

CHICONY ELECTERONICS CO.,LTD AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
JUNE 30, 2023, DECEMBER 31, 2022 AND JUNE 30, 2022
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Assets	Notes	June 30, 2023 AMOUNT	December 31, 2022 AMOUNT	June 30, 2022 AMOUNT	
Current assets					
1100	Cash and cash equivalents	6(1)	\$ 17,520,392	\$ 12,156,345	\$ 7,282,093
1110	Financial assets at fair value through profit or loss - current	6(2)	2,172,987	1,804,153	1,945,582
1120	Financial assets at fair value through other comprehensive income - current	6(3)	2,546,393	2,498,036	2,550,325
1140	Current contract assets		393,600	295,282	105,870
1150	Notes receivable, net	6(5) and 8	70,003	83,664	97,396
1170	Accounts receivable, net	6(5)	21,596,678	24,924,384	28,224,414
1180	Accounts receivable - related parties	7	315,263	294,876	218,141
1200	Other receivables		560,143	451,083	347,075
130X	Inventories, net	6(6)	13,459,662	18,458,367	22,529,967
1410	Prepayments		1,849,177	1,715,191	1,507,244
1470	Other current assets	8	10,781	19,225	17,418
11XX	Total current assets		<u>60,495,079</u>	<u>62,700,606</u>	<u>64,825,525</u>
Non-current assets					
1510	Financial assets at fair value through profit or loss - non-current	6(2)	2,337,457	2,198,873	2,445,606
1517	Financial assets at fair value through other comprehensive income - non-current	6(3)	219,869	326,509	381,414
1535	Financial assets at amortised cost - non-current	6(4)	500,502	494,151	477,990
1550	Investments accounted for using equity method	6(7)	215,779	228,674	234,325
1600	Property, plant and equipment, net	6(8) and 8	15,479,486	15,723,981	15,301,715
1755	Right-of-use assets	6(9)	643,635	681,754	754,813
1760	Investment property, net	6(10) and 8	3,607,596	3,607,596	3,771,782
1780	Intangible assets	6(11)	98,707	93,271	107,731
1840	Deferred income tax assets		278,390	287,359	240,111
1900	Other non-current assets	6(12) and 8	634,207	721,715	962,789
15XX	Total non-current assets		<u>24,015,628</u>	<u>24,363,883</u>	<u>24,678,276</u>
1XXX	Total assets		<u>\$ 84,510,707</u>	<u>\$ 87,064,489</u>	<u>\$ 89,503,801</u>

(Continued)

CHICONY ELECTERONICS CO.,LTD AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
JUNE 30, 2023, DECEMBER 31, 2022 AND JUNE 30, 2022
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Liabilities and Equity	Notes	June 30, 2023 AMOUNT	December 31, 2022 AMOUNT	June 30, 2022 AMOUNT
Current liabilities				
2100	Short-term borrowings	6(13) and 8 \$ 2,527,636	\$ 2,898,048	\$ 5,120,304
2120	Financial liabilities at fair value through profit or loss - current	399,723	489,058	64,033
2130	Contract liabilities - current	6(22) 643,850	638,011	335,661
2150	Notes payable	18,374	19,106	16,991
2170	Accounts payable	18,329,424	20,569,122	25,016,544
2180	Accounts payable - related parties	7 401,127	340,673	445,188
2200	Other payables	6(15) 18,163,171	15,413,984	17,674,364
2230	Income tax liabilities	2,622,968	3,274,586	2,540,198
2280	Lease liabilities - current	129,106	129,113	142,369
2300	Other current liabilities	329,202	288,378	254,474
21XX	Total current liabilities	<u>43,564,581</u>	<u>44,060,079</u>	<u>51,610,126</u>
Non-current liabilities				
2570	Deferred income tax liabilities	279,412	246,201	470,071
2580	Lease liabilities - non-current	160,082	180,592	237,849
2600	Other non-current liabilities	269,938	237,337	239,978
25XX	Total non-current liabilities	<u>709,432</u>	<u>664,130</u>	<u>947,898</u>
2XXX	Total Liabilities	<u>44,274,013</u>	<u>44,724,209</u>	<u>52,558,024</u>
Equity attributable to owners of parent				
3110	Share capital	6(18) Common stock 7,600,532	7,518,464	7,518,464
3200	Capital surplus	6(19) Capital surplus 9,123,194	8,060,466	8,009,664
3310	Retained earnings	6(20) Legal reserve 7,423,933	6,694,115	6,694,115
3320	Special reserve	2,654,468	4,265,650	4,265,650
3350	Unappropriated retained earnings	10,507,644	12,082,195	8,267,309
3400	Other equity interest	6(21) Other equity interest (2,985,705)	(2,654,468)	(3,052,319)
3500	Treasury stocks	6(18) and 8 (311,277)	(311,277)	(311,277)
31XX	Equity attributable to owners of the parent	<u>34,012,789</u>	<u>35,655,145</u>	<u>31,391,606</u>
36XX	Non-controlling interest	4(3) 6,223,905	6,685,135	5,554,171
3XXX	Total equity	<u>40,236,694</u>	<u>42,340,280</u>	<u>36,945,777</u>
3X2X	Significant contingent liabilities and unrecognised contract commitments	9		
3X2X	Total liabilities and equity	<u>\$ 84,510,707</u>	<u>\$ 87,064,489</u>	<u>\$ 89,503,801</u>

