell Energy has the right to revoke the contract and has notified the contractor in writing of the termination of the contract. After receiving the written notice from Foxwell Energy, the contractor entrusted a lawyer on December 11, 2021 to rely and request for compensation from Foxwell Energy, and state that it will refer the matter to arbitration if the compensation is not paid. On December 24, 2021, Foxwell Energy also appointed a lawyer to send a letter stating that it was a lawful termination of the contract and it will reserve the right to claim compensation from the contractor. As of November 10, 2023, Foxwell Energy has not yet received the notice of arbitration submitted by the contractor to the arbitration institution, and the termination of the contract has no impact on the original construction contract and subsequent performance obligations.

(2) Commitments

- A. Information on endorsement/guarantee of the Company is provided in Note 13(2).
B. As of September 30, 2023, December 31, 2022 and September 30, 2022, the letters of guarantee to be issued by the bank, which are required for the Group's performance guarantee

for the property procurement and installation of Taiwan Power Company's offshore wind power project, amounted to \$5,400,000, respectively, of which the amounts provided by the Group to banks as pledges (shown as financial assets at amortised cost) were \$1,620,000, the endorsement and guarantee amount provided by the subsidiary, Shinfox Energy Co., Ltd. were \$3,780,000, respectively, and the amounts pledged by the letter of guarantee assigned by subcontractors were both \$1,608,370, respectively.

- C. As of September 30, 2023, December 31, 2022 and September 30, 2022, the subsidiary of this group, Shinfox Energy Co., Ltd., provided performance guarantees and credit limit guarantees for the contract projects of the subsidiary of this group, Foxwell Energy Corporation Ltd. in the amounts of \$19,108,798 \$12,762,997 and \$12,431,756 respectively.
- D. As of September 30, 2023, December 31, 2022 and September 30, 2022, the letters of guarantee to be issued by the bank, which are required for performance guarantee under the contracted photovoltaic electric systems, amounted to \$138,569, \$75,144 and \$125,463, respectively.
- E. Capital expenditure contracted for at the balance sheet date but not yet incurred is as follows:
 - (a) As of September 30, 2023, December 31, 2022 and September 30, 2022, equipment purchases agreements contracted but not recognised and paid amounted to \$610,788, \$391,120 and \$1,062,842, respectively.
 - (b) The Company entered into a construction cooperation contract with non-related parties with a total consideration of \$47,027,981. As of September 30, 2023, the consideration of \$14,422,418 was settled.
- F. On August 13, 2020, the Group entered into an equipment procurement contract and an operation and maintenance contract with Taiwan Power Company for the Phase II of Taipower's Offshore Wind Power Project, the "Wind Farm Property Procurement and Installation Project" amounting to \$56,588,000 and \$6,300,000, respectively. The terms of the equipment procurement contract specifies that the Company shall complete the foundation construction for WTGS and offshore substation as of September 30, 2024, shall complete all WTGS which shall be under the security constrained dispatch process as of December 31, 2025, shall complete the whole construction as of December 31, 2025 and shall provide 2 years warranties from the date of completion and acceptance of the whole construction. In addition, the equipment shall provide guaranteed generating capacity. The performance term of this project is divided into stages progress and the final completion deadline. The default penalty shall be computed until the termination date of the contract according to each stage of the project. The operation and maintenance contract specifies the terms such as the guaranteed annual availability and default penalty of all WTGS as well as the relevant rights and obligations of both parties. The contract period is 5 years from the time when all WTGS are under the security constrained dispatch process. As of September 30, 2023, the Group's construction projects were completed on schedule and there was no compensation loss incurred due to overdue projects.
- G. The Group entered the operation and maintenance contract with Changyuan Wind Power Ltd., Beiyuan Wind Power Ltd. and Shinfox Power Co., Ltd. for WTGS and solar energy equipment. The contract specifies the terms such as the bonus and penalty of operation and maintenance as well as the relevant rights and obligations of both parties. The contract period is 20 years from the parallel connection date.

10. Significant Disaster Loss

None

11. Significant Subsequent Events

- A. The Second-tier subsidiary of this group, Shinfox Energy Co., Ltd., participated in the cash capital increase of Eastern Rainbow Green Energy Environmental Technology Co., Ltd. on October 9, 2023. The investment amount is approximately \$220,000, representing a 57% equity stake.
- B. On August 8, 2023, the Second-tier subsidiary of this group, Shinfox Energy Co., Ltd. decided in its board meeting to propose the issuance of the first domestically secured convertible corporate bonds. The maximum total face value of the issuance is \$3,000,000, with each bond having a face value of NT\$100, and they will be issued at full face value. This issuance of secured convertible corporate bonds will be conducted electronically, with a coupon rate of 0%, and a three-year maturity period. The application was approved by the Financial Supervisory Commission on October 31, 2023, and has come into effect. We are currently in the process of completing related matters.

12. Others

(1)Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

(2)Financial instruments

A. Financial instruments by category

	<u>September 30,2023</u>	<u>December 31,2022</u>	<u>September 30,2022</u>
<u>Financial assets</u>			
Financial assets at fair value through other comprehensive income			
Designation of equity instrument			
Financial assets at amortised cost			
Cash and cash equivalents	\$ 4,778,915	\$ 5,732,695	\$ 6,080,476
Financial assets at amortised Cost	3,300,435	3,299,563	3,312,156
Notes receivable	38,575	34,952	5,996
Accounts receivable (including related parties)	1,204,512	1,216,207	1,931,250
Other receivables(including related parties)	47,596	42,464	67,973
Guarantee deposits paid	1,272,817	1,260,741	1,072,765
	<u>\$ 10,642,850</u>	<u>\$ 11,586,622</u>	<u>\$ 12,470,616</u>

	<u>September 30,2023</u>	<u>December 31,2022</u>	<u>September 30,2022</u>
<u>Financial liabilities</u>			
Short-term borrowings	\$ 9,730,686	\$ 7,035,719	\$ 6,843,719
Short-term notes and bills payable	3,363,950	1,789,159	572,700
Notes payable	28	656	171
Accounts payable (including related parties)	1,642,353	1,417,018	1,508,582
Other payables (including related parties)	771,336	831,925	805,006
Long-term borrowings (including current portion)	5,749,349	5,397,714	4,476,122
Guarantee deposits received	<u>32,184</u>	<u>24,668</u>	<u>20,023</u>
	<u>\$ 21,289,886</u>	<u>\$ 16,496,859</u>	<u>\$ 14,226,323</u>
Lease liability	<u>\$ 320,606</u>	<u>\$ 292,328</u>	<u>\$ 298,474</u>

B. Financial risk management policies

- (a) The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk and interest rate risk), credit risk and liquidity risk. To reduce the adverse impact on the financial performance of the Group caused by uncertainty, the Group undertakes forward exchange contracts to hedge against exchange rate risks; the derivative instruments undertaken by the Group are for hedging purposes and not for trading or speculation.
- (b) Risk management is carried out by a central treasury department (Group treasury) under policies approved by the Board of Directors. Group treasury identifies, evaluates and hedges financial risks in close co-operation with the Group's operating units. The Board provides written principles for overall risk management, as well as written policies covering specific areas and matters, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.
- (c) Information on undertaking derivatives to avoid financial risks is provided in Note 6(2).

C. Significant financial risks and degrees of financial risks

(a) Market risk

Exchange rate risk

- i. The Group operates internationally and is exposed to exchange rate risk arising from the transactions of the Company and its subsidiaries used in various functional currencies, primarily with respect to the USD and RMB. The foreign exchange rate risk arises from future commercial transactions and recognized assets and liabilities.
- ii. Management has set up a policy to require group companies to manage their foreign exchange risk against their functional currency. The group entities are required to hedge their entire foreign exchange risk exposure with the Group treasury. Exchange rate risk is measured through a forecast of the highly probable USD and RMB expenditures.
- iii. The group utilizes forward foreign exchange transactions to hedge against exchange rate risks; however, hedge accounting is not applied, and financial assets or liabilities measured at fair value through profit or loss are recognized. Please refer to Note 6(2) for further details.
- iv. The Group's businesses involve some non-functional currency operations (the Company's and certain subsidiaries' functional currency: NTD; other certain subsidiaries' functional currency: RMB). The information on assets and liabilities denominated in

foreign currencies whose values would be materially affected by the exchange rate fluctuations is as follows:

September 30,2023				
	Foreign currency amount(In thousands)	Exchange rate	Book value (NTD)	
(Foreign currency:functional currency)				
<u>Financial assets</u>				
<u>Monetary items</u>				
USD:NTD	\$ 51,094	32.2700	\$ 1,648,803	
RMB:NTD	83,656	4.4150	369,341	
JPY:NTD	1,020	0.2162	221	
HKD:NTD	1,091	4.1230	4,498	
EUR:NTD	169	33.9100	5,731	
HKD:RMB	2,614	1.0708	10,778	
USD:RMB	13,670	7.3031	441,131	
<u>Financial liabilities</u>				
<u>Monetary items</u>				
USD:NTD	\$ 18,761	32.2700	\$ 605,417	
RMB:NTD	4,393	4.4150	19,395	
JPY:NTD	1,208	0.2162	261	
USD:RMB	1,438	7.3031	40,404	
USD:HKD	14,498	7.8268	467,850	
December 31,2022				
	Foreign currency amount(In thousands)	Exchange rate	Book value (NTD)	
(Foreign currency:functional currency)				
<u>Financial assets</u>				
<u>Monetary items</u>				
USD:NTD	\$ 54,061	30.7100	\$ 1,660,213	
RMB:NTD	41,954	4.4080	184,933	
JPY:NTD	1,496	0.2324	348	
HKD:NTD	916	3.9380	3,607	
EUR:NTD	167	32.7200	5,464	
HKD:RMB	7,209	0.8934	28,389	
USD:RMB	12,412	6.9574	381,173	
<u>Financial liabilities</u>				
<u>Monetary items</u>				
USD:NTD	\$ 19,740	30.7100	\$ 606,215	
RMB:NTD	13,322	4.4080	58,723	
JPY:NTD	1,627	0.2324	315	
USD:RMB	3,186	6.9574	97,842	
USD:HKD	3,992	7.7984	122,594	

September 30,2022				
		Foreign currency amount(In thousands)	Exchange rate	Book value (NTD)
(Foreign currency:functional currency)				
<u>Financial assets</u>				
<u>Monetary items</u>				
USD:NTD	\$	67,162	31.7500	\$ 2,132,394
RMB:NTD		87,654	4.4730	392,076
JPY:NTD		1,564	0.2201	344
HKD:NTD		2,887	4.0440	11,675
EUR:NTD		168	31.2600	5,252
HKD:RMB		5,863	1.1061	23,710
USD:RMB		3,615	7.1148	114,776
<u>Financial liabilities</u>				
<u>Monetary items</u>				
USD:NTD	\$	25,792	31.7500	\$ 818,896
RMB:NTD		3,079	4.4730	13,772
JPY:NTD		1,208	0.2201	266
USD:RMB		2,896	7.1148	91,948
USD:HKD		8,256	0.2201	262,128

D.The total exchange gain, including realized and unrealized, arising from significant foreign exchange variation on the monetary items held by the Group for the three months and nine months ended September 30, 2023 and 2022 amounted to \$38,403,\$117,285, \$36,295and \$199,838, respectively.

E. Analysis of foreign currency market risk arising from significant foreign ex change variation:

Nine months ended September 30,2023				
Sensitivity analysis				
		Degree of Variation	Effect on profit or Loss before tax	Effect on other comprehensive income
(Foreign currency: functional currency)				
<u>Financial assets</u>				
<u>Monetary items</u>				
USD:NTD	1%	\$	16,488	\$ -
RMB:NTD	1%		3,693	-
JPY:NTD	1%		2	-
HKD:NTD	1%		45	-
EUR:NTD	1%		57	-
HKD:RMB	1%		108	-
USD:RMB	1%		4,411	-

Financial liabilities

Monetary items

USD:NTD	1%	\$	6,054	\$	-
RMB:NTD	1%		194		-
JPY:NTD	1%		3		-
USD:RMB	1%		464		-
USD:HKD	1%		4,679		-

Nine months ended September 30, 2022

Sensitivity analysis

Degree of Variation	Effect on profit or Loss before tax	Effect on other comprehensive income
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(Foreign currency: functional currency)

Financial assets

Monetary items

USD:NTD	1%	\$	21,324	\$	-
RMB:NTD	1%		3,921		-
JPY:NTD	1%		3		-
HKD:NTD	1%		117		-
EUR:NTD	1%		53		-
HKD:RMB	1%		237		-
USD:RMB	1%		1,148		-

Financial liabilities

Monetary items

USD:NTD	1%	\$	8,189	\$	-
RMB:NTD	1%		138		-
JPY:NTD	1%		3		-
USD:RMB	1%		919		-
USD:HKD	1%		2,621		-

Price risk

- i. The Group's equity securities, which are exposed to price risk, are the held financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group.
- ii. The Group's investments in equity securities comprise shares issued by listed and unlisted companies at home and abroad. The prices of equity securities would change due to the change of the future value of investee companies. If the prices of these equity securities had increased/decreased by 1% with all other variables held constant, other components of equity for the three months and nine months ended September 30, 2023 and 2022 would have increased by \$10,267, \$3,886, \$29,436 and \$18,469 respectively, as a result of other comprehensive income classified as equity investment at fair value through other comprehensive income.

Cash flow and fair value interest rate risk

- i. The Group's main interest rate risk arises from short-term borrowings and long-term borrowings with variable rates, which expose the Group to cash flow interest rate risk. For the nine

months ended September 30, 2023 and 2022, the Group's borrowings were denominated in New Taiwan Dollars and US Dollars.

- ii. If the borrowing interest rate had increased/decreased by 0.1% with all other variables held constant, profit, net of tax for the nine months ended September 30, 2023 and 2022 would have decreased/increased by \$15,075 and \$9,514, respectively. The main factor is that changes in interest expense result in floating-rate borrowings.
- (b) Credit risk
- i. Credit risk refers to the risk of financial loss to the Group arising from default by the clients or counterparties of financial instruments on the contractual obligations. The main factor is that counterparties could not repay in full the accounts receivable based on the agreed terms.
 - ii. The Group manages their credit risk, taking into consideration the entire group's concern. According to the Group's credit policy, each local entity in the Group is responsible for managing and analyzing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. Internal risk control assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with the limits set by the Board of Directors. The utilization of credit limits is regularly monitored.
 - iii. The Group adopts following assumptions under IFRS 9 to assess whether there has been a significant increase in credit risk on that instrument since initial recognition:
If the contract payments were past due over 30 days based on the terms, there has been a significant increase in credit risk on that instrument since initial recognition.
 - iv. The default occurs when the contract payments are past due over 90 days.
 - v. The Group classifies customers' accounts receivable and contract assets in accordance with default situation. The Group applies the simplified approach using provision matrix to estimate expected credit loss under the provision matrix basis.
 - vi. The Group used the forecastability to adjust the historical and timely information to assess the default possibility of accounts receivable. On September 30, 2023, December 31 2022 and September 30, 2022, the provision matrix is as follows:

	<u>Expected loss rate</u>	<u>Total book value</u>	<u>Loss allowance</u>
<u>September 30, 2023</u>			
Not past due	0.03%~6.99%	\$ 1,033,658	\$ 17,310
Up to 30 days past due	0.65%~8.03%	157,414	3,697
31~90 days past due	0.65%~55.16%	1,023	205
91~180 days past due	100%	440	440
Over 181 days past due	100%	1,575	1,575
		<u>\$ 1,194,110</u>	<u>\$ 23,227</u>
	<u>Expected loss rate</u>	<u>Total book value</u>	<u>Loss allowance</u>
<u>December 31, 2022</u>			
Not past due	0.03%~3.57%	\$ 1,049,899	\$ 315
Up to 30 days past due	0.03%~5%	146,065	20,761
31~90 days past due	20%	525	105
91~180 days past due	100%	233	233
Over 181 days past due	100%	2,758	2,758
		<u>\$ 1,199,480</u>	<u>\$ 24,172</u>

	<u>Expected loss rate</u>	<u>Total book value</u>	<u>Loss allowance</u>
<u>September 30,2022</u>			
Not past due	0.03%	\$ 1,094,909	\$ 328
Up to 30 days past due	0.03%~5%	200,785	13,393
31~90 days past due	20%	541,745	1,202
91~180 days past due	100%	6,486	6,486
Over 181 days past due	100%	<u>2,773</u>	<u>2,773</u>
		<u>\$ 1,846,698</u>	<u>\$ 24,182</u>

- vii. Movements in relation to the Group applying the modified approach to provide loss allowance for accounts receivable and contract assets are as follows:

	<u>2023</u>
	<u>Accounts receivable</u>
At January 1	\$ 24,172
Amounts written off due to irrecoverability	(1,106)
Effect of foreign exchange	<u>161</u>
At September 30	<u>\$ 23,227</u>
	<u>2022</u>
	<u>Accounts receivable</u>
At January 1	\$ 32,906
Provision for impairment	1,754
Reversal of impairment write-offs	(10,511)
Effect of foreign exchange	<u>33</u>
At September 30	<u>\$ 24,182</u>

(c)Liquidity risk

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

Non-derivative financial liabilities

		<u>Between 2</u>	
<u>September 30,2023</u>	<u>Less than 1 year</u>	<u>and 5 years</u>	<u>Over 5 years</u>
Short-term borrowings	\$ 9,760,164	\$ -	\$ -
Short-term notes and bills payable	3,370,200	-	-
Notes payable	28	-	-
Accounts payable (Related parties)	1,642,353	-	-
Other payables (Related parties)	771,336	-	-
Lease liability	76,854	172,347	94,364
Long-term borrowings (including current portion)	208,563	5,723,084	66,731

Non-derivative financial liabilities

December 31,2022	Less than 1 year	Between 2 and 5 years	Over 5 years
Short-term borrowings	\$ 7,064,899	\$ -	\$ -
Short-term notes and bills payable	1,792,400	-	-
Notes payable	656	-	-
Accounts payable (Related parties)	1,417,018	-	-
Other payables (Related parties)	831,925	-	-
Lease liability	58,412	117,429	123,970
Long-term borrowings (including current portion)	761,688	4,596,649	171,275

Non-derivative financial liabilities

September 30,2022	Less than 1 year	Between 2 and 5 years	Over 5 years
Short-term borrowings	\$ 6,878,712	\$ -	\$ -
Short-term notes and bills payable	573,200	-	-
Notes payable	171	-	-
Accounts payable (Related parties)	1,508,582	-	-
Other payables (Related parties)	805,006	-	-
Lease liability	65,007	128,942	134,910
Long-term borrowings (including current portion)	883,330	3,392,797	166,515

(3)Financial instruments

- A. The different levels that the inputs to valuation techniques are used to measure fair value of financial and non-financial instruments have been defined as follows:
- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. An active market refers to a market in which transactions for an asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The fair value of the Group's investment in listed stocks is included in Level 1.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: Unobservable inputs for the asset or liability. The fair value of the Group's investment in unlisted stocks is included in Level 1.
- B. Fair value information on investment property at cost is provided in Note 6(12).
- C. The carrying amounts of the Company's financial instruments not measured at fair value, including cash and cash equivalents, notes receivable, accounts receivable, other receivables, short-term borrowings, short-term notes and bills payable, notes payable, accounts payable and other payables are approximate to their fair values.

D. The related information of financial and non-financial instruments measured at fair value level on the basis of the nature, characteristics and risks of the assets and liabilities are as follows:

September 30,2023	<u>Level1</u>	<u>Level2</u>	<u>Level3</u>	<u>Total</u>
Assets				
<u>Recurring fair value measurements</u>				
Financial assets at fair value through other comprehensive income				
Equity securities	<u>\$ 2,024,673</u>	<u>\$ -</u>	<u>\$ 918,900</u>	<u>\$ 2,943,573</u>
December 31,2022	<u>Level1</u>	<u>Level2</u>	<u>Level3</u>	<u>Total</u>
Assets				
<u>Recurring fair value measurements</u>				
Financial assets at fair value through other comprehensive income				
Equity securities	<u>\$ 1,014,860</u>	<u>\$ -</u>	<u>\$ 889,509</u>	<u>\$ 1,904,369</u>
September 30,2022	<u>Level1</u>	<u>Level2</u>	<u>Level3</u>	<u>Total</u>
Assets				
<u>Recurring fair value measurements</u>				
Financial assets at fair value through other comprehensive income				
Equity securities	<u>\$ 932,351</u>	<u>\$ -</u>	<u>\$ 914,504</u>	<u>\$ 1,846,855</u>

E. The methods and assumptions the Group used to measure fair value are as follows:

- (a) The instruments the Group used market quoted prices as their fair values (that is, Level 1) are listed below by characteristics:

	<u>Listed shares</u>
Market quoted price	Closing price

- (b) Except for financial instruments with active markets, the fair value of other financial instruments is measured by using valuation techniques or by reference to counterparty quotes.
- (c) When assessing non-standard and low-complexity financial instruments, for example, debt instruments without active market, interest rate swap contracts, foreign exchange, swap contracts and options, the Group adopts valuation technique that is widely used by market participants. The inputs used in the valuation method to measure these financial instruments are normally observable in the market.

- (d) The valuation of derivative financial instruments is based on a valuation model widely accepted by market participants, such as present value techniques and option pricing models. Forward exchange contracts are usually valued based on the current forward exchange rate.
 - (e) The output of valuation model is an estimated value and the valuation technique may not be able to capture all relevant factors of the Group's financial and non-financial instruments. Therefore, the estimated value derived using valuation model is adjusted accordingly with additional inputs, for example, model risk or liquidity risk and etc. In accordance with the Group's management policies and relevant control procedures relating to the valuation models used for fair value measurement, management believes adjustment to valuation is necessary in order to reasonably represent the fair value of financial and non-financial instruments at the consolidated balance sheet. Price information and parameters used in valuation were carefully assessed and was adjusted according to current market conditions.
 - (f) The Group takes into account adjustments for credit risks to measure the fair value of financial and non-financial instruments to reflect credit risk of the counterparty and the Group's credit quality
- F. For the nine months ended September 30, 2023 and 2022, there was no transfer between Level 1 and Level 2.
- G. The following chart is the movement of Level 3 for the nine months ended September 30, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
At January 1	\$ 889,509	\$ 1,010,777
Transfers in	169,942	-
Loss recognised in other comprehensive income	(140,671)	(98,476)
Effect of exchange rate changes	<u>120</u>	<u>2,203</u>
At September 30	<u>\$ 918,900</u>	<u>\$ 914,504</u>

- H. For the nine months ended September 30, 2023, information on transfers into Level 3 is provided in Note 6(8). For the nine months ended September 30, 2022, there were no transfers into Level 3.
- I. Treasury segment is in charge of valuation procedures for fair value measurements being categorized within Level 3, which is to verify independent fair value of financial instruments. Such assessment is to ensure the valuation results are reasonable by applying independent information to make results close to current market conditions, confirming the resource of information is independent, reliable and in line with other resources and represented as the exercisable price, and frequently calibrating valuation model, performing back-testing, updating inputs used to the valuation model and making any other necessary adjustments to the fair value.
- J. The following is the qualitative information of significant unobservable inputs and sensitivity analysis of changes in significant unobservable inputs to valuation model used in Level 3 fair value measurement:

		<u>Fair value at September 30,2023</u>	<u>Valuation technique</u>	<u>Significant unobservable input</u>	<u>Range (weighted average)</u>	<u>Relationship of inputs to fair value</u>
Non-derivative equity instrument: :						
Unlisted shares	\$	478,338	Market com- parable companies	Discount for lack of marketability	20%	The higher the dis- count for lack of mar- ketability, the lower the fair value Not ap- plicable
		440,562	Net asset valre	Not applicable	-	Not applicable
		<u>Fair value at December 31,2022</u>	<u>Valuation technique</u>	<u>Significant unobservable input</u>	<u>Range (weighted average)</u>	<u>Relationship of inputs to fair value</u>
Non-derivative equity instrument: :						
Unlisted shares	\$	426,908	Market com- parable companies	Discount for lack of marketability	20%	The higher the dis- count for lack of mar- ketability, the lower the fair value Not ap- plicable
		462,601	Net asset valre	Not applicable	-	Not applicable
		<u>Fair value at September 30,2022</u>	<u>Valuation technique</u>	<u>Significant unobservable input</u>	<u>Range (weighted average)</u>	<u>Relationship of inputs to fair value</u>
Non-derivative equity instrument: :						
Unlisted shares	\$	450,800	Market com- parable companies	Discount for lack of marketability	20%	The higher the dis- count for lack of mar- ketability, the lower the fair value Not ap- plicable
		463,704	Net asset valre	Not applicable	-	Not applicable

K. The Group has carefully assessed the valuation models and assumptions used to measure fair value. However, use of different valuation models or assumptions may result in different measurement. The following is the effect of profit or loss or of other comprehensive income from financial assets and liabilities categorized within Level 3 if the inputs used to valuation models have changed:

			September 30,2023			
			Recognised in profit or loss		Recognised in other comprehensive income	
			Favourable change	Unfavourable change	Favourable change	Unfavourable change
	Input	Change				
Financial assets						
Equity instrument	Discount for lack of mar- ketability	±5%				
			\$ -	\$ -	\$ 23,917	(\$ 23,917)
			December 31,2022			
			Recognised in profit or loss		Recognised in other comprehensive income	
			Favourable change	Unfavourable change	Favourable change	Unfavourable change
	Input	Change				
Financial assets						
Equity instrument	Discount for lack of mar- ketability	±5%				
			\$ -	\$ -	\$ 21,345	(\$ 21,345)
			September 30,2022			
			Recognised in profit or loss		Recognised in other comprehensive income	
			Favourable change	Unfavourable change	Favourable change	Unfavourable change
	Input	Change				
Financial assets						
Equity instrument	Discount for lack of mar- ketability	±5%				
			\$ -	\$ -	\$ 22,540	(\$ 22,540)

13. Supplemental Disclosures

(1) Significant transaction information

- Loans to others: Please refer to table 1.
- Provision of endorsements and guarantees to others: Please refer to table 2.
- The holding of marketable securities at the end of the period (not including sub subsidiaries, associates and joint ventures): Please refer to table 3.
- Acquisition or sale of the same security with the accumulated cost exceeding \$300 million or 20% of the Company's paid-in capital: Please refer to table 4.
- Acquisition of real estate reaching NT\$300 million or 20% of paid-in capital or more: None.
- Disposal of real estate reaching NT\$300 million or 20% of paid-in capital or more: None.
- Purchases or sales of goods from or to related parties reaching \$100 million or 20% of paid-in capital or more: Please refer to table 5.
- Receivables from related parties reaching \$100 million or 20% of paid-in capital or more: Please refer to table 6.