CHICONY ELECTERONICS CO.,LTD AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
SIX MONTHS ENDED JUNE 30, 2023 AND 2022

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

Items	Notes	Three months ended June 30		Six months ended June 30	
		2023	2022	2023	2022
		AMOUNT	AMOUNT	AMOUNT	AMOUNT
4000 Sales revenue	6(22) and 7	\$ 25,362,699	\$ 28,651,801	\$ 48,084,660	\$ 57,497,453
5000 Operating costs	6(6)(27)(28) and 7	(20,822,920)	(23,632,646)	(39,701,819)	(47,638,915)
5900 Net operating margin		<u>4,539,779</u>	<u>5,019,155</u>	<u>8,382,841</u>	<u>9,858,538</u>
Operating expenses	6(27)(28)				
6100 Selling expenses		(654,977)	(764,288)	(1,186,192)	(1,551,053)
6200 General & administrative expenses		(923,064)	(884,821)	(1,661,691)	(1,653,543)
6300 Research and development expenses		(907,610)	(849,138)	(1,701,511)	(1,673,971)
6450 Impairment loss on reversal determined in accordance with IFRS 9	12(2)	(21,066)	(8,007)	(13,902)	(4,645)
6000 Total operating expenses		<u>(2,506,717)</u>	<u>(2,506,254)</u>	<u>(4,563,296)</u>	<u>(4,883,212)</u>
6900 Operating profit		<u>2,033,062</u>	<u>2,512,901</u>	<u>3,819,545</u>	<u>4,975,326</u>
Non-operating income and expenses					
7100 Interest income	6(23)	162,521	23,772	257,720	40,687
7010 Other income	6(24)	281,586	317,821	382,289	548,831
7020 Other gains and losses	6(25)	512,776	(50,169)	716,830	(196,376)
7050 Finance costs	6(26)	(30,244)	(27,782)	(74,108)	(42,737)
7060 Share of profit or loss of associates and joint ventures accounted for using equity method	6(7)	(1,936)	14,541	(8,095)	10,326
7000 Total non-operating revenue and expenses		<u>924,703</u>	<u>278,183</u>	<u>1,274,636</u>	<u>360,731</u>
7900 Profit before income tax		2,957,765	2,791,084	5,094,181	5,336,057
7950 Income tax expense	6(29)	(779,043)	(622,965)	(1,137,369)	(1,094,792)
8200 Profit for the year		<u>\$ 2,178,722</u>	<u>\$ 2,168,119</u>	<u>\$ 3,956,812</u>	<u>\$ 4,241,265</u>

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CHICONY ELECTERONICS CO.,LTD AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
SIX MONTHS ENDED JUNE 30, 2023 AND 2022

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

Items	Notes	Three months ended June 30		Six months ended June 30		
		2023	2022	2023	2022	
		AMOUNT	AMOUNT	AMOUNT	AMOUNT	
Other comprehensive income						
Components of other comprehensive income (loss) that will not be reclassified to profit or loss						
8316	Unrealized gain or loss on Equity instruments at fair value through other comprehensive income	6(3)	\$ 157,607	(\$ 241,023)	\$ 200,500	(\$ 396,182)
8310	Other comprehensive income (loss) that will not be reclassified to profit or loss		157,607	(241,023)	200,500	(396,182)
Components of other comprehensive income (loss) that will be reclassified to profit or loss						
8361	Financial statements translation differences of foreign operations		(691,643)	145,203	(671,126)	1,611,971
8370	Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will be reclassified to profit or loss	6(7)	(5,498)	(2,697)	(4,801)	5,615
8360	Other comprehensive income (loss) that will be reclassified to profit or loss		(697,141)	142,506	(675,927)	1,617,586
8300	Total other comprehensive income (loss) for the year		(\$ 539,534)	(\$ 98,517)	(\$ 475,427)	\$ 1,221,404
8500	Total comprehensive income for the year		\$ 1,639,188	\$ 2,069,602	\$ 3,481,385	\$ 5,462,669
Profit attributable to:						
8610	Owners of the parent		\$ 1,803,563	\$ 1,784,072	\$ 3,273,355	\$ 3,492,974
8620	Non-controlling interest		\$ 375,159	\$ 384,047	\$ 683,457	\$ 748,291
Comprehensive income attributable to:						
8710	Owners of the parent		\$ 1,398,073	\$ 1,730,655	\$ 2,913,247	\$ 4,631,444
8720	Non-controlling interest		\$ 241,115	\$ 338,947	\$ 568,138	\$ 831,225
Earnings per share (in NTD dollars)						
9750	Basic earnings per share	6(30)	\$ 2.50	\$ 2.50	\$ 4.55	\$ 4.91
9850	Diluted earnings per share	6(30)	\$ 2.49	\$ 2.48	\$ 4.50	\$ 4.84