- I. Trading in derivative instruments undertaken during the reporting periods: Please refer to Note 6(2) and 12(2).
- J. Significant inter-company transactions during the reporting periods: Please refer to table 7.
 - (2) Information for investors
Names, locations and other information about investee companies (not including investors in Mainland China): Please refer to table 8.
 - (3) Information on investments in Mainland China
- A. Basic information: Please refer to table 9.
- B. Significant transactions conducted with investors in Mainland China directly or indirectly through other companies in the third areas :
Significant Transactions with Mainland China Invested Companies Directly or Indirectly Through Third-party Territories and Their Prices, Payment Terms, and Unrealized Gains/Losses: Please refer to Note 13(1)G for details on significant transactions between the Company and its subsidiaries with mainland China invested companies during the period from January 1 to September 30, 2023.
- (4) Major shareholder information
Please refer to table 10.

14. Segment Information

(1) General information

The Group has classified the reportable operating segments based on product types. The Company's operations and segmentation are both developed according to the product types. The current main product types are: 3C components, systems and peripheral products, 3C product retail and others.

(2) Measurement of segment information

The Board of Directors assesses the performance of the operating segments based on the operating income.

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

The segment information provided to the chief operating decision-maker for the reportable segments is as follows:

Three months ended September 30, 2023

	Systems and peripheral Products department	3C product Retail Department	3C component department	Energy service management	Adjustment	Total
Revenue from external customer	\$ 1,153,179	\$ 342,591	\$ 25,976	\$ 2,691,726	\$ -	\$ 4,213,472
Inter-segment revenue	-	-	-	2,199	(2,199)	-
Segment revenue	<u>\$ 1,153,179</u>	<u>\$ 342,591</u>	<u>\$ 25,976</u>	<u>\$ 2,693,925</u>	<u>\$ 2,199)</u>	<u>\$ 4,213,472</u>
Segment income (loss)	<u>\$ 170,754</u>	<u>\$ 16,385</u>	<u>(\$ 85,648)</u>	<u>\$ 187,750</u>	<u>(\$ 23,336)</u>	<u>\$ 265,905</u>

Three months ended September 30, 2022

	Systems and peripheral Products department	3C product Retail Department	3C component department	Energy service management	Adjustment	Total
Revenue from external customer	\$ 1,415,031	\$ 453,639	\$ 65,656	\$ 572,142	\$ -	\$ 2,506,468
Inter-segment revenue	-	-	-	-	-	-
Segment revenue	<u>\$ 1,415,031</u>	<u>\$ 453,639</u>	<u>\$ 65,656</u>	<u>\$ 572,142</u>	<u>\$ -</u>	<u>\$ 2,506,468</u>
Segment income (loss)	<u>\$ 195,629</u>	<u>\$ 25,958</u>	<u>(\$ 91,515)</u>	<u>\$ 26,442</u>	<u>(\$ 14,525)</u>	<u>\$ 141,989</u>

Nine months ended September 30,2023

	Systems and peripheral Products department	3C product Retail Department	3C component department	Energy service management	Adjustment	Total
Revenue from external customer	\$ 3,121,643	\$ 1,038,063	\$ 109,161	\$ 5,979,752	\$ -	\$ 10,248,619
Inter-segment revenue	-	-	-	2,094	(2,094)	-
Segment revenue	<u>\$ 3,121,643</u>	<u>\$ 1,038,063</u>	<u>\$ 109,161</u>	<u>\$ 5,981,846</u>	<u>(\$ 2,094)</u>	<u>\$ 10,248,619</u>
Segment income (loss)	<u>\$ 331,733</u>	<u>(\$ 4,543)</u>	<u>(\$ 235,479)</u>	<u>\$ 381,528</u>	<u>(\$ 30,733)</u>	<u>\$ 442,506</u>

Nine months ended September 30,2022

	Systems and peripheral Products department	3C product Retail Department	3C component department	Energy service management	Adjustment	Total
Revenue from external customer	\$ 4,038,311	\$ 1,275,485	\$ 209,718	\$ 2,676,766	\$ -	\$ 8,200,280
Inter-segment revenue	-	-	-	488	(488)	-
Segment revenue	<u>\$ 4,038,311</u>	<u>\$ 1,275,485</u>	<u>\$ 209,718</u>	<u>\$ 2,677,254</u>	<u>(\$ 488)</u>	<u>\$ 8,200,280</u>
Segment income (loss)	<u>\$ 528,178</u>	<u>\$ 16,595</u>	<u>(\$ 258,446)</u>	<u>\$ 117,758</u>	<u>(\$ 41,349)</u>	<u>\$ 362,736</u>

(4) Reconciliation for segment income (loss)

The external revenue and segment profit reported to the chief operating decision-maker is measured in a manner consistent with revenue and profit before tax in the financial statements. Therefore, no reconciliation was needed.

A reconciliation of reportable segment income or loss to the income before tax from continuing operations for the three months and nine months ended September 30, 2023 and 2022 is provided as follows:

	Three months ended September 30, 2023	Three months ended September 30, 2022
Reportable segments income	\$ 265,905	\$ 141,989
Unrealised financial instrument gains		
Non-operating income and expenses, net	143,266	158,472
Income before tax from continuing operations	<u>\$ 409,171</u>	<u>\$ 300,461</u>
	Nine months ended September 30, 2023	Nine months ended September 30, 2022
Reportable segments income	\$ 442,506	\$ 362,736
Unrealised financial instrument gains		
Non-operating income and expenses, net	123,405	304,886
Income before tax from continuing operations	<u>\$ 565,911</u>	<u>\$ 667,622</u>

FIT HOLDING CO., LTD.
Loans to others
Nine months ended September 30, 2023

Table 1

Expressed in thousands of NTD
(Except as otherwise indicated)

No.	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the nine months ended	Balance at September 30, 2023	Actual amount drawn down	Interest rate	Nature of loan (Note 1)	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party (Note 2)	Ceiling on total loans granted	Footnote
					September 30, 2023	September 30, 2023							Item	Value			
0	FIT Holding Co., Ltd.	Power Quotient International Co., Ltd.	Other receivables	Y	\$ 900,000	\$ -	\$ -	1.930%	2	\$ -	Operations	\$ -	-	-	\$ 2,349,781	\$ 3,133,041	
1	Foxlink Image Technology Co., Ltd.	Glorytek (Yancheng) Co., Ltd.	Other receivables	Y	266,700	176,600	121,413	2.50%	2	-	Operations	-	-	-	1,150,057	1,150,057	
1	Foxlink Image Technology Co., Ltd.	Power Quotient International Co., Ltd.	Other receivables	Y	500,000	500,000	-	2.000%	2	-	Operations	-	-	-	1,150,057	1,150,057	
2	Glorytek (Suzhou) Co., Ltd.	Glory Optics (Yancheng) Co., Ltd.	Other receivables	Y	28,448	-	-	3%	2	-	Operations	-	-	-	307,606	307,606	
2	Glorytek (Suzhou) Co., Ltd.	Glorytek (Yancheng) Co., Ltd.	Other receivables	Y	222,250	220,750	158,940	3%	2	-	Operations	-	-	-	307,606	307,606	
3	Shinfox Energy Co. Ltd.	Foxwell Energy Corporation Ltd.	Other receivables	Y	600,000	600,000	-	Average borrowing rate plus 0.1%	2	-	Group capital movement	-	-	-	4,219,226	4,219,226	
4	Power Quotient Technology (YANCHENG) Co., Ltd.	Glory Optics (Yancheng) Co., Ltd.	Other receivables	Y	533,400	339,955	339,955	2.50%	2	-	Group capital movement	-	-	-	717,903	717,903	
5	Power Quotient Technology (YANCHENG) Co., Ltd.	Glorytek (Yancheng) Co., Ltd.	Other receivables	Y	220,750	220,750	220,750	2.50%	2	-	Group capital movement	-	-	-	717,903	717,903	
5	Dongguan Hanyang Computer Co., Ltd.	Glorytek (Yancheng) Co., Ltd.	Other receivables	Y	88,660	88,300	-	3.65%	2	-	Operations	-	-	-	326,901	326,901	

Note 1: Fill in the nature of the loan as follows:

- (1) Fill in 1 for business transaction.
- (2) Fill in 2 for short-term financing

Note 2: The Company's and its subsidiaries' limits on loans to single party and total loans are calculated based on the Company's and its subsidiaries' "Procedures for Provision of Loans".

- (a) Total limit on loans granted to the companies having business relationship with the Company is 40% of the Company's net assets, limit on loans granted to a single party is 150% of the amount of business transactions between the creditor and borrower in the current year; the amount of business transactions means the higher between sales and purchases.
- (b) Limit on total loans to parties with short-term financing is 40% of the Company's net assets; but limit on loans to a single party is 30% of the Company's net assets.
- (c) Ceiling on total loans granted between foreign companies whose voting shares are 100% held by the Company directly or indirectly, or on loans granted to the Company by such foreign companies is 100% of their net asset value.
The total amount of loans granted to a single company should not exceed 100% of the net assets. Financing period shall not be more than 3 years.
- (d) Among the Company and the parent company or subsidiaries, or loans between the Company's subsidiaries, excluding the loans to others qualifying the abovementioned condition, (c), the authorized limit on the Company's or the Company's subsidiaries' loans to a single party shall be lower than 10% of the company's net assets based on the company's latest financial statements.
- (e) Limit on total loans and individual limit on loans to others of the Company's subsidiaries are both under 40% of the Company's net assets.

FIT HOLDING CO., LTD.
Provision of endorsements and guarantees to others
Nine months ended September 30, 2023

Table 2

Expressed in thousands of NTD
(Except as otherwise indicated)

Number	Endorser/ guarantor	Party being endorsed/guaranteed		Limit on endorsements/ guarantees provided for a single party (Note 2)	Maximum outstanding endorsement/ guarantee amount as of September 30,2023	Outstanding endorsement/ guarantee amount at September 30,2023	Actual amount drawn down	Amount of endorsements/ guarantees secured with collateral	Ratio of accumulated endorsement/ guarantee amount to net asset value of the endorser/ guarantor company	Ceiling on total amount of endorsements/ guarantees provided	Provision of endorsements/ guarantees by parent company to subsidiary	Provision of endorsements/ guarantees by subsidiary to parent company	Provision of endorsements/ guarantees to the party in Mainland China	Footnote
		Company name	Relationship with the endorser/ guarantor (Note 1)											
0	FIT Holding Co., Ltd.	Power Quotient International Co., Ltd.	2	\$ 46,995,624	\$ 1,636,002	\$ 1,320,000	\$ 900,000	\$ -	16.85	\$ 46,995,624	Y	N	N	
0	FIT Holding Co., Ltd.	Glory Science Co., Ltd.	2	46,995,624	1,223,350	1,122,450	732,450	-	14.33	46,995,624	Y	N	N	
1	Foxlink Image Technology Co., Ltd.	Power Quotient International Co., Ltd.	4	17,250,858	1,925,000	1,665,000	1,325,000	-	21.26	17,250,858	N	N	N	
1	Foxlink Image Technology Co., Ltd.	Glory Science Co., Ltd.	4	17,250,858	440,000	440,000	400,000	-	5.62	17,250,858	N	N	N	
2	Shinfox Energy Co. Ltd.	Foxwell Energy Corporation Ltd.	2	63,288,390	29,700,000	29,700,000	22,775,598	-	379.18	63,288,390	Y	N	N	
2	Foxwell Energy Corporation Ltd.	Xinwei Power Co., Ltd.	2	11,809,518	113,200	113,200	113,200	-	1.45	11,809,518	Y	N	N	

Note 1: Relationship between the endorser/guarantor and the party being endorsed/guaranteed is classified into the following seven categories; fill in the number of category each case belongs to:

- (1) Having business relationship.
- (2) The endorser/guarantor parent company owns directly and indirectly more than 50% voting shares of the endorsed/guaranteed subsidiary.
- (3) The endorsed/guaranteed company owns directly and indirectly more than 50% voting shares of the endorser/guarantor parent company.
- (4) The endorser/guarantor parent company owns directly and indirectly more than 90% voting shares of the endorsed/guaranteed company.
- (5) Mutual guarantee of the trade made by the endorsed/guaranteed company or joint contractor as required under the construction contract.
- (6) Due to joint venture, all shareholders provide endorsements/guarantees to the endorsed/guaranteed company in proportion to its ownership.
- (7) Joint guarantee of the performance guarantee for pre-sold home sales contract as required under the Consumer Protection Act.

Note 2: Total limit or limit on loans to a single party of the Company's and subsidiaries is calculated in accordance with the Company's "Procedures for Provision of Endorsements and Guarantees".

- (1) Limit on total endorsements is 600% of the Company's net asset.
- (2) Limit on endorsements to a single party is 600% of the Company's net asset.
- (3) Limit on total endorsements granted by the Company and its subsidiaries is 600% of the Company's net asset.
- (4) Total limit on the Company's and its subsidiaries endorsement/guarantee to a single party is 600% of the Company's net assets and to the subsidiaries that the Company owned more than 90% (included) voting shares is 600% of the Company's net assets.
- (5) For business transaction with the Company, the guarantee amount should not exceed 150% of the amount of business transaction, which is the higher between sales and purchases.
- (6) The companies whose voting rights are 90% owned directly and indirectly by the Company can provide endorsement/guarantee each other with a limit of 10% of the Company's net assets, but not available for the companies whose voting rights are 100% owned directly and indirectly by the Company.
- (7) The Company's subsidiary who prepared to provide endorsement/guarantee to others due to business transaction shall implement in accordance with the Company's procedures, and the calculation of the Company's net assets shall use the subsidiary's net assets.
- (8) Foxwell Energy Corporation Ltd. engages in endorsement guarantees for its subsidiaries with a shareholding of 90% or more, the individual limit shall not exceed 150% of Foxwell Energy Corporation Ltd.'s net worth. For endorsement guarantees on entities other than those mentioned above, the limit for a single enterprise shall not exceed 140% of Foxwell Energy Corporation Ltd.'s net worth.

FIT HOLDING CO., LTD.

Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures)

Nine months ended September 30, 2023

Table 3

Expressed in thousands of NTD
(Except as otherwise indicated)

				As of September 30, 2023				
Securities held by	Marketable securities	Relationship with the securities issuer	General ledger account	Number of shares	Book value	Ownership (%)	Fair value	Footnote
				(in thousands)				
FIT Holding Co., Ltd.	Foxwell Energy Co., Ltd	Not applicable	Financial assets at fair value through other comprehensive income-non-current	21,147	\$ 210,529	11.28	\$ 210,529	Not pledged as collateral
Foxlink Image Technology Co., Ltd.	TAIWAN STAR TELECOM CORPORATION LIMITED	Not applicable	Financial assets at fair value through other comprehensive income-non-current	50,000	154,198	0.80	154,198	Not pledged as collateral
Foxlink Image Technology Co., Ltd.	Central Motion Picture Corporation	Investee of the Company's parent company which is accounted for using equity method	Financial assets at fair value through other comprehensive income-non-current	4,294	155,396	4.00	155,396	Not pledged as collateral
Foxlink Image Technology Co., Ltd.	Cheng Uei Precision Industry Co., Ltd.	The Company's parent company	Financial assets at fair value through other comprehensive income-non-current	49,503	2,024,673	9.66	2,024,673	Not pledged as collateral
Foxlink Image Technology Co., Ltd.	Wellgen Medical Co., Ltd.	Not applicable	Financial assets at fair value through other comprehensive income-non-current	1,500	-	15.56	-	Not pledged as collateral
Power Quotient International Co., Ltd.	SAINT SONG CORP.	Not applicable	Financial assets at fair value through other comprehensive income-non-current	127	-	1.05	-	Not pledged as collateral
Power Quotient International Co., Ltd.	OURS TECHNOLOGY INC.	Not applicable	Financial assets at fair value through other comprehensive income-non-current	13	-	0.21	-	Not pledged as collateral
Power Quotient International Co., Ltd.	INNOPLUS CO., LTD.	Not applicable	Financial assets at fair value through other comprehensive income-non-current	160	-	12.00	-	Not pledged as collateral
Power Quotient International Co., Ltd.	TAIWAN STAR TELECOM CORPORATION LIMITED	Not applicable	Financial assets at fair value through other comprehensive income-non-current	50,000	154,198	0.80	154,198	Not pledged as collateral
Power Quotient International Co., Ltd.	STACK DEVICES CORP.	Not applicable	Financial assets at fair value through other comprehensive income-non-current	70	-	0.11	-	Not pledged as collateral

Securities held by	Marketable securities	Relationship with the securities issuer	General ledger account	As of September 30, 2023				
				Number of shares (in thousands)	Book value	Ownership (%)	Fair value	Footnote
Power Quotient Technology (YANCHENG) Co., Ltd.	Jiangsu Foxlink New Energy Technology Co.,Ltd.	Not applicable	Financial assets at fair value through other comprehensive income-non-current	-	74,637	12.90	74,637	Not pledged as collateral
Shinfox Co., Ltd.	Corvus Energy Ltd.	Not applicable	Financial assets at fair value through other comprehensive income-non-current	22	-	0.04	-	Not pledged as collateral
Shinfox Co., Ltd.	CHUNG CHIA POWER Co.,Ltd	Not applicable	Financial assets at fair value through other comprehensive income-non-current	12,000	169,942	3.68	169,942	Not pledged as collateral
Foxwell Energy Corporation Ltd.	Full Entertainment Marketing Co., Ltd.	Not applicable	Financial assets at fair value through other comprehensive income-non-current	300	-	3.00	-	Not pledged as collateral

FIT HOLDING CO., LTD.