CHICONY ELECTRONICS CO.,LTD AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
SIX MONTHS ENDED JUNE 30, 2023 AND 2022

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

Equity attributable to owners of the parent													
Notes	Share capital - common stock	Total capital surplus, additional paid-in capital	Retained Earnings			Other equity interest				Total	Non-controlling interest	Total equity	
			Legal reserve	Special reserve	Unappropriated retained earnings	Financial statements translation differences of foreign operations	Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income	Asset revaluation increment	Treasury stocks				
For the year ended June 30, 2022													
		\$ 7,452,927	\$ 7,182,465	\$ 6,102,860	\$ 4,252,574	\$ 9,974,608	(\$ 3,159,165)	(\$ 2,417,825)	\$ 1,376,522	(\$ 311,277)	\$ 30,453,689	\$ 5,580,107	\$ 36,033,796
		-	-	-	-	3,492,974	-	-	-	-	3,492,974	748,291	4,241,265
	6(21)	-	-	-	-	-	1,525,902	(387,432)	-	-	1,138,470	82,934	1,221,404
		-	-	-	-	3,492,974	1,525,902	(387,432)	-	-	4,631,444	831,225	5,462,669
Appropriations of 2021 earnings													
	6(20)	-	-	591,255	-	(591,255)	-	-	-	-	-	-	-
		-	-	-	13,076	-	-	-	-	-	-	-	-
		-	-	-	-	(4,586,263)	-	-	-	-	(4,586,263)	-	(4,586,263)
	6(18)	65,537	514,463	-	-	-	-	-	-	-	580,000	-	580,000
		-	227,916	-	-	-	-	-	-	-	227,916	-	227,916
	6(31)	-	84,574	-	-	-	-	-	-	-	84,574	178,113	262,687
	6(31)	-	246	-	-	-	-	-	-	-	246	(246)	-
	6(3)	-	-	-	-	(9,679)	-	9,679	-	-	-	-	-
	6(31)	-	-	-	-	-	-	-	-	-	-	(3,562)	(3,562)
		\$ 7,518,464	\$ 8,009,664	\$ 6,694,115	\$ 4,265,650	\$ 8,267,309	(\$ 1,633,263)	(\$ 2,795,578)	\$ 1,376,522	(\$ 311,277)	\$ 31,391,606	\$ 5,554,171	\$ 36,945,777
2023													
		\$ 7,518,464	\$ 8,060,466	\$ 6,694,115	\$ 4,265,650	\$ 12,082,195	(\$ 1,178,954)	(\$ 2,852,036)	\$ 1,376,522	(\$ 311,277)	\$ 35,655,145	\$ 6,685,135	\$ 42,340,280
		-	-	-	-	3,273,355	-	-	-	-	3,273,355	683,457	3,956,812
	6(21)	-	-	-	-	-	(557,395)	197,287	-	-	(360,108)	(115,319)	(475,427)
		-	-	-	-	3,273,355	(557,395)	197,287	-	-	2,913,247	568,138	3,481,385
Appropriations of 2022 earnings													
	6(20)	-	-	729,818	-	(729,818)	-	-	-	-	-	-	-
		-	-	-	(1,611,182)	1,611,182	-	-	-	-	-	-	-
		-	-	-	-	(5,700,399)	-	-	-	-	(5,700,399)	-	(5,700,399)
	6(18)	82,068	695,932	-	-	-	-	-	-	-	778,000	-	778,000
		-	280,224	-	-	-	-	-	-	-	280,224	-	280,224
	6(31)	-	86,572	-	-	-	-	-	-	-	86,572	202,348	288,920
	6(3)	-	-	-	-	-	-	-	-	-	-	(1,231,716)	(1,231,716)
	6(3)	-	-	-	-	(28,871)	-	28,871	-	-	-	-	-
		\$ 7,600,532	\$ 9,123,194	\$ 7,423,933	\$ 2,654,468	\$ 10,507,644	(\$ 1,736,349)	(\$ 2,625,878)	\$ 1,376,522	(\$ 311,277)	\$ 34,012,789	\$ 6,223,905	\$ 40,236,694