Acquisition or sale of the same security with the accumulated cost exceeding \$300 million or 20% of the Company's paid-in capital

Nine months ended September 30, 2023

Table 4

Expressed in thousands of NTD

(Except as otherwise indicated)

Investor	Marketable securities	General ledger account	Counterparty	Relationship with the counterparty	Balance as at January 1, 2023		Addition		Disposal				Balance as at September 30, 2023		Footnote
					No. of shares (in thousands)	Amount	No. of shares (in thousands)	Amount	No. of shares (in thousands)	Selling price	Book value	Gain (loss) on disposal	No. of shares (in thousands)	Amount	
Shinfox Energy Co., Ltd.	Foxwell Energy Corporation Ltd.	Investment accounted for using equity method	Foxwell Energy Corporation Ltd.	Note1	610,000,000	\$ 6,100,000	137,000,000	\$ 1,370,000	-	\$ -	\$ -	\$ -	747,000,000	\$ 7,470,000	Note3
Shinfox Energy Co., Ltd.	Shinfox Far East Company Ptd Ltd	Investment accounted for using equity method	Shinfox Far East Company Ptd Ltd	Note2	-	-	32,000,000	981,545	-	-	-	-	32,000,000	981,545	Note3
Foxlink Image Tec	Cheng Uei Precision Industry Co., Ltd.	Financial assets at fair value through other comprehensive income-non-	Cheng Uei Precision Industry Co., Ltd.	Note4	27,503,000	1,263,416	22,000,000	918,233					49,503,000	2,181,649	

Note1 : The company is a subsidiary of the company.

Note2 : The account is classified as an investment under the equity method.

Note3 : The above-mentioned amount represents the investment cost. For detailed information regarding its carrying amount, please refer to Note 6(8) and table 8.

Note4 : The company is the parent company of the company.

FIT HOLDING CO., LTD.
Purchases or sales of goods from or to related parties reaching \$100 million or 20% of paid-in capital or more
Nine months ended September 30, 2023

Table 5

Expressed in thousands of NTD
(Except as otherwise indicated)

							Differences in transaction terms compared to third party				
		Relationship with the counterparty	Transaction				transactions		Notes/accounts receivable (payable)		
Purchaser/seller	Counterparty		Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	Footnote
Wei Hai Fu Kang Electric Co., Ltd.	Foxlink Image Technology Co., Ltd.	Affiliate	Sales	(\$ 501,712)	-87%	Flexible collection, depending on the capital requirement	Mutual agreement	None	\$ 151,281	100%	
Foxlink Image Technology Co., Ltd.	Wei Hai Fu Kang Electric Co., Ltd.	Affiliate	Purchases	501,712	20%	Flexible collection, depending on the capital requirement	Mutual agreement	None	(151,281)	-20%	

FIT HOLDING CO., LTD.
Receivables from related parties reaching \$100 million or 20% of paid-in capital or more
Nine months ended September 30, 2023

Table 6

Expressed in thousands of NTD
(Except as otherwise indicated)

Creditor	Counterparty	Relationship with the counterparty	Balance as at September 30, 2023	Turnover rate	Overdue receivables		Amount collected subsequent to the balance sheet date	Allowance for doubtful accounts
					Amount	Action taken		
Foxlink Image Technology Co., Ltd.	Glorytek (Yancheng) Co., Ltd.	Affiliate	121,413	Note1	-	-	-	-
Glory Science Co., Ltd.	Glorytek (Yancheng) Co., Ltd.	Affiliate	352,582	0.00	-	-	-	-
Glorytek (Suzhou) Co., Ltd.	Glorytek (Yancheng) Co., Ltd.	Affiliate	168,155	Note1	-	-	-	-
Glory Science Co., Ltd.	Glory Optics (Yancheng) Co., Ltd.	Affiliate	260,212	Note1	-	-	-	-
Glory Science Co., Ltd.	Glorytek (Yancheng) Co., Ltd.	Affiliate	139,654	Note1	-	-	-	-
Dongguan Fu Wei Electronics Co., Ltd.	Foxlink Image Technology Co., Ltd.	Affiliate	311,107	1.92		-	50,333	-
Dong Guan Fu Zhang Precision Industry Co., Ltd.	Foxlink Image Technology Co., Ltd.	Affiliate	125,597	0.13	-	-	10,205	-
Wei Hai Fu Kang Electric Co., Ltd.	Foxlink Image Technology Co., Ltd.	Affiliate	151,281	4.17	-	-	47,655	-
Power Quotient Technology (YANCHENG) Co., Ltd.	Glory Optics (Yancheng) Co., Ltd.	Affiliate	339,955	Note1	-	-	-	-
Power Quotient Technology (YANCHENG) Co., Ltd.	Glorytek (Yancheng) Co., Ltd.	Affiliate	220,750	Note1	-	-	-	-

Note 1: It was recognised in other receivables, therefore it was not applicable.

FIT HOLDING CO., LTD.
Significant inter-company transactions during the reporting period
Nine months ended September 30, 2023

Table 7

Expressed in thousands of NTD
(Except as otherwise indicated)

Number (Note 1)	Company name	Counterparty	Relationship (Note2)	Transaction			Percentage of consolidated total operating revenues or total assets (Note 3)
				General ledger account	Amount	Transaction terms	
1	Foxlink Image Technology Co., Ltd.	Glorytek (Yancheng) Co., Ltd.	3	Other receivables	121,413	Based on the Company's policies	0%
2	Glory Science Co., Ltd.	Glory Optics (Yancheng) Co., Ltd.	3	Other receivables	260,212	Based on the Company's policies	1%
2	Glory Science Co., Ltd.	Glorytek (Yancheng) Co., Ltd.	3	Accounts receivable	352,582	Based on the Company's policies	1%
2	Glory Science Co., Ltd.	Glorytek (Yancheng) Co., Ltd.	3	Other receivables	139,654	Based on the Company's policies	0%
3	Glorytek (Suzhou) Co., Ltd.	Glorytek (Yancheng) Co., Ltd.	3	Other receivables	168,155	Based on the Company's policies	0%
4	Dongguan Fu Wei Electronics Co., Ltd.	Foxlink Image Technology Co., Ltd.	3	Accounts receivable	311,107	Flexible collection, depending on the capital requirement	1%
4	Dongguan Fu Wei Electronics Co., Ltd.	Foxlink Image Technology Co., Ltd.	3	Processing Fees Revenue	420,846	Flexible collection, depending on the capital requirement	4%
5	Dong Guan Fu Zhang Precision Industry Co., Ltd.	Foxlink Image Technology Co., Ltd.	3	Accounts receivable	125,597	Flexible collection, depending on the capital requirement	0%
6	Wei Hai Fu Kang Electric Co., Ltd.	Foxlink Image Technology Co., Ltd.	3	Accounts receivable	151,281	Flexible collection, depending on the capital requirement	0%
6	Wei Hai Fu Kang Electric Co., Ltd.	Foxlink Image Technology Co., Ltd.	3	Sales	501,712	Flexible collection, depending on the capital requirement	5%
7	Power Quotient Technology (YANCHENG) Co., Ltd.	Glory Optics (Yancheng) Co., Ltd.	3	Other receivables	339,955	Based on the Company's policies	1%
7	Power Quotient Technology (YANCHENG) Co., Ltd.	Glorytek (Yancheng) Co., Ltd.	3	Other receivables	220,750	Based on the Company's policies	1%

Note 1: The numbers filled in for the transaction company in respect of inter-company transactions are as follows:

(1) Parent company is '0'.

(2) The subsidiaries are numbered in order starting from '1'.

Note 2: Relationship between transaction company and counterparty is classified into the following three categories; fill in the number of category each case belongs to.

(1) Parent company to subsidiary.

(2) Subsidiary to parent company.

(3) Subsidiary to subsidiary.

Transaction							Percentage of consolidated total operating revenues or total assets (Note 3)
Number (Note 1)	Company name	Counterparty	Relationship (Note2)	General ledger account	Amount	Transaction terms	

Note 3: Percentage of total consolidated revenues or total assets is calculated using the total consolidated assets at the end of the year when the subject of transaction is an asset/liability, and is calculated by total consolidated revenues during the year when the subject of transaction is a revenue/expense.

Note 4: The inter-company transactions not exceeding \$0.1 billion are not disclosed. In addition, counterparty related parties' transactions are not disclosed.

FIT HOLDING CO., LTD.
Information on investees
Nine months ended September 30, 2023

Table 8

Expressed in thousands of NTD
(Except as otherwise indicated)

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at September 30, 2023			Net profit (loss) of the investee for the Nine months ended September 30, 2023	Investment income (loss) recognized by the Company for the Nine months ended September 30, 2023	Footnote
				Balance as at September 30, 2023	Balance as at December 31, 2022	Number of shares	Ownership (%)	Book value			
FIT Holding Co., Ltd.	Glory Science Co., Ltd.	Taiwan	Manufacture and sales of optical instruments	\$ 2,814,868	\$ 2,814,868	60,000,001	100.00	\$ 508,304	(\$ 198,046)	(\$ 198,046)	Subsidiary (Note 1)
FIT Holding Co., Ltd.	Foxlink Image Technology Co., Ltd.	Taiwan	Manufacture of image scanners and multifunction printers	3,011,140	3,011,140	164,993,974	100.00	3,603,988	391,803	387,143	Subsidiary (Note 1)
FIT Holding Co., Ltd.	Power Quotient International Co., Ltd.	Taiwan	Manufacture and sales of telecommunication electronic components	3,372,180	3,372,180	444,690,529	100.00	4,976,218	101,118	100,704	Subsidiary (Note 1)
FIT Holding Co., Ltd.	Shih Fong Power Co., Ltd.	Taiwan	Hydroelectricity generation	299,952	299,952	37,500,000	16.30	387,639	8,937	1,457	Subsidiary (Note 2)
FIT Holding Co., Ltd.	Synergy Co., Ltd.	Taiwan	Optoelectronics Industry 、Renewable energy and Energy technical services	36,760	36,760	3,676,000	36.76	31,968	(3,768)	(1,385)	Investee (Note 2)
Foxlink Image Technology Co., Ltd.	ACCU-IMAGE TECHNOLOGY LIMITED	British Virgin Islands	Manufacture of image scanners and multifunction printers	1,393,318	1,393,318	20,241,034	100.00	2,265,560	72,902	-	Second-tier subsidiary (Note 1)
Foxlink Image Technology Co., Ltd.	Shih Fong Power Co., Ltd.	Taiwan	Hydroelectricity generation	957,600	957,600	79,800,000	34.70	956,376	8,937	-	Investee (Note 2)
ACCU-IMAGE TECHNOLOGY POWER CHANNEL LIMITED		Hong Kong	Holding and reinvesting businesses	158,123	158,123	3,575	35.75	754,033	123,070	-	Investee (Note 2)
Glory Science Co., Ltd.	GLORY TEK (BVI) CO., LTD.	British Virgin Islands	General investments business	1,532,819	1,313,383	47,499,819	100.00	185,618	(155,233)	-	Second-tier subsidiary (Note 1)

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at September 30,2023			Net profit (loss) of the investee for the Nine months ended September 30,2023	Investment income (loss) recognized by the Company for the Nine months ended September 30,2023	Footnote
				Balance as at September 30, 2023	Balance as at December 31, 2022	Number of shares	Ownership (%)	Book value			
GLORY TEK (BVI) CO., LTD.	GLORY TEK (SAMOA) CO., LTD.	Samoa	General investments business	1,027,820	808,384	31,850,628	100.00	513,246 (	92,552)	-	Third-tier subsidiary (Note 1)
GLORY TEK (BVI) CO., LTD.	GLORY OPTICS (BVI) CO., LTD.	British Virgin Islands	Trading	516,320	516,320	16,000,000	100.00 (	366,155) (	62,932)	-	Third-tier subsidiary (Note 1)
GLORY TEK (BVI) CO., LTD.	GLORYTEK SCIENCE INDIA PRIVATE LIMITED	India	Trading and manufacturing	108,616	108,616	21,773,105	99.27	84,397	248	-	Third-tier subsidiary (Note 1)
GLORYTEK SCIENCE INDIA PRIVATE LIMITED	TEGNA ELECTRONICS PRIVATE LIMITED	India	Trading and manufacturing	11,659	11,659	3,001,000	10.00	13,145	5,341	-	Investee (Note 2)
Power Quotient International Co., Ltd.	Power Quotient International (H.K.) Co., Ltd.	Hong Kong	Sales of electronic telecommunication components	437,450	437,450	106,100,000	100.00	718,265	4,812	-	Second-tier subsidiary (Note 2)
Power Quotient International Co., Ltd.	PQI JAPAN CO., LTD	Japan	Sales of electronic telecommunication components	23,129	23,129	24,300	100.00 (	155,408)	-	-	Second-tier subsidiary (Note 2)
Power Quotient International Co., Ltd.	SYSCOM DEVELOPMENT CO., LTD.	British Virgin Islands	Specialised investments holding	350,548	350,548	10,862,980	100.00	87,278	283	-	Second-tier subsidiary (Note 2)
Power Quotient International Co., Ltd.	Apix LIMITED	British Virgin Islands	Specialised investments holding	3,338,951	3,338,951	12,501	100.00	1,204,785	10,422	-	Second-tier subsidiary (Note 1)
Power Quotient International Co., Ltd.	Power Sufficient International Co., Ltd.	Taiwan	Sales of medical equipment	10,000	10,000	1,000,000	100.00	13,011 (	150)	-	Second-tier subsidiary (Note 2)
Power Quotient International Co., Ltd.	Shinfox Energy Co., Ltd.	Taiwan	Energy service management	3,646,600	3,646,600	102,951,145	47.63	5,024,042	251,935	-	Second-tier subsidiary (Note 1)
Shinfox Energy Co., Ltd.	Foxwell Energy Corporation Ltd.	Taiwan	Energy service management	7,470,000	6,100,000	747,000,000	100.00	7,841,940	351,391	-	Third-tier subsidiary (Note 1)
Shinfox Energy Co., Ltd.	SHINFOX NATURAL GAS CO., LTD.	Taiwan	Energy service management	360,000	360,000	36,000,000	80.00	283,455 (	21,546)	-	Third-tier subsidiary (Note 2)
Shinfox Energy Co., Ltd.	Foxwell Power Co., Ltd.	Taiwan	Energy service management	672,600	672,600	48,140,000	80.23	753,124	25,016	-	Third-tier subsidiary (Note 2)