CHICONY ELECTERONICS CO.,LTD AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
SIX MONTHS ENDED JUNE 30, 2023 AND 2022

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

	Notes	Six months ended June 30	
		2023	2022
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Profit before tax		\$ 5,094,181	\$ 5,336,057
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation	6(8)(9)(27)	1,508,074	1,540,685
Intangible assets amortization	6(11)(27)	37,428	47,412
Other non-current assets recognized as expenses	6(27)	8,227	12,954
Impairment loss determined in accordance with IFRS 9	12(2)	13,902	4,645
Share-based payments	6(17)	798	798
Interest income	6(23)	(257,720)	(40,687)
Dividend income	6(24)	(122,067)	(230,995)
Interest expense	6(26)	74,108	42,736
Net loss (gain) on financial assets and liabilities at fair value - derivative	6(2)(25)	29,626	(961,736)
Net (gain) loss on financial assets and liabilities at fair value - others	6(25)	(492,755)	399,975
Share of loss or profit of associates accounted for using equity method	6(7)	8,095	(10,326)
Gain on disposal of property, plant and equipment	6(25)	(33,065)	(46,380)
Loss on disposal of intangible assets	6(11)	-	73
Changes in operating assets and liabilities			
Changes in operating assets			
Financial assets and liabilities at fair value through profit or loss - current		(253,699)	892,886
Current contract assets		(98,318)	(24,556)
Notes receivable		13,661	65,800
Accounts receivable		3,313,803	285,081
Accounts receivable - related parties		(20,386)	133,961
Other receivables		(6,186)	48,865
Inventories		4,998,705	(815,060)
Prepayments		(133,986)	378,796
Other current assets		8,444	(2,174)
Changes in operating liabilities			
Contract liabilities - current		5,839	63,768
Notes payable		(732)	(5,695)
Accounts payable		(2,239,698)	(2,062,049)
Accounts payable - related parties		60,454	(30,246)
Other payables		(1,552,039)	79,395
Other current liabilities		40,823	161,211
Other non-current liabilities		32,601	(26,949)
Cash inflow generated from operations		10,038,118	5,238,245
Interest received		251,157	24,960
Dividends received		25,756	92,319
Interest paid		(78,193)	(41,337)
Income tax paid		(1,730,888)	(1,449,182)
Net cash flows from operating activities		<u>8,505,950</u>	<u>3,865,005</u>

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CHICONY ELECTERONICS CO.,LTD AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
SIX MONTHS ENDED JUNE 30, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

	Notes	Six months ended June 30	
		2023	2022
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Acquisition of financial assets and liabilities at fair value through profit or loss - others		(\$ 374,344)	(\$ 868,162)
Disposal of financial assets and liabilities at fair value through profit or loss - others		508,305	379,522
Acquisition of financial assets at fair value through other comprehensive income - others		(38,593)	-
Disposal of financial assets at fair value through other comprehensive income	6(3)	303,366	3,126
Acquisition of property, plant and equipment	6(32)	(1,521,284)	(859,246)
Proceeds from disposal of property, plant and equipment		175,102	161,221
Acquisition of investment property	6(10)	-	(191)
Acquisition of intangible assets	6(11)	(27,601)	(26,760)
Increase in other non-current assets		(297,227)	(927,904)
Decrease in refundable deposits		10,683	38,311
Net cash flows used in investing activities		(1,261,593)	(2,100,083)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
(Decrease) increase in short-term borrowings	6(33)	(370,412)	3,495,817
Repayment of lease liabilities	6(33)	(72,209)	(75,094)
Change in non-controlling interests	6(31)	-	(3,562)
Cash dividend distributed by subsidiaries		(1,127,671)	(974,890)
Net cash flows (used in) from financing activities		(1,570,292)	2,442,271
Effect of exchange rate changes		(310,018)	1,349,264
Net increase in cash and cash equivalents		5,364,047	5,556,457
Cash and cash equivalents at beginning of period	6(1)	12,156,345	1,725,636
Cash and cash equivalents at end of period	6(1)	\$ 17,520,392	\$ 7,282,093