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at September 30,2023			Net profit (loss) of the investee for the Nine months ended September 30,2023	Investment income (loss) recognized by the Company for the Nine months ended September 30,2023	Footnote
				Balance as at September 30, 2023	Balance as at December 31, 2022	Number of shares	Ownership (%)	Book value			
Shinfox Energy Co., Ltd.	Jiuwei Power Co., Ltd.	Taiwan	Natural gas power generation business	1,100,000	1,100,000	110,000,000	100.00	1,089,281	(3,047)	-	Third-tier subsidiary (Note 2)
Shinfox Energy Co., Ltd.	CHUNG CHIA POWER Co., Ltd.	Taiwan	Combined Heat and Power	-	180,000	-	0.00	-	(731)	-	Investee (Note 2 、 3)
Shinfox Energy Co., Ltd.	Elegant Energy TECH Co., Ltd.	Taiwan	Energy technical services	200,000	200,000	500,000	100.00	159,746	(1,063)	-	Third-tier subsidiary (Note 2)
Shinfox Energy Co., Ltd.	Yuanshan Forest Natural Resources Co., Ltd.	Taiwan	Tree planting industry	10,000	10,000	1,000,000	100.00	9,917	(29)	-	Third-tier subsidiary (Note 2)
Shinfox Energy Co., Ltd.	Changpin Wind Power Ltd.	Taiwan	Electricity Generating Enterprise	120,000	120,000	12,000,000	50.00	106,082	(827)	-	Joint venture (Note 2)
Shinfox Energy Co., Ltd.	Diwei Electric Power Co., Ltd.	Taiwan	Electricity Generating Enterprise	30,000	30,000	3,000,000	100.00	35,249	5,299	-	Third-tier subsidiary (Note 2)
Shinfox Energy Co., Ltd.	Guanwei Power Co., Ltd.	Taiwan	Electricity Generating Enterprise	35,700	35,700	3,570,000	100.00	35,649	(68)	-	Third-tier subsidiary (Note 2)
Shinfox Energy Co., Ltd.	Shinfox Far East Company Pte Ltd	Singapore	Maritime Engineering	981,545	981,545	32,000,000	40.00	1,018,818	(33,118)	-	Third-tier subsidiary (Note 2)
Shinfox Energy Co., Ltd.	Junwei Power Co., Ltd.	Taiwan	Electricity Generating Enterprise	12,000	-	1,200,000	100.00	11,986	(14)	-	Third-tier subsidiary (Note 2)
Foxwell Energy Corporation Ltd.	Liangwei Electric Power Co., Ltd.	Taiwan	Electricity Generating Enterprise	80,000	40,000	8,000,000	100.00	85,357	5,295	-	Four-tier subsidiary (Note 2)
Foxwell Energy Corporation Ltd.	Xinwei Power Co., Ltd.	Taiwan	Electricity Generating Enterprise	37,300	-	3,730,000	100.00	33,067	945	-	Four-tier subsidiary (Note 2)
Foxwell Power Co., Ltd.	Foxwell Certification Co., Ltd.	Taiwan	Energy technical services	10,000	-	1,000,000	100.00	7,972	(2,028)	-	Four-tier subsidiary (Note 2)
SYSCOM DEVELOPMENT CO., LTD	Foxlink Powerbank International Technology Private Limited	India	Sales of electronic telecommunication components	108,523	108,523	21,790,000	99.27	84,501	269	-	Third-tier subsidiary (Note 2)
Apix LIMITED	Sinocity Industries Co., Ltd.	Hong Kong	Sales of electronic product	2,783,025	2,783,025	6,000,000	100.00	954,977	16,519	-	Third-tier subsidiary (Note 1)

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at September 30,2023			Net profit (loss) of the investee for the Nine months ended September 30,2023	Investment income (loss) recognized by the Company for the Nine months ended September 30,2023	Footnote
				Balance as at September 30, 2023	Balance as at December 31, 2022	Number of shares	Ownership (%)	Book value			
Apix LIMITED	Perennial Ace Limited	British Virgin Islands	Specialised investments holding	687,351	687,351	-	100.00	249,653 (	6,102)	-	Third-tier subsidiary (Note 2)
Sinocity Industries Co., Ltd.	DG LIFESTYLE STORE LIMITED	Macau	Sales of electronic product	400	400	100,000	100.00 (	12,390) (	1,926)	-	Four-tier subsidiary (Note 1)
Perennial Ace Limited	Studio A Technology Limited	Hong Kong	Sales of electronic product	4,998	4,998	1,225,000	24.50	106,120 (	24,904)	-	Investee (Note 2)
Foxlink Powerbank International Technology Private Limited	TEGNA ELECTRONICS PRIVATE LIMITED	India	Trading and manufacturing	11,659	11,659	3,001,000	10.00	13,146	5,341	-	Investee (Note 2)

Note 1: It was recognised based on the company's financial statements reviewed by the independent auditors.

Note 2: The information provided is disclosed based on the company's own information without being subject to auditor's review.

Note 3:CHUNG CHIA POWER Co., Ltd carried out a cash capital increase on January 29,2023. The group did not subscribe to the new shares in proportion to our shareholding, resulting in a significant loss of control over the company from January 30,2023. Consequently, the investment has been reclassified as financial assets measured at fair value through other comprehensive income - non-current.

Note 4:Power Sufficient International Co., Ltd. completed the deregistration process in June 2023 and is currently processing related matters.

FIT HOLDING CO., LTD.
Information on investments in Mainland China
Nine months ended September 30, 2023

Table 9

Table 9													Expressed in thousands of NTD (Except as otherwise indicated)	
Investee in Mainland China	Main business activities	Paid-in capital	Investment method	Taiwan to Mainland China /			Accumulated amount of remittance from Taiwan to Mainland China as of September 30,2023	Net income of investee for the six months ended September 30,2023	Ownership held by the Company (direct or indirect)	Investment income (loss) recognized by the Company for the nine months ended September 30,2023	Book value of investments in Mainland China as of September 30,2023	Accumulated amount of investment income remitted back to Taiwan as of September 30,2023	Footnote	
				Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2023	Remitted to Mainland China	Remitted back to Taiwan								
Dong Guan Han Yang Computer Limited	Manufacture of image scanners and multifunction printers and investment in property	\$ 196,247	Note 2	\$ 196,247	\$ -	\$ -	\$ 196,247	\$ 23,740	100	\$ 23,740	\$ 326,901	\$ -	Note 8	
Sharetronic Data Technology Co., Ltd.	Manufacutre and sales of mobile phone, LCD TV Connector and electronic components	1,076,382	Note 2	138,438	-	-	138,438	808,948	6.04	43,998	627,617	-	Note 8	
Dong Guan Fu Zhang Precision Industry Co., Ltd.	Mould development and moulding tool manufacture	261,783	Note 2	192,506	-	-	192,506	(43,523)	100	(43,523)	140,786	-	Note 8	
Wei Hai Fu Kang Electric Co., Ltd.	Manufacture and sale of parts and moulds of photocopiers and scanners	484,050	Note 2	387,240	-	-	387,240	48,676	100	48,676	642,886	-	Note 8	
Dongguan Fu Wei Electronics Co., Ltd.	Manufacture and sales of image scanners, multifunction and printers and its accessories	193,620	Note 2	171,300	-	-	171,300	(10,647)	100	(10,647)	476,826	-	Note 7	
Glorytek (Suzhou) Co., Ltd.	Trading and manufacturing	451,780	Note 2	399,490	-	-	399,490	(55,305)	100	(55,305)	307,606	-	Note 7	
Glorytek (Yancheng) Co., Ltd.	Trading and manufacturing	290,430	Note 2	256,815	-	-	256,815	(74,651)	100	(74,651)	(638,411)	-	Note 7	
Yancheng Yao Wei Technology Co., Ltd	Trading and manufacturing	44,150	Note 3	-	-	-	-	(168)	100	(168)	85,564	-	Note 7	
Glory Optics (Yancheng) Co., Ltd.	Trading and manufacturing	1,166,509	Note 4	326,960	208,046	-	535,006	(92,967)	100	(92,967)	439,176	-	Note 7	
Power Quotient Technology (YANCHENG) Co., Ltd.	Manufacture and sales of electronic components	645,400	Note 2	Note5	-	-	-	4,927	100	4,927	717,903	-	Note 7	
Jiangsu Foxlink New Energy Technology Co.,Ltd.	Manufacture and sales of electronic components	44,150	Note 3	Note6	-	-	-	65	100	65	44,455	-	Note 8	
Kunshan Jiuwei Info Tech Co., Ltd.	Supply chain finance energy service management	1,614	Note 1	1,614	-	-	1,614	(1,229)	100	(1,229)	25,835	-	Note 8	

Note 1: Directly go to the Mainland China for investment.

Note 2: Through investing in an existing company in the third area, which then invested in the investee in Mainland China.

Note 3: As the investment is invested through an existing company in Mainland China, which then invested in the investee.

Note 4: An investee established in the third area and an reinvestee in Mainland China invested by an investee in Mainland China.

Note 5: The capital of an indirect investment of PQI, Power Quotient Technology (YANCHENG) Co., Ltd., was remitted by the financing from the investee in the third party.

Note 6: The capital of an indirect investment of PQI (Xuzhou) New Energy Co., Ltd. , was remitted by a capital from Power Quotient Technology (YANCHENG) Co., Ltd.

Note 7: It was recognised based on the investee's financial statements reviewed by the independent auditors.

Note 8: It was disclosed based on the information provided by the company itself and were not reviewed by the independent auditor.

Company name	Accumulated amount of remittance from Taiwan to Mainland China as of September 30, 2023	Investment amount approved by the Investment Commission of the Ministry of Economic Affairs (MOEA)	Ceiling on investments in Mainland China imposed by the Investment Commission of MOEA
Foxlink Image Technology Co., Ltd.	\$ 1,098,728	\$ 1,270,098	\$ 1,725,085
Glory Science Co., Ltd.	1,191,311	1,353,727	305,354
Power Quotient International Co., Ltd.	1,614	704,939	6,508,862

FIT HOLDING CO., LTD.
Major shareholders information
September 30, 2023

Table 10

Name of major shareholders	Shares	
	Number of shares held	Ownership (%)
Foxlink International Investment Ltd.	58,303,464	23.67%
Zhi De Investment Co., Ltd.	21,055,687	8.55%
Fu Uei International Investment Ltd. (FUII)	14,690,257	5.96%